

# Consumer experience report - accessing payment support from energy retailers

Qualitative research report

Conducted by Uniting's Voice of the People Consumer  
Research Team in June 2024.

**Uniting**



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To the Essential Services Commission,

Uniting Vic. Tas. (Uniting) welcomes the opportunity to contribute to the Energy Retail Code of Practice (ERCOP) review.

Uniting is the community services organisation of the Uniting Church in Victoria and Tasmania. We deliver programs and services to people experiencing disadvantage including family services, disability and mental health services, employment services, alcohol and other drug services, housing, family violence and early learning.

Uniting's energy assistance and outreach services and financial counsellors also support low-income households across Victoria. Many of these households are experiencing financial difficulty and have engaged with energy retailers under the Payment Difficulty Framework.

We have not responded directly to the questions outlined in the Energy Retail Code of Practice review issues paper (6 June 2024). Our approach is to bring the voice of the consumer into the heart of our submission by including a copy of Uniting's research report 'Accessing Payment Support in the Energy Market' which explores consumer, financial counsellor and energy workers experience navigating energy retailers.

Our research conducted in July 2024 engaged consumers who have requested payment difficulty support from their energy retailer within the last 12 months. The insights from this research leave us in no doubt that the ERCOP review is vitally important.

A quote from one of our financial counsellors who participated in the research stood out to all of us:

*"It's been the same old issues with energy retailers for the last 20 years."*

Our research shows that consumers experiencing payment difficulty have poor outcomes under the current Payment Difficulty Framework because energy retailers are not delivering in line with the protections outlined in the framework. It is our view that if the protections were applied consistently by retailers, consumer outcomes would significantly improve. Therefore, a priority for this review must be for energy retailers to consistently deliver on the basic obligations currently outlined in the framework in a way that delivers better outcomes for consumers.

We also support the review testing how well the current provisions support consumers experiencing payment difficulty and if there are areas that can be improved. Our recommendations are outlined at the front of the research report.

Change must be implemented across energy retailers so that consumers experiencing vulnerability receive the positive outcomes they deserve.

Yours sincerely,



Shannon Bell

General Manager, Partnerships, Training & Enterprise

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# Acknowledgement

Uniting Vic. Tas. would like to thank Energy Consumers Australia for funding this important research through the Energy Consumers Australia Participation Grant 2024.

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# Research background & objectives

**Uniting Vic. Tas. conducted qualitative research to explore the support received by energy consumers experiencing payment difficulty.**

This research explores the consumer experience from the perspective of energy consumers, energy workers and financial counsellors to:

- 1** Identify the gaps & opportunities to improve the assistance available to customers facing payment difficulty
- 2** Explore how consumers access the concessions and benefits available to them
- 3** Explore the benefits & barriers to accessing external support through financial counsellors and energy assist specialists.

# Methodology

## Participant requirements:

- Energy consumers with an experience of payment difficulty or payment hardship discussion with their energy retailer in the last 12 months

Methodology		Number of sessions	Participants
Geographic mix: <ul style="list-style-type: none"><li>• 90% Victoria</li><li>• 5% Tasmania</li><li>• 5% NSW</li></ul>	Focus Group	2	Age up to 55
	Focus Group	2	Age over 55
	Focus Group	1	CALD & Aboriginal & Torres Strait Islander
	Focus Group	1	Family violence
	Focus Group	1	New to financial hardship
Victorian based	Focus Group	1	Financial counsellors (with clients in energy hardship)
	1:1 depth interviews	2	Uniting Energy workers

# Report framework

Section	Section title	Section contents
<b>1</b>	Experience across customer touchpoints	<ul style="list-style-type: none"><li>• Contact Centre Teams</li><li>• Online channels</li><li>• Accessibility: CALD, older service users, Aboriginal &amp; Torres Strait Islander experience</li></ul>
<b>2</b>	Navigating the energy sector & energy retailers	<ul style="list-style-type: none"><li>• Longer term financial hardship</li><li>• Complex social &amp; financial needs</li><li>• New to financial hardship</li></ul>
<b>3</b>	Benefits, Concessions & URGs	<ul style="list-style-type: none"><li>• Information about benefits &amp; commissions</li><li>• Concessions</li><li>• URGs</li></ul>
<b>4</b>	Payment difficulty support & disconnection	<ul style="list-style-type: none"><li>• Payment difficulty support</li><li>• Disconnection</li></ul>
<b>5</b>	Energy efficiency support	<ul style="list-style-type: none"><li>• Information &amp; access to energy efficiency support</li></ul>
<b>6</b>	Financial Counsellor & Energy Worker	<ul style="list-style-type: none"><li>• Financial counsellor &amp; energy worker experience</li></ul>
<b>7</b>	A perfect world	<ul style="list-style-type: none"><li>• Improving the experience &amp; outcomes of energy service users</li></ul>

# Reflections & Recommendations

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# Reflections

**Consumers experiencing payment difficulty have poor outcomes under the current Payment Difficulty Framework (PDF) because retailers are not delivering service to vulnerable consumers in line with the protections outlined in the framework.**

**It is our view that if the PDF protections were applied consistently by retailers, consumer outcomes would significantly improve.**

**This research project uncovered numerous examples of retailers breaching the PDF including:**

- Vulnerability is not being identified at all, or too late in the customer journey leading to high levels of debt before receiving assistance
- Payment arrangements that are unaffordable based on the customers circumstances
- Concessions are not applied consistently to eligible consumers
- URGs are not offered consistently to eligible consumers
- Energy efficiency information is not provided consistently
- Translator services are not available and/or being used for customers with English as their second language
- Consumers disclosing an experience of family violence are not always escalated to a specialist team
- The skills of energy retailer teams right across the customer journey are often inadequate to identify & respond to vulnerability
- Appropriate referral options based on the needs of vulnerable consumers are not provided
- Access to the hardship team is often withheld unless someone accesses it via a financial counsellor



# Recommendation 1

## Retailers must implement the basic requirements of the Payment Difficulty Framework

- All staff are adequately trained to perform the requirements of their roles
- Concession eligibility is identified at first point of contact (through phone & online channels) & concessions are routinely applied
- Financial assistance is identified & applied early in the customer journey where it has the most financial benefit for the customer (URGs or EAPA etc.)
- Customers are offered energy efficiency options aligned to their specific needs and situation
- Customers are informed of the benefits & availability of financial counsellors
- Service and support is provided in the appropriate language when needed across all communications (spoken, written)
- Payment plans are affordable and aligned to the circumstances of the customer – this includes increasing the delegation of front-line call centre teams to put in place affordable plans & incentives early in the customer journey
- Customers with complex needs are referred early in their journey to specialist support within the energy retailer. This includes domestic family violence, mental health and complex financial hardship support.

# Recommendation 2

That additional PDF protections are implemented to improve outcomes for consumers facing payment difficulty, including:

Consumer affordability	<p><b>Assume consumers know nothing of the support available</b></p> <ul style="list-style-type: none"><li>• Concessions are applied automatically</li><li>• Utility Relief Grant (financial assistance) applied when it benefits the consumer, not the retailer.</li><li>• Lowest tariff offer is made to all consumers</li><li>• Energy efficiency information is provided early &amp; is focused on aligning affordability &amp; usage</li></ul>
Payment difficulty	<p><b>Don't let debt get out of control – be proactive</b></p> <p><b>Chasing debt that can't be paid is bad business</b></p> <ul style="list-style-type: none"><li>• Additional hardship support based on income/housing ratio</li><li>• Innovative programs that incentivise payment (e.g., Arrange &amp; Save, 1in3)</li><li>• Clear guidelines for debt amnesty &amp; debt waiver/forgiveness</li><li>• Where payment plan requirements are not met, additional support is provided to the customer. E.g., breaching payment plan conditions is a trigger to re-examine the current supports in place.</li></ul>
Financial hardship measurement	<p><b>Measure customer financial &amp; social outcomes</b></p> <p>Introduce a more nuanced, customer centred approach to measuring outcomes of financial hardship. e.g., the difference between the bill amount for customers going into &amp; out of customer hardship rather than the current practice of measuring the number of customers in &amp; out of hardship.</p>
Vulnerable customer support	<p><b>Consumers need to have trust &amp; confidence to engage – believe what they tell you</b></p> <ul style="list-style-type: none"><li>• Change the focus of the PDF from reactionary to early intervention – consumers benefit when affordability issues are identified early.</li><li>• Extend the definition of hardship in the PDF to include consumers with an indicator of social or financial vulnerability.</li><li>• Energy retailers have a responsibility for extra care for customers with an indicator of vulnerability. This includes referral to external support agencies based on customer need.</li></ul>
Disconnection	<p><b>Never compromise access to essential services</b></p> <ul style="list-style-type: none"><li>• Disconnection cannot be used as a method to force consumer engagement with the retailer.</li><li>• Respectful programs are implemented that support the consumer to avoid disconnection now &amp; in the future.</li><li>• A holistic case management approach is taken with these consumers.</li></ul>

# Research findings

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# 1. Experience across Customer touchpoints

*“I’m always scared. I call to ask for information, but it doesn’t make it any easier to understand. There’s just no help or support.”*

CALD, single parent, long term financial hardship

# Contact Centre Team – customer experience

## Summary

- The customer experience for energy retailers is impacted by clunky systems & processes. Retailers must have appropriate systems and processes in place to record information in a way that reduces the need for the customer to repeat their story – for vulnerable consumers this can mean reliving trauma.
  - Other basic service requirements are lacking from the customer experience including call wait times and call backs. Many consumers we spoke to call their retailer multiple times as their needs are complex; the overall wait time adds up & causes frustration. It should be basic hygiene that call backs are made and retailers should have appropriate systems in place to ensure this happens.
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- Most participants use the phone to contact their energy provider
  - Many participants needed to keep telling their story – during the same phone call when they were transferred across departments & when calling back

*It didn't seem like they took notes about my situation. I had to repeat my story over & over again. DFV victim survivor*

- Most participants commented on the long wait times to speak to the customer service team
- Many participants were passed from person to person adding to their stress & the time it took to resolve issues

*In the end the service provided was sufficient, but it took a long time to get there. It should be much easier. Under 55 years*

- Energy retailers play terms & conditions recordings as part of organising a payment plan. These took a long time, the information was confusing, and often the customer just 'tuned out'.
- Participants in all groups had at least one experience of the energy retailer not calling back.

*I am with Origin Energy & had medical bills to pay & couldn't pay my energy bill. I tried to get support, & Origin said they would get back to me but never did. Under 55, short term financial hardship*

# Contact Centre Team: empathy & knowledge

## Summary

- The lack of empathy shown by customer facing staff was raised across all groups and was a topic of much discussion. Many participants were embarrassed about their situation and felt that they were being judged. This is compounded by the use of deficits-based language (and mindset) which is a barrier to improving consumer outcomes.
  - High turnover and lack of life experience for call centre staff was noted as reasons.
  - Call centre staff must have the appropriate training to work with customers who are experiencing vulnerability.
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- Some customer facing staff try to be helpful, but the process is frustrating. Some participants felt like they had to beg for help (some noted that it's better than in the past)

*Asking for help is a frustrating & heartbreaking experience. I feel embarrassed to be asking for help. Under 55, new to financial hardship.*

*When I had to divulge my situation to a stranger who is often much younger, they don't understand the situation of someone who is middle aged. It's embarrassing. Over 55.*

- Sometimes participants felt that they are being rushed through the process

*I mentioned that I had a government home loan because of DFV – the operator immediately transferred me to the DFV specialist. They didn't wait to hear that my DFV experience was 20 years ago! Over 55, long term financial hardship*

- Older participants noted that the call centre reps were young & did not have the training or life experience to work with consumers who are dealing with difficult, often traumatic circumstances.
- Many participants feel that their energy provider lacks empathy & the language used makes them feel like it's their fault.

*In my experience it's rare that an energy provider comes to a shared decision with the customer. They think about their own outcomes first, not the best outcome for the customer. Financial Counsellor*

# Use of online channels

## Summary

- Most under 55 years are confident searching for information online & used online channels extensively to search for information about concessions, benefits, and energy saving tips.
  - Overall, the energy retailer online experience, particularly for small retailers was poor. Payments were difficult to make online and the content on the websites did not meet the needs of consumers who are looking for support options. The poor online experience will be contributing to the high usage of the phone channels.
  - A good experience of apps and other online channels should be hygiene for energy retailers (not a nice-to-have).
- Most participants did not use the energy retailer website to search for energy saving tips or information. This was usually done through other online sources, word of mouth or via financial counsellors
  - The overall assessment is that energy retailers need to improve their online payment experience

*It's difficult to make payments online. The experience is confusing, doesn't facilitate payment, is clunky & frustrating. Under 55.*

- Only a few participants used the energy retailer to search for information about concessions & benefits. Most used external sources or came across information 'by accident'.
- Some savvy participants were connected to information through Facebook groups specifically set up to share cost saving tips & tricks.
- Only one long-term hardship participant consistency used the App (AGL). They found it very useful to make additional payments.

*AGL offered me the App over the phone. They let me know that it would save me money. My neighbour helped me set it up & now I'm very confident. Long term financial hardship, chronic mental health condition.*

- Other participants noted that their provider does not have an app, they can't access it or find it difficult to use.

*App is extremely confusing – says bill is paid when it is not. When my bill is overdue, I can't use the app to pay. Under 55 years, Powershop customer*



# Accessibility for CALD & customers with specific needs

## Summary

- Consumers from cultural & linguistically diverse communities face additional barriers accessing support including a lack of CALD specific information, language and communication. The consumers we spoke to for this research were experiencing high levels of disadvantage and trauma & were living in extreme financial hardship. Poor experience of their energy retailer exacerbated the trauma.
- The process to set up as an authorised representative should also be investigated to see if this is a systemic issue that needs more focus.

- No CALD participant had ever been offered translation services or information in their preferred language

*Only a couple of energy retailers offer interpreters. Energy Worker*

- Some CALD participants feel that they have not been called back or offered sufficient support because English is not their first language.
- Most participants from a CALD background do not understand the information on their bill or their options to pay an overdue bill.
- One participant, a carer for her vision impaired mother found it difficult getting support to set up as an authorised representative.

*I care for my mum who is blind. They won't speak with me as her carer. I've tried to set something up, but they say I need to add my name to the account. To do that I need to close and open a new account. I don't have time to do that.*

Carer



## 2. Navigating the energy sector & energy retailers

*“I found out about concessions by accident when online. Why do the energy companies hide this information.”*

Over 55 years, new to financial hardship

# Long-term financial hardship – stable position

## Summary

- Consumers with long-term financial hardship are often in the rebuild phase of their lives after family violence, divorce or their mental health has stabilised. Some have jobs, but most are still struggling to make ends meet financially due to underemployment, single wage, or single parent families.
  - These consumers have a long & extensive history negotiating services – health, welfare, employment, financial & energy services. They are confident to advocate for themselves.
  - It has taken time for these consumers to build their knowledge & skills to navigate the energy sector. Most of their knowledge has been built through word of mouth, research online, and support groups.
  - Even the most astute consumers in this segment did not know about the Energy Ombudsmen or its role.
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- Many of these consumers are ‘frequent flyers’ in asking for help from their energy retailer – they know exactly what they need & how to ask for it (usually the need for a payment extension or help to manage a large bill) because they have ‘been here before’.
  - However, many had not reviewed their plan to ensure it was a lowest cost or worked with an energy worker around energy efficiency, and some did not know (or were unsure) of their eligibility for an URG.
  - The call centre teams focus was on solving the presenting issue, not taking a holistic approach to working with the customer around their broader needs (e.g. right plan, benefits & concessions, energy efficiency)
  - Some participants were very skilled in finding information to manage their energy consumption. In some cases, they look for ways to share that information through their networks to make it easier for people new to financial hardship.

*I'm more mindful about my energy usage after the experience of being in hardship. It was a traumatic experience.*

Under 55, family violence

- Even participants skilled at finding information did not know about the energy ombudsmen or its role.
- Being in control is precarious. It only takes one event for things to get out of control.

*I had it (energy bill) under control for a long-time. About 18 months ago I had a house full of people. I got stuck with a big bill. Origin has been reasonable about payment, but I keep getting bombarded with texts & emails, even though I pay every fortnight. Aboriginal & Torres Strait Islander, single parent.*

# Long-term financial hardship – complex needs

## Summary

- Consumers in complex situations (e.g. family violence crisis, poor mental health, very low income) need a high level of support no matter how long their history is negotiating energy & other services
- Due to the complexity of their situation these consumers are overwhelmed trying to navigate multiple fragmented services & systems.
- Consumers with high levels of social & financial complexity who have had a positive financial outcome in the energy sector, have almost always achieved that with the help of a financial counsellor.

- Participants in this cohort are often accessing service through community service providers and have been offered a financial counsellor as part of their case management. Some became aware of financial counsellors through Centrelink.
- When offered a financial counsellor by their energy provider, it was usually when ‘really out of control’. By this time many participants with complex needs had already accessed a financial counsellor.
- For those who could have benefited from a referral to a financial counsellor by the energy provider, the benefits were not well explained. The financial counsellor was offered to ‘help with budgeting’ rather than holistic financial & social support.

*I didn't see the financial counsellor they (energy provider) offered, because you can't budget what you don't have.  
Family violence victim/survivor.*

- While for some consumers, their social complexity reduces over time, many will live with ongoing complex social & financial needs. These consumers need ongoing, specialised support to achieve positive outcomes.

*I hadn't heard of an URG until my financial counsellor told me. It made a huge difference. My bill was \$1200, it made a \$600 difference!* Long term hardship, financial counsellor offered through community services

# New to financial hardship

## Summary

- Financial counsellors & energy workers are seeing an increase in two income families & couples needing hardship support for the first time. Cost of living impacts including increases to rent & interest rates is driving a new cohort of vulnerable consumers.
- Consumers new to financial hardship have a low understanding of the payment hardship regulations, often accepting the first offer from their energy retailer rather than negotiating a plan to suit their needs.

- The call to the energy service is often triggered by an overdue energy bill or seeking payment extension because of the need to juggle payments across multiple service providers.
- Some participants were so traumatised by their financial situation and are being chased by so many creditors that they shut down.

*The overdue bill was in the too hard basket. I didn't see the information about contacting my energy provider. I just didn't have the mental ability to respond. Under 55, single parent.*

- Consumers do not have the 'language' to inform energy provider of their inability to pay their bill. They don't know that they have the right to negotiate payment support based on their circumstances e.g. payment plan, payment extension.
- In almost all cases, the energy provider did not discuss concessions, URGs or other benefits with the customer in the initial call to ask for support for an overdue bill.

*My energy provider was responsive, not proactive. It was only when the bill became bigger over a few months that they offered me any help when I called. Under 55, new to financial hardship.*

- Overall, consumers new to financial hardship are left with very little trust in their energy provider due to the poor experience & limited help offered.

Benefits,  
Concessions & URGs

*“Why don’t they ask everyone calling into their energy retailer whether they are eligible for a concession. That’s an easy win!”*

Under 55 years, new to financial hardship

# Concessions & URGs – sources of information

Energy retailer	Financial counsellors	Word of mouth	Other sources
<ul style="list-style-type: none"> <li>• Concessions, URGs and other benefits were rarely discussed with participants as part of the initial conversation with the energy retailer</li> <li>• Concessions, URGs and other benefits were sometimes discussed as an option when the participant was transferred to the payment hardship team.</li> <li>• Only one participant found out about concessions from the information provided on their bill.</li> <li>• Even when payment plans were put in place, some participants were not offered information about their benefits &amp; concessions.</li> <li>• One participant received information about concessions as part of their transition to new energy provider.</li> </ul>	<p>Many participants with complex needs would not have known about the URG or concessions or had the ability to effectively negotiate their payment plan without the support of a financial counsellor.</p>	<ul style="list-style-type: none"> <li>• Many participants use sources including Facebook groups where the community shares tips &amp; tricks across a range of topics (including energy tips) rather than visiting the energy retailer website directly</li> <li>• Family, neighbours &amp; friends were sources of information</li> <li>• CALD groups relied heavily on their respective communities for information in their own language.</li> </ul>	<ul style="list-style-type: none"> <li>• Community Services</li> <li>• Centrelink</li> <li>• Council</li> <li>• Media especially consumer information stories.</li> </ul>

# Concessions – information & eligibility

## Summary

- Participants found it difficult to find information about the concessions they were eligible for. They came across information by accident, online sources or word of mouth.
- Financial counsellors are another source of information about concession eligibility.
- It was rare that a participant was notified about concessions or asked about possible eligibility by the energy retailer general call centre staff.
- Eligibility for concessions was sometimes discussed by the specialist hardship teams.

- Concessions were rarely discussed as an option by energy retailer general call centre staff.
- Most participants in long-term financial hardship eligible for concessions had them applied to their account.
- But a few participants on payment plans have never had concessions applied.

*I've seen clients with a payment plan set up with Centrelink payments, but no concession has been applied. I asked the energy retailer why, but they couldn't give me an answer. Energy worker.*

- Most new to financial hardship participants were unaware of their eligibility for concessions. For those who were aware, the majority found out 'due to their own efforts'.

*Why can't energy retailers have a pop up on their website about concessions. Have something when I sign up that allows me to indicate that I'm eligible for the discount. Under 55, new to financial hardship.*

# Concessions – application & benefit

## Summary

- Many participants have experienced their concessions ‘dropping off’ their account at some stage. This is because the customer has not called the energy retailer to reapply for concession when an event has occurred e.g., they have changed address or energy plan/retailer.
  - In some cases where concessions had ‘dropped off’ through no fault of the participant, they had payments backdated to their account.
  - For some the concession amount made a difference, for others it did not make much difference to their financial situation.
- The main issue for participants is that concessions had dropped off their accounts at some point– including when they moved house or changed plans.

*If my concession stops it can cause financial issues. Why can't it be applied automatically. If they know you have a concession what's with all the irrelevant questions. Under 55, long term financial hardship.*

- Some participants noted that they had to ring up annually to renew their concessions which is an irritating process particularly for those in long-term financial hardship.
- Most participants did not know the percentage discount they received (17%), or that there were other types of concessions that they may be eligible for e.g. medical.
- Financial counsellors often work with clients who think they are receiving concessions, but it's dropped off the account due to energy retailer error or the customer not renewing.

*So many clients don't get the concessions they're eligible for. Concessions drop off so many times. Clients don't know how to check their bills to see if concessions are being deducted. Financial Counsellor.*

- The perceived benefit of the concession was mixed. Some thought the amount made a difference, others didn't see much financial benefit.

*A \$17 discount on my bill is a lot to me – enough for bread & milk for a fortnight. Long term financial hardship & chronic mental health condition.*



# Utility Relief Grants – information & eligibility (1)

## Summary

- Knowledge of URGs (and EAPA) was very low overall.
- The URG was not discussed as an option at the initial stages of payment difficulty (with the general contact centre team or with the credit team)
- There is lots of confusion about the URG application process, eligibility, how much, and how it can be used.
- Participants in the focus groups were posting information in the Teams Chat – there were different sources & interpretation of the information they could access about URGs. There was often an expert in the group who was sought after for more information.

- For those participants who found out about the URG themselves they had to ask for it. Even the larger energy retailers did not offer the URG to customers.

*Simply Energy never offered the grant to me. I had to ask. But when I did ask, they did the paperwork which was useful.  
Under 55, long-term financial hardship.*

- Many participants who had accessed an URG in the past did not know that they were eligible again after 2 years

*Customers think they can only claim for an URG once. They don't know that they can claim up to the full amount in this application, or that they eligible again in 2 years. Financial counsellor.*

- The URG was sometimes offered toward the end of the process when the energy retailer thought the debt was getting too big – this was done through the hardship/specialist team.

*My bill was over \$3,000 – even with the URG there was no way I could pay it off (over 55, long term financial hardship)*

- URGs were not offered by the energy retailer to any participants who disclosed an experience of family violence. For these participants, the main source of information about URGs was word of mouth or community services.

# Utility Relief Grants - information & eligibility (2)

## Summary

- Most participants from a CALD background or those with complex needs were unaware of URGs. Those who had accessed an URG needed additional support.
- Participants from a CALD background were very unsure of the process to apply for an URG.
- Participants with complex needs required additional support through their financial counsellor to apply for an URG. With the additional support these participants could not have completed the paperwork.

*I heard about it, but don't know how much or how to apply. CALD*

- When this participant heard that she could benefit by up to \$650 for each energy source she nearly cried.

*I've really been struggling, I'm frustrated & scared. So many times I've asked my energy company for help, but they've never mentioned this. CALD, single parent, on a payment plan.*

# Utility Relief Grants - application & benefit

## Summary

- The URG application process is getting easier. Some participants noted that their energy provider completed the URG application on their behalf.
- When received, the URG makes a big financial difference.
- The main issues with URG application process is complexity to apply, time it takes for payment to be applied, and the need to reapply when the URG amount is not fully utilised.

- Participants who had applied for an URG in the past describe the process as complex & a lot of work. There is no communication through the process about whether the URG would be paid leaving participants who eventually received the URG unnecessary stressed.

*I heard about from a friend. Never offered by my provider. Was a lot of work & complex process. It took a number of months for it to come through & I didn't know if my application was successful until it was paid. Under 55, DFV.*

- Customers of Energy Australia noted that the URG form was completed for them.

*Energy Australia completed the URG form for me. It made such a difference. Under 55. new to financial hardship.*

- Participants were frustrated that they had to recontact their provider to have an URG amount applied over several bills.

*The URG was a big help (financially) but can take a lot of time to apply. I have to keep calling to get my energy provider to apply a portion of the URG. It didn't happen automatically. Under 55, long term financial hardship – stable.*

- Financial counsellors commented that they were amazed that URGs weren't offered by energy retailers more often.

*It's in the best interests of the energy retailer to offer the URG to eligible customers. They benefit by getting payment, & the customer benefits through a reduced bill. Financial Counsellor*

Payment difficulty  
process &  
disconnection

*“They set me up on a  
payment plan I couldn’t  
afford. My payment  
plan has stopped  
because I can’t make  
payments”*

Over 55 years, long term hardship

# Payment difficulty support – access to specialist support

## Summary

- The general customer service teams and credit teams do not have the required training to identify & respond to customers in financial hardship – their focus is on getting payment from the customer rather than offering support aligned to the customers circumstances.
- Energy retail customers in financial & social crisis need faster access to specialist hardship support.
- Referral pathways to hardship support are needed for customers in financial crisis.

- Participants in financial crisis are not referred to specialist hardship support early enough.
- When participants finally accessed the payment hardship/specialist teams they were more likely to get the support they needed, including an affordable payment plan.

*I could afford to pay \$50 but was told (by the call centre team) that they could only accept \$65. I told them I couldn't pay that & I went through to another team who then accepted the \$50. Over 55, long term hardship.*

- Although the quality of service offered by hardship teams varied depending on the service provider.

*AGL, Energy Australia & Origin have good hardship programs overall. For some of the others, the training on hardship practice is non-existent. Energy worker.*

- Consumers are often in contact with the energy retailer's credit/collections department. The credit collection team is not trained in customer vulnerability. Their focus is on getting payment rather than offering support that is aligned to the customers situation.

*Quite often the credit team will represent themselves as the hardship team. It's obvious to me because I know what good hardship practice looks like. Financial counsellor*

# Payment difficulty support – payment plans

## Summary

- Consistent feedback from participants in a payment plan is that the initial amount was too high.
- While some more experienced consumers negotiated a lower amount, those new to financial hardship or with complex needs accepted the amount offered by the energy retailer, even when they couldn't afford it.
- Most participants were not aware of their rights under the Payment Difficulty Framework.

- The initial payment plan amount was often too high. While some more experienced consumers negotiated a lower amount, those new to financial hardship or with complex needs accepted the amount offered by the energy retailer, even if they knew they couldn't afford it.

*Don't set payment amounts that people are unable to pay, then wonder why we can't keep up the payment plan. Under 55 years, new to financial hardship.*

*It's sad for my clients because they try to manage the debt themselves. The energy provider won't listen. The consumer doesn't know their rights. The computer says this is how much you need to pay, but the client can't pay. Financial counsellor.*

- Most participants did not understand their right to negotiate a payment plan that is realistic to their circumstances. *Customers have no understanding of the regulations from the hardship provider. They think they have to pay what they are told. Energy worker.*

- There is a sense of relief when participants were finally put on a payment plan they could afford. *It makes it easier to get organised & get back in control. The emails & calls stop coming. I feel like I can breathe. Single parent*

- Some energy retailers asked for the arrears to be paid upfront as part of the payment plan. *If I could pay the debt I wouldn't be in the situation in the first place! Under 55, Single parent.*

- Origin reviews payment plans every 3 months which does not give the customer time to make changes. Nine to 12 months is a better timetable for review.

*People need time to adjust to the payment plan, access information to reduce energy consumption & where possible get back on a better financial footing. Energy worker.*

# Payment difficulty support – reactive vs. proactive

## Summary

- Energy retailers are not proactive in reaching out to their customers to offer support or energy plan options

- While some energy providers send a reminder notice via email or SMS, many energy providers were not proactive in reaching out to their customers when a bill was in the early stages of being overdue.

*Red Energy was not proactive in reaching out. I had to reach out to them after they kept adding the bill onto the next month. By that time, it was too big for me to pay. Over 55.*

- As part of the payment difficulty support process most participants were not offered a review of their current energy plan to see if the plan is best for their situation.

*Getting on the right plan makes a difference. The onus is on the customer to contact their provider to change plans. Providers should contact their customers to ensure they are on the best plans for their situation. This is even more important when the customer needs payment support. Energy worker.*

# Threat of disconnection

## Summary

- The threat of disconnection is being used by energy retailers as a last resort attempt at payment.
  - The threatening behaviour from some energy providers is extensive – calls, texts & emails.
  - Some participants felt they had no option but to borrow money, sometimes from unregulated credit sources including BNPL to avoid disconnection.
- 
- Disconnection is threatened by the energy provider as a last resort when the payment plan agreement falls through.
  - For participants experiencing the threat of disconnection they felt they had no way to make payment as their financial situation was dire, and their energy bill was too large to ever be paid back.

*I was in a terrible financial state. And to top it all off, the day my son passed away they sent me a disconnection notice.  
CALD.*

- The threatening behaviour from some energy providers is extensive, with participants receiving many calls, texts and emails.
- Some participants resorted to borrowing money from family, Buy Now Pay Later or other unregulated credit sources to pay arrears. (No participants indicated that their energy provider had encouraged them to use BNPL to pay their energy bill.)
- While no participant had their gas or electricity disconnected, they were unimpressed with the pressure tactics that were applied by their energy company, even when the participant tried to negotiate other options.

*I felt like telling them to disconnect me. At least the threats would stop. Aboriginal & Torres Strait Islander participant.*



# Energy efficiency support

*“People don’t have any  
idea how much energy  
some of their appliances  
use”*

Energy worker

# Energy efficiency

## Summary

- Most participants don't understand how to manage peak, shoulder & off-peak energy usage
  - The state of some rental properties makes it difficult for some people to reduce their energy consumption
  - Some participants have gone to extremes to reduce their energy consumption
  - Appliance replacements are offered by some retailers – but most people don't know about it
- 
- A few savvy participants were using the information on their smart meters, and where available on their bills & via their energy app (not common) to manage their energy consumption more effectively
  - However, for most participants their understanding of how to manage their energy consumption around peak, shoulder & off-peak usage rates was extremely low.

*Most of my clients don't understand how to manage peak, shoulder & off-peak rates. Even when they do it just adds stress for a lot of vulnerable people. People with kids have no choice but to cook, heat the house or watch TV during peak periods.*

Energy worker.

- Retailers send energy efficiency information to consumers that can be useful. But unless it's written in a way that consumers understand then it's often not read.

*Any information is useful, but energy retailers need to speak to customers about saving money. That's when they listen.*

Energy worker.

- Some participants were going to extremes to save energy.

*A friend told me to buy cheap solar garden lights from Bunnings, power them up during the day, then use at my home at night.* Single parent.

- Only a few participants had engaged with energy workers. For those who had engaged with an energy worker the benefits were; better understanding of their bills, access to a more cost-effective energy plan, appliance replacement, support to implement energy efficiency strategies, and debt waivers.

Financial counsellor &  
energy worker

*“It’s been the same old  
things for the last 20  
years”*

Financial counsellor

# Financial counsellor & energy worker feedback

## Summary

- Financial counsellors and energy workers provided similar feedback to the focus group participants
- There is frustration that the issues present 20 years ago have still not been fixed
- The basic principles outlined in the Payment Difficulty Framework & other regulatory instruments are still not being delivered on by energy retailers

## Opportunities from the perspective of financial counsellors & energy workers:

- All customer facing staff need more training to effectively work with customers experiencing vulnerability

*All retailers need to have a minimum standard of training in hardship. Energy worker*
- Hardship teams need specialist training to work with vulnerable consumers – although the service from Energy Australia, Origin & AGL has improved, the smaller service providers have major service gaps (Alinta, Simply Energy – which is now Engie)
- Transfer consumers in financial or social crisis to specialist hardship support as early as possible to reduce consumer trauma and stress.
- Recognise that customers want to pay their energy bills but need solutions that are aligned to their present circumstances.
- Identify eligibility for concessions & URGs early.
- Explain the benefits of financial counsellors and energy workers better so that customers take up the support.
- Make it easier for financial counsellors & energy workers to engage with energy retailers. Accept third party authorities & provide a dedicated phone line so they avoid queuing to speak with the contact centre rather than working with their clients.

A perfect world

*“Show compassion  
when people have  
challenges”*

Over 55 years

# A perfect world

## Summary

- Overall, participants just want to be treated with respect & empathy.
- Despite the cost of energy, very few research participants mentioned lower costs in their perfect world scenario. They recognised that they used energy, and it is their responsibility to pay for it.

## Quotes on a perfect world

- *Don't judge me. A little bit more understanding that people go through difficult times in their lives. Listen & advise.*
- *When I'm having a mental health episode it can be difficult to articulate what I need. I ramble & give too much detail. Don't lose patience with me, help me.*
- *Be more proactive – reach out earlier to help me instead of leaving the bill to add up. It gets to the point where I'm frozen because there's nothing I can do.*
- *Someone to help me & be sympathetic. I'm not doing this on purpose. Don't email me like I'm trying to rip you off.*
- *Resolve my issue when I first call & don't make me repeat myself.*
- *Be aware that some people have different needs – like autism, disability or being elderly. Have people employed in the organisation with a lived experience of disability.*
- *Empathy – you need older people in the call centres.*
- *Don't bug people in hardship.*
- *Be more proactive over the long term to help me get back on track.*
- *Understand me, English is not my first language.*
- *If I call you then I want to work with you. Don't make it hard for me to work with you by making me feel bad.*
- *Get the concessions right and help me access benefits like URGs.*
- *Support customers to get on the cheapest plan possible.*

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