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### **Retail Guidelines Review**

AGL welcomes the opportunity to comment on the Australian Energy Regulator's (AER) Retail Guidelines Review Consultation Paper (the Guidelines Review), dated 12 November 2025.

AGL commends the AER's ambitions to streamline the four energy retail guidelines and modernise the way that retailers interact with these regulatory instruments. Throughout this process, the AER staff have demonstrated their ongoing commitment to effective stakeholder engagement and meaningful consultation with industry. The Guidelines Review presents a timely opportunity for the AER to simplify the regulatory frameworks established under each retail guideline by reducing unnecessary prescription and removing duplication so that regulatory requirements are adaptable to an evolving energy market with changing consumer behaviours and preferences.

A number of upcoming reforms will necessitate further changes to the Guidelines in the near future, including the AER's proposed suite of payment difficulty-focussed rule changes and the Better Energy Consumer Experiences consultation. Given these reforms are likely to materially modify consumer protection settings, AGL encourages the AER to take a measured approach during this Guidelines Review and to avoid introducing substantive changes to the underlying policy for each Guideline. This review should instead focus on simplification and consolidation of the Guidelines, as well as giving effect to the Australian Energy Market Commission's (AEMC) recent final decisions on energy retail reforms, where necessary.

AGL's feedback to this consultation is annexed to this letter and consists of responses to the 14 questions posed in the Consultation Paper, as well as AGL's detailed feedback on specific elements in each of the four retail Guidelines.

### **The regulatory reform agenda in the NEM is vast**

The AER will appreciate the vast regulatory reform agenda currently underway in the National Customer Energy Framework (NECF) and the Victorian jurisdictions. There are in excess of 25 energy retail focussed rule changes coming into effect by December 2026 in these jurisdictions.<sup>1</sup> Considered individually, each of these reforms has the potential to create a significant and complex program of work for retailers to implement, let alone the compounding effect of the interactions between the various changes. The scale of these concurrent reforms makes the task almost insurmountable, with each individual initiative competing for limited organisational resources, time and attention. Further, the divergence in the substantive policy directions between the major NECF and Victorian reform packages, compounds the challenges of delivering parallel

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<sup>1</sup> AEMC consumer-focussed retail reforms package of nine rule changes, Victorian Energy Consumer Reforms package of 7 rule changes, NECF and Victorian life support related rule changes, Centrepay Reform, Accelerating Smart Meter Deployment – testing and inspections, Flexible Trading Arrangements, Remake of the Electricity Supply (General) Regulation 2014 (NSW), Solar Sharer Offer, Review of the Minimum Disconnection Amount (NECF), NSW Social Programs for Energy (Core Programs) Code.



reform packages that cover largely similar functionality but on different timelines and with different solution design.

Retailers will require a reasonable implementation period to review the Final Determination, design, build and deploy the required changes, and test new solutions. Reforms that require billing system updates, the development of new customer-facing materials, broader IT systems uplift, and frontline agent training will require longer lead times to implement. It is crucial that the AER factors in sufficient time between publication of its final decision and commencement date, particularly for those AEMC reforms that are predicated on the AER's updates to the Guideline, such as *Improving the application of concessions to bills*, and *Improving access to the better offer*.

AGL strongly recommends that beyond the consolidation and simplification of the retail Guidelines, the AER's focus for this Review should remain on giving effect to the AEMC rule changes. The AER should avoid changes to the Guideline that will require retailers to develop an additional range of new operational capabilities to support these reforms.

### **Improving AER retail rules consultation procedures - Pending AEMC rule change**

In July 2022, AGL initiated a rule change with the AEMC to enhance the development and amendment of the AER's instruments such as the retail guidelines to ensure that such obligations are necessary and balanced.<sup>2</sup> The rule change proposes that the AER have regard to or promote the National Energy Retail Objective while making or amending its guidelines.<sup>3</sup> The rule change is intended to improve regulatory certainty and consistency for industry, while supporting strong consumer and market outcomes. It does this by requiring the AER to undertake appropriate market analysis, including a cost-benefit assessment of proposed Guideline amendments, to ensure that expected customer benefits are properly balanced against impacts on costs, innovation, competition and the broader market.<sup>4</sup>

While the AEMC is yet to formally commence the rule change process, we consider that the upcoming consolidated Guidelines Review is an opportune time to apply the principles and considerations contemplated in AGL's rule change. Notably, any amendments to the retail Guidelines should adequately balance any proposed changes to the guideline against broader economic considerations (including regulatory cost burden) and the potential impacts to investment, competition and the market.

In amending the consolidated guideline, AGL encourages the AER to take into consideration the following:

- a) whether the draft instrument is reasonably likely to produce a public benefit or saving;
- b) whether the draft instrument is likely to promote competition and innovation in retail markets;
- c) whether the draft instrument is reasonably likely to cause detriment, cost or inefficiency to any person or class of persons;
- d) whether the draft instrument promotes the public benefits contemplated in (a) and (b) in a way that minimises detriments, costs or inefficiencies in (c); and
- e) whether any residual detriment caused by the draft instrument is acceptable in light of the NERO.

AGL believes these principles provide a practical and robust framework to guide the AER's decision-making during the consolidated Guidelines Review. By applying these principles consistently, the AER will ensure that

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<sup>2</sup> AGL Energy, *Improving AER retail rules consultation procedures*, Rule change request to the Australian Energy Market Commission, submitted 29 July 2022, p2

<sup>3</sup> *While the AER does have an obligation under section 205 of the National Energy Retail Rules to perform or exercise its regulatory functions or powers in a manner that will or is likely to contribute to the achievement of the NERO, the making of Guidelines is not a specific power of function captured under rule 204 to which this requirement would apply.*

<sup>4</sup> AGL Energy, *Improving AER retail rules consultation procedures*, Rule change request to the Australian Energy Market Commission, submitted 29 July 2022, p4.



any amendments are demonstrably aligned with the NERO, deliver genuine consumer benefit, and avoid unnecessary or disproportionate costs to retailers and the broader market.

AGL's feedback to each of the four guidelines is appended to this letter. It is based on AGL's longstanding experience with the four retail guidelines and the impact, challenges and opportunities they create on how we service, communicate with and support our customers in the National Energy Customer Framework (NECF).

If you would like to discuss any aspect of AGL's submission, please contact Valeriya Kalpakidis at [vkalpakidis@agl.com.au](mailto:vkalpakidis@agl.com.au).

Yours sincerely,

A handwritten signature in black ink that reads "Liam Jones".

Liam Jones

Senior Manager Policy and Market Regulation



## Annexure A – Consultation Questions

*Question 1. How can we make sure the combined guidelines are easy for stakeholders to use, including retailer staff who will be responsible for implementing the requirements?*

AGL supports the AER's program of work to consolidate and simplify the four retail Guidelines. From a formatting, usability and accessibility perspective, AGL offers the following recommendations for the new Guideline document:

- The consolidated Guideline should effectively use hyperlinks throughout the document including the content page, glossary and defined terms for easy navigation and understanding of key terms without needing to scroll through the entire document.
- Where the Guidelines refer to obligations in the National Energy Retail Rules (NERR) it would be useful to include dynamic links for easy searching of specific sections between the two instruments and enable readers to easily understand what specific section or clause the Guideline is referring to without needing to manually cross-check.
- AGL would welcome at the next stage of this consultation when the draft Amendments to the Guidelines are available for the AER to release a marked-up version of the current Guidelines (combined into a single document) to allow for an efficient review and comparison of what is changing. It is especially critical for retailers to review the draft instrument as we have observed recent instances across a number of different rule change processes where the final instruments create unintended problems through inadvertent drafting issues.
- We understand that enhancements to the Energy Made Easy website are outside the scope of this consultation and are managed by a separate team within the AER. However, a review of EME's functionality would be pertinent and we recommend that this is undertaken in tandem with the updates to the Guidelines to see if there are further improvements that could help automate or better tailor BPIDs/DPIDs to the kind of energy plans that are sold today and are likely to be sold in future. This should also be considered in the context of recommendations arising from the AEMC's recent Pricing Review Draft Report.

*Question 2. How could we adapt the design principles to different communications and where is more specific formatting guidance required?*

As a matter of good practice, AGL already applies similar high-level principles described in the Better Bills Guidelines (BBG) across its wider customer communications. The principles of using simple language, making information easy to understand, making the most important information the most prominent and logically ordering information should be intrinsic to how retailers create effective and accessible customer-facing bills, communications and other material. Retailers are inherently motivated to present information clearly and transparently to customers in order to increase overall customer satisfaction, lower call volumes and complaints, and improve retention/decrease churn.

AGL believes that the overarching BBG design principles could be leveraged across the Consolidated Guideline as a better practice recommendation to allow industry greater flexibility to determine how to communicate with customers and how to frame messaging for certain changes, events and service announcements.

This submission contemplates how the BBG design principles could support the development of more personalised, customer-friendly and streamlined notifications by removing strict verbatim messaging requirements and enabling clearer, more meaningful communication between retailers and their customers.



We do not believe that beyond these principles there is additional value in creating more prescription about the content of non-bill customer communications such as replicating the tiered sections on bills in other communications.

*Question 3. How could we make communications more accessible for customers?*

AGL is not surprised by the Consultation Paper's observation that an increasing number of customers are contacting the ombudsman before first engaging with their retailer. While the AER does not identify the underlying driver of this trend, such as whether customers are misinterpreting contact information or are seeking to escalate a complaint prematurely, for the purposes of this response, AGL assumes the latter.

AGL contends that premature or erroneous customer contact to the ombudsman was the foreseeable outcome from the onset of the requirement to include this information on the front page of the bill. Previously, industry has cautioned that placing these details on the front page can give customers the impression that the ombudsman is the first point of contact for billing issues or complaints.<sup>5</sup> It is unsurprising that customers have interpreted it this way.

However, it was also the AER's intention to increase awareness of the availability of independent dispute resolution services, and the increase in customer contact to the ombudsman schemes attests to this. However, not all contact is good contact. From AGL's experience, customers who actively seek out the support of an ombudsman can readily access that information through various digital and traditional channels. Where an internal complaint cannot be resolved at first instance, retailers are also obliged to proactively inform customers about the availability of independent dispute resolution pathways.

The AER is proposing to address this by mandating additional ombudsman-related information on the front page of the bill. AGL has reservations about this approach as it could further convolute the bill with unnecessary information and detract from the key elements of front page despite it not being demonstrably proven to change consumer behaviour. AGL's preference would be to categorise the ombudsman details as Tier 2 or Additional Information or remove it from the energy bill altogether. Alternatively, the AER may consider providing information about *dispute resolution pathways*, including setting out the steps that customers might consider taking to have a problem addressed, starting with contacting their retailer.

AGL reiterates that changes to the bill format take significant time to operationalise due to a variety of factors, even minor changes. If the AER is proposing that retailers must make further changes to their bill format, it will need to allocate sufficient lead time to enable industry to do so.

*Question 4. How could benefit change notices be improved to make it easier for customers to understand and take action when their benefit is changing?*

Aspects of the retail Guidelines which were established on a traditional view of the role of energy products and services to consumers no longer support the development and roll out of new, innovative retail offerings. With a number of upcoming regulatory reforms which increasingly make retailers' offers more homogenous on price, retailers may lose the ability to leverage their distinct brands and compete on service and offers. This is further compounded where highly prescriptive rules and regulations around communication, marketing and presentation of offers severely restrict retailers' ability to leverage their distinct brands and compete on service and offers.

This submission provides AGL's detailed feedback on the Benefit Change Notification Guideline, including opportunities to simplify customer communications and help customers engage with the energy market.

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<sup>5</sup> Australian Energy Council, *Submission to the Australian Energy Regulator Better Bills Guideline consultation*



As with many highly prescriptive regulatory frameworks, the Benefit Change Guideline has struggled to keep pace with evolving customer expectations and contemporary communication preferences. Greater flexibility is needed to allow retailers to engage with customers in ways that are modern, intuitive and more appealing by removing the mandatory phrases and standardised statements. A principles-based approach that leverages the BBG design principles would deliver the greatest benefit, recognising that retailers have a deep understanding of their customers' behaviours and preferences and are therefore best placed to determine how important account information should be communicated.

There is further opportunity for the AER to better align the Benefit Change Notification Guideline with contemporary consumer expectations by reducing unnecessary delays in passing favourable changes through to customers. Where a benefit change is minor, administrative in nature, or clearly in the customer's favour, the existing 20 to 40 business day notification period should be waived. Requiring advance notice in these circumstances may unnecessarily delay customers receiving these benefits. For example, this would include the conversion of a conditional discount to a guaranteed discount, as contemplated under the *Extending protections to legacy contracts* AEMC rule change.

AGL agrees with the observations in the Consultation Paper that the requirement to provide information to help customers use Energy Made Easy should be removed (for example references to historical consumption data), reflecting that EME now has a process that will retrieve the customer's usage information based on NMI to streamline the process.

Lastly, AGL notes that given a number of AEMC rule changes that come into effect 1 July 2026, AGL anticipates that the issuing of benefit changes notices will steadily decline over time. Recent policy direction from the AEMC package of consumer-focussed energy retail reforms is likely to encourage retailers to increasingly offer price-based, ongoing contracts versus contracts with a fixed benefit component. In this context, AGL considers it appropriate to either take a principles-based approach for retailers to develop the benefit change letters themselves, or to altogether limit changes to the Benefit Change Notice to avoid unnecessary redesign of a communication that is expected to be infrequently used by the time the updated Guidelines take effect.

*Question 5: How will secondary settlement points change energy plans and energy plan information?*

At this early stage, it is difficult to anticipate the precise nature of any billing or plan presentation challenges that may arise for small customers under the Flexible Trading Arrangements (FTA) rule change. The practical impacts on billing, customer communications and how these arrangements are implemented in practice will need to be assessed following sufficient consumer uptake. AGL has not identified any pressing issues in the existing Guidelines framework that would prevent retailers from providing FTA-related billing or plan information to customers, and any future issues can be assessed once there is sufficient operational and consumer experience with the new arrangements.

*Question 6: How could our guidelines make complex energy plan information more relevant and easier to understand?*

AGL acknowledges that the energy industry is inherently complex and presentation of energy plan information in a clear and accessible way (especially with the proliferation of new and innovative offers) remains a challenge for industry to overcome.

AGL's view is that the Guidelines should remain plan agnostic and sufficiently flexible to support both emerging energy plan offers and more 'traditional' plans, with a continued emphasis on a principles-based approach to communicating energy plan information. AGL does not support the AER's proposal to differentiate and further fragment regulatory obligations to be tailored for different types of energy plans and customers. Introducing additional prescriptive rules for different types of energy plans is concerning and risks adding complexity, particularly for customers switching between such plans. The AER's proposal is predicated on the



assumption that it can anticipate what innovative, new energy products will exist in the future. With a high level of prescription and mandatory messaging requirements, it is highly likely that the Guidelines will not be able to keep pace with changes and developments in product innovation.

AGL understands that enhancements to the EME site to improve the user experience fall outside the scope of this Guidelines Review, however, there are a number of straightforward and commonsense design changes that can significantly improve consumers' ability to compare and switch between energy plans. For example:

- The recent Commonwealth DCCEE Solar Sharer Offer consultation proposes regulating plans with free usage periods; however, EME currently does not provide a clear way to present pricing information for existing market versions of these plans. It also lacks functionality that allows customers to account for load-shifting attributes which would help them determine whether they are able to take advantage of the free usage window.
- Similarly, EME does not allow customers to filter plans based on their specific CER assets, e.g. solar, electric vehicles, and batteries. Given Australia's high rates of CER penetration, it is concerning that a government comparison site does not reflect this trend or enable consumers with these assets to actively identify plans that best suit their circumstances.
- EME should be updated to include support for demand charges and solar export comparisons, ensuring the platform meets the evolving needs of customers with CER assets.

#### *7. How could we improve transparency and reduce customer confusion in relation to energy plan names?*

*See response to Question 8 below.*

#### *8. How could we ensure better offer messages are clear, relevant and trusted?*

AGL recognises that the 'same name plan' issue has generated vigorous discourse both from within and beyond the energy industry. The same named plan issue arises when the *negative deemed better offer* message on a customer's bill suggests they could save money on 'another' plan even though they are already on a plan with the same name. At the core of the issue is the prescribed better offer wording under the BBG and the inability of retailers to add prominent qualifying information due to the strict parameters of these obligations. While a long-term solution may not be straightforward, AGL offers the following recommendations to help address customer confusion:

- Revise the negative deemed better offer message to emphasise potential dollar value savings rather than the specific energy plan. For example, the amended message could read: "*You could save \$XX by switching to another AGL plan.*" Customers would still be incentivised to contact their retailer for a better deal, but potential savings that the customer could reap are at the centre of the better offer messaging, rather than details of a specific plan name which may not be information that necessarily resonates with the customer.
- The AER could update the wording in the better offer message to reflect that reusing plan names is generally a widespread practice and is not designed to intentionally disadvantage the customer. For example, change the meaning of the current message "You're on the Smart Saver plan, but could save money on Smart Saver", to "You're on an *old version* Smart Saver, but could save money on our *new version* Smart Saver"
- AGL does not support the proposal to have prescribed plan names such as Gold, Silver, Bronze. The example of health insurance which has different levels of cover does not translate well to energy, where customers are receiving the same underlying product (electricity, gas)



but have additional benefits suited to their preferences, such as Netflix membership, free usage periods etc.

*9. Where should customers receive better offer messages and how could we ensure the messages are clear and appropriate for different kinds of communications?*

As a matter of good practice, AGL presents the better offer message as part of its electronic billing covering email so that customers need not click to download their bill in full to view this important information. We understand that consumers often prefer the simplicity and ease of this approach as opposed to downloading a copy of the full bill. We consider that, as required under the *Improving Access to the Better Offer* rule change, the AER could mandate that “e-bill summaries,” as they are commonly known, include better offer comparison information to meet the intent of these reforms.

The AEMC’s rule change also requires better offer comparison information to appear on a covering letter for postal bills. It is unclear if there would be any benefit in this for customers who receive physical bills as they already see the better offer message prominently displayed on the first page of their bill upon opening the envelope. In contrast, electronic bills require customers to click a hyperlink to access the full bill with the better offer message. A better offer message cover letter to be sent as a new standalone communication would add significant development, print and postage costs.

*10. What should we consider in defining the term ‘deemed better offer’, including in relation to how better offers are identified and how much a customer would need to save?*

The new definition of “deemed better offer” to support the *Assisting Hardship Customers* rule change should be consistent with how the current better offer calculation is performed (e.g. the plans that are included/excluded for the purposes of the calculation, that it must be a generally available offer under the current description, etc). It is not feasible for retailers to maintain two distinct better offer calculations for the same customer cohort depending on whether it is used to calculate credits for a hardship customer’s bill or for the usual better offer message. Customers are assessed for lower cost energy plans at entry to hardship programs which should minimise the need for ongoing assessments. Additionally, customers frequently enter and exit hardship programs, which would lead to inconsistent and difficult-to-compare results if different methodologies were used.

Importantly, the threshold dollar value that triggers a negative better offer message (currently set at \$22) should be applied consistently across both the new definition of the deemed better offer, and the current framework under the BBG. Specifically, a financial benefit under the deemed better offer definition should only be applied where the difference between the customer’s current plan and what they would have incurred during the billing period if they were on the retailer’s better offer is \$22 or greater.

*11. How could we improve transparency of fees and charges in plan information and on Energy Made Easy without making plan information too complex for customers?*

AGL endeavours to describe fees and charges information clearly in our various communications (including BPIDs, fee schedules, welcome packs etc) and welcomes any further guidance from the AER on how to best present this information to customers, clearly and effectively. If the AER elects to address the need for further transparency of fees and charges by prescribing standardised wording, then there must also be sufficient flexibility for retailers to accurately describe how their fees are charged without having to redesign their fee mechanisms.

With respect to the AER proposing to define Paper Bill Fees as a “key fee”, AGL does not have specific reservations about this approach, but notes that, since almost all fees charged by retailers will now be defined as key fees, it raises the question of whether the concept of a key fee is still relevant going forward



*Question 12. What information would be useful for customers in embedded networks to understand their energy plan and how it compares with others in the market?*

AGL does not currently operate a residential or SME embedded network and therefore has no specific feedback on this question. More broadly, AGL continues to advocate for exempt embedded network service providers to be held to standards that are comparable to those applied to authorised retailers, to ensure consistent consumer protections across the sector.

*Question 13. What specific changes could we make to the standardised statements in hardship policies to make them more consumer friendly?*

AGL has provided general commentary around consumer responsibilities under the Hardship Policy Guideline section below. While AGL acknowledges that customers do access the Hardship Policy<sup>6</sup>, the main vehicle for delivering the support contemplated through the Standardised Statements is through the retailers' frontline staff who are supporting and servicing the customer. Accordingly, AGL does not believe there are pressing issues that must be addressed in the Hardship Policy Guideline that would warrant significant revision during this Review.

Noting that the upcoming AER payment difficulty reforms and the conclusion of the Better Energy Consumer Experiences consultation will likely necessitate further amendments to the Hardship Policy Guideline, it may be prudent for the AER to reserve any substantive changes to the standardised statements for future consultation and instead focus on updating to the RPIG and Benefit Change Notice Guideline requirements.

*14. What concession and rebate information should be included on energy bills?*

AGL considers that the BBG sufficiently addresses concessions and rebate information that must be displayed on customers' bills.

As part of the *Improving the Application of Concessions to Bills* rule change, the AEMC recommended the inclusion of a message on first and final bills advising that concessions do not transfer between retailers. The AER is likely to incorporate this recommendation as part of this Review, and while AGL holds a neutral view on the proposal, we do not consider that the message will result in a measurable increase in concession uptake. Further, where a customer is moving premises but not changing retailers, requiring this message to appear on the first and final bill for that supply address may create the incorrect impression that their retailer has failed to carry over concession information between premises.

**Energy Bills Relief Fund Message:** In December 2025, the Commonwealth Government signalled the cessation of the Energy Bills Relief Fund (EBRF). With the conclusion of the EBRF, the AER will need to consider the ongoing bill-specific messaging currently required for NECF customers. Retailers remain obligated to display this messaging until the AER's Section 37 Determination is formally revoked in writing; however, despite the EBRF concluding on 31 December 2025, retailers have not yet received guidance on the timing of its revocation.

While turning off the EBRF messaging for customer bills does not appear to be a significant change, it is not necessarily a simple configuration either as it involves coordination with third-party mail house providers and comprehensive regression testing to ensure bills revert to their original design without error. AGL recommends that the AER allow a minimum transition period of 6 to 8 weeks to remove the EBRF messaging.

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<sup>6</sup> AGL has observed an average of approximately 2,000 click throughs per month for AGL's digital Hardship Policy links across all jurisdictions in which we operate (NECF, WA, and VIC).



# Annexure B: Better Bills Guideline

## General Comments

AGL was the first energy retailer to adopt the Better Bills Guideline (BBG) in May 2023. Since implementing the new bill template, AGL has observed balanced customer feedback and a modest improvement in Net Promoter Scores (NPS) for bill-related queries. Noting this, AGL's previous bill layout was generally not a point of contention for our customers, and there was limited evidence to suggest that customers struggled to identify the main components of the bill. AGL maintains its position that retailers are heavily incentivised to present bill contents and relevant information in the most clear, succinct and accessible format to maximise the likelihood of payment.

Given that the Better Bills Guideline has been in effect for the shortest duration of all the retail guidelines, AGL considers it appropriate to maintain a period of regulatory stability with minimal changes to the Guideline at this stage. AGL is cautious about the frequency of change to the bill format because unnecessary changes which cannot be clearly linked to measurable improvements in customer understanding or outcomes are disruptive and confusing to consumers and should be avoided.

AGL has recently provided its confidential Better Bills Guideline implementation costings to the AER which, as foreshadowed by AGL during the consultation process in 2022-2023, exceeded \$3,000,000 to change its bill template. These costs are ultimately socialised across and borne by all energy consumers in the NECF. While we acknowledge the recent findings from BETA Impact Report, based on AGL's own insights and observations, we do not consider that the significant implementation costs were commensurate to the level of impact or improvement that the BBG has purportedly had.

AGL agrees that highly prescriptive elements of the Better Bills Guideline can impede the way that retailers present information and communicate with their customers. AGL strongly believes that retailers are best placed to design, develop and implement their own billing templates based on consumer history, behaviours, preferences and needs.

AGL considers that any further amendments to the Better Bills Guideline, especially if those amendments are not directly connected to the recent AEMC consumer-focused retail reforms, should remain discretionary for retailers, meaning that there is flexibility to adopt subsequent changes at a time that better aligns with broader system updates or product development cycles.

## Better Bills Guideline BETA Impact Report – Observations

AGL has carefully considered the recent BETA BBG Impact Report. We caution the AER from enacting significant changes to the BBG based exclusively on the findings of the Impact Report. While AGL considers that some of the insights from the report were interesting, we raise the following concerns and observations related to the methodology used as part of the research:

- The research was based on a '**before and after**' test and did not consider whether the Better Bills Guideline in and of itself was better for consumers or whether it improved outcomes by virtue of its operation. The research did not ask consumers to describe the *best* or *alternative* ways to structure energy bills but rather presented carefully curated before and after options for consumers to select based on subjective criteria.
- The quantitative assessment of pre- and post- BBG implementation was limited to a **small sample size** of 30 consumers and an 11-member consumer expert panel which may not be reflective of broader consumer views. For example, there are different perspectives expressed through qualitative feedback.



- The BETA research **does not assess the impact of the BBG on consumer outcomes** such as debt, hardship, complaints, etc. For example, it concludes that better offer messaging was an effective prompt to encourage consumers to compare and switch energy plans but does not offer any data showing whether switching rates have actually improved in the industry.
- Given the variability of retailer implementation and presentation of bills, the research does not identify the extent to which improvements are a product of the BBG, or the **design decisions taken by the retailer**.
- While many of the findings point to ‘on average’ improvements, there are still examples of where **pre-implementation bills ranked higher than post-BBG bills**. The BETA research does not adequately consider whether it is actually the design choices and implementation decisions made by the retailer which influence whether the bills were good or not.

### Recommendations for the Better Bills Guideline

- i. **No Electricity Consumption Benchmark:** The BETA Impact Report recommends the reintroduction of the household usage comparison data on customers’ bills. AGL disagrees with the BETA assessment and reiterates that the AER was correct in its to remove the household comparison usage data from energy bills. In AGL’s experience, customers found generic comparisons to be unhelpful, misleading and confusing as it is not an accurate gauge of their own consumptions.

Further, the AER has also removed its obligations under the NERR to set the Electricity Consumption Threshold meaning that in order to reinstate this process, the AER would need to undertake another rule change process through the AEMC.

As part of the Energy Retail Code of Practice Review - Stage 2, AGL is advocating for the ESC to also remove household usage comparison data from Victorian bills.

- ii. **Meter number:** Currently, the Meter Number is classified as Additional Information under the BBG meaning that it can only appear *after* Tier 1 and Tier 2 information, but not alongside it, meaning that the customer’s meter number cannot be logically grouped with related bill content such as usage charges. AGL recommends that the AER include meter number as Tier 2 information.
- iii. **Length of bill:** The BETA report found that energy bills that are no longer than 2 pages in length are best received by customers. While AGL agrees with the intent of limiting bills to 2 pages, the highly prescriptive nature of the Guideline and the limited discretion afforded to retailers regarding content placement makes this impractical in practice. In addition, customer circumstances and usage profiles vary significantly meaning that some have more line-item charges than others and it would not be possible to guarantee that all bills will consistently fit within the two-page limit.
- iv. **Payment slip:** The BETA Impact Report recommends that the payment slip is moved to the second page of the bill which is how AGL’s previous bill template was structured. There has been no observable difference in the consumer experience, or payment outcomes based on the position on the payment slip on the customer’s bill. There is insufficient evidence to substantiate the need for this revision, however, it would allow the space to enact other BETA recommendations, such as information relating to interpreter services and payment assistance appearing on the first page.
- v. **Better offer negative threshold message:** As part of the Energy Consumer Reforms in Victoria, the ESC has increased the best offer message threshold from \$22 to \$50. AGL supported this change and in its submission to the AEMC encouraged it to work with the AER to align the threshold in NECF for consistency between the jurisdictions.



# Customer Hardship Policy Guideline

## General Commentary

AGL has no specific concerns with the operation of the Hardship Policy Guideline that would warrant significant revision during this Review. While the change and approval process for the retail Hardship Policy itself can be cumbersome for both the AER and retailers, AGL acknowledges that under the current regulatory framework, the Hardship Policy is the main vehicle for compliance and enforcement with provisions of the National Energy Retail Rules (NERR).

Further, it is appropriate to minimise further changes to the Hardship Policy Guideline requirements until the Commonwealth DCCEE Better Energy Consumer Experiences consultation concludes. AGL understands that several of the AER's findings from the recent Payment Difficulty Review are expected to be progressed through these upcoming reforms, including some changes that will necessitate another revision of the Hardship Policy Guideline. Consistent with AGL's feedback on the Better Bills Guideline, we encourage the AER to avoid significant updates to the Hardship Policy Guideline, especially where those changes would result in retailers needing to undertake a Hardship Policy review and approval process through the AER.

Below, AGL has made some minor recommendations about how consumer duties and responsibilities to participate in the hardship program could improve customer debt and payment outcomes, as well as seeking some clarifications through the guideline on certain conduct.

## Customer participation in hardship programs

AGL considers reasonable customer participation in hardship programs to be essential for achieving strong and sustainable customer outcomes. Active customer engagement helps break entrenched debt/disconnection cycles and prevents the accumulation of excessive arrears. Retailers currently have limited ability to act when customers choose not to engage over extended periods or decline reasonable support measures.

AGL recognises and upholds the principle that all customers are entitled to payment difficulty support that is sensitive to the customer's unique needs and circumstances. Meaningful engagement and participation by both parties is integral to the success and sustainability of these arrangements. Where disengagement becomes chronic or prolonged, it ultimately disadvantages the individual and undermines the payment support

Retailers need clear, defined pathways to re-engage customers who have ceased meaningful contact after initially seeking hardship assistance. If retailers are unable to re-establish contact with these customers, they cannot offer additional support such as better offer reviews, concessions, grants, or other assistance. While allowing debt to accumulate is not in the customer's best interest, retailers are cautious about implementing exit strategies without clear regulatory guidance on their appropriate application.

While the Hardship Policy Guideline speaks to assisting customers to sustainably manage their energy bills it does not sufficiently recognise customer participation as a fundamental component of this process. A stronger emphasis on shared responsibility in the Guideline could help improve customer outcomes and keep consumers engaged throughout the process.

## Unreasonable actions and conditions on payment assistance

As part of this review, the AER could provide clearer guidance and practical examples within the Hardship Policy Guideline on what constitutes unreasonable customer conduct or actions. This could include illustrative examples of willingness to pay, approaches to support customers who are chronically disengaged and strategies to foster trust and meaningful engagement in these situations. It could also include indicators of



genuine customer participation and principles for reasonable re-engagement for customers who stopped communicating with their retailer.

Similarly, the AER should provide defined references as to what is an unreasonable condition on the provision of hardship assistance. If retailers can exit or refuse a customer from the hardship program after two broken payment plans, are we then able to offer a condition that they must make some type of payment before entering back into our hardship program. So maybe we just need some further context around what that may look like in the current climate.



# Retailer Pricing Information Guideline

## Generally available v. restricted offers

Innovation and diversity in how energy products are offered and presented to consumers is severely impeding the energy industry by the overarching definitions of 'generally available' and 'restricted' offers.

The energy plans and services that are offered by retailers have to fit the pre-determined characteristics which make it increasingly challenging to identify specific cohorts of customers and no longer reflects the realities of the evolving and tech-forward energy market. The industry continues to develop capabilities to better segment consumers and identify niche, targeted plans based on their behaviours, preferences and account characteristics but has limited flexibility on how to best utilise these capabilities.

For example, the AGL EV plan continues to be categorised as a restricted offer because if it were classified as a generally available offer, it would need to be included in the better offer calculation and message for all customers, even if they do not own an electric vehicle. The broader the net is cast for the definition of 'generally available' offer, the harder it is for retailers to create and offer bespoke plans to specific cohorts of customers, because it would not be a good outcome to have the best offer messages appearing to consumers who are not strictly restricted from accessing the offer, but would not benefit from it. If these targeted products become the retailer's better offer, customers will cease to engage and lose confidence in the framework because the product is not relevant to them but only relevant to a small percentage of the customer base.

## Same-named plan issue

AGL understands that as part of the Guidelines Review, the AER may be contemplating a longer-term solution to the same-named plan issue. Currently, pursuant to Section 37 of the Better Bills Guidelines, retailers must include additional qualifying text on the front page of the bill when a customer receives a negative better offer message.

The AER has indicated that in the future it will consider new regulations relating to retailers' naming conventions to name energy plans, for example, 'versioning', or the inclusion of number or dates at the end of the plan name to address this issue (AGL Saver 1234 or AGL Saver 1 September 2025).

AGL has previously considered whether the inclusion of numbers at the end of plan names can address this issue but does not presently adopt this approach. There are a range of reasons for this including that it would create additional complexity and difficulty for customers. For example, a plan name with 3 or 4 numbers at the end may make it difficult for customers to easily remember or refer to the plan they are on and might lead to the incorrect impression that other terms and conditions differed between different versions of the same plan.

While versioning may be feasible where the business has a limited portfolio of product offerings, this is not the case for all retailers, including AGL, who maintain a large portfolio of market offerings and regularly update their products in response to changing market conditions.



# Benefit Change Notification Guideline

## General Comments

The frameworks under the Benefit Change Guideline were developed during a period when energy offers were primarily structured around percentage discounts off standard rates. Accordingly, many of the existing rules are centred around helping consumers interpret these types of offers, for example, by requiring information that demonstrates how a percentage discount translates into estimated annual costs.

However, the market has evolved significantly since and today, many benefits offered to customers take the form of non-financial value propositions, such as service features, flexible billing arrangements, or bundled products. As a result, the current regulatory settings no longer reflect the diversity and innovation in contemporary energy offers and are becoming increasingly unfit for purpose.

AGL considers that the Benefit Change Guideline, particularly where it references communication with customers and Energy Made Easy would be improved by adopting a principles-based approach that provides retailers with flexibility to communicate value in ways that are meaningful and relevant to modern customers.

In this context, we also note that the Energy Made Easy (EME) comparator site may not fully align with how value is delivered in today's market in terms of how information is displayed to consumers and would benefit from an uplift for both the sites itself, as well as related Benefit Change Guidelines requirements.

## Do nothing amount

AGL supports removing the 'Do nothing amount' from the Benefit Change Guideline which currently has limited value to consumers beyond using it as a comparison price on EME. Noting that transaction costs are high for customers when it comes to switching energy products in general, and that the Do nothing amount is neither intuitive nor accessible, in practice, we do not believe customers are actually using this information to assist their switching process at all.

AGL understands that the AER is considering replacing the 'Do nothing amount' with a better offer message requirement in benefit change notices for which there is already a regulatory framework under the Better Bills Guideline. AGL supports this approach over retaining the 'Do nothing amount'.

## Duplicate Requirements

AGL has identified that clauses 73 and 76 of the Guidelines, as well as clause 48A of the NERR are saying the same thing and can be consolidated or simplified to only one reference. Three separate times we have to give the same information about Energy made Easy. Should be a single requirement to display instructions to access energy made easy clearly and prominently.

- **Clause 73 of the Benefit Change Guideline:** A retailer must include the steps a customer can take to use the information on the benefit change notice to compare plans on Energy Made Easy. The steps must be positioned before the information in Zone A of the benefit change notice.
- **Clause 76 of the Benefit Change Guideline:** In addition to the information required by clause 73, a retailer must include on the benefit change notice guidance to a customer on how to use the information in clause 47 to compare plans on Energy Made Easy.
- **Section 48A(3) of the NERR:** The benefit notice must state:



- (c) that the small customer may use the price comparator to compare offers that are generally available to classes of small customers in their area;
- (d) the name and web address of the price comparator;
- (e) that the customer can request historical billing data and, if they are being sold electricity, energy consumption data, from the retailer that will assist it to use the price comparator to compare offers that are generally available to classes of small customers in their area.

## Benefit change notifications

AGL understands that as part of the Consolidated Guideline Review process, the AER may choose to extend the design principles established under the BBG to the other retail guidelines, which will require retailers to:

- Use simple and plain language
- Make the information easy to understand
- Make the most important information most prominent
- Order the information to make it easy to understand.

This raises the question of whether the prescriptive requirements concerning the delivery and content of notices under the Guideline will remain relevant following completion of this Review. This is an opportune time to move away from the highly structured nature of the benefit change notifications towards greater retailer flexibility to communicate with customers in a method and manner that resonates with the average consumer, and in a way that they will find the information meaningful and informative, rather than presented as a tick box compliance exercise.

### Where the change is in the customer's favour

Where a benefit change is clearly beneficial to the customer and can be substantiated as such, the current 20 to 40 business day notification period may no longer be appropriate. The AEMC's recent Restricting Price Increases rule change, which removed the requirement for advance notice of price decreases/energy payment increases, highlights that passing benefits to customers without delay should take priority over prescriptive timing requirements. Consistent with this rationale, the AER should amend the Guideline so that notifications of favourable benefit changes can be issued as soon as practicable after the change occurs, and no later than the customer's next bill.

## Changes to Energy Made Easy Questionnaire Template

The Energy Made Easy (EME) webpage has evolved significantly since the introduction of the Benefit Change Notice Guideline, with numerous updates to the site over time. As a result, the sequence of questions for consumers on EME no longer aligns with the template under Table 4.1.1 *Information to Enable a Customer to Use Energy Made Easy* in the Benefit Change Guideline. This highlights just how prescriptive elements of the Guideline struggle to keep pace with the rapid changes in the energy retail industry.

The mismatch between EME and the Guideline templates will persist unless the AER updates the Guideline following each update to EME, which is neither practical nor desirable. AGL recommends that the template be removed from the Guideline, and the obligation change to a principle or outcomes-based approach, requiring retailers to provide information that is current and topical to enable the customer to use EME, putting the onus on industry rather than the AER to maintain current templates in the Guidelines. This approach would reduce the need for frequent Guideline amendments to the standardised statements and templates and allow retailers to adapt their own communications without being constrained by rigid, outdated requirements.