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CONSUMER EXPERIENCES FOLLOWING ENERGY MARKET REFORMS IN VICTORIA

QUALITATIVE RESEARCH WITH COMMUNITY SUPPORT WORKERS

Final report

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PROJECT SUMMARY

The *Consumer Experiences following Energy Market Reforms in Victoria* project investigated how financially stressed and vulnerable consumers are faring in the current energy market.

From their network of community support organisations, Consumer Policy Research Centre recruited research participants who regularly assist household clients experiencing energy issues. Between August 2020 and May 2021, Monash University researchers interviewed forty-four support workers from 18 community organisations. Twenty-one interviews were conducted (as groups with other colleagues), predominately online via Zoom and occasionally by phone.

Interviews were semi-structured to cover a range of client experiences and energy market topics. Participants were invited to raise and describe any improvements or recent issues of concern encountered when assisting households with energy bill payment difficulty or other issues involving retailers or the energy market.

The [Full Report](#) includes details of the project context, methodology, participants, and a complete set of [Findings](#) from the research – including substantive community support worker quotes and client stories to illustrate the depth, range and impacts of challenges customers experience in the retail energy market.

A summary of [Key Findings](#) is provided below, followed by [Implications and Recommendations](#) from the project.

Key Findings

INCONSISTENCY IN RETAILER RESPONSES TO CUSTOMERS

Inconsistency within retailer call centres was widely reported ([Table 2](#)). Customers and support workers encounter highly variable responses to vulnerable or financially distressed customers. In response to inadequate responses to customer hardship or incorrect information, support workers commonly abandon attempts to resolve client issues and initiate a new call in hope of finding a more knowledgeable or experienced staff member, or a staff member with better communication skills and willingness to help. Support workers also recommend this strategy to clients when they are approaching retailers on their own.

Inconsistent responses to customers point towards **inadequate training of call centre staff**. As a result, the time and persistence required to resolve issues, access better tariffs, or receive appropriate support in hardship circumstances is substantially increased – both for customers and support workers. Provision of incorrect information and poor responses discourage customer engagement, and negatively impact customer confidence to discuss issues with retailers or seek better offers. Variability in English skills, strong accents and reliance on scripts increases the difficulty faced by customers, especially those with English as Second Language (ESL), mental health or hearing issues, and older age.

Particular retailers are known by support workers as better or worse in specific areas, with differences between some top and lower tier retailers' responses to customers in hardship being an underlying risk for vulnerable customers navigating the energy market.

With our energy mentors we've had this conversation a number of times ... Halfway through the conversation, if they are not helpful, we hang up and call again because we will get someone more helpful. I know it sounds awful and ridiculous but if somebody doesn't understand what we are asking, and that's their job to understand that ... hang up and we will talk to someone who knows what they are talking about. (Energy Mentor 2)

RETAILER RESPONSES TO PAYMENT DIFFICULTY

Support workers notice that retailers, once contacted by the customer or their advocate, are more pro-active in checking if a better tariff is available (**improvement**):

I would say that providers are doing a lot better in making sure... once again, the top tier providers, that people are on the best deal. The first thing that they genuinely say, when you start the call is, 'I've just had a look, [they are] on the best deal that they could be on'. Right. That's good. (Agency Manager 1)

However, retailers often fail to recognise payment difficulty unless customers use specific 'magic' words (Table 3), and many customers do not receive any appropriate retailer assistance (Table 4). Instead, community support workers are assisting financially distressed clients who were:

- transferred to the credit department;
- put onto unaffordable payment plans;
- promised hardship team call backs that do not eventuate;
- not provided with an opportunity to apply for an URG;
- not offered checks to see if a better offer is available or that customers' concession details are current and correctly applied to bills;
- accumulating higher debts without any proactive approach from their retailer to engage and assist when the client is clearly struggling to pay; and
- unjustifiably removed from the hardship program.

Retailers are usually more responsive when community workers approach retailers to advocate on a client's behalf, but there are instances of agreed approaches being adjusted to be less favourable for the customer once the advocate is no longer involved. Support workers can also experience difficulty reaching hardship teams due to call wait times, insufficient hardship team capacity, and changes in hardship team phone numbers.

[The client] tried to make some make some repayment arrangement... \$40 a fortnight. The utility company said, 'Well that's not enough'... The client hung up in in disbelief... we go and talk to the [retailer] as advocates, we do get a bit of a different [response]. (Financial Counsellor 17)

INVOLUNTARY DISCONNECTIONS AND GETTING CONNECTED

In recent years, support workers are seeing few involuntary disconnections of vulnerable customers (improvement). Support workers are also positive about the few retailers known to be willing to connect customers in difficult circumstances with poor credit history.

The other big retailers had all rejected her. So we called [Tier 1 retailer] and they connected her without checking her credit history. (Case Worker 1)

UTILITY RELIEF GRANT (URG) SCHEME

As a key mechanism to assist financially distressed clients, **a wide range of barriers remain for eligible households in need of an URG** ([Table 5](#), [Table 6](#) and [Table 7](#)). These include:

- eligible customers not told about URGs;
- eligible customers told they are ineligible (e.g. that a concession card is an essential eligibility criterion and not applying income threshold criteria);
- application forms not sent or substantial delays (weeks or sometimes months)
- provision of URG application forms in formats unsuitable for the customer (e.g. email links for customers without capacity for electronic form completion) and without instructions or information about where to seek assistance if needed;
- unnecessary personal questions and retailers 'gatekeeping' access to URGs;
- lower bill households denied access to URGs until higher levels of debt accumulate;
- retailers placing conditions on access to URGs, such as agreeing to an unaffordable payment plan; and
- provision of misinformation (e.g. that \$650 is the URG limit even for single fuel households).

Lengthy delays (at times many months) in processing submitted URG applications have complicated provision of support as client debt, distress, and fears of disconnection escalate. Advocates are unable to verify receipt of submitted forms or likely processing time (very limited DHHS Concessions Line capacity), and retailers do not inform customers or their advocate when URGs are granted or denied. As a result, client cases require advocates to monitor and follow up on clients' URG applications over an extended period, especially as retailers sometimes resume collection or disconnection activities before receipt of an URG application outcome.

That's just across the board, no one's getting offered it [URG]. We've seen people come in with a few \$1000 in arrears and they haven't been offered it. They don't even know it exists. Then phoning the energy company to get people the URG and... they don't seem to want to do it. (Team Leader 3).

Instances of retailers filling and lodging URG applications for customers were viewed as positive **(improvement)**:

I've had two cases... in the last few weeks. And the [retailer] immediately completed and lodged the URG application. I think that's fantastic having that guideline there that retailers must assist... it also overcomes this problem now with Australia Post – things taking so long in the mail. So all credit to the ESC. (Energy Mentor 3)

However, support workers were concerned that retailers were mostly failing to offer, or refusing to provide, this assistance with URG applications. They had also seen mistakes on URG forms submitted by the retailer and which could affect outcomes for clients.

Electronic applications can help support workers to access URG applications and track whether they have been submitted and granted **(improvement)** but, with concerns about the reliability of the electronic application process, some workers have reverted to paper applications.

CONCESSIONS

Some support workers are now finding lower numbers of clients missing out on applicable concessions (**improvement**):

I think they're a lot better than what they used to be with getting those details if they're on a concession ... I feel like they've improved a bit. (Financial Counsellor 4)

However, a range of factors contribute to consumers missing out on concessions (see [Table 8](#)), including:

- low customer awareness that concession details need to be updated regularly;
- customers with expired concessions not contacted by their retailer to seek current concession details;
- concessions not applied to bills even when concession details are current in the retailer's system;
- minor client name spelling differences between Centrelink and retailer systems prevent access to concessions and especially impact migrants with unfamiliar names or non-traditional name structures; and
- pay-on-time discounts understood by some households as receipt of applicable concessions.

I don't know why [the retailers] don't ring customers and say, "Your Health Care Card or Pension Card's expired. Have you got the new details there? We can update it. We can check your payment arrangement... make sure everything's going okay. The person I would think they're getting great service. (Agency Manager 1)

Once the issue is brought to their attention, retailers are usually willing to backdate missed concessions for up to 12 months (**improvement**), but getting concessions backdated for longer periods when due to retailer error can be difficult.

TARIFFS, 'BEST OFFER, AND THE VICTORIAN DEFAULT OFFER (VDO)

Support workers notice that less clients remain on highly disadvantageous offers (**improvement**) since recent reforms including the Victorian Default Offer and limits on pay-on-time discounts (**improvement**).

I'm noticing with the referrals we get through [for financial counselling] I'm noticing less of them are still on bad offers... it's not perfect but I think there has been an improvement in that area. And that's probably down to the changes in the legislation last year. (Energy Worker 1)

The Best Offer reform helps support workers identify clients on disadvantageous offers and work with them and/ or their retailer to implement cheaper energy rates (**improvement**). However, many households are not benefiting from the Best Offer reforms because they do not notice the Best Offer message on their bill ([Table 9](#)). Low visibility of the Best Offer is in part due to digital communication and automatic payment arrangements (see [Table 13](#) below).

Some Best Offer messaging used is ambiguous or confusing for customers (e.g. 'You are on one of our lowest plans') and distrust in energy companies contributes to doubts that Best Offer messages are genuine. When customers do seek to accept the Best Offer, lengthy retailer processes and different offers to the 'Best Offer' on the bill confuse customers, cause distrust, and discourage future market engagement. With households needing to opt in to Best Offers, many are

missing out on cheaper rates available (especially CALD households with lower confidence to engage with retailers or difficulty understanding the Best Offer message).

A lot of [clients] aren't aware of the Best Offer... it's sort of hidden... it's only financial counsellor knowledge... I think they just look at their money amount... that's big, black letters [not] this small print... it could be highlighted... I look out for the Best Offer on the bills this year. I feel more comfortable doing that with them. Many of [the clients] just don't want the hassle of changing [retailer]. (Financial Counsellor 16)

SWITCHING RETAILERS AND VICTORIAN ENERGY COMPARE (VEC)

Beyond taking up a cheaper offer with their current retailer, **many support workers' clients are unable to confidently or successfully navigate the market and switch to a cheaper retailer.** Many fear negative outcomes if they switch (e.g. disconnection, less reliable supply or higher costs). Most support workers are unable to assist clients with comparing the range of energy offers available in the market and switching to another retailer. Their reasons include lack of time or concerns about facilitating a switch that may end up being disadvantageous ([Table 11](#)).

The VEC website does not reliably assist vulnerable or disadvantaged clients to navigate the energy market on their own – some support workers refer more digitally-enabled clients to the VEC website. When there is sufficient time, a small number of support workers use VEC to demonstrate to clients that cheaper plans are available and suggest that clients consider switching to one of them.

Particular retailers are gaining market share in regional areas and disadvantaged communities despite being more expensive or lacking the supports needed for vulnerable customers, e.g. hardship support, phone-based URG applications, and appropriate responses in family violence cases. Bundled services are attracting households regardless of whether the retailer and tariff are financially advantageous or otherwise suitable.

[VEC] is too convoluted. Look I get it because the energy space is really complicated. It comes up with stuff and I am like, 'Oh god, I don't understand. And I have been trained [for two days] in this. How is the client supposed to understand?' ... I certainly wouldn't suggest some clients do it themselves ... It is overwhelming. (Energy Mentor 2)

ENERGY EFFICIENCY

Few report clients receiving useful energy efficiency advice or assistance from their retailer. However, support workers are concerned about inefficient appliances contributing to high client energy bills. Inappropriate efficiency advice may also be counterproductive, for example:

- Displacing the opportunity to provide more constructive help (e.g. access to hardship support and URGs);
- generating efficiency misunderstandings; and
- encouraging customers to buy appliances they cannot afford.

There are also concerns that retailers do not alert households to issues that could be detected in usage data, e.g. potentially faulty hot water systems indicated by high or unusual controlled load usage (see [Table 12](#)).

Support workers lack avenues to assist clients with high bills due to inefficient appliances, homes or usage patterns. In-home assessment and advice is often needed but unavailable, especially in

regional areas. Most clients are renting and therefore have few opportunities to access efficient appliances and housing.

[The energy retailer] worked through the audit with my clients over the phone and they can identify clearly that the winter bill is the problem... But then the suggestions, 'You change your heater', [but] they're in a rental... My clients are in financial hardship, they don't have the spare money... the cracks in the walls of the house, 'Could they go and get fillers?'... It was just not practical. (Financial Counsellor 12)

DIGITAL PROCESSES, ACCESS AND SKILLS

The push towards digital channels of engagement (retailer apps, online chat, and websites) disadvantages many customers ([Table 13](#)). Support workers see many financially distressed clients with little or no digital access:

- no smartphone or computer
- not using email (despite having an email address);
- no internet access; and
- insufficient digital skills to complete electronic forms or engage digitally.

With long call centre wait times, it has been difficult for less digitally-enabled customers to reach their retailer (especially since COVID-19).

Discouraging preferences for paper bills and paying in person at the post office contributes to customer vulnerability by disrupting productive practices and routines that enable households to remember to pay, enable households to discuss the bill and energy use (e.g. at the kitchen table), enable customers to easily show their bill to a support worker, and avoid the scams and risks of credit cards for the digitally inexperienced (e.g. older people).

Electronic delivery of bills (via apps, email) have reduced visibility of energy bills. Many households now only view an email showing the total amount due. In addition, direct debit payment arrangements and Centrepay further reduce the attention to actual energy bills. Low visibility of bills due to electronic delivery and automated payments has substantially:

- undermined attempts to educate and engage energy consumers
- limited the impact of Best Offer messaging;
- reduced opportunities for customers to notice missed concessions
- made it harder to notice options for customers experiencing payment difficulty or the availability of interpreting services; and
- lowered awareness of the household's tariff (e.g. flat rate or time-of-use).

The widespread adoption of digital processes by the energy sector will also likely undermine any future initiatives to engage or communicate with customers via information on their bills.

Most people have a phone and are limited in how they use it. So they're going to open [an email or text] but they have a lot of trouble and ongoing issues with following links, following the information because you don't get that full screen. But they don't have any access to other IT equipment. (Financial Counsellor 18)

RESPONSES TO FAMILY VIOLENCE AND OTHER VULNERABILITIES

Support workers report improved understanding and retailer practices with clients affected by family violence, including less intrusive questioning and recognition of eligibility for URGs (improvement):

A lot of the retailers now have family violence teams... you can then just talk directly to them, and they are so wonderful. The last time I dealt with them, it was the most positive experience. She got it straight away. (Energy Mentor 4)

Despite improvements overall, support workers still see **instances of poor retailer response to customers affected by family violence, financial abuse, mental health, gambling and addiction issues** (Table 14). This further illustrates inconsistency in call centre responses and training, and differences in retailers' capacities to appropriately respond to vulnerable customers.

When they've had a family violence issue, and they've got to prove themselves to an energy provider... some energy providers, like push, push, push even more. Just say 'where's the proof?'. That's unfair, and that causes extra stress for the victim. And that's frustrating because you can feel their pain... it's usually the smaller companies that don't have the hardship teams. (Financial Counsellor 10)

CULTURAL AND LINGUISTIC DIVERSITY

Clients from CALD backgrounds face additional challenges navigating the energy market, accessing hardship support, and finding an advocate to assist (Table 15). CALD households are often unaware of regulations or initiatives designed to support consumers so cannot recognise when retailers are not responding appropriately. CALD households on visas that preclude access to welfare or work rights have very limited capacity to pay energy bills or access assistance. Support workers report that even highly skilled migrants are at risk of significant disadvantage in Australia's complex energy market.

Most support workers are assisting significant numbers of culturally and linguistically diverse clients including Indigenous households, asylum seekers and recent migrants, international students who lost their jobs due to COVID-19, older migrants who do not have strong verbal and/or written English literacy, and people with literacy issues, hearing impairment or intellectual disability. Particularly in regional areas of Victoria, support workers are also seeing energy vulnerability in disadvantaged Indigenous communities and places impacted by the 2019-20 summer bushfires.

Access to interpreting services is limited, with reports of most calls to some retailers' interpreter lines going unanswered or not having a suitable interpreter available. Interpreters that are not experienced in energy issues and advocacy often cannot resolve complex customer issues or identify when retailer responses are unsatisfactory – especially when advocates are excluded from interpreted calls.

Our customers in the CALD community understand very little the contracts, the plan they are signing or choosing from the retailer... 'What does it mean for them to get to get into contract?' The majority of our [refugee] clients who came from Syria, Iraq and other countries... [but] we have other cohorts or clients who came on a skilled migrant visa, and they are also struggling to understand the [energy] system and contracts. (Settlement Worker 1)

UNFAIR RETAILER PRACTICES AND DISADVANTAGE

Support workers encounter a range of unfair retailer practices with disadvantaged households ([Table 16](#)), including:

- not pro-actively advising vulnerable customers that their regular payments are unnecessarily high and their accounts are substantially in credit
- not applying agreed credits to customer bills
- inappropriate arrangements for vulnerable clients to pay incapacitated or deceased family members' energy bills;
- targeting disadvantaged people and communities to apply pressure to switch; and
- switching clients without clear consent.

People who are on a concession card and on a payment plan that hasn't been adjusted and are up in significant credit. One guy was \$1300 in credit... Under payment difficulty, they're meant to be reviewing people's fortnightly payments to make sure they're aligned with their usage... a significant amount of money that could be going into this person's pocket every two weeks for essentials. Instead, it has been banked with their energy company. (Energy Outreach Worker 3)

HOUSEHOLDS WITH SOLAR PV

Some support workers have assisted clients with solar PV systems that were installed when financial circumstances allowed. Solar PV problems experienced include:

- The solar feed-in-tariff has never been activated/ paid;
- Utilities and solar PV installers direct concerned customers to other parties, and clients unable to identify whether to pursue the installer or utilities are responsible; and
- Lengthy resolutions requiring Energy and Water Ombudsman Victoria (EWOV) involvement consume a lot of support agency resources and distress clients.

He'd had solar panels installed. [The panels] cost him a good sum of money for any pensioner. But he'd never been connected to the grid. So there was a problem between [his electricity retailer] and the retailer of the solar panels and this dated back to November 2018. (Case Worker 3)

HEALTH AND WELLBEING IMPACTS

Energy issues are impacting client health and wellbeing in a range of ways ([Table 18](#)):

- Self-rationing of energy; clients forgoing medication, food and food quality; avoiding heating, cooling and lighting; staying in bed all day; or going to bed early to stay warm;
- Lengthy resolution processes and lack of compassion when speaking to retailers exacerbates client distress;
- Declining client wellbeing as a result of COVID-19, the associated financial impacts and reductions in income support, lack of avenues to address utility debt (after claiming the URG), and lack of mental health service;
- Self-disconnection of electricity or gas; and
- Some migrants fear contacting their retailer and serious repercussions of debt if energy account information is shared with other entities and departments (e.g. immigration).

Community support organisations pay clients' energy bills to relieve stress and maintain access to heating and other essentials, especially while confined to the home during the pandemic.

COVID-19 PANDEMIC IMPACTS

The COVID-19 pandemic resulted in a range of negative impacts on customer experience and outcomes ([Table 19](#)), including:

- loss of income and higher energy bills from lockdowns and working from home;
- long waits to reach retailer call centres
- no access by phone to retailers whose offshore call centres were closed as a COVID-19 control measure;
- unsuitability of digital communication channels for many customers; and
- ‘backlogs’ for access to retailer hardship teams with insufficient capacity to meet demand.

The capacity of the community sector to assist households facing energy issues during the pandemic was impacted by:

- closure and reduced staffing of offices with workers vulnerable to coronavirus
- unsuitability of remote support for some workers and clients (including older people);
- lengthy and repeated paper-based processes to get consent to act on the client’s behalf when not meeting face-to-face ([Table 20](#)), and
- limited or no household access to facilities to print and scan consent paperwork (due to lockdowns and closures of community facilities and commercial printing services).

Overall, community support workers have been unable to assist as many clients, or were only able to provide limited assistance (e.g. information instead of active advocacy), or worked extra hours (often as volunteers) to meet client demand. These impacts on community support organisations were exacerbated by **a surge in financially distressed households with no prior experience of difficulty paying energy bills**, and despite a temporary reduction in more regular clients whose capacity to pay energy bills was temporarily increased by the Coronavirus Supplement for income support recipients.

OTHER CHANGES AND ISSUES

Community support workers are finding the newly implemented Power Saving Bonus very useful to engage and assist clients (**improvement**). Noted advantages of the Power Saving Bonus include: ability for non-account holders to apply; flexibility to use it to pay bills other than energy; and easier to apply for than URGS or the previous \$50 voucher for completion of the VEC process.

I've been promoting the \$250 [PSB]... everyone that I spoke to yesterday... five people in my shift.... I'd let them know about this and direct them to the [VEC] website...I think it is a huge bonus. (Energy Mentor 7)

Community workers also appreciated measures implemented to support vulnerable households during COVID-19. They see potential longer-term benefits if these initiatives and retailer practices continue. However, the complex energy market and pace of change makes it hard for community workers to keep up with available assistance, rules and processes – especially for less specialised and part-time community workers. Community workers have to leave some of clients’ energy issues unresolved due to large amounts of time involved to resolve each issue (see [Table 21](#)).

Implications and Recommendations

The summary of key findings above reflects the most common issues reported by community workers. While the research was conducted during the COVID-19 pandemic and noted experiences, deficiencies and some findings are specific to this period and its unique conditions, most other findings in this report apply to pre-pandemic retailer practices and, without interventions, are likely to persist going forward.

Taken together, the range of issues described have two overarching impacts that undermine an effective competitive market and good outcomes for consumers:

- **Customer engagement with retailers to discuss issues, request assistance or seek better offers is discouraged by past experiences with retailers** involving inadequate responses, conflicting or incorrect information, and excessive amounts of time and persistence to resolve issues.
- **The resources and capacity of community organisations to support vulnerable households in the energy market is depleted** by the need for long, and often several, client appointments to resolve clients' energy issues. Stretching resolutions over several weeks or months causes additional stress for clients facing bill payment and other life challenges.

Responding to the findings of the research, the implications and recommendations below seek to enhance consumer outcomes, ensure retail market obligations to consumers are being met, build trust and engagement in the energy market, and meet community expectations of fairness, health, and wellbeing for household users of energy.

General areas of retailer service and assistance to customers needing consistency or improvement

- **Easy and timely access to retailer call centres, including via the telephone**
- **Training and quality control** in retailer call centres to ensure households receive accurate information and appropriate support, and are not discouraged from retailer or market engagement
- **Elimination of unnecessary delays when households contact their retailer to ask for a better offer**
- **Reliable processes to ensure all customers experiencing payment difficulty are offered all appropriate support** (e.g. tariff checks, eligibility check and provision of access to Utility Relief Grants, checks that all applicable concessions are being received) - before referrals to financial counselling or debt collection
- **Elimination of delays and barriers to access hardship support**
- **Retailer practices which facilitate continuity of care** for vulnerable customers
- **Consistency in retailer response to victims of family violence, including financial abuse**

Utility Relief Grants

- **Improved retailer practices in relation to URG applications are needed** including:
 - ensuring customers with overdue bills are made aware of URGs
 - accurate eligibility checks
 - timely provision of application forms and numbers
 - provision of applications in a suitable format for the customer (paper or electronic)
 - willing and accurate provision of phone-based assistance to complete URG applications for customers who want this assistance
 - advising customers of URG application outcomes
 - ensuring collection and disconnection processes do not resume until URG application outcomes are known
- **Access to URG applications via channels other than the retailer** to minimise delays and exclusion of households not receiving appropriate access via their retailer
- **Reviewed wording of URG eligibility information** to minimise perceptions that concession cards are an essential criterion and increase visibility of income thresholds
- **Reliable access to the Victorian Concessions Information Line to ensure queries are answered**
- **Timely processing of URG applications**
- **Visibility of URG application progress and outcome for customers and support workers**

Concessions on bills

- **Improved retailer concessions practices are needed**, including:
 - Contacting customers with expired concession details to seek updated details
 - Pro-active communication strategies for customers with overdue bills and no concession card registered on the account to inform them that, if concession card holders, energy bill concessions are available and to contact the retailer to provide concession card details
 - Retailer cross-checks to ensure dual fuel customers with current concession eligibility are receiving concessions on both gas and electricity accounts
- **A strategy to more easily address concessions application failures** arising from name matching requirements between energy accounts and Centrelink

Energy bills and communications with households

- **Support householder preferences for paper bills, not paying by credit card, avoiding direct debit payment arrangements, and paying in person at the post office** – without penalty, pressure or exclusion from cheaper tariffs
- **More prominent Best Offer messages on energy bills *and* inclusion of Best Offer messages in the emails, text messages and App notifications** now more commonly used to inform customers about new bills and the amount due
- **Eliminate ambiguous wording of ‘Best Offer’ messages**
- **Simplify Terms and Conditions language for retail contracts**
- **Enable households to review and accept Best Offers in written format without calling their retailer**, e.g. households who have indicated their preference for paper-based communications by not opting in to receive bills electronically could be posted details of the Best Offer, Terms and Conditions, and option to sign and return paperwork
- **Accessible and consistently located critical information on energy bills** regardless of their retailer, including:
 - a reasonable font size and similar front page location for details such as tariff costs for peak and any other times, NMI number, Best Offer message, concessions applied or expired
- **Require pro-active retailer steps to inform customers about credits on any accounts**, including:
 - clear notifications apart from inclusion on the energy bill
 - informing customers if regular payments are generating undesired levels of credit that customers may be reduce these payments
 - an easy path for customers to request the credit amount be paid back
- **Improve wording on bills to help households with payment difficulties:**
 - identify the importance of communicating with their retailer
 - use language that facilitates access to appropriate support (e.g. mention payment difficulty, hardship or need for an URG)
 - overcome language barriers to awareness of availability of support
- **Reliably accessible interpreter phone lines for ESL households**
- **Access to interpreters with training in energy bills, language and common energy issues** to ensure customers can achieve resolution of complex energy problems when using an interpreter to communicate with their retailer
- **Include interpreting service phone numbers on critical customer communications** (e.g. overdue bill and disconnection notices) **and record customer’s preferred language on energy accounts**

FULL REPORT

Context of the research

From July 2019, further energy market reforms were introduced to support energy user experiences, trust and engagement in Victoria's energy market. The new rules respond to recommendations from the Independent Review of the Electricity and Gas Retail Markets in Victoria (2017) and include:

- **'Best Offer'** – information on the bill to inform energy users whether they're on the best energy plan available from that retailer and potential savings available by switching;
- **Victorian Default Offer (VDO)** – a regulated price, set by the Essential Services Commission, to replace all standing offers;
- **Clear advice** – when customers make contact to switch, retailers must provide clear and useful advice towards the product which best suits customer circumstances; and
- **Fact sheets** – retailers provide energy plan information via standardised fact sheets to assist customers making comparisons with other plans in the market.

These reforms build on prior updates to the energy rules including the Payment Difficulty Framework. The framework was designed to improve retailer and household responses to energy bill debt, reduce the rates of involuntary disconnection, and better respond to the needs of households experiencing difficult circumstances including family violence, loss of income, serious illness and other unexpected events.

A one-year qualitative research project was designed to explore experiences of vulnerable and disadvantaged consumers in the energy market since these reforms. The research draws on insights from community workers who assist households to navigate bill payment difficulties and other energy market issues.

The research commenced after Victoria's first community lockdown in response to COVID-19. Pandemic control measures impacted household practices including time spent at home during autumn and winter, retailer practices, and delivery of services by community support organisations. As such the research also considers how responses to COVID-19 are affecting energy consumers in the context of energy market reforms.

The research was completed prior to the Energy Fairness Bill and implementation of the associated initiatives.

Project Methodology and Participants

The *Consumer Experiences following Energy Market Reforms in Victoria* project involved four quarterly stages of research beginning in July 2020 and completed in May 2021.

CPRC recruited research participants from organisations in their training and advocacy network and provided contact details to the Monash University research team, who then contacted participants and scheduled the interviews.

Monash University researchers interviewed forty-four support workers from 18 community organisations. Twenty-one interviews were conducted, with colleagues from the one organisation usually interviewed as a group. Due to health concerns and restrictions implemented in response to COVID-19, all interviews were conducted remotely via Zoom (predominantly) or phone. Each interview took approximately one hour, included up to three participants, and was audio recorded for analysis.

Quarter 1 and Quarter 2 research cohorts were relatively informed community support workers including workers who have participated in the #EnergySimplified training delivered by Consumer Policy Research Centre (CPRC) and regularly work with clients experiencing energy issues.

Quarter 3 interviews included some highly informed workers, but also some who provide a range of support to clients and therefore are not as specialised or experienced in energy issues. The Quarter 4 predominantly involved organisations working extensively with CALD communities.

The interviewees worked in a range of paid or volunteer roles including as financial counsellors, energy mentors, migrant settlement workers, and case workers. The community organisations were based in Melbourne suburbs and regional areas of Victoria (see Table 1).

The research project was approved by the Monash University Human Research Ethics Committee (Project ID 25508). Each participant received a \$50 gift voucher in appreciation of their contribution.

Table 1 Community support workers interviewed

Quarter	Interview number	Organisation	Location	Number of participants	Roles*
1	1	1	Regional Vic	3	Financial Counsellors
1	2	2	Regional Vic	1	Energy Mentor
1	3	3	Melbourne suburbs	1	Case Worker
1	4	4	Melbourne suburbs and surrounding areas	3	Financial Counsellors (2); Energy Worker (1)
1	5	5	Melbourne suburbs	2	Case Workers
1	6	6	Melbourne suburbs	1	Energy Mentor
2	7	7	Melbourne suburbs	3	Energy Mentors (2); Volunteer Coordinator (1)
2	8	8	Melbourne suburbs	3	Team Leaders (2); Energy Mentor (1)
2	9	9	Melbourne suburbs	1	Energy Mentor
2	10	10	Regional Vic	3	Financial Counsellors
2	11	11	Regional Vic	2	Financial Counsellors
3	12	12	Melbourne and surrounding areas	1	Energy Mentor
3	13	13	Melbourne suburbs	1	Community Support Worker
3	14	13	Melbourne suburbs	1	Community Support Worker
3	15	14	Regional Vic	1	Financial Counsellor
3	16	15	Melbourne and regional Vic	3	Financial Counsellors
3	17	15	Regional Vic	3	Financial Counsellors
4	18	16	Regional Vic	3	Agency Manager (1); Financial Counsellors (2)
4	19	17	Melbourne suburbs	3	Team Leader (1); Energy Outreach Worker (2)
4	20	17	Melbourne suburbs	3	Team Leader (1); Energy Outreach Worker (2)
4	21	18	Melbourne suburbs	2	Settlement Workers (2)
Total Participants:				44	

Interviews were semi-structured to cover a range of client experiences and energy market topics. Participants were invited to raise and describe any improvements or issues of concern encountered when assisting households with energy bill payment difficulty or other issues involving retailers or the market. At the start of each interview, participants were asked to focus on experiences with clients from the start of 2020.

The qualitative research method used in this project was designed to gain insight from rich descriptions of experiences, examine cause and effect relationships, and develop understanding of inherent complexity. This report does not speak for all Victorian households' experiences of the energy market – community workers assist clients experiencing difficulty with energy bills and other aspects of the energy market. All findings in this report arise from the sample of support workers interviewed.

Interview data was analysed for themes (issues that were reported by several participants) and one-off accounts. Support worker quotes represent an illustrative sample and do not include all participant statements. Quotes are represented in italics. Ellipsis points (...) mark an omission from a quotation and supplementary text for clarification of quotes is provided in square brackets ([]).

Research participants are referred to by their role in the organisation where they assist clients. As most participants requested anonymity for their organisation, the names of all organisations were excluded from the report. Names of retailers mentioned are excluded or replaced with an indication of retailer size and prominence in the energy market (e.g. Tier 1).

Findings

INCONSISTENCY IN RETAILER RESPONSES TO CUSTOMERS

Inconsistency within retailer call centres is widely reported ([Table 2](#)). Customers and support workers encounter highly variable responses to vulnerable or financially distressed customers. In response to inadequate responses to customer hardship or incorrect information, support workers commonly abandon attempts to resolve client issues and initiate a new call in hope of finding a more knowledgeable or experienced staff member, or a staff member with better communication skills and willingness to help. Support workers also recommend this strategy to clients when they are approaching retailers on their own.

Inconsistent responses point towards **inadequate training of call centre staff**. As a result, the time and persistence required to resolve issues, access better tariffs, or receive appropriate support in hardship circumstances is substantially increased – both for customers and support workers. Provision of incorrect information and poor responses to customers discourage customer engagement, and negatively impact customer confidence to discuss issues with retailers or seek better offers. Variability in English skills, strong accents and reliance on scripts increase the difficulty faced by customers, especially those with English as Second Language (ESL), mental health or hearing issues, and older age.

Particular retailers are known by support workers as better or worse in specific areas, with differences between some top and lower tier retailers' responses to customers in hardship being an underlying risk for vulnerable customers navigating the energy market.

With our energy mentors we've had this conversation a number of times ... Halfway through the conversation, if they are not helpful, we hang up and call again because we will get someone more helpful. I know it sounds awful and ridiculous but if somebody doesn't understand what we are asking, and that's their job to understand that ... hang up and we will talk to someone who knows what they are talking about. (Energy Mentor 2)

[Table 2 Inconsistency and training issues in retailer call centres](#)

- Support worker concerns about high staff turnover and training
- Outdated and incorrect information provided to households contributing to long-term householder misunderstanding and disengagement
- Lack of, or highly variable, compassion and understanding for vulnerable households
- Lack of continuity of care for vulnerable clients, resulting in differences of opinion and changing advice
- Support worker acknowledgement that dealing with stressed and emotional households can be challenging – concern that call centre staff may not have adequate experience and training for this aspect of their role
- English skills, accents and reliance on scripts impact customer engagement and outcomes, especially English as a Second Language (ESL) clients, the elderly, and those with mental health issues
- Poor telephone lines increase difficulty hearing and understanding retailer staff
- Inconsistency compounds stress for vulnerable households and depletes the limited resources of community support organisations

It depends on who you speak to as to what information you get. (Financial Counsellor 3)

Staff training is very important... there's a lot of improvements happening recently with some companies... [but with others] they can't they cannot identify client financial hardship, they cannot offer assistance... they know the only the basics. (Settlement Worker 1)

It happens a lot with different companies where you just don't get a right answer. Sometimes call back and speak to someone else and get a better result straightaway. (Financial Counsellor 14)

[I advise clients], make an excuse and hang up. Just try to get someone else... you could just call again and see what happens. (Financial Counsellor 11)

There's a big lack of knowledge. So you've got people in hardship teams not able to change energy plans, not understanding the URG [Utility Relief Grant] criteria. (Energy Worker 1)

Sometimes you are explaining to [the call centre staff member] what the process is... they're main talking point seems to be getting someone on a payment plan and getting the bill paid... It depends on who you get. (Energy Mentor 2)

I was a little bit disappointed with [Tier 1 retailer]'s resolutions department. They said that the energy Payment Difficulty Framework was discontinued in November last year. I said, 'who the hell told you that?'. I think it's an issue of training. (Case Worker 1)

When I got that [call] recording, the person from the energy company spoke really quickly and had a very strong accent. I had trouble understanding, let alone an 80-year old man with a hearing impairment... A lot of our elderly clients do mention that they have trouble understanding the person from the power company. (Financial Counsellors 6 & 7)

RETAILER RESPONSES TO PAYMENT DIFFICULTY

Support workers notice that retailers, once contacted by the customer or their advocate, are more pro-active in checking if a better tariff is available (**improvement**):

I would say that providers are doing a lot better in making sure... once again, the top tier providers, that people are on the best deal. The first thing that they genuinely say, when you start the call is, 'I've just had a look, [they are] on the best deal that they could be on'. Right. That's good. (Agency Manager 1)

However, retailers often fail to recognise payment difficulty unless customers use specific 'magic' words (Table 3), and many do not receive any appropriate retailer assistance (Table 4). Retailers are usually more responsive when community workers approach retailers to advocate on a client's behalf, but there are instances of agreed approaches being adjusted to be less favourable for the customer once the advocate is no longer involved. Support workers can also experience difficulty reaching hardship teams due to call wait times, insufficient hardship team capacity, and changes in hardship team phone numbers.

Table 3. Issues recognising customers' payment difficulty

- Lack of assistance or access to hardship teams when financially distressed customers contact their retailer
- Call centres not sufficiently flexible in recognising payment difficulty if customers do not know or use specific 'magic' words (including households in financial distress for the first time due to COVID-19 income loss)
- Financially distressed clients transferred to the collections department instead of hardship team

- Customers told they cannot enter the hardship program until seeing a financial counsellor
- Debts allowed to escalate without proactive, effective retailer attempts to engage customers
- Language on energy bills is insufficient for some customers to recognise their eligibility for support and identify themselves to their retailer
- Support workers are educating clients about call centre levels and how to navigate to appropriate support (e.g. to reach the hardship team)

It's part of education with the clients to use those words, make the phone call and ask for the hardship departments... [use] the magic word. (Financial Counsellor 15)

The second biggest frustration is around people calling their energy providers at the moment – not the big ones, it's the small ones – saying 'I can't pay my bill, I am in trouble' and [the retailer] is like 'too bad'. Don't offer them a Utility Relief Grant, don't do any of that... We try to educate clients, 'You need to ask for hardship section'. (Energy Mentor 2)

They don't actually put them on to hardship programs, some organisations like [Tier 1 retailer], they'll just push them through to collections. And their collections team is really harsh... It's easier to work with people onshore, a lot of the hardship team are onshore. The collection departments are usually offshore in the Philippines or India or somewhere like that. They don't know our, our legislation... it's harder to work with them. Because you have to tell them, and then you go to their manager... it is very difficult. (Financial Counsellor 10)

Generally, when clients call the providers, they're being pressured into making an unaffordable payment plans, not being told about the [URGS]... a lot of people at the moment who have never had to access services that don't know, it's just not being offered readily. (Case Worker 2)

I think that the provider has the responsibility ... they need to reach out... not let it get to \$3,000 or \$4,000 in outstanding bills. (Case Worker 1)

If they have some certain amount [of debt]... it is better to call, especially the consumers on concession. Say, 'Look, your debt is very high. Is there anything we can do?'. And if the person doesn't speak English, try to get someone who speaks the language and understands what's wrong with the energy consumption. (Team Leader 4)

The [bill] will usually say, 'If you're having a hard time paying your bill, you can contact the hardship department'. For some clients this means like nothing... it would be good if it said that if you meet the eligibility criteria you could apply for the Utility Relief Grant. Or what are those services... [like] a payment plan. (Community Support Worker 2)

Table 4. Deficiencies in hardship assistance

- Lack of direct and time efficient access to hardship teams; unmet promises of a call back from the hardship team
- Not checking that hardship customers are on the retailer's Best Offer and that the customer is receiving applicable concessions
- Not providing the opportunity to apply for an URG
- Client offers of regular payments refused and unaffordable payment plans implemented (including clients with no income such as asylum seekers)
- Retailers 'bullying' clients into unaffordable agreements once the advocate is no longer involved, e.g. renegotiating previously agreed payment plans
- Customers directed to inappropriately prioritise energy bill payments

- Lack of explanation of payment plan calculation and what it covers (e.g. arrears and/ or usage) resulting in client disappointment when debt remains despite adherence to plan
- Clients accumulate debt because the retailer does not advise that their payment plan/ regular deductions are insufficient
- Direct access for advocates to hardship teams improves resolution pathways but hardship team phone numbers often change and not all support workers have direct access phone numbers
- Electronic communication channels (esp. team-specific email addresses) are important for support workers, including to provide a more accessible record of contact than retailer-held recordings of phone calls
- Payment plans expire and need renegotiation each six months
- Inappropriate cancellation of customer hardship program participation
- Refusal to waive any debt regardless of circumstances
- Hardship customers, even with small debts, told they cannot switch retailers
- Regulated language that must be read to customers can intimidate clients and discourage engagement with retailers
- Lack of hardship teams or training in some smaller retailers

[The client] tried to make some repayment arrangement... \$40 a fortnight. The utility company said, 'Well that's not enough'... The client hung up in in disbelief... we go and talk to the [retailer] as advocates, we do get a bit of a different [response]. (Financial Counsellor 17)

They don't know about URGs. They don't know about financial counsellors. And some organisations won't tell them, they'll just push them. (Financial Counsellor 10)

But a lot of [the Tier 2 and 3 retailers], I don't know that they particularly use the payment framework for people who have disadvantage and vulnerabilities. (Financial Counsellor 18)

Single parents, single men putting more than 60% of income towards rent. Very difficult to pay utilities but retailer staff only offering a payment plan, not encouraging clients to apply straight away for URG, trying to get them on payment plan first. (Settlement Worker 1)

[Tier 1 retailer] has been asking clients to 'strictly renew their budget' so they can afford the future usage ... that's pretty harsh. (Case Worker 2)

[Tier 1 retailer], they seem to be getting a lot more hard line with payment plans... the consultant has said that at the end of these three months you have to pay your usage or you are going to be removed from the [hardship] program. (Energy Mentor 2)

I try to encourage people to ring up the company and deal with [issues] themselves, but the power company goes back on what has been agreed on. Once they've got [the client] on the phone by themselves, they bully them. (Financial Counsellor 6)

If the hardship line just rang them and said 'What's going on? This [help] is available to you'. Parents at home that think that the electricity is going to get cut off and their kids can't do online learning. The flow on effects for the whole family is quite stressful. (Energy Mentor 2)

[Tier 3 retailer] disconnected a client because they couldn't contact him. He was in hospital with mental health issues and is illiterate. He hadn't missed any payments and he was paying \$80 a fortnight by Centrepay. They removed him from hardship, disconnected him because they couldn't contact him even though he was paying. (Financial Counsellor 1)

Lack of support in extraordinary health circumstances

A support worker described the financial and emotional stress on a family with a teenage son at the palliative care stage of a long illness and who “has to have his [life support] machine on constantly”. In these “really tragic circumstances” the family have accumulated a large electricity debt. “This family who already in an incredible amount of stress and pressure, continuously getting a \$9,000 and growing bill coming all the time, they pay what they can offer.” The retailer is aware that they cannot disconnect the household due to the life support requirements but “won't even negotiate with them on a hardship plan or anything. They said it's too high, and there's too much going on. So they apply for the URG, every two years. And that's about it for support”. (Team Leader 2)

INVOLUNTARY DISCONNECTIONS AND GETTING CONNECTED

In recent years, support workers are seeing few involuntary disconnections of vulnerable customers (**improvement**). Addressing failures to provide appropriate assistance to financially distressed households (see [Table 3](#) and [Table 4](#)) would further reduce disconnections.

Support workers are also positive about the few retailers known to be willing to connect customers in difficult circumstances with poor credit history.

The other big retailers had all rejected her. So we called [Tier 1 retailer] and they connected her without checking her credit history. (Case Worker 1)

UTILITY RELIEF GRANT SCHEME

As a key mechanism to assist financially distressed clients, a wide range of barriers remain for eligible households in need of an URG ([Table 5](#), [Table 6](#) and [Table 7](#)).

Lengthy delays (at times many months) in processing submitted URG applications have complicated provision of support as client debt, distress, and fears of disconnection escalate. Advocates are unable to verify receipt of submitted forms or likely processing time (very limited DHHS Concessions Line capacity), and retailers do not inform customers or their advocate when URGs are granted or denied. As a result, client cases require advocates to monitor and follow up on clients' URG applications over an extended period, especially as retailers sometimes resume collection or disconnection activities before receipt of an URG application outcome.

Instances of retailers filling and lodging URG applications for customers were viewed as positive (**improvement**):

I've had two cases... in the last few weeks. And the [retailer] immediately completed and lodged the URG application. I think that's fantastic having that guideline there that retailers must assist... it also overcomes this problem now with Australia Post – things taking so long in the mail. So all credit to the ESC. (Energy Mentor 3)

However, support workers were concerned that retailers were mostly failing to offer, or refusing to provide, this assistance with URG applications. They had also seen mistakes on URG forms submitted by the retailer and which could affect outcomes for clients.

Electronic applications can help support workers to access URG applications and track whether they have been submitted and granted (**improvement**) but, with concerns about the reliability of the electronic application process, some workers have reverted to paper applications.

Table 5. Lack of access to Utility Relief Grant applications from retailers

- Eligible customers experiencing payment difficulty not told about URGs
- Eligible customers told they are ineligible for an URG (e.g. that a concession card is essential and low awareness of income thresholds)
- Application forms/ numbers not sent and significant delays to send application forms (weeks or sometimes months)
- Unmeetable form return deadlines given slow provision of forms
- Retailers resuming collection or disconnection activities before URG application outcome
- Provision of URG applications in formats unsuitable for the customer (e.g. email links for customers without capacity for electronic form completion) and without instructions or information about where to seek assistance if needed
- Retailers 'gatekeeping' access to URGs and asking unnecessary personal questions
- Lower bill households denied access to URGs until higher levels of debt accumulate
- Placing conditions on access to URGs, such as an unaffordable payment plan
- Single fuel customers not informed about access to higher URG amount (\$1300)

I still have clients that are in the hardship strain, but have not had the URGs discussed... the reforms came that the retailers are meant to offer to anyone identified on a Centrelink payment and discuss the URGs. It's still not happening... the energy retailers get paid to do it... I just don't understand why they're not focusing more on it. (Financial Counsellor 12)

I think leaving the URGs in the hands of the retailers is a disaster because a lot of the people are trained up just on Best Offer and concessions. So then giving them these Utility Relief Grants is just another thing that they just don't understand. (Team Leader 3).

With Utility Relief Grants ... the energy retailers are the gatekeepers. They want to ask so many questions that aren't their business.... these people were really quite destitute ... I said you don't need to know that information but they were insistent. (Financial Counsellor 1)

I'm hearing people trying to self-advocate and I may have what the energy retailer deems as being a low bill, so that might be under \$650. And then refusing to provide the form until such time as the debt is above the \$650 ... putting roadblocks there for them as well. (Financial Counsellor 2)

[Tier 2 retailer] refused to send an URG application because the client didn't have a Health Care Card, even though they met the low-income criteria. They said in their program, it is essential... I spoke to four different people, before they agreed to send out the paperwork. (Case Worker 2)

A couple of scenarios in the last 12 months where the utility providers would not send out URGs until the client agreed to a payment plan... putting conditions on it. (Financial Counsellor 4)

One of the biggest issues I've had ... is around the Utility Relief Grant ... People can apply for the grant who are not eligible for a concession but they made a certain income criteria. I have not come across one retailer staff member that knows about [the income threshold]. A lot of them say, "No, you don't have a concession card". (Energy Worker 1)

I don't know why the retailers cannot [complete URG applications] over the phone... a lot of our clients do not have access to email, or they don't like to use links... There's often is a deadline that the retailer puts on, that the paperwork needs to be completed and returned by, which is often not realistic by the time it's posted and received by client. (Financial Counsellor 19)

I just I still wonder and I'm a bit 'pie in the sky', why clients need to go to the utility provider to access the [URG]. Often that's the barrier for clients is that utility provider says, 'No, you're not, eligible?'. (Agency Manager 1)

Table 6. Issues with Utility Relief Grant processes

- Significant delays in URG processing after submission (up to six months)
- Lengthy URG processes fail to relieve stress, generate additional anxiety for clients experiencing financial difficulty and disruptive life events, debts grow while awaiting URG, and retailers may resume disconnection and debt collection processes while the customer awaits an URG outcome
- Complicated processes and delays contribute to clients opting not to apply for URGs
- Failure to inform customers/ advocates when URGs applications are granted or refused
- Long call wait times and inability to reach the Concession Information Line; policy to respond to only one query per phone call
- Problems with electronic URG applications and submissions; some support workers have returned to paper-based URG applications

The [URG] scheme itself is very good... but something needs to be improved around that process. (Settlement Worker 1)

There's people who literally put those [URG forms] in six months ago and still have not heard... in the meantime, they're just saying there's enormous bills coming in... massive anxiety around that. (Team Leader 2)

There's still those delays in [URG] processing... [the Concessions Information] telephone line didn't work. And they weren't replying to emails, because they had such a backlog. So nothing was happening. (Agency Manager 1)

To talk to DHHS about an URG, you will be on hold for an hour... And then you might be cut off and have to ring back again... a lot of time trying to follow up to see if these grants are being processed. (Financial Counsellor 7)

A lot of our clients have mental health challenges. So the anxiety they're waiting, not knowing whether or not they'll qualify for [the URG]... the time it takes just adds to the already anxious state. (Financial Counsellor 19)

When the DHHS introduced the new Utility Relief Grants method [via email link]... became more complicated for our clients... the portal or the online web page itself, it's not very functional... fields that can't be completed... a lot of client frustration comes up, some of our clients actually, they gave up on applying for Utility Relief Grant because the utility companies send an email link once, twice, three times, and the [client] could not follow it up. (Settlement Worker 1)

We've had a lot of difficulty doing [URG applications] electronically. They send links that don't work. So we're printing them out. I think I've got one through electronically. I don't even try anymore. (Financial Counsellor 7)

I thought when they said that they were going to this digital version URG, I thought it would be great because we can do the application in full when the client comes to see me ... but we wait for it to come in the email or we wait for it to come by text... Apparently it has to go to a back office, there needs to be an application number ... it's taking about 10 weeks to get processed. And meanwhile, the clients still they're going what's going on?... They just need that peace of mind that something's happening. (Case Worker 2)

The URGs was blowing out to six to eight weeks to be assessed. And the retailers had in their system, say a four-week time frame. So four weeks was up... and they started the pressure [on the client] again. Doesn't matter that the application is still pending. So I've had to sort of go back to the retailer on behalf of the client and say, 'Well, no, we're still waiting on the URGs.'
(Financial Counsellor 12)

Table 7. Other Utility Relief Grant issues

- Retailer refusals to complete and lodge URG applications for customers (since this requirement was introduced) and mistakes on URG forms submitted for customers
- Some support workers unable to assist clients with completion of URG applications during COVID-19
- Inability for support workers to access URG applications generates need for multiple client appointments
- Current URG processes require advocates to monitor and follow clients' URG applications over a long period
- Customers granted an URG not allowed by retailer to access remaining funds within the 3-month allowable 'top up' period; insistence on a new application
- Households that prioritise energy bill payment and forgo other necessities to avoid debt and disconnection cannot access URGs as they are not in arrears but are experiencing hardship
- URG information on the DHHS website may contribute to confusion about eligibility by front-ending reference to concession cards as an eligibility criterion; income thresholds for eligibility not prominent

[Tier 1 retailer] will not help people complete URGs. And that's my real big 'beef'. I have a CALD couple, elderly, not on computer and have no help. They have no way of completing an URG by themselves. They'll need an interpreter as well. So what chance do these people have of that if they're not engaged with a Financial Counsellor? (Financial Counsellor 2)

I don't have the confidence that the retailer actually knows 100% what they're doing [to help submit URG applications]... what training have they had to really sort of help the client?... I've heard of duplicated applications by retailers, multiple errors... a backlog in the system... I like to have the belief and confidence in them but at the moment, I just don't because of the experiences. (Financial Counsellor 12)

Another co-worker has just reported that [Tier 3 retailer] are refusing to complete any 'top up' to existing URG applications, insisting there needs to be an entirely new application, even though the grant was only paid on 2nd November, 2020. (Financial Counsellor 8)

A bit of a problem in Victoria between DHHS and the retailers ... the automatic 'top up' that you can now do if you've got below the \$650. You just ring within three months, and your retailer should be able to automatically request that top up on your behalf. I had a number of people through [Tier 1 retailers] say, 'Oh, we can't do that'. The supervisor had no idea and I think it's pretty shocking ... when all that retailer needed to do was hit a few buttons on that keyboard and it would have been done for them. (Energy Worker 1)

The wording on the [DHHS] website sort of dismisses the fact that you're eligible for [the URG], it really highlights if you've got a Health Care Card you're eligible. You've got to actually delve down deeper to identify... the income thresholds, who may be eligible. (Financial Counsellor 4)

If you're on the phone to a client and the retailer today, you can't get the URGs [application form]... you have to wait many days to get it, then you've got to get your client back... why is it so difficult? They should be able to do it there and then. (Financial Counsellor 12)

We are keeping files open for close to a year just to monitor [URG progress]... which is crazy. (Financial Counsellor 8)

Difficulty accessing a Utility Relief Grant

An energy mentor described a six-month process to access an URG for a 70-year old ESL client living in public housing with a son who ‘struggles with some mental health and drug abuse’.

We rang and asked the [Tier 2 retailer] to send out the URG application. It took us an hour... because the frontline person wanted to speak to me about a payment plan... Eventually we get through to hardship. They said “yep, we'll send out the URG application”. They didn't and they kept sending her cut off notices, “You're overdue”. A month later again we ring to send them out. Again, it didn't happen... meanwhile she's getting these bills... again, bigger, bigger, bigger. We had to go to the Ombudsman in the end. So the Ombudsman contacted them and... they sent [the URG application] out. We sent it back. And then there was another problem... Department of Human Services, so it came back to us again. And we had to contact the Ombudsman again. Meanwhile, this lady was getting more and more distressed about the whole thing. In the end, after two contacts with the Ombudsman and about 13 contacts with [the retailer]... exhaustive process and all unnecessary... that's what I always get very, very frustrated. It's that [the retailers] are so reluctant still to go down the Utility Relief Grant path...It's one form [the retailer has] to send off. And it's done... it just seems to me such a waste of everybody's time and energy... I think the thing that's not getting through yet is the hardship. It should be a straight line to hardship. (Energy Mentor 6)

Water sector URG practices with disadvantaged customers

Support workers often contrasted the support provided by water utilities with energy retailers. Financial Counsellor 3 said:

I had a client who has an intellectual disability, we called up [the water utility] and he just did [the URG application] over the phone for him and it took away so much anxiety for this client ... but [his Tier 1 energy retailer] was posting it out to him... some companies like that need to update their practices.

Support workers from a range of regions agreed that water utilities responded more productively to customers in hardship, distress and family violence:

Here in Bendigo, [the water utility] is exceptional ... they've actually got a hardship team and one of their team goes out and does site visits to assist you with clients. And so their commitment is exceptional, but I think that's the difference between still being a government agency as opposed to a privatised sector. (Financial Counsellor 4)

In Ballarat [the water utility] proactively refers clients to financial counselling, they are particularly good at identifying and referring. (Financial Counsellor 5)

They [water utilities] really set the gold standard. (Financial Counsellor 1)

Case Worker 2 encouraged some clients to do their own URG application with the water company because she was more confident the clients would be supported through the process:

If I have to do three utility relief grants for a client, I will often suggest that they listen to me when I do the gas and electricity. Then I get them to do the water themselves. Because I know that the water company is much more pleasant to deal with, just gives them that little bit of practice, I guess. It's about advocating self-advocacy.

CONCESSIONS

Some support workers are now finding lower numbers of clients missing out on applicable concessions (**improvement**):

I think they're a lot better than what they used to be with getting those details if they're on a concession ... I feel like they've improved a bit. (Financial Counsellor 4)

However, a range of factors contribute to consumers missing out on concessions as summarised in Table 8. Once the issue is brought to their attention, retailers are usually willing to backdate missed concessions for up to 12 months (**improvement**), but getting concessions backdated for longer periods when due to retailer error can be difficult.

Table 8. Energy bill concession issues

- Low customer awareness that concession details need to be updated regularly;
- Customers newly in financial distress (e.g. unemployed due to the pandemic) not informed by their retailer about concessions;
- Customers with expired concessions not contacted by their retailer to seek current concession details;
- Concessions not applied to bills even when concession details are current in the retailer's system (e.g. concessions randomly missed or applied to account for one fuel but not the other);
- Minor client name spelling differences between Centrelink and retailer systems prevent access to concessions and especially impact migrants with unfamiliar names or non-traditional name structures (e.g. clients without first and last name) and customers instructed by their retailer to approach Centrelink for a resolution; and
- Pay-on-time discounts misunderstood by some households as receipt of applicable concessions.
- Customers and retailer staff unaware of less common concessions, e.g. medical cooling, non-mains energy concession
- Concerns about gas accounts being excluded from Service to Property Charge concessions, and the financial impacts of vulnerable households reliant on gas for essential but low usage purposes (e.g. cooking)
- Requirement to complete forms within limited time period hinders access to Excess Electricity and Excess Gas concessions as forms are often emailed too late and regional clients without access to email are more especially impacted given slow Australia Post services and lack of access to mains gas for heating and hot water
- Concessions Information Line closures and long wait times (during COVID-19)
- Difficulty securing backdated concessions for longer periods even where retailer systems contributed to missed concessions

The pattern of mysteriously dropping off. They might get a couple of bills with the concessions applied, and then lo and behold, it disappears even though the card hasn't actually expired. (Financial Counsellor 3)

I don't know why [the retailers] don't ring customers and say, "Your Health Care Card or Pension Card's expired. Have you got the new details there? We can update it. We can check your payment arrangement... make sure everything's going okay. The person I would think they're getting great service. (Agency Manager 1)

It seems just because they've got different teams - the gas team, the electricity team, and the two teams don't talk [re customer concessions]. I don't know whether they're operating on different systems or not. (Financial Counsellor 3)

We have had people who have it's taken many a phone call, to get the right concession. And to have it stay there. (Energy Mentor 6)

Some of the newly unemployed, having recently just been thrown into the position of having hardship and not being able to pay their bill were not aware that they could get concession discounts... There was also an experience working with an older adult that had long-term hardship but had not had concession applied. (Community Support Worker 2)

When I see their bill, and say, 'Oh, look, you don't get the concession discount, which you are entitled to?' They said, 'No, I do have a concession discount,' and they point to one line on the front page [of the bill] ... it's just pay-on-time or loyalty discount. (Energy Outreach Worker 2)

A migrant family, they came in, and they weren't getting the concession. [The daughter] was studying at TAFE and spoke quite good English. She had rung the [retailer about the concessions] and nothing happens... it turns out that the name on the card on the [concession] card was not the same, exactly the same as on the bill... every time they applied to Centrelink they weren't a good match, so therefore there was no concession... I think that's one of the things that needs to be relaxed with forms. (Energy Mentor 7)

Some of the clients have only one name if they come from a country like Myanmar or Indonesia. If you look at the system of the provider, they have a given name and a family name but they don't always match Centrelink and the name registered there. This issue is quite a mess. I feel so sorry for the client. (Case Worker 1)

The [call centre worker] could probably tell my voice was getting pretty frustrated ... but then the name was different on the concession card and on the bill. And this is something that often you have to send in photocopies of the concession card and all that, and I said, 'Look, is this going to take much longer!'. ... So then she just changed the name on the bill because I was complaining about the time. I've had that where you need centrelink documents, but that showed that it can be done on the dot. A lot of this red tape just doesn't need to be there. (Team Leader 3)

Resistance to backdating concessions beyond 12 months

Energy Worker 1 reported ‘a consistent issue’ for clients who have gas and electricity with the same retailer:

I often come across ones where the concession is on the electricity bill, but it's not on the gas. And they have multiple databases. And the problem is, is that the two accounts are not linked. And the system I've probably had that happen a good 10 to 15 times.

The energy worker assisted a woman in her 80s with significant health issues and impacted by these retailer system issues:

The concession was on the electricity bill, had been so for the whole time, but she'd missed out on about three- or four-years worth of gas concession. The retailer responds to that with, “We'll give you 12 months worth of backdating”.

After escalation to a manager the full four years of concessions were backdated because the retailer’s system was at fault:

She had rung up and gave her [concession] card details... the onus is on the customer to check every single bill across every single account. [If] I have both my accounts with the same company, I think it's pretty logical to assume that everything's okay with the concession. So if I hadn't been there to advocate for her, she would have only got the 12 months... She didn't know what to do with herself. She got like a \$2,000 cheque which was awesome. You just think how many people have that situation but they don't have somebody with obviously the expertise.

TARIFFS, ‘BEST OFFER’ AND THE VICTORIAN DEFAULT OFFER

Support workers notice that less clients remain on highly disadvantageous offers

(improvement) since recent reforms including the Victorian Default Offer and limits on pay-on-time discounts **(improvement)**.

I'm noticing with the referrals we get through [for financial counselling] I'm noticing less of them are still on bad offers... it's not perfect but I think there has been an improvement in that area. And that's probably down to the changes in the legislation last year. (Energy Worker 1)

The Best Offer reform helps support workers identify clients on disadvantageous offers and work with them and/ or their retailer to implement cheaper energy rates **(improvement)**. However, many households are not benefiting from the Best Offer reforms for reasons described in [Table 9](#).

Table 9. ‘Best Offer’ messages and access

- Low visibility of Best Offer bill messages and low awareness of the Best Offer reform undermines the impact
- Visibility of Best Offer messaging is reduced due to electronic/ digital bill delivery processes and regular automatic bill payments and deductions (see [Table 13](#) below)
- Concerns/ confusion that calling to accept the Best Offer can yield an even better offer

- Ambiguous Best Offer messages on bills, e.g. 'You are on one of our lowest plans' or 'You are on one of our low-cost plans'
- Client perceptions that 'You are on our Best Offer' means it's the best offer in the market
- Best Offer messages not being consistently applied to bills
- Concern that the Best Offer is opt in rather than opt out, lack of requirement for retailers to be proactive in getting customers onto best offer
- Clients in crisis without the time or energy to respond to Best Offer reforms or compare and switch retailers
- Distrust in energy companies, and complexity of the market, contributes to doubts that Best Offer messages are genuine and low confidence to respond or switch retailers (especially CALD households)
- Instances of householder requests for a better plan from their retailer being unsuccessful until advocate involvement
- Arranging a better deal with the current retailer often takes over half an hour and can involve speaking with several call centre workers
- Perceptions that delays and distractions are structured into the process deliberately to discourage customer engagement
- Lengthy and complicated Terms and Conditions further discourage customer acceptance of Best Offers and switching

[The Best Offer message] it is really useful – for the person who takes the time to read it... I find that useful... some people are very reluctant to change [retailers]. And that's okay, that's their choice. So at least you're informing them that it's not the best rate from that retailer. (Community Support Worker 2)

When I'm reading one of their bills... that's the first area that I look at [Best Offer message]. Because of the training [via CPRC]... you know better what to look for... to make sure that they're on their best deal. It's much clearer, that box... makes life a bit easier. (Energy Mentor 6)

A lot of [clients] aren't aware of the Best Offer... it's sort of hidden... it's only financial counsellor knowledge... I think they just look at their money amount... big, black letters [not] this small print... I look out for the Best Offer on the bills this year. I feel more comfortable doing that with them. Many of them just don't want the hassle of changing [retailer]. (Financial Counsellor 16)

I did [an information session] last week with 27 carers in our group, and nurses and we talked about the front page [Best Offer message]... Not one of them knew about it. These weren't vulnerable clients, these were just normal everyday people. (Financial Counsellor 9)

[Clients] skip over [the Best Offer message]. They don't trust the utility company, there's a real distrust... there's just too much now for especially for an elderly person. (Financial Counsellor 9)

*[Best Offer] terminology, says something like 'you are on one of the lowest plans' ... the terminology that the companies are using is, once again, a bit obtuse. It's sort of not fair that they are not mandated to actually say a specific form of words, as in 'you are on the Best Offer' or 'you are **not** on the Best Offer'. (Energy Mentor 1)*

Because the [Best Offer message] was on their bills from their provider they were like "That is definitely my best offer" ... We're like 'No, that's your best offer from your provider. It's not your best offer'... There was a lot of misinterpretation around that. (Energy Mentor 2)

I helped an old lady who cannot speak English to call the company and switch her on the Best Offer...then the man on phone tried to, you know, persuade me that there is another better offer

that they can offer, instead of the one that they have written in the bill... talking about the best offer and the customer calls, and they say that they have another offer, which is even better...It is really confusing for the customer. (Energy Outreach Worker 1)

Simplify the Conditions to make it easier for the [CALD] consumer to understand. No need for the call centre to say it on the phone, you have to agree with this. Just 'Okay, would you like us to send it by post if that's easier?'... Let the consumer read it and sign it if they agree and post it back. Better than spending 45 minutes on the phone listening. (Energy Outreach Worker 4)

I didn't see any clients taking that initiative to contact the company and ask for the Best Offer... they think it's only a lie... or a promo... majority of our clients don't have the confidence to contact and discuss that with utility companies... if there is a better deal for the customer, why should that not be automatically chosen?... They have more important things like ... with children, education and health and migration. (Settlement Worker 1)

It's about having the confidence to [ask for a better offer] ... it's a tough process when English is a second language and for a lot of our clients it is. (Energy Mentor 2)

A customer would ring them up and say 'I'm not happy with my bill'. And the retailer would say, 'what aspect are you not happy with?'. And then they'd get into this cloud of confusion about tariffs, discounts, and peak and off-peak. It's very easy for the retailers to say, 'well I really don't think you're using your energy very wisely'... they can throw up a whole lot of things that are the customers 'fault' rather than giving them a good deal. (Energy Mentor 1)

Lengthy processes to get a better offer

Energy Mentor 1 frequently assists clients, often the elderly, to get a cheaper plan from their current retailer. He says 'it's not unusual to take 45 minutes or an hour' from 'the first time I dial to the time I put the phone down and we've actually organized a new plan'.

The energy mentor notices common steps in retailer switching processes that he suspects are 'a ploy to make people give up in frustration':

Normally the wait time to actually get talking to anyone is around about 10 minutes ... it all gets back to this psychology and how the power retailers operate. I usually speak to their ... customer relations type person. It's usually the first protocol which you expect and then we discuss with them what the problem is. They will say something like "Oh Mr. _____ can you just wait a few minutes while I speak to my supervisor?". And they put you back on hold ... They're just making us wait ... usually it takes about three to five minutes, before they get back. We then discuss some more aspects with them and they might say something like: "I'll put you through to the billing department" or there'll be some other person they have to speak to and it takes probably another 15 minutes or 20 minutes. Then they'll say, "this is what we're going to offer you, I've spoken to my manager" or something.

Energy Mentor 1 says he doesn't 'lay blame entirely at the feet of the retailers' but think it's part of their business model to make it hard for people to get a better deal:

That's why I think this initiative with the VEC and the state government is actually a very good one, but unfortunately it probably still requires a third party in most instances to help people through the process.

Table 10 Victorian Default Offer (VDO)¹

- Low awareness of the VDO reform and what it means for households that do not engage in the energy market
- Client perceptions that being on the VDO would be a bad outcome
- The VDO provides some reassurance about outcomes for clients when support workers are reluctant to facilitate clients switching to new offers or retailers due to doubts about the longevity of 'better' offers, and when assisting clients who are very unlikely to review and compare energy plans on a regular basis (**improvement**)
- Mandated VDO messaging does not make sense for households already on the VDO
- Households on VDO paying more than necessary but the Best Offer message is not included on their bill

Guaranteed that we'll have clients who are on the [VDO]... they're not going to be the people who ring their energy company every year and haggle... so it is the only thing that we have in our pocket is to say, 'look, it might be better for you to be on this'... a lot of our great elderly clients... don't want to have to deal with this [shopping around]. They just pay their bills. They want to know they're getting a reasonable deal... [the VDO] is wonderful in that regard. (Energy Mentor 6)

I often just use it as a mechanism to explain to customers that you should not have any fear about your bills suddenly increasing by 25 to 40% overnight because the difference between the VDO and the lowest rate you're going to get is not that significant. (Energy Mentor 1)

This is what the bill has to say on the cover: 'The Victorian Default Offer is a reasonably priced electricity offer set by Victoria's independent regulator. Contact us on phone number to discuss the suitability of this plan for you'. In the case of this bill it had that on the front, on page one, that particular quote. However, what was the relevance of it because this guy was on the Victorian Default Offer? So there was nothing to discuss. But what was missing, of course, was information about the Best Offer, which would have saved him money. (Energy Mentor 3)

A case where the client had a \$1700 dollar bill ... they had been put on [the VDO]... the Best Offer was not display on the front of the [Tier 1 retailer] bill, which I found that very concerning... When I looked on [the retailer] website I could see that the Best Offer was a 14% discount from the Victorian Default Offer. It was about \$290 that that client was missing out because that information wasn't on the cover of the bill. (Energy Mentor 3)

¹ Few support workers reported experiences of clients directly impacted by the VDO.

SWITCHING RETAILERS AND VICTORIAN ENERGY COMPARE

Beyond taking up a cheaper offer with their current retailer, **many support workers' clients are unable to confidently or successfully navigate the market and switch to a cheaper retailer.** Many fear negative outcomes if they switch (e.g. disconnection, less reliable supply or higher costs). Most support workers are unable to assist clients with comparing the range of energy offers available in the market and switching to another retailer. Their reasons include lack of time, concerns about facilitating a switch that may end up being disadvantageous, and complexity of the VEC website. ([Table 11](#)).

Table 11. Issues comparing and switching retailers

- Complexity and variety of tariff structures are a barrier to energy market engagement
- Migrants often unaware of retailer choice in Australia
- Clients reluctant to switch retailers for fear of getting disconnected
- Recent reforms to pay-on-time discounting are not well understood, resulting in resistance to better offers perceived as disadvantageous due to lower 'discount'
- Some of the best deals are only available to customers with perfect credit history
- Lack of longevity of tariff benefits disadvantages households with less awareness, time and negotiation skills (need to renegotiate annually)
- Lack of time for support workers to assist clients with tariff or retailer switches and reluctance to advise when better outcomes from switching are uncertain (including financial counsellors)
- VEC helps some workers demonstrate to clients that better offers are available and the key aspects of pricing that need attention when making a tariff choice
- Some support workers opt to seek a better deal from the client's current retailer instead of facilitating switching to another retailer because:
 - Loyalty to the current retailer remains an issue – assumption that retailers will provide their best tariff to customers and/ or preference for familiar retailer (particularly older clients)
 - Clients concerned switching may impact reliability of power supply
 - The time involved in using VEC is not justifiable when cost differences turn out to be small and community support organisation resources are limited
 - Concerns about being liable if the support worker is too involved in helping clients choose a retailer/ tariff
 - Seeking a better deal from client's current retailer is more likely to deliver an outcome as clients may not complete switching process on their own
 - Switching would be disadvantageous for clients with debt
- Reluctance to refer clients to VEC due to digital access and competence required
- When clients call a retailer to switch, the VEC tariff selected is not available and they are diverted to other offers
- The long list of offers from VEC is confusing for some clients - some workers provide top three to clients and hope the client will proceed with a switch
- Some clients do not trust that smart meter data is real and part of regulated process
- Shifts in tariff names prevents clients from recognising and comparing their own tariff with currently offered tariffs and generate client distrust of the market
- Lack of choice for gas supplier in some regional areas

[VEC] is too convoluted. Look I get it because the energy space is really complicated. It comes up with stuff and I am like, 'Oh god, I don't understand. And I have been trained [for two days] in this. How is the client supposed to understand?' ... I certainly wouldn't suggest some clients do it themselves ... It is overwhelming. (Energy Mentor 2)

I've found the [VEC] website a bit clunky and I'm very computer literate... I didn't think it was an easy sort of process... reading bills and they are all different, things are in different places with different companies. It's not really that easy to tell people about [comparison and switching]. (Energy Mentor 7)

We don't know ourselves, which [offer] is cheaper? And which one is better? And sometimes they do ask us that question. Like, what do you advise me? And we cannot just say, you need to go to this [VEC website]. (Settlement Worker 2)

More vulnerable clients that have acute mental health [issues] or are fleeing family violence or, have other things going on, probably don't have the capacity to jump on that [VEC] website... the clients that probably fall through the cracks with the Compare website, because they just don't have access to the technology and or their capacity to do that. (Agency Manager 1)

They're scared of being disconnected... they don't want to change providers, because they trust the retailer. But [because of high energy costs they're] not eating properly, not going to medical appointments... We just make them aware that there might be better deals, make them aware of that Victorian Energy Compare website. Maybe someone, a trusted friend or family member, can direct you to it, show you [how to do] it. (Financial Counsellor 19)

[The clients I was] advising or encouraging to go through [Victorian Energy Compare] were newly unemployed people... they tended to be able to demonstrate that sort of independence... they're also quite often younger adults or recently unemployed - so they already had the capacity to use the internet. (Community Support Worker 1)

'This has always been my provider ... I trust this provider'. It's not understanding that your provider is someone else. This is your retailer ... people just can't get their heads into that space. A lot of the older clients won't shift. (Energy Mentor 2)

I generally won't [help them switch] because ultimately if that's not the cheapest plan I can be held liable and negligent ... That's outside of the scope of advice I operate in. (Financial Counsellor 4)

One of the biggest things for us up here... in the Wimmera. We only have one retailer for gas, they have the monopoly, we can't even get a pay-on-time discount. (Financial Counsellor 12)

ENERGY EFFICIENCY

Few report clients receiving useful energy efficiency advice or assistance from their retailer (see Table 12). However, support workers are concerned about inefficient appliances contributing to high client energy bills. Inappropriate efficiency advice may also be counterproductive, for example:

- displacing the opportunity to provide more constructive help (e.g. access to hardship support and URGs);
- generating efficiency misunderstandings; and
- encouraging customers to buy appliances they cannot afford.

There are also concerns that retailers do not alert households to issues that could be detected in usage data, e.g. potentially faulty hot water systems indicated by high or unusual controlled load usage.

Table 12. Energy efficiency issues

- Lack of energy efficiency advice from retailers and obvious issues not picked up and raised with customers, e.g. faulty hot water systems where usage data could automatically alert retailer to the problem
- Inappropriate, untailored energy efficiency advice from retailers, including: advising financially stressed households to buy expensive new appliances; advising home upgrades beyond renters' control; advising flat rate customers to do washing at night; and energy efficiency advice irrelevant to the households' circumstances
- Condescending advice such as 'turn off the lights', and lack of focus on major energy uses or the daily costs of running higher use appliances
- Provision of energy efficiency advice can be used to blame customers for high bills and divert attention from assisting customer with better deal or hardship support
- Lack of in-home energy auditing and advice in recent years (especially in regional areas) makes it difficult to identify sources of high energy use, faults, or efficiency possibilities
- Public and private housing renters have no option but to use old inefficient heating, cooling and hot water appliances that contribute to high energy bills
- Mentors feel it is inappropriate to have access to client passwords to set up an account and access clients' energy data and most don't have time to provide this assistance; clients often struggle to access energy data themselves
- High cost of checking for meter faults makes it a high-risk gamble for customers with unexplained high bills

Our clients in most cases can't afford the most efficient appliances ... telling them to do that would be like telling them to suck eggs. (Financial Counsellor 4)

Telling them to switch off the lights is patronising, their lives are in chaos and stress and the last thing they are thinking about is flicking a switch. (Financial Counsellor 5)

One [other] advice that I had heard was, 'If you have lizards, make sure you use low energy bulbs in the tank'. Not really helpful if you don't have lizards. (Energy Worker 1)

[The energy retailer] worked through the audit with my clients over the phone and they can identify clearly that the winter bill is the problem... But then the suggestions – 'you change your heater' [but] they're in a rental... My clients are in financial hardship, they don't have the spare

money... the cracks in the walls of the house, 'Could they go and get fillers?' ... It was just not practical. (Financial Counsellor 12)

Families in rental properties that are unsatisfactory, no insulation, inefficient heating or cooling or really old appliances... one family had husband and the wife, three kids and the baby, all slept on mattresses in the lounge room. They would just heat that area, because the heating that was provided was just too expensive to use... there is no cooling. People go out and buy standalone air coolers and fans... to keep cool [in this hot north Victoria location]. (Financial Counsellor 6)

The rental properties. Here in Aboriginal housing, in government housing, they tend to buy cheaper products. Like heat banks, things that run the clients bill up. (Financial Counsellor 10)

I had a client owed \$16,000 [with a Tier 1 retailer]... had not offered this customer an energy efficiency visit. ... I went through the house and there were so many ways she could save money. She couldn't believe she hadn't been offered this service before. (Financial Counsellor 1)

In a lot of these cases people can demonstrate good faith. They want to pay, they just have no affordability. Old appliances, they can't replace them without assistance. They're caught in the cycle... Government, years ago, used to have energy audits where they turn up to the home go through ... people were provided with energy efficient appliances, their usage came down. It was explained, like from the billing cycle, through to everything else which was great... If that was reinstated, because it's very useful to a lot of people. The added barrier is [getting] to its regional and remote areas. (Financial Counsellor 18)

We just don't get [energy audits] out here [in Northern Victoria]. They just don't come... when Kildonan [UnitingCare] had the contracts they would come and the clients that found it so beneficial to have the conversations [about energy efficiency]. (Financial Counsellor 12)

In the country areas, we have a problem with audits being provided.... They actually say the person needs to get in electrician and pay for it themselves... it seems to me that people with high bills just have to wear it, no one's really got any answers... the clients just don't understand [what's contributing to their energy use]. Neither do I. Often, there's not much that we can do there. (Financial Counsellor 6)

The energy companies are doing some really good things. One thing that [Tier 1 retailer] did was doing was helping clients with purchasing [energy efficient] white goods. It was a fantastic program... but they ran out of funding when everybody found out about it... reintroduce that again. That'd be a winner. (Financial Counsellor 16)

There's a few basic things they could probably pick up on bills for example faulty hot water units. I've had a number of people ... we look at the bill and there's a dedicated circuit and it's two thirds of the bill. It's clear by how much it's using that it's faulty ... especially if you have only one person in the house ... it pretty much tells you something is wrong with the hot water unit ... they could have identified that problem much faster ... perhaps there could be some staff that have some extra training to pick these things up. (Energy Worker 1)

She had the problem with a very high bill. And then to get the meter checked, that was close to \$600. And if they found nothing was wrong, then [the retailer] billed the client \$600... it's almost like a tactic to stop people trying to get a resolution. (Financial Counsellor 6).

DIGITAL PROCESSES, SKILLS AND ACCESS

The push towards digital channels of engagement (retailer apps, online chat, and websites) disadvantages many customers. With long call centre wait times, it has been difficult for less digitally-enabled customers to reach their retailer and resolve issues (especially since COVID-19).

Electronic delivery of bills (via email or Apps) is contributing to customer vulnerability in a range of ways outlined in [Table 13](#). Many households now only view an email showing the total amount due. In addition, direct debit payment arrangements and Centrepay further reduce the attention to actual energy bills. Low visibility of bills due to electronic delivery and automated payments has substantially:

- undermined attempts to educate and engage energy consumers;
- limited the impact of Best Offer messaging;
- reduced opportunities for customers to notice missed concessions;
- made it harder to notice options for customers experiencing payment difficulty or the availability of interpreting services; and
- lowered awareness of the household’s tariff (e.g. flat rate or time-of-use).

The widespread adoption of digital processes by the energy sector will also likely undermine any future initiatives to engage or communicate with customers via information on their bills.

Table 13. Digital processes, exclusion and disadvantage issues

- Financially distressed clients often have limited or no digital access:
 - no smartphone or computer
 - email not used (despite sometimes having an email address);
 - no internet access; and
 - insufficient digital skills to complete electronic forms or engage digitally
- Preferencing customer contact via digital channels (retailer apps, online chat, and websites), and less accessible retailer call centres and phone numbers, discourages and disempowers older and digitally excluded customers
- Electronic delivery of bills (via Apps, email), direct debit payments, and Centrepay have reduced visibility of energy bills – both to the account holder and other household members – and undermined attempts to educate and engage energy consumers
- Cheapest tariffs often unavailable to customers who do not accept direct debit and/ or electronic billing
- Customer preferences for paper bills and paying in person at the post office are discouraged despite valid reasons including:
 - paper bills can teach and remind a range of household members about electricity use, costs, and payment of bills
 - paper bills can be easier to show a support worker when assistance is needed
 - inexperienced users face additional risks when they agree to retailers’ digital payments (including mistakes and lower awareness of how to avoid scams and fraud and protect their information)
 - paying bills in-person at the post office is an important part of routines that get more isolated customers out of the home and into contact with others (esp. older customers)
- Retailer assumptions that customers can use email, print, scan and return forms – even during COVID-19 when customers have greatly reduced access to community or

commercial computer and printing facilities (e.g. community centres closed during pandemic restrictions)

- Digital exclusion impacts client access to advocate support (gaining authority to act, [Table 20](#)) and URGs ([Table 5](#))

Most people have a phone and are limited in how they use it. So they're going to open [an email or text] but they have a lot of trouble and ongoing issues with following links, following the information because you don't get that full screen. But they don't have any access to other IT equipment. (Financial Counsellor 18)

Some of my older clients who aren't tech savvy, [get] totally get stressed out by the whole [energy] process. I've got clients who don't have mobile phones... if they do have a mobile phone, they send three-word texts and that's about it. Doing anything online is very challenging for them. (Financial Counsellor 16)

A lot of our clients are on payment arrangements where they pay a set amount each fortnight, often through Centrepay. So a lot of our clients probably don't study their bill... so they just pay their regular payments. (Agency Manager 1)

They said, 'If you have access to the App, it'll only take you five to 10 minutes because you can read the Terms and Conditions online'. The problem is the retailer's point of view, they think that everyone's engaged with the App and using it on a regular basis. (Energy Outreach Worker 3)

The people who came in, that only had electronic bills... reading them on phones can be quite difficult. The layout is somewhat different to a paper bill... It might only be \$2.50 [for a paper bill] but it's still an extra charge... it's not fine by everyone who wants the paper. (Energy Mentor 7)

Some [clients] didn't have email addresses even... A couple of them said, 'I've got one but I don't use it' or 'I've got one, but I forgot [the password]'. Obviously they don't use it. (Energy Mentor 7)

I work with, 50 plus, 60 plus [age group]. A lot have challenges [with digital communication]. It's a space they don't want to be in. They're used to having a paper bill still rather than emailed... [they are] finding it very difficult to navigate. (Financial Counsellor 9)

Everyone loves a piece of paper... it's something tangible they can bring to you ... if they don't speak English or if they have communication issues ... some of the families don't have access to digital technologies. They maybe only have a mobile phone and that's it, even then it's pretty basic... I'm disappointed that they're charging for paper bills, because our vulnerable customers and our elderly and maybe some CALD customers can't download bills off the internet. So why are we charging them to have a paper bill? (Energy Worker 1)

When you don't come from good family backgrounds, or family systems that have given you the life skills that you need when you become an adult or a parent or responsible person... paper bills often are much, much better. That way people can put them on their fridge. (Team leader 1)

The power companies have pretty unreasonable pressure about emailing bills. We're having to repeatedly say 'they're 86 years old, they don't do emails, they are intellectually disabled... or they can't afford to be on the internet... or they're likely to drop out of the internet and then they're not getting their email bills and that causes problems'. (Financial Counsellor 6)

Our clients, an average age of 65 ... a lot of those people are not computer savvy... their experience is they see their bill, something they're concerned about, they ring up the retailer, and the retailer says, 'Well you can go online with this, just go to www...' Their eye's glaze over and that's the end of the conversation ... so the experience from them has been a bit of powerlessness. (Energy Mentor 1)

They're missing out on better deals because [their retailers are telling them] they have to use email to get a better deal. (Financial Counsellor 1)

RESPONSE TO FAMILY VIOLENCE AND VULNERABILITIES

Support workers report improved understanding and retailer practices with clients affected by family violence, including less intrusive questioning and recognition of eligibility for URGs (improvement):

A lot of the retailers now have family violence teams... you can then just talk directly to them, and they are so wonderful. The last time I dealt with them, it was the most positive experience. She got it straight away. (Energy Mentor 4)

I think there's a bit more understanding towards [family violence] situations, which is good. I am glad that cultural shift has been made. (Energy Mentor 2)

Despite improvements overall, support workers still see **instances of poor retailer response to customers affected by family violence, financial abuse, mental health, gambling and addiction issues** (Table 14). This further illustrates inconsistency in call centre responses and training, and differences in retailers' capacities to appropriately respond to vulnerable customers.

Table 14. Family violence and vulnerability issues

- Inconsistency between retailers' capacity to appropriately support customers affected by family violence
- Onerous evidence requirements to prove family violence and refusal to believe the financial counsellor, particularly where neither an intervention order nor police charge sheet is available
- Refusal to waive any debt, or debt waivers involving excessive questioning
- Paper-based mechanisms remain problematic for family violence clients, including people with no fixed address
- Domestic violence safety and privacy precautions, such as safety codes on energy accounts, can hinder advocacy on client's behalf
- Lack of recognition of financial abuse, especially involving the elderly
- Support workers reluctant to reveal other household hardship circumstances, such as addiction or mental health issues, due to fears about lack of training and empathy for these conditions

It's fair to say that [some Tier 1] utility providers have fairly good family violence policies. But when you come to [particular lower tier providers with significant market share in our regional area] they either don't have [a policy], or they don't abide by it, or it's a really poor policy... I've got [a case] at the moment... Family violence, \$600 debt. She moved out of the property, didn't change the account. The ex-partner was in the property... she went into a refuge and they're still chasing her for the debt. And I'm saying, 'Waive the debt, she wasn't in the property'. (Agency Manager 1)

No matter how many times you remind the utility provider that you know, asking a question will just re-traumatise your client. They insist. (Financial Counsellor 19)

I was able to get that [account] put into her name. So she is now in control of when the power is on and off. I take issue with people like [Tier 3 utility] coming out [to our regional area] with inexperience, no processes, no policies [for customers affected by family violence]. (Financial Counsellor 18)

Through the pandemic down here I've got a few that are [family violence] victims. They didn't take an [intervention order] out on the partner because... certain reasons. But the utility companies wouldn't take their word for it... we had to get a doctor's report to say what they've been through, or a psychologist and present that to the utility company. (Financial Counsellor 9)

When they've had a family violence issue, and they've got to prove themselves to an energy provider... some energy providers, like push, push, push even more. Just say 'where's the proof?'. That's unfair, and that causes extra stress for the victim. And that's frustrating because you can feel their pain... it's usually the smaller companies that don't have the hardship teams. (Financial Counsellor 10)

I see a lot of family violence [cases]... they still say that both of them are liable for the bill... Because they're still living in the property. They're still using the electricity ... if the financial counsellor says there's family violence and the perpetrator has left and the incomes gone down by half, you know, there should be some consideration of the matter. (Financial Counsellor 2)

The banks are more generous and will believe and listen to the financial counsellor, whereas the utility companies want to hear it again and want more detail and want more evidence [of family violence]. (Financial Counsellor 2)

In relation to URGs, they are still heavily reliant on paper-based, sending it out to the client. And if you've got a client who is fleeing [family violence] and doesn't have a fixed address, how do you do that? (Financial Counsellor 4)

Seeing a lot of financial elder abuse down here at the moment... not able to pay their bills, their money's been touched a lot through the pandemic. The utility companies are not understanding that. So I'm basically having to go to bat for the client to explain what we're trying to do to help the client to get over the financial abuse... it can be family members, carers and also neighbours [perpetrating abuse]. (Financial Counsellor 9)

I have recently been working with a client who has \$15,000 in debt with one provider for the electricity. She's an elderly person, she was being abused by her daughter financially... we ended up going through the Ombudsman... they had never given her concessions. So they backdated it and took off like four or \$5,000 because it was like a 20 year [accumulation]. (Financial Counsellor 10)

The woman was in hospital, the son wanted her card. She had about \$3,000 in a pension account. By the time she got to the hospital and got home, there was nothing left. He wouldn't give the card back, saying he needed to look after her. We had to have the bank stop the account and restart another. She wasn't able to pay her electricity bill. (Financial Counsellor 9)

[Retailer staff] don't see gambling as an addiction, they see it as a luxury item... they aren't aware of the distress and shame and the whole kit and caboodle that goes with being addicted to gambling... half of my clients would have a comorbidity or multiple [issues] – disability, mental health, bipolar, post-traumatic stress disorders... I tend to keep that on the back burner because it just doesn't help because there's just not the education out there about it like there is in family violence. It's just not recognised. (Financial Counsellor 17)

Involving EWOV to improve response to client impacted by family violence

Financial Counsellor 3 recounted difficulty sorting out a complex situation for a [family violence] client with Tier 2 retailer. When the client left a domestic violence situation, a friend who did not live with her connected the power at her new address. The client was about \$1600 in debt and wanted to apply for an URG - but the retailer refused to change the account into the client's own name and threatened disconnection.

The hardship department reacted very badly. So they said she just had to work out a payment arrangement ... they offered no assistance whatsoever. So then I escalated it internally. Got no help either. So then I went EWOV.

After EWOV was involved, the energy account was closed, some debt waived, and a new account opened in the client's name.

The outcome was great in the end, but it took a bit of getting there. It took a while to get it there. Yeah, and quite a bit of time in the end.

CULTURAL AND LINGUISTIC DIVERSITY

Clients from CALD backgrounds face additional challenges navigating the energy market, accessing hardship support, and finding an advocate to assist (Table 15). CALD households are often unaware of regulations or initiatives designed to support consumers so cannot recognise when retailers are not responding appropriately. CALD households on visas that preclude access to welfare or work rights have very limited capacity to pay energy bills or access assistance. Support workers report that even highly skilled migrants are at risk of significant disadvantage in Australia's complex energy market.

Most support workers are assisting significant numbers of culturally and linguistically diverse clients including Indigenous households, asylum seekers and recent migrants, international students who lost their jobs due to COVID-19, older migrants who do not have strong verbal and/or written English literacy, and people with literacy issues, hearing impairment or intellectual disability. Particularly in regional areas of Victoria, support workers are also seeing energy vulnerability in disadvantaged Indigenous communities and places impacted by the 2019-20 summer bushfires.

Access to interpreting services is limited, with reports of most calls to some retailers' interpreter lines going unanswered or not having a suitable interpreter available. Interpreters that are not experienced in energy issues and advocacy often cannot resolve complex customer issues or identify when retailer responses are unsatisfactory – especially when advocates are excluded from interpreted calls.

Table 15. Issues for CALD households

- Insufficient oral (phone-based) support and processes for people with language, literacy, digital exclusion and hearing issues
- New migrants, particularly refugees from countries without retailer choice or tariff diversity, often enter into a retail energy plan or debt repayment arrangements without understanding contract terms or knowing there are other options
- Even highly skilled migrants can struggle to understand the energy market in Victoria
- Preferencing retailer contact via digital channels (apps, live chat etc) can negatively impact CALD households' access to support and resolutions
- Retailer interpreting services often unavailable or interpreter telephone line not answered
- Lack of resolution if interpreters lack experience in energy language and issues, especially when the advocate is excluded from interpreted calls
- Low awareness of supports available and/ or unwillingness to reveal financial difficulty
- Disconnection notices are not easily understood by some ESL clients
- Non-traditional name structures (see [Table 8](#) above) inhibit client access to concessions and Centrepay, along with the requirement for retailers to provide the customer's date of birth (client may not know this) and Centrelink Customer Reference Number
- Clients living in shared rental housing (often international CALD students) face a range of extra challenges including:
 - High cost tariffs and not receiving bills due to connections facilitated through real estate agencies
 - Inability to access retailer assistance or switch to a cheaper energy retailer/ tariff when not the energy account holder

- Reluctance of other (less financially distressed) household members to access energy assistance or switch retailers
- Shame about revealing financial difficulties to housemates

Our customers in the CALD community understand very little the contracts, the plan they are signing or choosing from the retailer... 'What does it mean for them to get to get into contract?' The majority of our [refugee] clients who came from Syria, Iraq and other countries... [but] we have other cohorts or clients who came on a skilled migrant visa, and they are also struggling to understand the [energy] system and contracts. (Settlement Worker 1)

With the energy company, like with the Best Offer, Concessions, they've been given unclear advice also from the call centre... [CALD households] try their best not to deal with the energy company, because they've been put off by the company, because they've been waiting for too long [on hold]... sometimes it's rude[ness] from the call centres. And no empathy, they don't have understanding what the consumer has been through when they try to explain. (Energy Outreach Worker 4)

A lot of utility companies weren't providing access to interpreters for clients when they were contacting them about overdue accounts. So often, the client was agreeing to something and had no idea what they were agreeing. (Agency Manager 1)

[Some interpreting] is cutting out the advocate out... having the energy company control the conversation. (Energy Outreach Worker 3)

His account was also in credit, he barely speaks English... They said to me, 'the account holder only speaks for himself, we will get a translator'... But the guy doesn't understand why we call. They got a translator and they say to me, 'Just be quiet'... 20 minutes they were just talking back and forth... not even getting to the point. At the end the guy said, 'I have health issues, I don't want to get stressed... I just don't want to deal with them. (Team Leader 4)

The utility services provides [interpreter service phone numbers] on their bills... [but they] were not able to access that service. Maybe two out of 10 attempts are successful... [Interpreting services are] not always operating... either the number keep ringing and no one answers or the client gets through and there are no interpreters available. (Settlement Worker 1)

Interpreters has to be trained very well, for that particular service. Whether it's the use of the proper terminology, proper service, options of payment, it's all different.... Like medical interpreters, how could they interpret if they are not aware of those medical terms? What's the Utility Relief Grant - how do they even interpret it if the interpreter is not trained [in energy advocacy]? (Settlement Worker 2)

Older adults that come from multicultural backgrounds... they tend to present as an issue having either communication barriers or technical barriers... preventing the access to information and support... not being confident to make that first call... fear that they wouldn't be able to communicate [or] express their concerns. (Community Support Worker 1)

There's also communication issues. Whether it's sort of a mental health issue or an ethnicity sort or linguistic issue. They don't comprehend what's being taught to them over a phone [by support workers during COVID]. If it's face-to-face, you can impart some better knowledge either with drawing something. (Case Worker 3)

During COVID I have students sharing accommodation... they don't actually sign a formal lease, or they don't actually have their name on their [energy] bill... some people are really scared to ask their flatmates, 'can we apply for these benefits?'. Or they might not want to disclose the others... [that they are] struggling to pay their bills. (Community Support Worker 2)

CALD household vulnerability in energy market

The agency where Energy Mentor 2 works has a large multicultural population including recently arrived migrants that are especially vulnerable in Australia's complex energy market:

A population of people who don't necessarily speak English and are also newly settled in Australia and may not understand the energy market. That's become a particular issue because obviously a lot of energy companies are fairly aggressive in terms of their marketing and advertising and do a lot of cold calling, promise these clients the best deals ... and they end up on these deals and I am like "goodness gracious me".

These clients often end up on unsuitable and expensive tariffs because they don't understand the process or know that choice in providers exists:

They have come from countries that have one energy provider that is controlled by the state ... when they moved into their accommodation, they've just gone with what somebody told them on the telephone. That's probably been the biggest frustration at the moment.

Slow call centre responses impact effectiveness of support to CALD households

Support workers explained some of the additional challenges resolving energy issues with CALD households. Adult children often attend and translate at energy mentoring appointments and translation takes extra time. With long wait times to get through to retailer call centres, assistance may be cut short before a resolution is reached because family members have to leave to meet other commitments. In addition, scheduling and resource constraints can limit the ability of community support workers to extend appointments beyond the allotted time.

Especially with Somali clients, they are usually a family or a group coming in, because adult children will help translate... if the session is going over an hour, there's now not just myself in the room with the time limits that I have, but there's also the time limits of the different people in the room. I've definitely had sessions that were cut short of what I would have preferred to deliver, just because the client, or one of the adult children helping with translating would be like, "Look, we really didn't expect it to run this long, and we can't stay". (Energy Mentor 4)

Prayer time commitments can also impact resolution of energy issues if retailers cannot easily be reached and call centre operators do not deal efficiently with the issues raised.

There's cultural issues involved here... Unbeknownst to me they pray at certain times. So now the interview drags on, and all of a sudden, the client starts to get agitated because they're supposed to be off ... to pray. (Energy Mentor 3)

UNFAIR RETAILER PRACTICES AND DISADVANTAGE

A range of unfair retailer practices with disadvantaged households were reported by community support workers (Table 16).

Table 16. Unfair practices with disadvantaged households

- Not pro-actively advising vulnerable customers they have accumulated credit
- Insistence that requested credits can only be returned to the customer via cheque
- Not contacting customers to advise that their regular payments are unnecessarily high
- Not applying agreed credits to the customer's bill (e.g. for backdated concessions)
- Inappropriate arrangements for vulnerable clients to pay incapacitated or deceased family members' energy bills
- Targeting disadvantaged people and communities to apply pressure to switch
- Switching clients without clear consent
- Energy debt collection activities with bushfire victims despite ongoing disadvantage (including housing, emotional and financial distress)

One thing that really touched me... she asked for support in applying for the \$250 [Power Saving] Bonus because she did not have any money and any food in the house. She gave me her electricity bill. She had \$500 credit on her electricity bill... I tried my best also to tell her, you can get some money back to your account... but she was scared, because she was traumatised twice from her electricity being cut off... she was scared being in the dark... next week she also brought her water and gas bill and they are in credit. The total... about \$1300 in credits. (Energy Outreach Worker 4)

A lot of the people in the commission flats are really low consumers of energy... three or four kilowatt hours a day. But they're paying \$40 or \$50 per fortnight for their payment plan, which is completely inappropriate. The relief on these people's faces, when they cannot only access their credit, but when they find out they're going to have an extra \$20 or \$30 to spend on essentials. It's quite significant for low income people. (Energy Outreach Worker 3)

Her father passed away... she was told by the electricity company... that because she is his next of kin she is responsible for paying the debt. My client paid the debt... her name was not listed on either bill, nor did her father have any assets or an estate... it has had a deep impact on my client as she is now very fearful of leaving her own debts to her children. (Financial Counsellor 8)

We see quite a few companies that cold call clients and switch them over. They don't believe they've given consent... I had a case recently, it was [a Tier 3 retailer], the client wasn't aware of that until they got a bill. And they came in to us and said, 'Those people rang one evening, I said, "No, I didn't want to change over"... I asked them for the copy of the recording of her informed consent. Instead, they sent me a report an internal report of their quality control, which actually said on that the client sounded confused. (Energy Mentor 7)

It was dodgy sales practices to vulnerable clients and getting them to change... the salesperson came on quite strongly and got them to change. And it all kind of got pretty messy. And we had to work... to get things changed back... We listened to [the call recordings]. (Financial Counsellor 15)

I've had two [clients with another Tier 3 retailer], both vulnerable clients. One very elderly gentleman, who was nearly deaf. They changed him over without his consent, I actually got hold of the recording from the informed consent, where they bullied him into changing over and saying yes. And then I had another Indigenous client changed over without their consent as well.

So that would be preying on more the more vulnerable people – the elderly, indigenous, those that don't understand what [the retailer is] talking about. (Energy Mentor 7)

Last year [Tier 3 retailer] had a stall at the local shopping centre [in disadvantaged regional town]. And they were signing a lot of people up there with kind of pressure tactics, that's what was reported to us by some people. (Energy Mentor 7)

Two years ago, she went from a \$60 monthly gas bill to \$280 to \$400 ... she just paid them without questioning but her neighbours like, "Well this is ridiculous". It turned out that there was a leak at the meter ... they came in and fixed it and said, "We'll give you a receipt for what's happened and you should be reimbursed". Well, she never heard from them again. And being elderly and not wanting to bother people ... she never followed it up. (Case Worker 3)

We've had a lot here in the last three months where the utility companies are starting to chase the bushfire victims... lot of them had to relocate. They've now got an old debt from the old property but they've got a new debt where they are now... a lot of the utility companies trying to call that in at this point... there's no income down there, apart from the government money... so there's not much left to pay anything. (Financial Counsellor 9)

Accumulating credit from a vulnerable elderly CALD householder

A woman living alone in her 80s was confused about having been sent an Excess Electricity Concession form and approached the community support organisation in her regional area. With English as a Second Language, a hearing impairment and no access to the internet, the client was unaware that her electricity account was approximately \$2500 in credit. The support worker investigated and found that the Tier 1 retailer was receiving direct debits of \$199 per fortnight in addition to Centrepay payments of \$100 per fortnight.

"So essentially, she's paying \$299 a fortnight, and it's leaving, leaving her a bit confused about it. Trying to explain to her is quite difficult, and particularly that it's all over the phone... Why did [Tier 1 retailer] allow it to get to two and a half thousand dollars? She's actually one person alone in a household... we looked at her bills and her usage is \$50 a fortnight...it's not nice to see those things happening to our most vulnerable... it's just that they're allowed it to get to that point. And you know, she'd gone without other things in other areas to accommodate that". (Financial Counsellor 8)

Payment plan for intellectually disabled client to pay mother's energy bill

A post office employee in a regional town noticed that an intellectually disabled man was making payments on his mother's energy bill and alerted Financial Counsellors at the local community support organisation.

The mother was placed in a nursing home earlier this year. The son is severely disabled intellectually. His verbal communication skills are very poor. The power bill was in his mother's name, who was under the State Trustee, so it was all very confusing. The son was contacted by [the Tier 1 retailer] on the home phone number. And a payment plan was arranged that the son paid off the mother's bill. He went to a post office to make that fortnightly payment, the post office worker ... knew this was not right. This person had no understanding of what he was doing, that he was paying someone else's account... Due to [the son's] communication difficulties and due to [COVID] lockdown we had to get special permission to bring him in [to the office]. As soon as the [retailer] hardship department heard the story, they went, "We'll stop that". We spoke about it being waived and it went on and on and on. We ended up taking it to EWOV to get it waived. (Financial Counsellor 6)

SOLAR PV HOUSEHOLDS

Some support workers have assisted clients with issues with solar PV systems that were installed when financial circumstances allowed (Table 17).

Table 17. Issues for solar PV households

- The solar feed-in-tariff has never been activated/ paid
- Utilities and solar PV installers direct concerned customers to other party, clients unable to identify whether the installer or utilities are responsible
- Lengthy resolutions requiring Energy and Water Ombudsman Victoria (EWOV) involvement consume a lot of support agency resources and distress clients
- Some retailers contributing to client perceptions that they would lose the premium feed-in-tariff if they switch to another retailer

Inability to access solar feed-in-tariff after installation

Case Worker 3 assisted an elderly man who had solar PV installed but comprehension and inappropriate digital communication issues impeded his ability to resolve an issue with getting connected to the grid:

Back in February [2020], I had an elderly gentleman ... he's lived here for 60 years, he can speak good English, but his comprehension is worse. He came in because he was at the end of his tether with [Tier 1 retailer]. He'd had solar panels installed cost him a good sum of money for any pensioner. But he'd never been connected to the grid. So there was a problem between [his electricity retailer] and the retailer of the solar panels and this dated back to November 2018. And he'd been fighting through it both companies ... he had a landline, no email, no means of SMS [texting]. A lot of things was sent to him via email ... went to someone's email address, you know, he never got any of the information. He came in and he said, "I just need help to get this resolved, it's been nearly two years I've got no solar energy". So we got onto the energy company and they're like, "No, no, no, it's the installer's problem, they haven't done the right paperwork". And it was just as going backwards and forwards ... so we put a claim through the energy Ombudsman ... we provided them with all of the emails ... that was February and we've just finalised. It was deemed [Tier 1 retailer's fault]. After going through the Ombudsman, who was absolutely brilliant, and he was compensated \$850 ... He literally sat there and cried ... the 85-year old man sobbing ... it was really was quite an emotional sort of day. Luckily, it was a really good outcome.

HEALTH AND WELLBEING IMPACTS

Energy issues are impacting client health and wellbeing in a range of ways, as summarised in Table 18.

Table 18. Health and wellbeing concerns

- Self-rationing of energy including minimising heating, cooling and lighting, and spending more time in bed to stay warm
- Clients forgoing medication, food and food quality
- Lengthy resolution processes and lack of compassion from retailers exacerbates client distress
- Declining client wellbeing as a result of COVID-19, the associated financial impacts and reductions in income support, lack of avenues to address utility debt (after claiming the URG), and lack of mental health services
- Self-disconnection or not reconnecting after involuntary disconnection of electricity or gas
- Shame about payment difficulties contributes to reluctance to ask community services for assistance
- Some migrants fear contacting their retailer and serious repercussions of debt if energy account information is shared with other entities and departments (e.g. immigration)
- Community organisations pay clients' energy bills to relieve stress and maintain access to heating and other essentials, especially while confined to the home in the pandemic.

Our clients are very cautious about paying the bills, they want to be a good citizen, they don't want anything to jeopardise or compromise their application for citizenship... not getting into their into trouble... or bad credit or things like that... 'put the rent my rent money, the bills, the food. What comes after, it's what we have left... we can't we can't afford to take the [children] to places they enjoy'. (Settlement Worker 1)

Clients are generally very scared about having the utilities disconnected, that's a threat to them... if they're a single mother with children. So there's quite a large fear factor... and no one really realises that fear sort of goes on forever. (Financial Counsellor 17)

The older generation carry great deal of shame and pride. Because traditionally, they've never been in a situation they find themselves now. So it's often can be quite traumatic for them if they need our service. (Financial Counsellor 18)

I have a couple of mums as well who are low income, they don't tell their partner that during the day, they just switch off all the lights, they switch off everything when their partner isn't at home, because they're secretly trying to save money, because of the anxiety that they're experiencing between the two of them in their relationship related to the cost of their bills. (Team Leader 1)

The older generation find it very hard not to pay a bill... he's always paid up and paid [energy bills] from Centrepay but he's going without food. (Energy Mentor 6)

Unfortunately, there's a lot of people here that don't even they don't have electricity and gas. They just don't get it [reconnected]. Because they don't know that they've got the right if they're on Centrelink payments to have some sort of assistance. (Financial Counsellor 10)

The oven is gas. And the cooktop is gas. But she doesn't use it, [she uses electric frypan instead so] her electricity bill is higher. But the [electricity company is] easier to work with than the gas [company]. She went for over eight months without gas or electricity and that wasn't very good at

all... her health is really bad. She needs heat. She can't breathe very well. And she's not old.
(Financial Counsellor 10)

A lady has a significant disability... she actually panics quite a bit about having high expenses... because she has a significant disability, getting out of bed, or going to the toilet, or getting dressed, those sorts of things, they take a long time... it may take her an hour. In that circumstance, you cannot be freezing cold. It's just too long... in the summertime [she] needs to be cooler. So energy is a big, big factor in her life, as far as the way that she experiences life when she's got very high bills. (Team Leader 2)

Impact of lengthy processes and lack of empathy for vulnerable customers

Financial Counsellor 11 described a lengthy phone call with the retailer for clients with substantial health issues.

The [clients] had special needs... you sort of had to carefully word the way that you explained things... the clients didn't think they had any mental disabilities but they did have. One of them had a cancer diagnosis and the other one had some significant health issues to the point that they needed catheters... they lived with constant discomfort that would impact on your thinking... Talking to the retailer... it was kind of tough to keep the [clients] on track and to kind of explain things to them. But our clients come to us because they need help. That's the whole point.

The clients physical and emotional distress was exacerbated by lack of empathy from the call centre operator and lack of access to a complaints process.

The retailer staff member became audibly irritable. And the clients were becoming increasingly confused, irritable, they didn't feel as though their question had been answered. One of them had to just leave the room after a little while. I would definitely say that had an impact on them... [The call centre operator would not] tell them about the complaints process... I ended up making my own complaint to the retailer.

COVID-19 IMPACTS ON HOUSEHOLD VULNERABILITY AND SUPPORT

The COVID-19 pandemic resulted in a range of negative impacts on customer experience and outcomes ([Table 19](#)).

The capacity of the community sector to assist households facing energy issues during the pandemic was negatively impacted including by difficulties gaining consent to act on the client's behalf when not meeting face-to-face ([Table 20](#)).

Overall, community support workers have been unable to assist as many clients, or were only able to provide limited assistance (e.g. information instead of active advocacy), or worked extra hours (often as volunteers) to meet client demand. These impacts on community support organisations were exacerbated by a **surge in financially distressed households with no prior experience of difficulty paying energy bills**, and despite a temporary reduction in more regular clients whose capacity to pay energy bills was temporarily increased by the Coronavirus Supplement for income support recipients.

Table 19. General issues related to COVID-19

- Newly unemployed and financially distressed clients were unfamiliar with, reluctant to ask for, payment supports available (e.g. hardship programs, concessions)
- Higher energy bills due to COVID-19 lockdowns
- Difficulties and delays reaching retailer call centres and 'backlog' of hardship customers; lack of relief and support while clients wait for a call back from the hardship team
- Digital channels provided to customers as an alternative to COVID-19 impacted call centres were not adequate (even for those able to use them)
- Some distressed households did not engage until crisis point, making it more difficult to achieve positive outcomes
- Some community agencies were unable meet demand for support during COVID-19; others could service newly unemployed and financially distressed clients due to temporarily decreased demand from regular clients (e.g. due to the COVID-19 JobSeeker supplement increasing their capacity to pay energy bills)
- Advocacy capacity of some agencies continues to be constrained due to:
 - need to protect worker and client health (e.g. age and COVID risk)
 - small offices which cannot operate under government spacing requirements
 - constraints of remote service provision (including consent – see [Table 20](#))
 - long wait times to speak to clients' retailers
 - URG issues (see [Table 6](#) and [Table 7](#))
 - COVID safety measures (e.g. screens that hinder communication and being unable to touch client's energy bills)
 - Need for longer appointments to address clients' issues

[Newly unemployed clients during COVID-19] don't have any idea what the low-income healthcare card is for... people that never imagined they would be part of Centrelink. You know, the stigma ... usually people that are very self-resourced, they [usually] pay things on time.
(Community Support Worker 2)

We are inundated with people... with people new to the welfare sector. (Energy Mentor 2)

Some of them were managing just fine [before COVID-19]. The [bills] weren't low but they were reasonable. But some of them are 50% higher ... after the first lockdown and when second lockdown started... heater is on all day, kids are home, every room is heated. (Energy Mentor 2)

Additional costs of having their children home-schooling [during COVID], having the heating on all through winter when they were in lockdown they couldn't go out to like a shopping centre ... or go to a library... they racked up some quite high bills, which has been very, very difficult for them to get on top of ... they call [the retailer] and get told, 'Sorry, there's a huge backlog, just pay a bill, pay what you can'. Which doesn't help to alleviate the anxiety. (Team Leader 2)

There are some large bills that are coming out of the woodwork as a result of people getting bills that reflect that winter period. (Energy Mentor 3)

Those challenges around how do we, as a team, provide that advocacy work over the phone? Because that was a very different approach to what we had previously. (Community Support Worker 1)

Nearly every [retailer] now has a machine saying ... 'we experiencing a very high call rate'... that's across the board. (Financial Counsellor 16)

Constant [retailer] text messaging, reminding clients that their bills are overdue ... And the clients call in to say that I'm not able to pay the bill at the moment, but there's nobody ever available to take their call ... They're not getting through to a hardship team. (Case Worker 2)

The hardship teams this year are so inundated with requests for help... that they actually can't respond... before COVID, we had that opportunity to have more of a discussion around price matching... we negotiated all kinds of things previous to COVID. (Team Leader 2)

[International students] are now a much bigger part [of our assistance], they don't have access to any of that stuff that we've been talking about, Centrelink, the URG. (Energy Mentor 6)

This year with COVID, with the changes to URGs, there's been a lot more work... also cases are open a lot, lot longer. (Energy Mentor 6)

Everybody at our centre is voluntary... we have about 20 roster volunteers... maybe 15 working at the moment, because some of them are immunocompromised, health wise, and so they haven't been able to come in. (Energy Mentor 6)

We used to do appointments for one hour, now we have to do a one hour and a half, two hours. It is really challenging. We've got clients with intellectual disabilities. It can be quite hard to explain. (Community Support Worker 2)

Table 20. Problems gaining consent to act during COVID-19

- Inconsistency in retailer expectations for customer consent to advocate on their behalf
- Some retailers unwilling to facilitate three-way conference calls which enable clients to provide verbal authority
- Some retailers not accepting electronic authority to act
- Instances of retailer refusal to allow decision-making by an advocate registered on customer account (e.g. URG application)
- Written authority to act process can take several days, if reliant on Australia Post, weeks
- Additional advocacy consent barriers during COVID for clients with lower technology skills or digital access (cannot use email, print, scan or complete forms electronically)

- Consent hindered by closure of community facilities, stay-at-home advice, and health concerns to control COVID (e.g. unable or unwilling to use computer, printing or scanning services outside the home)
- Retailers only accepting authority to act for one engagement
- The need for interpreter further complicates consent process during COVID-19
- Clients unable to complete consent process missing out on advocacy altogether

[Prior to COVID-19] when you are face-to-face with the client in the office with you and get on the phone with the client, you can get results, pretty straightaway in most cases. Whereas now you've got to do the phone call, you've got an email and authority, wait for the authority to come back... it's extending the process out ... a week, two weeks or more. (Financial Counsellor 4)

We have been somewhat limited in our centre since COVID, with how much we can help people. Because we used to have people sit in front of us at the centre. And we could hand the phone back and forth for authority. That made it much much easier, we don't have the capacity to do three-way phone calls where we are. (Energy Mentor 6)

When you call the retailer with client, they only write down the consent for authority for that day... that's another part of the challenge... [the retailer] can't even call you because they've got no consent to talk to you after that. And vice versa. We have to tee up another appointment. (Financial Counsellor 12)

Utilities don't like using financial counselling authority, which we can actually send in electronically... it's a bit problematic for me only being [rostered] on a couple days a week. Trying to get hold of them to get authority to talk on behalf of the client. (Financial Counsellor 17)

You're also heavily reliant on the client's capacity over the phone. It's not just mental capacities but technology capacity. You're going to get a document, sign it, print it somewhere, scan it, return it ... that's going to continue distress to the client. (Financial Counsellor 4)

Some energy companies are really good and now accept a three-way verbal authority. Some won't, they want it written and when clients don't have a phone to take a photo and email it to you or send it to you as a text. That makes it difficult. How do you get them to sign it?... Mail... takes a long time. (Financial Counsellor 10)

One company in particular ... said that my only ability was to make a payment arrangement for them. Because I wasn't a 'decision-maker', so that was really frustrating because as if I wasn't a decision-maker, then how am I going to make a payment arrangement? (Case Worker 2)

It's quite difficult working in this environment ... you call back and say, 'I've got the client's consent' but the client's not with you... there's so many barriers ... particularly when you have to get the interpreter involved. (Energy Mentor 2)

OTHER CHANGES AND ISSUES

Community support workers are finding the newly implemented Power Saving Bonus very useful to engage and assist clients (**improvement**). Noted advantages of the Power Saving Bonus include: ability for non-account holders to apply; flexibility to use it to pay bills other than energy; and easier to apply for than URGS or the previous \$50 voucher for completion of the VEC process.

I've been promoting the \$250 [PSB]... everyone that I spoke to yesterday... five people in my shift... I'd let them know about this and direct them to the [VEC] website...I think it is a huge bonus. (Energy Mentor 7)

Community workers also appreciated measures implemented to support vulnerable households during COVID-19. They see potential longer-term benefits if these initiatives and retailer practices continue. However, the complex energy market and pace of change makes it hard for community workers to keep up.

Community workers have to leave some of clients' energy issues unresolved due to large amounts of time involved to resolve each issue.

Additional areas of concern are summarised in Table 21.

Table 21. Other issues

- Clients are often unaware of the Power Saving Bonus
- Households struggle to locate their NMI to claim the Power Saving Bonus; working remotely or from behind COVID protection screens, community workers cannot effectively assist as the location of the NMI on bills varies between retailers and NMI numbers often appear in small text
- Few retailers enable adequate and team-specific email communication for customers
- Poorly worded communications at the end of contract period cause avoidable client stress
- Retailer resistance to advocates and/or to advocates that are not qualified financial counsellors; financial counsellors' personal details (date of birth etc, financial counsellor registration number) requested by retailers in the presence of clients is a privacy concern
- A support worker told they could be liable for the customer's bills/ debt if authorised to act on the client's account
- Hard for community workers to keep up with rules and processes in a complex and changing energy market – especially less specialised and part-time workers
- Community workers have to leave some of clients' energy issues unresolved due to large amounts of time involved to resolve each one
- Significant market share gained by particular retailers in regional areas and disadvantaged communities despite being more expensive or lacking the supports needed for vulnerable customers, e.g. hardship support, phone-based URG applications, and appropriate responses in family violence cases
- Bundled services are attracting households regardless of whether the retailer and tariff is financially advantageous or otherwise suitable

A lot of my clients don't know [the Power Saving Bonus] is available... I think the government needs to maybe publicise it just a bit more, because it's great. [Financial Counsellor 19]

There are discrepancies between companies in where to find the [NMI] number. Even for us, it can be really quite hard to find... we haven't come back to the office fully, we only have a certain

number of workers on site... we have got a [COVID protection] screen so we cannot be in the same space with the client [or touch their paperwork]... the clients have to navigate in to find [the NMI] themselves... It is so hard to find, the NMI is very small. (Community Support Worker 2)

There's so much information on [energy bills], and so much stuff that they don't really understand... I didn't either before I trained as an energy mentor... each energy company has a different layout. And there were some [bills] that were brought into me that I had a hard time trying to find the NMI... sometimes they're on the first page, sometimes on the second page, and sometimes are underneath... it's confusing for people... I think having a defined format would help. (Energy Mentor 7)

I've had a couple of people that have come in ... She was beside herself, "I've got this letter, my plan's coming to an end. I don't know how much they're going to charge me". It was really badly worded and executed ... the letter didn't give her any explanation really in plain English ... It was just really jumbled ... caused a bit of stress. (Case Worker 3)

[Working] in emergency relief, you have to provide a lot of information to clients. We have to [know] the latest grant for rent relief, the latest grant for utility relief, and every other service... it can be quite hard to know this information, keeping up to date all the time. (Community Support Worker 2)

If I'm going to call the [retailer in a client] appointment, I like that to be at least half an hour if not longer left in the appointment. That's from past experience... usually first appointment is an hour and a half... it always takes a really long time talking to the [retailer]. (Financial Counsellor 11)

Our appointments, each is like one hour for each client's. But I'm not too sure if the problem gets resolved in that one-hour meeting. (Settlement Worker 2)

[Tier 2 retailer] openly has stated to me that they are not the retail provider for people who are on a Centrelink income, because their rates are higher... 'we're not the retailer for people who had specific vulnerabilities such as this lady'. (Financial Counsellor 18)

I think [lower Tier retailer] is getting quite popular as a provider because people are attracted to having the telephone, the internet and the utility with one [provider]... they market themselves quite well in terms of price and a deal that they can offer if you have all your services with them... they're good until people can pay and then that's a whole different world. (Agency Manager 1)

Implications and Recommendations

The summary of key findings above reflects the most common issues reported by community workers. While the research was conducted during the COVID-19 pandemic and noted experiences, deficiencies and some findings are specific to this period and its unique conditions, most other findings in this report apply to pre-pandemic retailer practices and, without interventions, are likely to persist going forward.

Taken together, the range of issues described have two overarching impacts that undermine an effective competitive market and good outcomes for consumers:

- **Customer engagement with retailers to discuss issues, request assistance or seek better offers is discouraged by past experiences with retailers** involving inadequate responses, conflicting or incorrect information, and excessive amounts of time and persistence to resolve issues.
- **The resources and capacity of community organisations to support vulnerable households in the energy market is depleted** by the need for long, and often several, client appointments to resolve clients' energy issues. Stretching resolutions over several weeks or months causes additional stress for clients facing bill payment and other life challenges.

Responding to the findings of the research, the implications and recommendations below seek to enhance consumer outcomes, ensure retail market obligations to consumers are being met, build trust and engagement in the energy market, and meet community expectations of fairness, health, and wellbeing for household users of energy.

General areas of retailer service and assistance to customers needing consistency or improvement

- **Easy and timely access to retailer call centres, including via the telephone**
- **Training and quality control** in retailer call centres to ensure households receive accurate information and appropriate support, and are not discouraged from retailer or market engagement
- **Elimination of unnecessary delays when households contact their retailer to ask for a better offer**
- **Reliable processes to ensure all customers experiencing payment difficulty are offered all appropriate support** (e.g. tariff checks, eligibility check and provision of access to Utility Relief Grants, checks that all applicable concessions are being received) - before referrals to financial counselling or debt collection
- **Elimination of delays and barriers to access hardship support**
- **Retailer practices which facilitate continuity of care** for vulnerable customers
- **Consistency in retailer response to victims of family violence, including financial abuse**

Utility Relief Grants

- **Improved retailer practices in relation to URG applications are needed** including:
 - ensuring customers with overdue bills are made aware of URGs
 - accurate eligibility checks
 - timely provision of application forms and numbers
 - provision of applications in a suitable format for the customer (paper or electronic)
 - willing and accurate provision of phone-based assistance to complete URG applications for customers who want this assistance
 - advising customers of URG application outcomes
 - ensuring collection and disconnection processes do not resume until URG application outcomes are known
- **Access to URG applications via channels other than the retailer** to minimise delays and exclusion of households not receiving appropriate access via their retailer
- **Reviewed wording of URG eligibility information** to minimise perceptions that concession cards are an essential criterion and increase visibility of income thresholds
- **Reliable access to the Victorian Concessions Information Line to ensure queries are answered**
- **Timely processing of URG applications**
- **Visibility of URG application progress and outcome for customers and support workers**

Concessions on bills

- **Improved retailer concessions practices are needed**, including:
 - Contacting customers with expired concession details to seek updated details
 - Pro-active communication strategies for customers with overdue bills and no concession card registered on the account to inform them that, if concession card holders, energy bill concessions are available and to contact the retailer to provide concession card details
 - Retailer cross-checks to ensure dual fuel customers with current concession eligibility are receiving concessions on both gas and electricity accounts
- **A strategy to more easily address concessions application failures** arising from name matching requirements between energy accounts and Centrelink

Energy bills and communications with households

- **Support householder preferences for paper bills, not paying by credit card, avoiding direct debit payment arrangements, and paying in person at the post office** – without penalty, pressure or exclusion from cheaper tariffs
- **More prominent Best Offer messages on energy bills *and* inclusion of Best Offer messages in the emails, text messages and App notifications** now more commonly used to inform customers about new bills and the amount due
- **Eliminate ambiguous wording of ‘Best Offer’ messages**
- **Simplify Terms and Conditions language for retail contracts**
- **Enable households to review and accept Best Offers in written format without calling their retailer**, e.g. households who have indicated their preference for paper-based communications by not opting in to receive bills electronically could be posted details of the Best Offer, Terms and Conditions, and option to sign and return paperwork
- **Accessible and consistently located critical information on energy bills** regardless of their retailer, including:
 - a reasonable font size and similar front page location for details such as tariff costs for peak and any other times, NMI number, Best Offer message, concessions applied or expired
- **Require pro-active retailer steps to inform customers about credits on any accounts, including:**
 - clear notifications apart from inclusion on the energy bill
 - informing customers if regular payments are generating undesired levels of credit that customers may be reduce these payments
 - an easy path for customers to request the credit amount be paid back
- **Improve wording on bills to help households with payment difficulties:**
 - identify the importance of communicating with their retailer
 - use language that facilitates access to appropriate support (e.g. mention payment difficulty, hardship or need for an URG
 - overcome language barriers to awareness of availability of support
- **Reliably accessible interpreter phone lines for ESL households**
- **Access to interpreters with training in energy bills, language and common energy issues** to ensure customers can achieve resolution of complex energy problems when using an interpreter to communicate with their retailer
- **Include interpreting service phone numbers on critical customer communications (e.g. overdue bill and disconnection notices) and record customer’s preferred language on energy accounts**



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