



# Customer Impact Reporting for Victorian Energy Market Report

**Report prepared for:**

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**Appendix 1** Discussion Guide: Counsellors and Community Workers

**Appendix 2** Discussion Guide: Customers

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# Executive Summary

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This report describes the findings of research to identify and qualitatively describe the impact on consumers of reforms to the Energy Retail Code, and whether energy retailers are providing assistance to consumers as required by the reforms.

The amendments and reforms examined are:

- the Payment Difficulty Framework, which came into force on 1 January 2019
- the Retail Market Reforms, which came into force on 1 July 2019
- the Changes to Support Family Violence Provisions for Retailers, which will come into force on 1 January 2020.

The research comprised 20 interviews with:

- seven family violence financial counsellors
- six generalist financial counsellors
- three community workers
- four customers.

Counsellors were recruited from lists provided by the Essential Services Commission (the Commission). Three customers were recruited via counsellors and one via a flyer circulated by the Commission. Fieldwork was conducted between 27th August 2019 and 11th September 2019.

In the findings below, the counsellors and community workers are referred to as 'respondents' and the people they assist as 'clients'. Customers of energy retailers are referred to as 'customers'.

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## Payment Difficulty Framework



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### Awareness of support for paying bills

Most respondents said their clients are aware that they could get support from their energy retailer if they are having trouble paying their bills. About half of the respondents stated that energy retailers proactively inform customers that this assistance is available. Only a minority of respondents believed that since January 2019 customers have found it easier to discover what to do if they have trouble paying a bill.

Respondents said their clients use a variety of methods to contact their energy retailer if they are having trouble paying bills. Some customers will telephone, some will see information on their bill and others will search the internet or read letters that have been sent to them.

### Assistance provided for paying bills

Respondents expressed a range of opinions regarding the level of assistance customers receive from their energy retailer if they have trouble paying bills. Several respondents said the level of support could depend on the size of the retailer, the ability of its staff members, and whether the customer was being represented by an advocate. Some respondents said those customers not being supported by an advocate are not always aware of useful terminology (e.g. 'hardship team'). Respondents also identified language barriers as a significant issue, particularly for customers whose energy retailer did not have interpreting services.

Views were evenly divided as to whether the level of assistance had improved since January 2019. Some respondents said they were seeing greater use of incentive programs (e.g. matching payments to reduce debt and debt waivers) and more friendly conversations with retailer staff. They said counsellors are not being challenged as often on their advocacy for clients. Other respondents said these improvements appeared more evident amongst larger energy retailers.

### Support for customers in debt

Most respondents said customers are receiving support from energy retailers to manage debt. The most common forms of assistance include manageable payment plans (often chosen by the customer), Utility Relief Grants and debt matching. Some respondents said energy retailers are still perceived as judgmental and avoided long term hardship arrangements.

About half of the respondents stated they had seen changes since the reforms were introduced in January 2019. Those who noticed improvements highlighted that energy retailers are increasingly likely to be happy with payment arrangements, provided customers are making some form of financial contribution (even if it is unlikely to lead to the debt being paid off).

Respondents said the support in managing debt was stronger amongst larger retailers. However, they noted an improvement in the practices of smaller retailers which included an increase in the number of grants and payment plans. Some respondents noted that there is still a long way to go for the industry and that the whole process can be very time consuming.

### Threats of disconnection

Many respondents stated that disconnection practices had changed since January 2019 and that these changes are particularly notable amongst larger retailers. Respondents stated that customers are threatened with disconnection (or ultimately disconnected) for multiple reasons. The customer may be hesitant to contact their retailer to discuss their debt options or there may have been a communication breakdown ultimately leading to the customer receiving a disconnection notice. In some cases, customers will switch energy retailers (as it may be easier than contacting the retailer directly) and are then pursued by collectors for the existing debt.

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## Retail Market Reform



### Helping customers compare plans

Respondents said there was a wide variation in the ease with which customers can change their energy plans. Larger retailers are more proactive and likely to provide an easy and seamless process. However, the process is more difficult for customers with a mental health condition or for those experiencing vulnerability, often because other issues in their life take precedence over changing an energy plan. Many customers find the process of changing plan to be complex.

Respondents said not all energy retailers informed customers on their bill whether they are on the best plan. Even if customers are informed, it is not always useful if the information is not presented simply. In addition, some customers do not read their bill and so may not be aware that the information has been provided.

Most respondents, let alone customers, were not aware of fact sheets published by energy retailers. The few respondents who were aware said they were useful and easy to understand.

Most respondents said that energy retailers provide warnings about forthcoming bill changes. However, there were differing views regarding their usefulness. Some respondents said the warnings could trigger looking for better deals, whereas others suggested that many customers would think the information was junk mail or not relevant to them.

### Treating customers fairly

Respondents said that larger energy retailers tended to treat customers more fairly than smaller retailers. Indicators of fair treatment include willingness to provide customers with information and providing solutions that take into consideration their individual circumstances. Indicators of unfair treatment include rudeness, not listening, and ruthlessness in chasing overdue payments.

There were inconsistent views regarding whether energy retailers are treating customers more fairly since July 2019.



## Family Violence Support

### Awareness of family violence support

Respondents had divergent views regarding how informed customers are about support that is available to them from energy retailers – ranging from well-informed to uninformed. Most respondents, however, said that larger energy retailers offer better assistance than smaller retailers.

Respondents said that not all customers had positive experiences when accessing support in cases of family violence. Factors that improve the experience include:

- ease of communication
- a speedy process
- assistance with energy audits
- replacement of whitegoods
- payment plans
- debt waivers.

Factors relating to negative experiences include:

- language difficulties, including poor language skills in offshore call centres
- lack of training
- inadequate financial support
- accessing debt collection agencies rather than helping the customer
- a lengthy process
- lack of understanding around hardship
- lack of sympathy.

### Approaching energy retailers without an advocate

Several respondents had clients who had approached their energy retailer without an advocate. For some of these customers, the experience was empowering, and they achieved satisfactory outcomes. For others, the experience was negative. Several respondents stated that some energy retailers encourage customers to contact financial counsellors rather than provide assistance directly.

### Repeating a story multiple times

Several respondents said their clients had been asked to repeat their story multiple times when seeking support. They found this experience frustrating and unpleasant.

### Providing evidence of family violence

Respondents said that energy retailers often ask their customers for evidence of family violence. Some respondents also request this information of their clients. The evidence is typically by way of Family Violence Intervention Order, Family Violence Safety Notice, a support letter, medical evidence or a doctor's report. One respondent, however, said that some energy retailers are more likely (in recent times) to accept the word of a counsellor regarding family violence rather than insisting on written evidence.

### Safety measures and trust in energy retailers

Most respondents said that energy retailers offer measures to support safety and security of personal information for customers affected by family violence. Most customers trust their energy provider to protect their personal information. However, several respondents said that customers tend to be distrustful of the effectiveness of the security measures. This is particularly the case when a customer affected by family violence is concerned about the perpetrator contacting them.

### Options provided for payment arrangements

Respondents said that energy retailers often provide workable payment arrangements for customers affected by family violence. The arrangements include debt waivers, Utility Relief Grants and flexible payment plans. The arrangements tend to be more suitable if negotiated with the help of an advocate or negotiated with a larger energy provider.

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## Conclusions



The overarching conclusion drawn from this research is that there is discrepancy between larger and smaller energy retailers with respect to provision of assistance to customers as required by the reforms. This discrepancy was evident across all reforms examined. In general, respondents reported better experiences dealing with large retailers. This was attributed to those retailers having more developed systems, financial resources and staff training. In contrast, respondents had less productive exchanges with smaller energy retailers. Notably, using a call centre based overseas was a specific issue identified by many respondents.

However, there is evidence that some energy retailers have taken steps to improve their customer service as required by the reforms. Specifically, respondents noted that some smaller retailers are offering more options and flexibility in relation to payment plans and exhibiting more willingness to provide information about Utility Relief Grants.

These findings point to areas of improvement that would lead to better outcomes for consumers:

### Provide further training for customer service staff

Energy retailers can continue to build the capability of customer service staff to provide better outcomes for customers experiencing vulnerability, payment difficulty or requiring family violence support. While respondents provided some evidence that staff are adequately trained and providing appropriate customer service, further training would ensure consistent benefits for consumers and increase business efficiency.

### Focus on clarity of communication

There is an opportunity for energy retailers to improve the quality of communication with customers. This includes through verbal communication (such as over the phone), in the presentation of bills and other important information, and in all written communication with customers.

### Further improve processes for helping customers in need of assistance

There is an opportunity for energy retailers to better support customers in need of assistance. This includes ensuring customers experiencing vulnerability, payment difficulty or requiring family violence support do not bear an excessive evidentiary burden, and do not have to repeat their story multiple times in order to access assistance.

## 1.0 Introduction

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### 1.1 Background

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The Essential Services Commission (the Commission) is an independent regulator that promotes the long-term interests of Victorian consumers with respect to the price, quality and reliability of essential services. The Commission regulates Victoria's energy, water and transport sectors, administers the rate-capping system for the local government sector and regulates the Victorian Energy Upgrades (VEU) program.

As a part of this task, the Commission publishes codes and guidelines that regulated businesses must follow and conducts reviews that promote the long-term interests of electricity consumers. In the course of conducting reviews in the last couple of years, the Commission has amended the Energy Retail Code (the Code) and introduced reforms to aid customers experiencing vulnerability and those engaging with changing markets. Three of the amendments and reforms that have been introduced, or will soon be introduced, include:

- the Payment Difficulty Framework, which came into force on 1 January 2019
- Retail Market Reforms, which came into force on 1 July 2019
- the Changes to Support Family Violence Provisions for Retailers, which will come into force on 1 January 2020.

### 1.2 Purpose

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The purpose of this research is to identify and qualitatively describe the impact on consumers of the abovementioned reforms to the Code and whether energy retailers are providing assistance to consumers as required by the reforms. The findings will be used by the Commission to assess and report on the experience customers have with the reforms.



## 1.3 Research Objectives

To satisfy the purpose, the research objectives were to qualitatively discover:

- whether the intended outcomes of the Payment Difficulty Framework are being realised
- whether the intended outcomes of the Retail Market Reforms to the Code are being realised
- the level of support for customers affected by family violence.

Following liaison with the Commission, the following themes were explored:

Payment Difficulty Framework	Retail Market Reform	Family Violence Support
<ul style="list-style-type: none"> <li>• Awareness of support for paying bills</li> <li>• Information provided to customers</li> <li>• Assistance provided for paying bills</li> <li>• Support for customers in debt</li> <li>• Assistance for choosing payment plans</li> <li>• Threats of disconnection</li> <li>• Changes since January 2019</li> </ul>	<ul style="list-style-type: none"> <li>• Customers' desires to change plans</li> <li>• Difficulty in comparing offers</li> <li>• Helping customers compare plans</li> <li>• Information on bills about energy plans</li> <li>• Customers' experiences when changing plans</li> <li>• Understanding Energy Retailer advice before signing a contract</li> <li>• Fact sheets</li> <li>• Warnings about bill changes</li> <li>• Self-reading meters</li> <li>• Treating customers fairly</li> <li>• Changes since July 2019</li> </ul>	<ul style="list-style-type: none"> <li>• Type of experience</li> <li>• Awareness of family violence support</li> <li>• Approaching energy retailers without an advocate</li> <li>• Repeating a story multiple times</li> <li>• Providing evidence of family violence</li> <li>• Safety measures and trust in energy retailers</li> <li>• Options provided for payment arrangements</li> </ul>

## 1.4 Methodology

Interviews were conducted with 20 participants:

- seven family violence financial counsellors
- six generalist financial counsellors
- three community workers
- four customers.

Counsellors were recruited from lists provided by the Commission. Three customers were recruited via counsellors and one via a flyer circulated by the Commission.

More interviews were conducted with counsellors and community workers than customers because they can speak to a range of individuals' experiences, providing a greater breadth of information about the outcomes of the code amendments than customers.

All the counsellors interviewed as part of this research had helped clients affected by family violence to access assistance from their energy retailer. However, none of the community workers had had direct experience assisting customers affected by family violence.

Separate discussion guides were used for the professional workers and customers. The discussion guides were cooperatively developed by Wallis and the Commission and are provide in Appendices 1 and 2.

Interviewing took place between 27<sup>th</sup> August 2019 and 11<sup>th</sup> September 2019. All interviews were conducted by phone and typically took about 45 minutes to an hour to complete.

As an incentive, the counsellors and community workers were offered the option of having \$200 donated to a charity of their choice or having a \$200 eGift card sent to their organisation. The customers interviewed were provided with a \$100 eGift card that could be used across a wide range of stores.

Interviews were recorded, transcribed, and subsequently analysed to prepare this report. In accordance with the Wallis Privacy Policy, all personally identifiable information will be deleted from our records when the project is completed.

## 2.0 Findings

The findings are arranged by the following themes:

- Payment Difficulty Framework
- Retail Market Reforms
- Family Violence Support.

For the Payment Difficulty Framework, findings are provided in the following order:

- views of the counsellors and community workers
- views of the customers of the energy retailers (where available)
- changes since January 2019.

For the Retail Market Reforms, findings are provided in the following order:

- views of the counsellors and community workers
- views of the customers of the energy retailers (where available)
- changes since July 2019.

For the sake of readability and consistency, we have adopted the following terminology:

- counsellors and community workers providing feedback are referred to as 'respondents'
- customers of energy retailers providing feedback are referred to as 'customers interviewed'
- the professional workers have 'clients' (who are also customers of the energy retailers).

The verbatim comments from respondents and customers interviewed have been edited for clarity.

### 2.1 Payment Difficulty Framework



#### Awareness

##### Awareness of support for paying bills

Respondents said that most of their clients know they can contact their energy retailer if they are having trouble paying bills. There are a variety of ways they do this:

- simply making a phone call – if they are already aware
- searching online
- reading information that has been sent to them
- looking at information on their bill.

However, most respondents qualified their answers by noting that there are a range of circumstances that can inhibit customers from making the call. Each respondent tended to focus on just one circumstance in their response. The circumstances include:

- simple lack of confidence
- a feeling of vulnerability
- a mental health condition
- intellectual disability
- feeling of embarrassment – not wanting to disclose that they are in financial difficulty
- language difficulties
- fear that they might not achieve a good outcome
- previous bad experience – typically prior experience with an unaffordable payment plan.

“ I guess they do know they can contact them, but whether they do is another question – I think they still feel extremely intimidated by the retailers and feel that they don't get heard.

“ We're talking about clients with mental health issues, intellectual disabilities. They can be vulnerable for all sorts of reasons. Family violence clients, they're certainly not, I guess, ready to call their energy company after fleeing a family violence situation.’

All four customers interviewed knew they could contact their energy retailer if they had trouble paying a bill and needed to ask for help. They became aware of this support by either calling the energy retailer or reading their bill.

### Information provided to customers

Opinions diverged among respondents with respect to the proactivity of energy retailers in providing information to customers about paying bills. The most common response was that they were unsure about the level of proactivity. Some, however, flatly stated that they do not provide information.

“ No, they're not [proactive]. No, they don't contact them. They just keep sending them disconnection reminders.

Several respondents noted that the energy retailers do provide information to customers in the form of pamphlets and information on bills. But, unfortunately, this information is often not read or comprehended by some customers.

Two respondents described a scenario where a customer calls the energy retailer but do not specifically ask to speak about financial hardship. Where they do not ask specifically, they are typically directed to a customer service representative who is only trained to discuss a payment plan.

“ If they ring an energy provider directly, the customer service reps are different to the hardship team. So, unless the client specifically says 'I need to speak to someone about financial hardship' ...[they are only offered] do you want to make a payment plan?

### Changes since January 2019 - Awareness of support for paying bills

Most respondents did not believe that customers have found it easier (since January 2019) to find out what to do if they were having trouble paying a bill. This is indicated in the quotations below:

“ It's probably no different. Clients I am talking to are not aware they can call and have those conversations.

“ I haven't noticed any massive difference; I still find it really hard to understand that clients don't know about Utility Relief Grants. So that would certainly indicate that the retailers are not passing on all the information that could be available to them.

Nonetheless, several respondents did believe that energy retailers are making more information available to customers.

“ I think it's a bit easier. Because I believe that the companies are actually being a bit more proactive getting on the phone a bit more, talking to customers and offering a bit more assistance than what they were before. Well, I'm finding...if they're noticing bills aren't sort of being paid, they're actually calling and they're doing that at a lot earlier stage.



*Well, I think the staff with the utility providers are a lot better trained. A lot, lot better trained. I think there's been more resources going to training about financial hardship and I think they've obviously invested with more staffing in that particular area.*



## Assistance Paying Bills

### Assistance provided for paying bills

Four themes emerged regarding the assistance provided by energy retailers to customers who are experiencing financial hardship:

- assistance varies markedly by the size of the energy retailer
- assistance varies markedly by the competence of the member of staff
- use of an advocate helps in achieving good outcomes
- Utility Relief Grants have positive and negative aspects.

### Size

Respondents described the size of the retailer as being an important factor in the effectiveness of the assistance provided to their clients. Smaller retailers (described as tiers two and three) were seen to be less effective in providing assistance to customers experiencing financial hardship as they were more likely to:

- have a call centre based outside Australia
- have staff who are not as well trained
- be more aggressive in pursuing debts from customers
- have less effective hardship programs
- require the customer to repeat their story multiple times
- make it harder for the customer to obtain hardship assistance.

As a result of the above characteristics for tier 2 and tier 3 energy retailers, they are seen to be less effective in providing assistance to customers experiencing financial hardship.



*If it's not a first-tier provider, they're not interested in providing any form of assistance whatsoever. They're actually happy for the client to transfer out.*

Several respondents suggested that none of the energy retailers (regardless of size) are particularly focused on providing assistance. Just one respondent suggested that the gap between the tiers of energy retailers (with respect to assistance provided to customers) might be narrowing.

### Competency of staff

The competency of the individual member of staff dealing with a customer is also a major factor influencing the provision of assistance. More competent staff are perceived to be:

- more compassionate
- more knowledgeable – which is important for assisting customers experiencing vulnerability
- better trained to handle customers who have experienced trauma
- quick and efficient.

The competent member of staff is likely to be less aggressive, more willing to negotiate, and focus on a solution that is good for both parties. Importantly, they can recognise that the customer is likely to be stressed and experiencing vulnerability. Training and knowledge also increase the chances that the call from a customer will be quick and efficient. One counsellor noted that, depending on the knowledge of the member of staff, a call (on behalf of a client) can vary from 15 minutes to 40 minutes and that the longer call is difficult for the customer. The efficiency of dealing with the call is important

because a customer experiencing vulnerability, who is lacking in confidence and is unsure of the process, will tend to give up.

“ *...some of the energy retailers just seem to have had staff that are better trained and more compassionate and offer more realistic options...* ”

### Use of an advocate

Several respondents discussed the advantage of acting as an advocate for the customer. While they see the advantage, they feel that use of an advocate should not be necessary. The advocate can, in particular, assist where:

- the customer does not know his or her rights
- there are language barriers
- the customer is experiencing a mental health condition.

An advocate can assist when there is a language barrier (and the energy retailer does not provide interpreting support), because the language barrier can hinder appropriate assistance being provided.

“ *So if you've got a client that isn't able to speak English ringing a utility company and the person on the other end of the line hasn't got an interpreting service or can't engage with an interpreting service, and can't speak the client's language - which is more often the case - they're not going to be able to assist them.* ”

However, perhaps most importantly, the advocate can assist because they have a good understanding of the process and appropriate language to use.

“ *So, as a financial counsellor, I know the correct language to use when I'm speaking to utility companies...we ask for the correct department...for example, when I phone up a utility company as a financial counsellor I will ask to speak to the hardship team...when a customer rings up they ring the number and they just say I need to talk about my bill, so they're just put through to collections.* ”

### Utility Relief Grants

There were two perspectives offered by respondents regarding Utility Relief Grants. One respondent noted that the grant is typically not sufficient to pay the customer's debt. Nonetheless, the energy retailers put pressure on the customer to ask for the grant. The respondent felt that the energy retailers are using the system to their own advantage rather than to the advantage of the customer. Another respondent described an apparent anomaly in the system where a customer who is in debt but has taken steps to manage their debt cannot apply for the grant. The respondent felt that it is sending the wrong message.

“ *This felt like if you want the grant you have to let go of paying your bills.* ”

“ *I haven't seen any customers happy at the moment.* ”

In contrast, one respondent felt that the recent changes to the grant scheme are an improvement. The changes identified by the respondent are an increase in the size of the grant and the option to apply the grant multiple times.

The experiences of customers interviewed with their energy retailers is broadly consistent with the information provided by the respondents, albeit for a tier 1 energy retailer. Significantly, none of the customers interviewed had been proactively contacted by their energy retailer in 2019. Two customers interviewed had problems paying their bills in 2019 and they both contacted their energy retailer before the retailer contacted them.

The two customers interviewed who had trouble paying their bills had a positive experience. One customer interviewed made arrangements using Centrepay to make deductions from Centrelink payments. The other made arrangements with fortnightly payments. Their descriptions of their experiences are provided below.

“...but when I did Centrepay I don't have to worry because ... the payment plan money goes straight to supplier. I think it's more easy for me...if you want to stop your payment plan, so you can just ring them.

“It was good. The person I did talk to, they were actually really good. They were trying to figure out a way of paying my bill which was affordable for me...They first off said that I had to pay one hundred and something dollars a fortnight and I just said that I couldn't pay that because I'm on a single parenting payment through Centrelink and I said the best I can do is \$60 a fortnight and they said they would go and talk to one of the managers from the electricity company, and they said it was fine as long as I keep up to date with my fortnightly payments.

In contrast, a third customer interviewed described her unpleasant experience dating back to 2016 and 2017. Her problem was not restricted to her energy retailer back then.

“You know, you'd think that they would put things on actual hold [after she stopped work to care for her ill husband]. But, no, they don't. They keep charging you and keep compounding interest on you and it goes on and on and on and, all of a sudden, I found that I had \$2,000 to \$3,000 in arrears on the mortgage loan, and my gas, electricity were through the roof.

### Changes since January 2019 - Assistance provided for paying bills

About half of the respondents said that the level of assistance customers receive, if having trouble paying bills, had improved since January 2019. Those who believed there has been greater levels of assistance mentioned:

- greater use of incentive programs such as matching payments to reduce debts
- proactivity in suggesting plans
- waiving of debts
- increased level of friendliness
- Less challenging of counsellors' information provided with respect to customers affected by family violence.

Typically, it was noted that improvements were mostly evident amongst larger energy retailers.

“What we have noticed since the new code, we are seeing more of an incentive program, a matching payment plan. For example, [energy retailer] were doing affordable payments and after ten payments [energy retailer] were matching the payment to reduce the debt. That was working well in reducing the debt. Everyone was chipping in. It was helping. It has only been since the new code.

“ A fantastic improvement...With family violence in particular, sometimes the circumstance is economic abuse...perpetrator makes them believe the bills [are] being paid and then upon separation [they] realise bills [are] not paid, and in arrears and [they are] responsible for paying that debt. When I explain that to the hardship team I've had [several energy retailers] all waive the debts for the client. So, they can have a fresh start. That's has been since the end of last year. And even more so this year.

“ I'd say in the past 6 months, I've seen an improvement...[previously] it just felt like the customer or myself against the utility providers...But they're actually offering now better service, options, 'We can do this, What about that?' Whereas before there wasn't that friendliness about it at all...it was about 'You're behind in this. How are we going to get our money?' It doesn't feel that way anymore. It's across the board. I've seen an improvement. There's still some smaller companies which I won't name that we don't like dealing with because they're a little bit incompetent. But the bigger guys they've really improved across the board.

“ [The improvement has been] just accepting the fact and not challenging what we were saying. So, just sort of basically saying 'this debt occurred within a family violence situation'. And not pushing back all the time. So, what I've found with the ones that have really improved is they're just going with what we've told them and just taking that at face value.

Several respondents had not seen any change in how people were treated if they had difficulty paying bills. One respondent stated that a particular energy retailer is unaware of the changes to the code.

“ I've actually had one retailer not actually know about the changes...I had to send them across a fact sheet. Because they were saying they weren't aware. That is like when the call centres are offshore and they're like, 'No, we're not aware of the new rules that have come in'. It's just a nightmare.

“ I have been very surprised - actually disappointed – about some of the providers' responses to clients who are having difficulty paying. I thought...that [following the changes] the utility providers were supposed to be considerate and fair, consider their situation, and provide further options for a person to meet their obligations.

The experiences reported by customers interviewed with respect to assistance varied greatly:

- One believed they were being treated better this year
- One suggested there had been no change
- One could not offer a view because their financial counsellor now dealt with the energy retailer
- The last had no comment.





## Debt

### Support for customers in debt

A range of debt relief processes are offered by energy retailers, including:

- payment plans (including extension of the payment period)
- Utility Relief Grants
- repayment matching
- debt waiving.

Two respondents noted that debt waiving appears to be restricted to cases where customers are affected by family violence. Several respondents suggested that the process for receiving debt relief in any form needs to be as simple as possible. This is because customers, particularly those affected by family violence— who may be feeling shame and guilt arising from their situation – find it difficult to negotiate an appropriate debt relief outcome.

Respondents believe that the larger energy retailers are doing a much better job at supporting customers in debt. Several strongly positive outcomes were described where large retailers were praised for their processes. One respondent suggested that customers can feel empowered when they get a sense that the energy retailer is helping them with payment matching.

Two examples are provided below.

“ I did get one really good outcome where, that was with [energy retailer]. They were amazing. It was a very vulnerable client...It took probably earlier this year, so I'm not too sure when the new rules had come in. But they initially were pushing back. But, in the end, they really came through with the goods and they gave this particular client a specific case worker, so that every time she rang up she would be put through to that same case worker. She'd been a victim of horrendous violence. And they also offered to go into her home and to do an energy audit. And they waived the debt. But they also wanted to assist her with her account moving forward, and I think that's the best outcome you could get.

“ Yeah, some of them do a really good job. [Energy retailer] has...an incentive payment. So, what they do is they take over management of the account and then they initiate a ratio...so they'll match the payments and as the debt gets lower, they'll increase the ratio.

In contrast, the smaller energy retailers were seen to lack the financial capacity to match the support now being offered by the larger retailers. Some do not even provide live phone support, as indicated by the following two quotes.

“ ...they [smaller energy retailers] can't match the big ones like, you know, your AGLs, Energy Australia, Origin, those sorts of companies. The smaller ones don't have the funds to do that.

“ With any of the tier two utility providers, quite often they're not staffed accordingly in their hardship departments and, you know, you don't even get through on the phone...you need to leave a message...

Several respondents suggested that energy retailers generally do not help customers manage debt. These respondents felt that the energy retailers are judgmental, quick to send disconnection notices, and avoid providing long-term hardship arrangements.

“ I think they can be quite judgmental, I don't think they have a full understanding of how difficult it is for people to increase their payments - as the energy company may be

*suggesting - and that it might be a choice between putting food on the table as opposed to increasing their utility payments.*

“ *They send them disconnection notices, they tell them that they have to pay a certain amount, they just keep doing debt collection phone calls.*

“ *It's a disappointing approach - that a utility provider [business name] will only give three months hardship arrangement. And so, there's no long-term arrangements in their system...After three months, they threaten to disconnect. So, they go on a roundabout every three months of negotiating their payments.*

### Changes since January 2019: Support for customers in debt

Respondents were evenly divided as to whether there had been any changes since the beginning of the year in how energy retailers treat customers who are in debt. Those who believed there had been improvements mentioned that:

- energy retailers were more likely to be satisfied as long as customers were paying something, even if the debt might not be fully paid
- smaller retailers were becoming more willing to arrange payment plans
- improvements were evident across the board with respect to financial hardship.

“ *And I guess that's come more recently with the new changes. So...as long as the customer is engaging and is paying something towards the debt, then obviously they're less likely to be disconnected - even if the bill's quite large.*

“ *The bigger ones [retailers] were always better and when the new regulations came in, I saw no difference with them because they'd always had that standard. Whereas the smaller ones were more willing to send out grants and you know arrange payment plans.*

“ *In recent times there's been...massive changes in how they're treated with regards to debt, with regards to payment plans, with regards to everything to do with financial hardship, since the 1st of July. Since the regulations changed.*

However, some respondents noted that even where there had been improvements, there was still a long way to go, and that the whole process could be very time consuming.

“ *I understand that there's meant to be changes in this space...the Utility Relief Grant could still be improved. But, obviously, there's a loan option around that now. There's a little bit of change in that regard in making those options a bit more accessible, But it's still not easy. It's still a time consuming process and then you're waiting a long time for a response. So, if somebody is trying to sort out their affairs, it can be difficult. You want to just clean the slate, start over, and move forward and that doesn't always happen because processes are lengthy.*

Some respondents felt there had been no improvements at all.

“ *No, I haven't seen any positive ones. Like, even though, like, when I've rung up there hasn't been any change in the process between last year and this year...It hasn't been easier.*

Two of the four customers interviewed suggested that their energy retailer was more understanding and easier to communicate with than previously.

“ I think they're easier [to communicate with]...Well they kind of keep in touch. They send you emails - your prices have gone up just a little bit. Everybody's energy's gone up a little bit. And so they sent me an email advising me of this...and then if you ring, somebody does answer you straight away. They don't put me on hold.

“ Yes [they are more understanding and easier to communicate with]...They understand my circumstances and everything like that. So it makes it a bit easier because they kind of understand because I have a social worker helping me as well.

### Assistance for choosing payment plans

Respondents believed that at least some retailers support customers in choosing their own manageable payment plans. As noted in sections above, it is again, generally, the larger retailers that do a better job in providing support for their customers.

Several respondents noted that there is a tendency for some energy retailers to direct customers to a counsellor rather than assist with creating a payment plan directly with the customer.

“ Handballing is the operative word.

Further, of those who did believe retailers support customers in this regard, some noted that it is only the larger retailers who do so. Some noted varying outcomes.

The customers interviewed had different experiences of support for dealing with their debt and payment plans. Two customers interviewed mentioned that their energy retailers had assisted them. However, one of these two explained that the process had to be repeated in successive years. One did not receive support and another mentioned that support was only available if an advocate was involved.

“ I'm still on a payment plan but I do pay \$10 fortnightly because I did apply utility grant scheme last year...for my gas, and this year I did apply for electricity, so that's fine, so last bill was \$150 because still I'm on payment plan it's just \$10 fortnightly, so I think it's good for me so I'm on track now.

“ As long as they're getting the money every fortnight, I don't think they care.



## Disconnection

### Threats of disconnection

Most respondents said they were aware of cases of threats of disconnection, and several were aware of instances of disconnections. However, as described in the next section, most also noted that there has been a change since 1<sup>st</sup> July this year.

“ Oh, yeah definitely, definitely they are [threatened with disconnection]. Though they get warnings and they get a disconnection letter, or through emails they'll get that. But...we're not getting as many as we were.

One respondent drew the distinction between a 'disconnection letter' and a threat of actual disconnection. This respondent advises clients that the former is a notice that if the bill is not paid they will be disconnected, which is different to advice that disconnection is imminent. Another respondent described one company that automatically sends disconnection letters, even if the customer has a payment plan in place or is negotiating one, and stated that these letters have a detrimental effect on the client.

“ ...so it's not necessarily intentional, but we could have a payment plan in place, or maybe negotiating a payment plan...and a threat to disconnect will come through to the client, which sends them into a spin because they think that they are about to be disconnected.

Respondents noted several reasons why customers can reach the point of potential disconnection, including:

- hesitancy to contact the retailer to discuss financial hardship
- changing retailers when a bill is overdue
- breakdown of communication.

One respondent stated that some energy retailers send a disconnection notice to get the attention of the customer when other forms of communication have failed.

Finally, one respondent suggested that customers are not provided with information on how to dispute a disconnection threat and that energy retailers should do this.

Two of the four customers interviewed had experienced threats of disconnection. In both cases disconnection did not occur. One noted that the situation had reached the stage of disconnection because of lack of awareness of support that was available.

“ [I was threatened with disconnection] Only when I couldn't pay, when I was with [energy retailer]. That's the only time. Because, before, I didn't realise you could get assistance and I was thinking, 'How am I going to pay this bill?' And then a letter came in the post saying you haven't paid your bill. If you're not paid in such and such a time then we'll cut your electricity off.

### Changes since January 2019: Threats of disconnection

Most respondents believed that disconnection practices had changed this year. Some were clear in their observation that there definitely had been changes for the better and that most energy retailers were more reluctant to disconnect. But most respondents only acknowledged the change on reflection

after hearing the question – and then realised that they had not noticed as many disconnections as in previous years.

“ Just trying to think, I definitely saw disconnection notices in the past, but whether I've seen any this year is actually a really good question. So possibly things are being done earlier prior to getting to that stage. But I must admit I probably haven't seen any disconnection notices this year.

“ There used to be, I used to see quite a lot of it prior to the 1st of July, but in all honesty, I haven't seen any since then, it's not something that's encouraged. Definitely improved with that because they know damn well that you know a client can just go to EWOV...

“ We see disconnections much less in the last year.

Consistent with the pattern described several times previously, the larger energy retailers were seen to be more likely to have made changes than the smaller energy retailers.

“ Like, say, your tier ones. They're being more proactive and they're not sending out the disconnection notices as readily as they were. And the other ones are just doing what they were in the past...I've got to inform a retailer of the new rules that have come in. And they don't even know. They're saying they're not even aware of them.

## 2.2 Retail Market Reform



### Energy Offers and Comparisons

#### Customers' desires to change plans

Most respondents believed that customers want to change energy plans from time to time. The most common reason suggested is to find a better deal.

“ Yes absolutely. Very often, when they can't afford it and don't know the options available to them, they will switch, and they don't switch by going to "Victoria Compare".

“ Yes, they're happy to change over as long as the discounts are still there. So, my clients look mainly at the discounts that are offered.

In a minority of cases, however, respondents believed that customers are wary of change:

“ No. Most of the time people just stick with... who they're already with. Most of the time people will stick with what they know, and a lot of the time they don't have a really clear understanding of what they're paying and how that particular rate would affect their quarterly bills or whatever.

“ Customers sometimes do want to change providers. Yes. But I think that they get a little bit scared that they're going to have two bills to pay. They're also concerned that the retailer they're with may not let them go unless they pay the [outstanding] bill in full.

Only one of the customers interviewed indicated that they had ever wanted to change their energy plan. She explained the process in the following way.

“ [I wanted to change plan] because the energy company I was with, they're not too expensive, but [for] the other energy company the percentage [discount] was a bit cheaper. [In comparing new plans] I just looked on their websites and they had the different percentages on the actual website. So I just compared them through the internet...It was just the pay-on-time discount at the time...It's a little bit hard, it's not too easy, it's a bit hard to choose...because there's so many energy companies.

### Difficulty in comparing offers

While many customers are willing to consider changing plans, most respondents believed that their clients find it hard to compare offers. Some factors that cause confusion include:

- Complicated terminology
- Complicated bills
- Lack of knowledge of the energy used by various appliances
- Stressors in the customers' lives including separation, child protection, family violence
- Lack of suitability of pay-on-time discounts for customers who are experiencing hardship and might not be able to pay on time.

“ I think it's hard, in general, to understand. The terminology can be tricky - peak, off peak, different ways it measured. It's tricky enough for me, so tricky for clients to comprehend.

“ I think it's a little bit hard. They are dealing with a lot of stress and family violence and separation and child protection, less income. And have to go to court. And appointments with the mental health service because the kids not coping – this [the best energy deal] is not a priority. It's too overwhelming.

“ It's really hard. Electricity bills can be hard to read and explain to clients. The language they use at the back. Then we have a conversation about their usage and ways of reducing it – For example - not using dryer. A client received a bill; outstanding \$1500. Just says “balance brought forward” and then a line that says \$25 fortnightly. But doesn't say if they've received it. Also, [you] can't see if URG been applied to the bill. You have to go to a site. It's not easy at all to compare. You've got to understand your daily usage, and then literally know the names of other providers, it can be bamboozling.

“ Oh! Massively hard [understanding and comparing energy offers]. And so do I...Oh! I think there's just so many formulas and different rates that, you know, are applicable at certain times. It's just a nightmare. You need a university degree to understand it.

“ It's always been hard and continues to be hard...Because it's confusing – they don't understand kilowatts and the cost per kilowatt and peak and non-peak.

### Helping customers compare plans

While there was agreement that many customers find it difficult to compare and understand offers, some respondents felt that retailers are now offering assistance proactively. However, as noted for earlier topics, the assistance appears to be more common among larger energy retailers. One

respondent stated that, in one instance, it was not possible to even speak to the hardship department for a client.

“ And the only other thing that's changed with the first-tier ones [energy retailers], is that when you ring up, they will go through and make sure that they're [the customer] on the right plan. [But] I'm actually lodging a complaint for [tier 3 energy retailer]...I can't even get through to hardship. I'm not even allowed to speak to the hardship department.

Respondents indicated that proactive support is offered by larger energy retailers in more empathetic and compassionate ways for:

- reviewing the plan that the customer currently has
- assessing energy consumption
- suggesting a discount plan
- offer alternative modes for providing information.

“ It's pretty much those [tier 1 energy retailers] that do it well. When you ring up...it's standard for them now to review what plan the customer is on. So...even just applying for an URG application, looking at consumption and that, and they'll always say 'I'll just check out the discount plan, see what we've got going now.' And they're really proactive about that, which is awesome.

“ It's up to the customer how much they want to take in over the phone. Some people can read it better than others. I find that the clients who don't speak English go 'No just send it'.

“ Because I've had times when I've called up and they've gone 'Well why didn't they tell me that when I called them?'...So what they'll do is they'll go 'This is the plan that you're on now, it may not be the best plan for you, this is another plan, going on your usage or going on the way you're using it, this might be a better plan for you, or this one offers a better discount for you, and there's no pay on times'. And then I always ensure that the rates are the same

Several respondents noted that there are other difficulties that energy retailers are not addressing adequately. They feel that some staff might not understand the plans themselves, or that they are not explained using terms that are understood by everyday Australians. Relatedly, some staff appear to work through a standard script without recognising that customers may have poor English skills, mental health conditions, or low levels of literacy. In principle, the script might sound like it explains a plan but, if it does not take account of customers' needs and barriers to support, the outcome for the customer is not good.

“ I don't think a lot of them understand them [the plans] fully either. And they're speaking in another language. I mean energy deals and energy packages - they are not in terms for the everyday person. Whether you're CALD [from a culturally and linguistically diverse community] or whether you've got mental health issues or you...have low literacy or whether you have high literacy, they are still very difficult for the everyday Australian to understand. And there's a lot of work to be done in that space, there really is.

“ [Are they helping customers to understand?] No, I don't think so. Tick the box - we need to do it, they put their offer out there but doesn't suit everyone. People from CALD [Culturally and Linguistically Diverse] background, they are really worried about their credit score and so anything to do with money they are afraid that it will affect their ability to get credit. Often, it's a misconception. [They are] afraid [they] won't be able to get a new rental home etc. All these financial things including energy - there is fear even talking to the retailer.

“ I am sure they go through a little bit in their spiel [about helping customers to compare and understand energy offers]...My understanding is there is a bit of a script, I guess, that they go through with their clients. I wouldn't think that that would be easy to understand and especially if you're experiencing any sort of hardship or trauma you're not going to be taking a lot of that information in. You'd be saying "OK, I need to get a connection here, and quickly.”

Two customers interviewed had not wanted to change plan. Nonetheless, if they were to change plans, they indicated that they would value the ability to be able to pay in small instalments or in advance:

“ Instead of paying full amount, if you choose payment plan so you can just pay that part of the money, I mean if you have \$200 you don't have to pay the \$200, so you can make a payment plan like \$25, \$35 a fortnight.

“ [If you were to change your plan, what is the thing that you would value most?] Probably, maybe, ease of payment. Maybe instead of paying it once a month you could do it fortnightly. I'm not sure whether energy companies could do that. Or you could maybe pay in advance so that you're kind of saving up for the next bill if you could afford to do that.

### Changes since July 2019: Helping customers compare plans

Most respondents believed that the support energy retailers offer to customers to compare offers has **not** changed since retail market reforms were introduced on 1st July.

“ But for the people that I see, very rarely are they able to pay their bill on time. So, they're missing out on the discounts. So, if they miss out on the discount, they're probably paying the higher rate. They get caught up because the early bird discount sounds great...[This] hasn't change since July.

However, some respondents indicated that there has been improvement, but mainly amongst the larger energy retailers.

“ ...they have taken these new reforms and seem to be, you know, being active with them to do it.

“ Yes that's new, that's new...Well that's started happening when the new laws came in, maybe Feb, March. But, like I said, that's not for every provider. That's only for your tier ones. Underneath they really don't care.

Since July, only one of the four customers interviewed had seen anything to make it easier for them to understand energy offers. This information was about the Victorian Government energy retailer comparison website:

“ I think I saw an email, or maybe on Facebook, something the government put out and you can compare the prices. If you go online you can compare energy companies. You just punch in how much energy you're using and then they'll compare that with other energy companies.





## Changing Plans

### Information on bills about energy plans

There were mixed views amongst respondents as to whether energy retailers tell customers on their bill whether they're on the best energy plan. Among those who believed energy retailers do tell customers on their bill about the best energy plan, there were mixed feelings as to whether this is useful. Those who thought it was useful said it can be a simple way of checking other plans. However, the information needs to be presented simply. Those who thought it was not useful said it is because they think customers will not read their bill, or are not aware that this information is on their bill.

“ Yes. They do [tell customers on their bill whether they're on the best energy plan]. I wouldn't say all of them do... I'd say it's probably the bigger ones [energy retailers]. Again, they're pretty good at looking at what their customer's receiving, and they talk about trying to get the person the best deal now, better deals than before. I think I've noticed an increase in them trying to have a look at what their rates are, and can they do a little bit better. They seem to be a bit more proactive now.

“ It depends what company you're with [whether they tell customers on their bill whether they're on the best energy plan]. Some of the bills will actually say what plan they're on, but that doesn't really mean much, it doesn't actually say to you on your bill 'Oh, you know you are on this particular plan and you are getting 28% off your gas, 30% off your electricity.'... You will actually get a package that will give you the ins and outs of the plan that you're on, that's a separate package, but it doesn't tell you on your bill. [You're saying sometimes there is something on the bill but it's not particularly useful, is that correct?] Yes, that's correct.

“ I haven't seen any of that [telling customers on their bill whether they're on the best energy plan]. A lot of our clients at the moment are coming in with old bills. That's what I've noticed, so that would indicate that they've changed providers some time ago, and they're coming in with older bills.

### Changes since July 2019: Information on bills about energy plans

Some respondents believed that there is evidence that more information is now being provided about energy plans on bills.

“ They have been [telling customers on their bill whether they're on the best energy plan]. I'm only just starting to see bills that have come in from July that have got it on there. But, yes, I have seen it on there... I've pointed it out to customers, and I think, yes, it will be useful. It's just a simple way for them checking if they don't particularly want to look into changing to another company. It's the best way for them to look at the company that they've got.

### Customers' experiences when changing plans

Many respondents suggested that the process for a customer to change their plan was relatively easy. Among those who thought the process an easy one, it was noted that the process could be seamless and that larger energy retailers are better and more proactive.

Some of the comments of those who believed it was easy if customers want to change energy plan were as follows:

“ Well with me it's been very good. We compare the current with the new one and see if it's actually beneficial, because sometimes the customer might be in a worse position. So we just always compare, like I said, apples with apples, and if it's going to benefit them, their circumstances. It's a pretty easy process, it's done over the phone, all the paperwork is sent out to the customer and it's done. It's not difficult at all.

“ It's usually easy, it takes forever over the phone because they read out conditions and things that sometimes are double Dutch. Most times they'll say would you like us to send the information out to you and the client will say yes and they'll send it out to them via email or via the mail, whatever they choose. Preferably, they like to send things via email, so clients can then read and see if they understand everything fully - which I don't think half of them read it anyway.

Nevertheless, some respondents said the process is not easy. The customer may not be in the frame of mind to prioritise the issue due to vulnerability. Sometimes, the customer may be moving from one energy retailer to another or the complexity of the process becomes overwhelming.

“ The customers that we have aren't shopping around, aren't researching, aren't treating this as a bit of an experience. [They say] 'I come in to get my financial affairs in order and I am going to compare.' But they are not in that setting to do that. They normally have mental health, drug and alcohol, trauma, [or] family violence [issues]. They might have housing issues, and I'd be juggling to find housing, so they are not in that frame of mind to be saying "I'm going to shop around and get the best deal". That's not what their life looks like.

“ Well, I have had clients that have their plan, whilst they've been here, to get a better deal...It takes time and it seems to be that you need to go through different departments...You know, you might be applying for hardship, and then you change your plan so you get through to someone else, it's not a simple process.

### Changes since July 2019: Customers' experiences when changing plans

Some respondents provided evidence that it has become easier for customers to change energy plans since introduction of the reforms.

“ [Has it become easier in the last couple of months?] Yes, it's quite fluid now. It's something that happens quite seamlessly. Yes, it is easier, definitely...The bigger ones are always better.

“ [Was that a change from the past?] Yeah. It'd be, say, myself instigating a conversation. 'What's the best rate? You know they are on the best rate or you know what plan they are on. Is this the best plan for them?'. Whereas the tier ones are now starting that conversation, I don't have to do that.

“ Yes, yes, that is one of the things I've noticed since the 1st of July...When I'd ring through with a client, I'd always check that their concessions were in place, and I'd always say 'Are they on the best possible plans? What can you offer them?'. I mean, I still ask that but more than often they've asked the question first, and they actually will change clients over to plans...I think it's one of their questions that they're required to ask clients and they do that. Before the 1st of July that wasn't the case, but now that seems to be mandatory.

### Understanding Energy Retailer advice before signing a contract

There were mixed views as to whether customers easily understand advice they are given by their energy retailer before signing a new contract. While some respondents believed this advice is easily

understood, about as many did not, and others had doubts. As noted earlier, respondents again said that energy bills can be difficult to understand.

“ I think so [that it is easy to understand advice before signing up]. We do it via speaker. They get them to repeat it back. I do think the clients do understand. I think they can be overwhelmed via a telemarketing call or people coming to the door, [it] can be confusing and [they] sign up for things they don't understand - sounds like the best deal ever and signing up without really understanding.

“ It can be [easy to understand] for some clients. I think clients at the end of the day just want to know what their discount is...If they can get a better deal, they're keen to go with it.

“ I would say, yes [that it is easy to understand advice before signing up], up to a point. There are some people that...sometimes, I question whether people fully understand it. But they're taking it on the fact that the person [retailer staff] is experienced, and they've said 'You know you will save money on this plan, it's better than the one that you're on, it's a bigger discount', or whatever. I sometimes wonder because sometimes people that I see are quite unwell. So, they just are going on the fact that, I think, the part that sticks out for them in terms of they'll save money. I don't know how much of it they'll grasp in terms of, you know, the detailed plan itself. When they start talking about kilowatts and all of that, and like I said before, even for me when they start talking about kilowatts, it's like a foreign language.

“ I don't think so (that it is easy to understand). In our CALD [Culturally and Linguistically Diverse] community, or even general communities, people are told they'll have a great offer. The first bill is good, and think it's great. But that was because it was signed halfway through the period and next bill find they are worse off.

“ Yes, lower literacy rates, purely and simply low literacy rates [make it hard to understand advice before signing up], or they don't even have to be highly literate. Energy bills are difficult to understand at the best of times, for anyone, unless you are a specialised energy worker and you're a professional and you've been trained in that field to actually be able to. You know there's quite a few of those companies around that can do that for people. But in terms of like educating, you know, the masses as to how to read bills, it is quite challenging. And each company has a different billing system, so they're all styled differently, there's no one set format for all companies.



## Information About Billing

### Fact sheets

Most respondents were not sure whether energy retailers provide fact sheets. Of the minority of respondents who believed energy retailers provided fact sheets, most thought them useful and easy to understand. It was noted that the graphics are good. One respondent, however, stated that fact sheets are complicated for customers to understand. Several of their comments are detailed below:

“ Definitely about usage (the fact sheets), just to educate them a bit more, so I think that's happening more in the last, well, this year definitely. There's a lot more conversations around energy efficiency - because a lot of times people don't realise what things cost to run, but they may be using something incorrectly, maybe their central heating's too high. They're offering a bit more information, a bit more education, I think, of people now.

“ Yes, I'm aware [of fact sheets]. Yes, we've definitely seen those over the years. They have certainly been out there prior to 1st of January, and they're also very proactive about when a customer would enter some of those special financial hardship programs that I spoke of earlier. One of the key things that most retailers do is talk to the client about ways to save energy, how they might use and buy appliances and use energy in their home - you know, [there are] lots of fact sheets and resources available... They're usually presented pretty well, the graphics are good, the language is short and catchy. Most are pretty well done and easy to understand.

### Warnings about bill changes

Most respondents felt that energy retailers provide warnings about bill changes coming up. However, there were mixed feelings as to whether the warning is useful; one noted that it is useful because the information could be used to trigger looking for better deals; others stated that it is unlikely that the information would be taken in as customers would think it was junk mail or they would find it irrelevant. The following quotations illustrate these points:

“ Oh definitely [it is useful]. It doesn't mean they're going to be able to afford it, but at least they know. If they're already on hardship it might be what prompts them to get in contact and say "Hey, [after] this increase I am going to be stuffed, I am going to be in trouble here".

“ [It is useful because] I guess...you may be having a price increase and that maybe might trigger the idea of looking for a better deal somewhere.

“ I don't know that it really makes much difference to most of them because...what concerns them is what they owe at the end of the bill. That they may not read the whole bill or understand it. I mean, yes, it's a little hard to say whether customers take that into consideration, if it changes how they feel about it, or whether that would make them inclined to find someone else or not.

“ You know, if it's not a bill or something they usually think it's junk mail. I mean, they don't make everything straight to the point. It's all usually in double Dutch and paraphernalia, so it's quite difficult for clients to understand. I mean things need to be simplified a lot more.

### Self-reading meters

Most respondents were unsure whether customers are allowed to submit self-reads of their meter.

Among the few respondents who were aware of self-reads, there were mixed feelings as to whether the process worked well or not. One respondent suggested that it should be clearly indicated on the bill when the charge is based on an estimate of usage, and advise that it can be adjusted to an actual amount by doing a self-read. Another respondent suggested that customers could take a photo of the meter reading and send it to the energy retailer.

“ And can sometimes [the self-read] can be a bit convoluted, though...So then you might have to pay based on the estimate and you might either have to ring or email a particular email or phone number to give the reading and then that's not, you know it becomes an adjustment on your next bill. So, for customers in financial hardship, then I suppose you might end up with having to pay more and you know the next bill may not come for 3 months where the credit might be applied, so can be a bit of backwards and forwards. And I'm not sure a lot of people even realise that their bill's not accurate. Probably should be highlighted in many ways, thinking about that now.

None of the four customers interviewed felt that the energy retailers helped them understand what they pay for energy. Only one customer interviewed thought that their energy retailer gave them advice on how to reduce their energy bill and provided fact sheets that were useful. Only one noted that warnings were given if bill changes were coming up. None were aware that they could submit self-reads of their meter.

“ Because I asked them ‘How can I control my bills instead of paying high money?’ So, how can I reduce my [bill]. So, she did mention don't use hot water a lot for washing and don't put the heater on during the night...got a fact sheet, easy to understand... there is a graph each month - you know how much do you use... it's very useful.



## Fairness

### Treating customers fairly

Respondents were divided as to whether energy retailers treat their customers fairly. Consistent with findings noted above, a key differentiator is the size of the energy retailer, with larger energy retailers being seen as treating customers more fairly. However, some respondents reported that smaller energy retailers are improving as well. Other factors influencing treatment of customers are:

- the level of training of retail staff
- the use of an advocate.

The characteristics often associated with being treated fairly are:

- provision of information and solutions
- willingness to consider individual circumstances.

In contrast, the characteristics often associated with not being treated fairly are:

- rudeness of retail staff
- not listening to the customers
- language barriers associated with offshore customer centres
- ruthlessness in chasing overdue payments.

These findings are illustrated by the following quotes:

“ I think across the board, yes [customers are treated fairly]. If I kind of average it out, I think more are fair than aren't fair...I guess the fact that they are willing to consider their circumstances. I think more energy providers are willing to put people on hardship plans and assist them through that difficult period.

“ They will assist customers as far as they can. Whether they're treated fairly, I guess, is up to the individual and what the issue is. But I think they give a lot of information and they're quite willing to talk to people and, you know, sort of tease out any issues and things like that...I think the bigger retailers already offered what the reforms said that has to be done. They were already doing it. They've just sort of tightened it a bit or streamlined it or something. The smaller retailers that I've had experience with are improving...I've seen more movement in the smaller ones than the bigger ones, if that makes sense, because the bigger ones were already doing it.

- “ Do they treat customers fairly in the general public before they present to us? Perhaps not necessarily. But when they have an advocate they do. Which means really that they're treating us fairly and not necessarily the customer, you know, because we have the skill set that enables us to talk with them.
- “ I think there's a lot of improvement that could happen. We always hear comments that 'they were so rude to me, they wouldn't help me.' 'I couldn't understand them' is one that comes across quite often. 'I can't get through to them.' Frustration...Well I think there's often language barriers if the company is offshore...clients have said 'I couldn't understand what they were saying, I couldn't hear them.'
- “ Again, it depends on the provider. Some are ruthless in chasing their arrears, others show a bit more compassion and understanding for the circumstances. Again, it goes back to how well the staff are trained and what the organisation's mission and policy is, I suppose.
- “ ...they don't care about them, the tier twos and threes. They just don't care. Because it's just a churn and burn, it's churn and burn. In and out. It's all about sales at one end and debt collection the other end. It's not about service, it's not about assisting the clients, it's not about assisting their customer. The others, the major players, the ones that have got a bigger share of the market then yes. But the other smaller ones, you know, they don't even know what they're [doing]. Goodness knows what their business plans are, but they don't care.

The four customers interviewed felt that they were treated fairly.

- “ Yes I do [think I'm being treated fairly]...Because they understand how much I can pay and they're actually really good if I'm not able to pay on time and stuff like that...They just said if I can't pay on time just to give them a phone call a couple of days beforehand just to let them know so that I don't get a penalty and having to owe a little bit extra.
- “ It depends, sometimes. But as I said, last year was I think a little bit confusing. But this year I'm more confident to talk to them, and I think it's easy for me to understand what they mention to me.

### Changes since July 2019: Treating customers fairly

Respondents were divided regarding whether customers have been treated more fairly since July 2019. The quotations below illustrate these contrasting views:

- “ I think there's been an improvement definitely, listening a bit more, trying to be a bit more flexible. So, things have improved. It's easier now than it was for everybody. This year, the last 6 months, I've noticed the improvement. I think our team, we've discussed in our team meetings as well that we're not getting the disconnections like we used to. Things are a bit easier to fix, come up with solutions, than it used to be.
- “ ...so, you know I very rarely have anyone who would say no to assistance for hardship. So, I think that's really changed quite a bit in recent times.

- “ They have definitely improved, absolutely definitely improved.
- “ I think it's been about the same, I haven't seen any drastic changes yet.
- “ Well, my theory is if they were treated fairly, I wouldn't be seeing the number of people in my office for assistance with utility, dealing with utility bills.

## 2.3 Family Violence Support



### Accessing support

#### Type of experience

All the counsellors interviewed as part of this research had helped clients affected by family violence to access assistance from their energy retailer. However, none of the community workers had direct experience.

Among respondents who had helped clients affected by family violence, there was a mixed response to whether their experience had led to positive outcomes. Those who had positive experiences mentioned the following factors:

- ease of communication
- a speedy process
- energy audits
- replacing whitegoods
- the positive use of debt waivers
- effective assistance with debt
- differences between large and small energy retailers.

“ Yes definitely, they do listen, and usually too the larger companies. Their representatives are usually based in Australia as well. And as a group we find that the bigger companies are easier to talk to, they understand us better...[there was] a client that was in family violence, and they waived her complete debt; it was many thousands of dollars. [Energy retailer] did that one. So, if we ask they will give us a bit of extra time to pay a bill or order a grant or whatever else we need to do. They're pretty good overall.

“ I think generally, generally most organisations are willing to assist people in family violence, most definitely...They might waive the debt that they owe or offer some sort of debt assistance; they may offer to do an energy audit; they might look at some of their, you know, replacing some of their whitegoods, if needed. So, I think there's definitely been some great changes in recent times...And then there's instances where the fact that they were...well aware of the circumstances, and the family violence, and really [they] wouldn't offer anything more than a payment plan.

“ Very varied experience depending on the retailer... with some retailers we can make contact with their financial hardship area, let them know that we're working with a woman who's experienced family violence. They might then transfer us straight to somebody who has specific training in that area. We talk to them over the phone and they arrange a waiver over the phone with, you know, a bit of a conversation with us. With other retailers there's

*challenging aspects of communication and they require a large number of pieces of documentation.*

“ *In the past, yes, definitely. There was definitely a big disparity between the little companies versus the big companies. And, also, the hardship programs in the big larger companies were much more efficient and better. But I can't say over the last few months that I've seen any difference.*

Those who had a negative experience mentioned the following factors:

- language barriers
- a lack of training
- inadequate financial support
- accessing debt collection agencies rather than helping the customer
- a lengthy process
- requests for excessive documentation
- a lack of understanding around hardship
- a lack of sympathy.

Similar to the findings noted above for other themes, respondents said that larger energy retailers tend to treat customers more fairly than smaller ones.

“ *So I'm working with a retailer at the moment and they want bank statements for three months, an income and expenses statement, a letter from the woman's doctor to say that she's pregnant, a description of the reason that she was unable to pay the energy debt, a letter from her family violence support worker, and one other thing I can't think of. So, there's six pieces of documentation which feels to me actually beyond what would normally be required to negotiate, say, a debt waiver. So it's a vast difference from a conversation with an outcome in 15 minutes, to weeks of document searching and letter writing from other people involved in the woman's life.*

“ *I find [tier 3 energy retailer] extremely difficult...Often you're actually transferred offshore, as well, which creates complications as well in communication and understanding around hardship.*

“ *Energy companies have a long way to go. The key with the retailers is actually strong education and training for staff in hardship and family violence and changing KPIs of staff to reflect better outcomes for the customers. That's been successful in banking and water. It depends who you get on the phone. It shouldn't be that way. Allowing staff to feel empowered about waivers and other options can have good outcomes.*

“ *There are a few providers like [two large energy retailers] that will waive the debt because the person had family violence. Some companies don't understand, like [a small energy retailer], will get a collection agency and they don't want to hear anything about family violence. They don't have a program or workers dealing with victims of family violence. The others have programs to deal with the victim.*

“ *So once again going back to your tier ones and that; the tier twos don't really care, tier threes don't care*



### Awareness of family violence support

Respondents expressed a wide variety of views regarding how informed customers were about support available from energy retailers. About half the respondents felt some customers are well-informed about the support available. Others were unsure or felt that it varies among their clients.

- “ There's been a massive big exposure and family violence has been brought forward in everything; in the news; lots of training going on. It's an issue that's been highlighted. Energy providers have implemented extra things to have empathy and understanding towards someone with family violence.
- “ I think they are more now [well-informed]. Things take time for word to get out. I've been doing this role for a bit over four years and I've seen huge improvements. And it's just going to take time for people to feel like they can call organisations and know that they're going to get support and help. So, it's just about feeling confident to be able to do this. There's still people that are not confident. But there's big changes, definitely.
- “ Slightly more informed. There's plenty of information out there. The information is slowly getting out there. Information slowly trickling out.
- “ Oh very limited [knowledge about support]. And if they did hear anything the chances are they may not have taken it in, given that they're in, as I say, quite a vulnerable stage.
- “ I think that varies, it's hard to answer that one collectively, because I think it varies. I had a client yesterday who was confident speaking about her situation and was able to get some assistance from her provider without my help. She self-advocated. And then there's others who have no idea that assistance is available.
- “ They don't know anything. So they have no idea whether there's any assistance available. You know they may have been trying to battle it themselves and you know for some of them may still even be living in a family violence situation, especially if Indigenous.

### Approaching energy retailers without an advocate

About half the respondents had clients who had approached their energy retailers for assistance without an advocate. Their customer experience was mixed. While it was noted by some that it was an empowering experience and that there were positive financial outcomes, others thought that their clients did not achieve the best possible financial outcome. Several respondents said that some energy retailers encourage their customers to contact financial counsellors rather than to advocate for themselves.

- “ The big providers are like the big banks, they might waive the debt. If the clients know, they can ask for that. If the person is capable and empowered, we will encourage them to do self-advocacy. It's empowering for them. They learn something; they have been heard. And they had justice and they can repeat [the process] with other creditors or others in their lives.
- “ Yes, it was quite positive. You know she was able to go onto an ongoing payment arrangement that she could afford. She wasn't forced to, or pressured to pay more than she felt comfortable contributing. I think she felt like she was listened to and that the person she was speaking to had a really good understanding of the complexities of her situation.
- “ Some of them are [having a positive experience without an advocate]. And, once again, it depends who you get on the phone, depends who's more helpful...I know this is awful but

when utility companies are dealing with people that have their wits about them a little bit more, and they're a little bit more educated, they're more literate...they seem to get treated better, unfortunately. Because they're more aware of their rights and responsibilities...

“ This one [client]. She tried and the company requested her to link in with a financial counsellor as well, because they were concerned about her overall, you know, picture...And that's when I stepped in and supported her and got...half of that debt waived.

“ Oh, I think some have [approached an energy retailer without an advocate]. As I said last year, there was a lot of 'We can't do that unless you're seeing a financial counsellor' type attitude.



## Customer experience

### Repeating a story multiple times

Most respondents reported that their clients had not been asked to repeat their story multiple times to the energy retailer. In cases where this had occurred, clients found it frustrating and an unpleasant experience. One respondent, however, suggested that the situation is improving.

“ Yes, it is typical [to repeat story multiple times]. It is, and it's very frustrating when you go through from one area in a utility company and you go to another and then they put you through to another area, and each time the client's got to re-identify themselves and, and then explain it all again, and that's really frustrating. Although having said that, that has improved in that I'd say 50% of them now actually pass the story on to the next person that we're going to be speaking to.

“ Exhausted [how client feels after repeating story multiple times]. And it's like why, why do I have to keep doing this?...So in the end they don't engage.

### Providing evidence of family violence

Most respondents cited cases where their clients were asked to provide evidence of family violence when dealing with the energy retailer. Some respondents noted that they themselves sometimes request evidence in order to confirm the story provided by their client. The requested evidence typically is in the form of:

- a Family Violence Intervention Order or Family Violence Safety Notice
- a support letter
- medical evidence
- doctor's report.

“ Yes, if we're asking for debt waivers normally they would ask for a letter of support from the family violence service. I normally gather that letter as just part of the case which doesn't go into a lot of detail as to what the family violence was because I don't think that's necessary at all. I've never included an intervention order and I would not like to think that I would ever have to...I haven't had a client that's had an issue with it at all. And, as I say, the letters are written [with] just very brief detail, just to confirm that they are attending counselling.

“ So, now I make sure that I do get, even if it's not an intervention order it could be a support letter. It could be something along those lines just to make sure that we're on the right track. I like proof, evidence to what someone's saying.

- “ Evidence has to be provided - support letters, intervention orders.
- “ Sometimes, yes [evidence is required]...It just depends which organisation, and usually it would be in the form of a support letter...Often it depends on the size of the debt too. So, if it's quite a large debt I think that they'll ask for more evidence. And they'll ask for something like an IVO [Intervention Order] or a support letter from a family violence support worker.
- “ [Evidence is provided] every time and IVOs. And if I don't have an IVO, because not every case has an IVO associated with it, they'll normally ask for some medical evidence or a doctor's or psychologist's report.

### Safety measures and trust in energy retailers

Most respondents felt that energy retailers offer measures to support safety and that customers trust their energy retailers to protect their personal information. Typical security measures include PINs, passwords, authority forms, and non-disclosure of information.

- “ Yes. Definitely. Well, even with myself, whenever I make an enquiry there has to be an authority form signed and when I call, they will double check all the details. So yes, they're very safe and confidential and I'm confident with all the providers that they wouldn't disclose information they shouldn't do at any stage.
- “ ...in some instances, they'll offer to have a pin number put onto their account, where they'll have to quote that pin number in order to be put through to accessing information about their account.
- “ ...they do offer the service [safety measures], I guess, if it's asked of them to make sure there's an extra layer of protection that private information is not given to anyone. And I know, when I actually had an authority I put in, and they would not give me any information because of one of these overlays on it...the customer had to call while I was there to get permission to talk to me about their account.
- “ Yes well they do actually [provide safety measures] because a lot of clients actually will speak to their energy company and say look I'm leaving my husband or whatever, and the energy companies, mind you these are only the tier one ones, will say to them well we'll put a password in place.

Several respondents noted, however, that clients who are experiencing vulnerability are more distrustful of the effectiveness of the security measures of the energy retailers. This is particularly an issue where a client affected by family violence is concerned about a perpetrator contacting them.

- “ I would probably say most likely not [trust in the energy retailer]..And I think that anyone who experienced family violence is often very wary of the information that's out there and how the perpetrator may contact them. So, I don't think there's a high level of trust.
- “ [There is distrust] because they're already in a world of distrust and they're already doing battle, probably, with the energy provider. And even if they're not, the perpetrator has probably already tracked them down somehow or breached the IVO. And I have clients, more than one client, where the perpetrator has had a female ring up [the energy retailer] and impersonate to gain information. Because when you ring you don't need much to be identified over the phone. All you need is a date of birth and a current address, if that. Some of them you don't even need that.



## Effectiveness of support

### Options provided for payment arrangements

A large majority of respondents believed that options are provided by energy retailers for payment arrangements for customers affected by family violence. The options noted include:

- debt waivers
- Utility Relief Grants
- flexible payment plans.

In the majority of cases, the arrangements reached with customers are considered to be workable. The result, however, varies by size of retailer and the presence or absence of an advocate. Also, the extent of customer input into these payment arrangements varies.

“ So, it just depends on case-by-case what we need to tell the retailers...[we would divulge family violence] if it's quite a big debt, if the debt's been left with her or with the victim and the other person's walked away from it and left that behind, if there's possible disconnection warning or disconnection letter that she has that, just provide a bit of extra information will give us a bit more flexibility and time to look at options.

“ I think it's a little easier to get a minimum payment plan in place for a period of time. I think that they are accommodating to that and certainly Utility Relief Grants...They certainly can assist. Yes.

“ We would always try and request a debt waiver first and then if that's not accepted, sometimes they'll offer a part waiver. And then it just varies. You'll get some organisations who'll be happy to waive this debt, and then other organisations where they just will only accept a payment arrangement... I think that that sometimes they [the customer] kind of, I feel like, maybe they're obligated to sign up to an arrangement

“ A lot of the tier one companies are more than willing once family violence is mentioned to actually waive those debts. And when I say waive them, waive them in full... It is, yes, quite often [a workable solution]...And that's not since the 1st of July. That's been...ever since the Royal Commission into family violence in 2016.

“ Well with the more established retailers, the offers, I think that there's a more compassionate understanding and the payment plans probably are more achievable... With the larger, more established retailers you're usually dealing with someone who has specific training and is more able to, they look at the full picture and put something in place that's more sustainable...I think that retailers are happy to consider a lot of suggestions if it comes with evidence. It doesn't have to be hugely detailed. I mean some of this stuff can be just done over the phone. But if you're able to say this is a woman who's got three children, and she only works casually, and this is what she can afford, then they're happy to hear that.

“ No more than normal hardship [options for payment arrangements]...So, there'll be the payment arrangement, Utility Relief Grant, the arrears extended, that's it. [Interviewer: And are those workable solutions for your clients?] No, depending on the debt level of course. You know some debt levels are really quite high, some are not, some know that they're okay because the family violence worker is going to pay out the debt.

## 3.0 Conclusions

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The overarching conclusion drawn from this research is that there is discrepancy between larger and smaller energy retailers with respect to provision of assistance to customers as required by the reforms. This discrepancy was evident across all reforms examined. In general, respondents reported better experiences dealing with large retailers. This was attributed to those retailers having more developed systems, financial resources and staff training. In contrast, respondents had less productive exchanges with smaller energy retailers. Notably, using a call centre based overseas was a specific issue identified by many respondents.

However, there is evidence that some energy retailers have taken steps to improve their customer service as required by the reforms. Specifically, respondents noted that some smaller retailers are offering more options and flexibility in relation to payment plans and exhibiting more willingness to provide information about Utility Relief Grants.

These findings point to areas of improvement that would lead to better outcomes for consumers:

### **Provide further training for customer service staff**

Energy retailers can continue to build the capability of customer service staff to provide better outcomes for customers experiencing vulnerability, payment difficulty or requiring family violence support. While respondents provided some evidence that staff are adequately trained and providing appropriate customer service, further training would ensure consistent benefits for consumers and increase business efficiency.

### **Focus on clarity of communication**

There is an opportunity for energy retailers to improve the quality of communication with customers. This includes through verbal communication (such as over the phone), in the presentation of bills and other important information, and in all written communication with customers.

### **Further improve processes for helping customers in need of assistance**

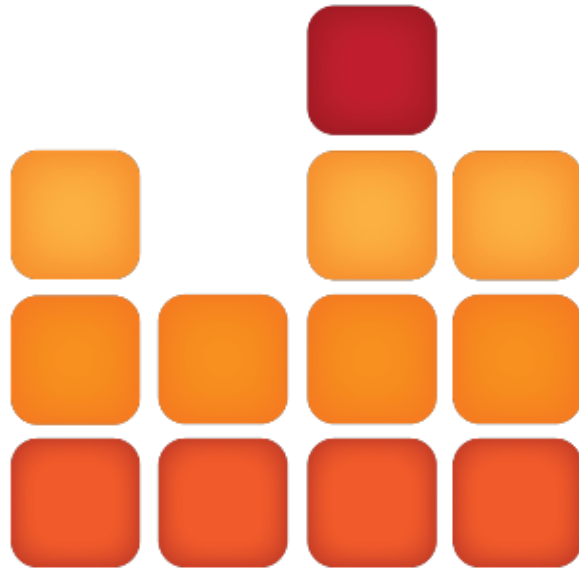
There is an opportunity for energy retailers to better support customers in need of assistance. This includes ensuring customers experiencing vulnerability, payment difficulty or requiring family violence support do not bear an excessive evidentiary burden, and do not have to repeat their story multiple times in order to access assistance.

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## **APPENDIX 1**

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### Discussion Guide: Counsellors and Community Workers



# Discussion Guide

## Counsellors/Community Workers

### FINAL

**Qualitative Discussion Guide prepared for:**

**Kat George**  
**Policy Adviser - Customer Engagement, Water Division**  
**Essential Services Commission**

Wallis Market and Social Research achieved accreditation to the International Standard ISO20252 in September 2007. The Company is committed to maintaining administrative and operational procedures which comply with these accreditation requirements and to improving its performance in all aspects of the service it delivers to its customers.

Wallis is an active participant in the market research industry, with senior staff making significant contributions to the Australian Market and Social Research Society (AMSRS) and the Association of Market and Social Research Organisations (AMSRO). As such we actively pursue the ethical objectives of the industry.

In addition to having attained the highest Industry accreditation, Wallis also participates in the Australian Achiever Awards, which recognises the customer service excellence of Australian companies. The Company has been awarded a high commendation every year since the inception of these awards in 1999.

Wallis is an acknowledged leader in data protection and privacy. Our systems are OWASP certified and we are Privacy Awareness Week partners – committed to sharing our knowledge with others.





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## 1. Introduction (2 mins)

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- In the last couple of years, the ESC has instigated or is instigating Energy Retail Code reforms to change the way energy companies are required to treat customers who having trouble paying their bills and to make it easier for customers to engage with changing markets.
- The information collected will be used to assess customer experiences with their energy companies in light of recent changes to regulation. This includes your experiences around the assistance your clients are receiving from their energy companies if they are having trouble paying their bills, the information their energy companies are providing them about prices, and if any special assistance is being offered for customers affected by family violence.
- Before we get started, I need to let you know that anything you tell me today will be completely confidential. Wallis operates under the Australian Privacy Act, and your personal details will be separated from the information you give me. Quotes from this conversation may be used in the Wallis or ESC report, but they will not be linked to your name or your organisation.
- To make sure that I don't miss any important information you share with me, I'd like to record this interview. Is that ok? All recordings are deleted at the end of the study, and they are only used for analysis by Wallis staff and won't be passed on to any third party. I'll also need you to confirm on the recording that you give permission for this conversation to be recorded.
- TURN ON RECORDER
- (Respondent name), can I confirm with you that it is okay to record this interview?

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## 2. Payment difficulty framework (18 mins)

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- Thinking now about customers and their energy retailers. Do customers know they can contact their energy company if they have trouble paying their bill and seek assistance? How did they find out they could do this?
- To what extent do energy retailers proactively inform customers that they offer assistance for trouble paying bills (for example when payments are missed)? If they are proactive, what do they do?
- Since the start of the year, have customers found it easier or harder to find out what to do if they're having trouble paying a bill, or has nothing changed?
- What's made it easier/harder for customers to find out what to do?
- Are customers easily able to get assistance from their energy retailer if they have trouble paying bills?
- If yes: how do they access assistance? In what way is it easy?
- If no: how is it hard to access assistance?
- And since the beginning of the year, have you noticed any differences in the ways that customers are treated when they are having trouble paying bills? Have the levels of assistance improved? What things have changed?
- Do customers receive support from the energy retailers that helps them manage debt?
- If received/receiving support - What kind of support do they receive? Provide examples.

- If do not receive support – How does the energy company treat customers when they are in debt. Provide examples.
- Do energy retailers support customers in choosing their own manageable payment plans? How are they/are they not supportive?
- Have you noticed any changes since the start of the year in the way energy retailers treat customers who are in debt? What kind of changes?
- Are customers ever threatened with disconnection? Are they ever disconnected? How does this process unfold? Are customers provided with adequate information about how to dispute a disconnection?
- Have disconnection practices changed since the start of the year? How have they changed?

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### 3. Retail market reform (18 mins)

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- Now thinking about energy offers. Do customers ever want to change their energy plans? How frequent is this?
- Do customers find it easy or hard to compare and understand energy offers and to choose one that is suitable? Why is it easy or hard?
- Since the start of July, have customers found it easier or harder to compare and understand energy offers in the market and choose one that is suitable? What have been the changes?
- Do retailers help customers compare and understand energy offers? How do they do that?
- Have you noticed any differences this year in the way energy retailers help customers compare and understand energy offers?
- Do energy retailers tell customers on their bill whether they're on the best energy plan or how much they could save by switching? If yes, is this useful? Why/why not? If no, do they give this kind of information in any other way?
- If customers want to change their energy plan, what type of experiences do they have? Is it easy or hard to do? Do the energy retailers provide assistance? Have you noticed any change in the way retailers treat customers who are looking to change their plan since July?
- Can customers easily understand the advice they are given by their energy retailer before signing up for an energy deal? What makes the information they receive difficult or easy to understand?
- Do energy retailers provide fact sheets for consumers that show expected average yearly costs? Is this useful? Why/why not?
- How easy is it to understand the fact sheets? What makes the fact sheets difficult or easy to understand?
- Do energy retailers provide warnings about bill changes coming up? How are the bill warnings delivered? Are they useful to customers? Why/why not?
- Do energy retailers allow customers to submit a self-read of their meter? What is the customer's experience with this process?
- Do you think energy retailers treat customers fairly or not? In what ways?
- Do you think energy retailers have been treating customers more fairly in the last couple of months?

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## 4. Family violence provisions (10 mins)

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- Have you helped clients affected by family violence to access assistance from their energy retailer?
- If yes, how would you describe your experience in seeking support for your client (or your client's direct experience)? Have you had different experiences across different retailers?
- How well informed are clients about support available from energy retailers when they come to you?
- Have any of your clients approached their energy retailer for assistance without an advocate? What did they tell you about their experience approaching the retailer? Was it positive or not?
- Were any of your clients asked to repeat their story multiple times to the energy retailer? How did this make them feel?
- Are you or your client asked to provide evidence of family violence? If yes...how often and what type of evidence do you have to produce?
- Were your clients ever offered measures to support their safety? (e.g. ability to lock down personal information) Would you say your clients' trust their energy retailers to protect their personal information?
- What options are provided to your clients affected by family violence in terms of payment arrangements? Were these workable solutions? How much input are your clients offered in terms of making decisions about payment arrangements?

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## 5. Final comments

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Are there any other comments you want to add? Thank interviewee, provide and record preferred incentive payment and method of payment (bank details or address), reassure about confidentiality of responses.

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## 6. Useful Contact Numbers

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If this conversation has brought up any emotional issues and you would like to speak to someone for help and support please call:

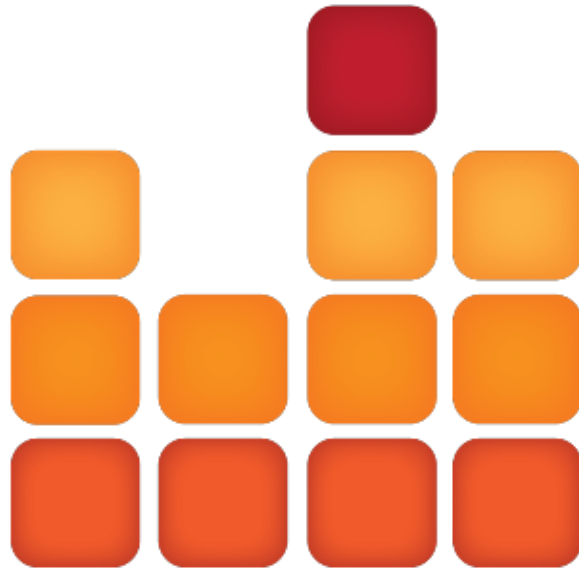
- Beyond Blue: 1300 22 4636
- Lifeline: 13 11 14

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## APPENDIX 2

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Discussion Guide: Customers



# Discussion Guide

## Customers

### FINAL

**Qualitative Discussion Guide prepared for:**

**Kat George**  
**Policy Adviser - Customer Engagement, Water Division**  
**Essential Services Commission**

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## 1. Introduction (5 mins)

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- Hi, this is (name), I'm calling from Wallis Social and Market Research. Could I please speak to (name of respondent)?
- Hi (respondent name), I'm calling to talk to you today about how energy companies treat people when they're having trouble paying their bill, and the way energy companies communicate with their customers about their prices. I understand you spoke with my colleague Bridget who organised this interview? Is this still a good time to talk?
- We've been asked by the Essential Services Commission to speak to people about their experiences with gas and electricity companies.
- IF NECESSARY: The Essential Services Commission works to help all Victorian consumers by regulating the price, quality and reliability of essential services. This includes making rules about how energy companies treat their customers and the services they have to provide.
- Before we get started, I need to let you know that anything you tell me today will be completely confidential. Wallis operates under the Australian Privacy Act, and your personal details will be separated from the information you give me. Quotes from this conversation may be used in the Wallis or ESC report, but they will not be linked to your name, and no other information about you will be included with the quote that could reveal who you are.
- To make sure that I don't miss any important information you share with me, I'd like to record this interview. Is that ok? All recordings are deleted at the end of the study, and they are only used for analysis by Wallis staff. They won't be passed onto or shared with any third party. I'll also need you to confirm on the recording that you give permission for this conversation to be recorded.
- This interview is voluntary, if you would prefer not to answer a question, please let me know and we can move to another question. You may choose to stop the interview and decline to participate at any stage, and we can also reschedule the interview if you prefer. If you find anything we discuss today stressful or distressing, please tell us and we can provide you with contact details for the appropriate support services.
- IF NECESSARY: If you need support or advice related specifically to your financial situation, I can give you the free call number for Money Help: 1800 007 007. If you find anything we discuss today distressing, I'd encourage you to talk through your concerns with beyondblue's Support Service. The Support Service is available 24 hours a day, 7 days per week on 1300 22 4636 or you can email or chat to them online at [www.beyondblue.org.au/getsupport](http://www.beyondblue.org.au/getsupport).
- TURN ON RECORDER
- (Respondent name), can I confirm with you that it is okay to record this interview?

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## 2. Payment difficulty framework (17 mins)

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- Thinking about your energy retailer. Did you know you can contact your energy retailer if you have trouble paying your bill and ask for help? How did you know you could do this?
- If you have had trouble paying a bill since the start of the year, has your energy retailer contacted you first to tell you about the assistance they provide for people having trouble paying a bill? Can you please describe how the contact was made, and if it was helpful to you? Why was it helpful/why wasn't it helpful?

- Do you find it easy to get assistance from your energy retailer if you have trouble paying your bill?
  - If yes: how do you access assistance? In what way is it easy?
  - If no: what made it hard to access assistance?
- If you've had trouble paying a bill in the past, since the beginning of the year, have you noticed any differences in the ways that you are treated if you're having trouble pay a bill? Have the levels of assistance improved? What things have changed?
- Have you received assistance in any of the following ways from your energy retailer? (ask respondent to provide examples):
  - Did they let you choose a payment plan that best suited you?
  - Were you supported to manage your debt? If yes, what kind of support did you receive? Provide examples. If not, how does the energy company treat if you are in debt. Provide examples.
- Have you been threatened with disconnection? Have you been disconnected? How did this process unfold? Did the energy company give you information about how you could dispute the disconnection?
- Still thinking about since the start of the year, generally, is your energy retailer more understanding or easier to communicate with than previously? What changes have you noticed?

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### 3. Retail market reform – current situation (17 mins)

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- Now thinking about energy offers.
- Have you ever wanted to change your energy plan?
  - If yes:
    - i. Was this since the beginning of July, before then or both?
    - ii. Why did you want to change your plan?
    - iii. What do you value most in choosing a new plan?
    - iv. How do you compare different plans? Is it easy or hard to compare energy offers and to choose the one that is suitable for you? Why is it easy or hard?
    - v. Did your energy retailer provide you with any assistance that helped you compare offers? If yes, please describe the assistance provided.
  - If no can you please describe:
    - i. What you value most in choosing a plan
    - ii. How you would compare different plans? Is it easy or hard to compare energy offers and to choose the one that is suitable for you? Why is it easy or hard?
- Do retailers help you understand what you pay for energy? How do they do that?
  - Does your energy retailer inform you on your bill whether you're on the best energy plan or how much you could save by switching? Is this helpful to you? Why/why not?
  - Did your energy retailer provide clear advice before you signed a new energy deal? How did they do that? Was it easy to understand? Why/why not?



- Does your energy retailer provide fact sheets that show expected average yearly costs? If yes, are they easy to understand? Why/why not?
    - Does your energy retailer warn you about bill changes coming up? How do they do this? Is it easy to understand? Why/why not?
    - Has your energy retailer allowed you to submit a self-read of your meter? If not, what happened?
  - Since the start of July, have you found it easier to get or understand information about your energy offer and other energy offers available on the market?
    - If yes, can you describe how you got this information and what made it easy to understand? If no, and you looked for information, can you describe your experience and what made it easy to understand?
  - Does your energy retailer treat you fairly or not? In what ways? Has this changed over the past couple of months?
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## 4. Final comments

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Are there any other comments you want to add? Thank interviewee, provide and record preferred incentive payment and method of payment (bank details or address), reassure about confidentiality of responses.

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## 5. Useful Contact Numbers

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If this conversation has brought up any emotional issues and you would like to speak to someone for help and support please call:

- Beyond Blue: 1300 22 4636
  - Lifeline: 13 11 14
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