



FINANCIAL COUNSELLORS'  
ASSOCIATION OF NSW INC



7 July 2025

Stephanie Jolly  
Executive General Manager, Policy  
Australian Energy Regulator  
Via email: [AERexemptions@aer.gov.au](mailto:AERexemptions@aer.gov.au)

Dear Ms Jolly,

### **Review of the AER exemptions framework for embedded networks – proposed new retail conditions**

The Justice and Equity Centre (JEC), Ethnic Communities Council of NSW, Financial Counsellors' Association of NSW, South Australia Council of Social Service (SACOSS), St Vincent de Paul Society NSW, Sydney Community Forum, Tenants' Union of NSW (TUNSW) and Uniting Vic Tas welcome the opportunity to make a submission to the Australian Energy Regulator's (AER) *Review of the exemptions framework for embedded networks – Invitation to submit feedback on proposed new retail conditions in the 'Retail Exempt Selling Guideline' (version 7)*.

### **Response to consultation questions**

#### **Proposed condition 1**

**Requiring an exempt seller, who on-sells to residential customers, to include contact details of the relevant energy ombudsman scheme on their customers' energy bills.**

*Do stakeholders support the inclusion of a new requirement to include energy ombudsman scheme contact details on their exempt customers' energy bills? If no, please provide details.*

We support consistent application of the principle that all consumers in embedded networks should have service standards and protections outcomes equivalent to those in standard supply arrangements. Accordingly, we support the proposed condition.

*Question 2: Do stakeholders agree that residential park owners with less than 30 permanent residents should be exempted from this requirement, and if so, please provide reasons? If no, please provide details.*

We do not support the proposed exemption to this condition for residential park owners with less than 30 permanent residents. The default should be to require all operators to meet the same conditions. Where there is any deviation from the consistency principle noted above, the justification must be demonstrated and evidenced. We do not regard 'minimising administrative burden' as sufficient or appropriate.

As documented in previous submissions<sup>1</sup> people living in residential parks are some of the most vulnerable and disadvantaged in the community.

There is an inherent power imbalance between operators - who are often also the supplier of energy - and residents, which has also been well demonstrated.<sup>2</sup> Many residents have a powerful disincentive to raise issues regarding their energy service directly with the park operator as it has potential to undermine the security of their housing. Many residents also experience personal circumstances (such as age, disability, low English literacy skills and / or low income) which make it difficult to access assistance, supports and remedy.

There is not always a clear delineation between temporary and permanent residents, or a transparent or robust accounting of these figures in many parks. This makes the proposed criterion impractical in most cases.

It is not uncommon for very vulnerable people such as those fleeing domestic violence and those on very low incomes to use residential parks as a transitory home. These vulnerable people have greater need to be made aware of the information, assistance and dispute resolution ombuds services can provide. In any case, their right to this information should not be diminished by anything as arbitrary as the number of residents in the park. Households in small residential parks, should be provided with information about where they can seek assistance through an ombuds service.

Requiring contact details for ombuds services on bills may provide added incentive for park operators to make greater efforts to avoid or ameliorate issues and concerns before they escalate, providing consumer benefits beyond simple access to ombuds services.

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<sup>1</sup> Such as: JEC's [Joint submission to the AEMC Draft Rule, Protecting customers affected by family violence](#) at page 16 and COTA, [Submission to the AER's Review of the Exemptions framework for embedded networks](#) at page 4. For more details, see AHURI (2013) [The experience of marginal rental housing in Australia](#), 59-61.

<sup>2</sup> Such as JEC's [Joint submission to the AEMC Draft Rule, Protecting customers affected by family violence](#) at page 16 and TUNSW's [Submission to the NSW Parliament Inquiry into embedded networks in NSW](#) at page 21.

Finally, there is minimal cost or burden involved in making this information available on energy bills (or general bills where energy costs are packaged together with other services such as rent).

*Question 3: If implemented (with or without the exemption in question 2), how long of an adjustment period would exempt sellers, or their billing agents, need to update their billing systems/processes to ensure compliance with this requirement.*

This is a minor change to billing and easily accommodated in a short timeframe. We see no reason it would be difficult for exempt sellers or their billing agents to comply with this condition. Accordingly, we consider four weeks (20 business days) to be more than sufficient.

**Proposed condition 2**

**Requiring an exempt seller to refund any credits applied to its customer's account upon termination of the customer's energy supply agreement.**

*Question 4: Do stakeholders support the inclusion of a new requirement, under existing Condition 22 (Termination of energy supply agreement) of the Retail Guideline, which requires an exempt seller to refund any credits on an exempt customer's account upon termination of the customer's energy supply agreement. If no, please provide details.*

We support this condition. We consider it unacceptable and unjustifiable for exempt selling providers to retain funds to which they have no right. This would not be regarded as acceptable in a standard supply arrangement, and we see no justification for allowing it in exempt selling circumstances.

While we understand this targeted process is only addressing specific additional proposals, we encourage the AER to provide further opportunities to engage with issues raised by stakeholders in this process. We welcome the opportunity to meet with the AER to discuss these, and other issues raised in this process, in more depth.

Please do not hesitate to contact me for further follow up.

Yours sincerely

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