Justice and Equity Centre

Submission on IPART Monitoring the retail electricity and gas markets in NSW 2026

September 1 2026

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About the Justice and Equity Centre

The Justice and Equity Centre stands for a society that is fair and free from discrimination and disadvantage. Established in 1982 as the Public Interest Advocacy Centre (PIAC), we use the law and policy advocacy to challenge injustice and inequality. We do this through:

- legal advice and representation, specialising in test cases and strategic casework;
- research, analysis and policy development; and
- advocacy for systems change to deliver social justice.

Energy and Water Justice

Our Energy and Water Justice work improves regulation and policy so all people can access the sustainable, dependable and affordable energy and water they need. We ensure consumer protections improve equity and limit disadvantage and support communities to play a meaningful role in decision-making. We help to accelerate a transition away from fossil fuels that also improves outcomes for people. We work collaboratively with community and consumer groups across the country, and our work receives input from a community-based reference group whose members include:

- Affiliated Residential Park Residents Association NSW;
- Anglicare;
- Combined Pensioners and Superannuants Association of NSW;
- Energy and Water Ombudsman NSW;
- Ethnic Communities Council NSW;
- Financial Counsellors Association of NSW;
- NSW Council of Social Service;
- Physical Disability Council of NSW;
- St Vincent de Paul Society of NSW;
- Salvation Army;
- Tenants Union NSW; and
- The Sydney Alliance.

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The Justice and Equity Centre acknowledges and pays respects to the Gadigal as the Traditional Owners of the land on which our office stands.

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Recommendation 2

That IPART recommend the NSW Government champion systemic reform of the electricity retail market through the Commonwealth Government Better Energy Customer Experience reform process and through the Energy and Climate Change Ministerial Council. Reform priorities should include:

- *Investigating the implementation of an explicit energy service provider duty, obligation or responsibility to act in the best interests of the consumer in the delivery of good consumer outcomes in access to energy as an essential service;*
- *Measures to improve or augment explicit informed consent;*
- *Investigating the addition of a social equity objective into the NEO.*

Recommendation 3

That IPART include a recommendation in the 25-26 retail monitoring report for the NSW Government to consult on and implement percentage-based rebate support for energy affordability and consider mechanisms to expand eligibility.

Recommendation 4

That IPART collaborate with relevant NSW Government entities to incorporate analysis of the impact of NSW consumer energy reforms and programs on NSW household energy consumers into the annual retail market reviews.

Recommendation 5

That IPART recommend NSW Government reform to enable expanded analysis of NSW household experience of the energy transition in IPART's annual market monitor role. This should include a broader range of indicators that will provide a better, more holistic understanding of household experiences of and outcomes from participation in the energy transition.

Recommendation 6

That IPART expand upon the gas disconnection metric to include:

- *The number of customers disconnecting from their gas service*
- *The number of customers abolishing their gas service*

- *The cost of disconnection and abolishment services*
- *The number of dormant gas connections (not abolished or disconnected, but not associated with an active account)*
- *Qualitative data and analysis on the consumer experience of gas disconnection and abolishment*
- *Any qualitative or indicative data on gas appliances in gas connected households – that is, the number of gas connected households likely to have gas cooking and/or gas water heating and/or gas heating.*

Recommendation 7

That IPART continue to seek opportunities to access independent, robust qualitative data on customer experiences of competition, pricing and the outcomes the obtain from the retail market. This data should not be wholly sourced from retailer customer satisfaction data.

Recommendation 8

That IPART incorporate more qualitative assessment of the experience of switching offers into the annual energy retail market review.

Recommendation 9

That IPART review JEC submissions to the past three annual DMO processes to assist in a more robust analysis of changing retailer costs, the validity of these costs and impacts on consumer outcomes.

Recommendation 10

That IPART conduct a detailed review of retail prices, profit margins and outcomes for consumers in the 25-26 and 27-28 annual NSW retail electricity and gas market monitoring reviews. This will allow a comparative element of the analysis which will provide useful data on the efficacy of newly adopted and incoming retail market reforms.

1. Introduction

The Justice and Equity Centre (JEC) welcomes the opportunity to respond to the Independent Pricing and Regulatory Tribunal's (IPART) consultation paper on Monitoring the Retail Electricity and Gas Markets in NSW 25-26 (the consultation paper).

Electricity and gas retail markets in NSW – and the energy system more broadly - are experiencing a period of significant, ongoing change. IPART's retail market monitoring is an important function providing visibility of the experiences of NSW households in their access to affordable, reliable and sustainable energy services, and how well markets are meeting their needs.

The JEC agrees with IPART that as "electricity is an essential service, transparent pricing is essential, and regulation must ensure there are strong consumer protections for all customers, and access to redress when things go wrong.[1]" We would add that regulatory frameworks should actively enable good, equitable outcomes, rather than solely relying on redress for poor outcomes. It is fair to say that we have not yet achieved the level of transparency, accountability and protection that NSW households require to ensure good outcomes from essential services.

There are a range of issues impacting NSW energy consumers that warrant IPART consideration in the 25-26 review. These include persistent failures to guarantee meaningful choice and consent in retail energy markets, widespread ongoing affordability challenges and inequity of cost and benefit sharing in the energy transition. We explore each of these in detail in our submission, in addition to our response to the IPART paper and exploration of a range of other emerging issues.

The JEC acknowledges the significant evolution of IPART's monitoring over recent years. In particular we note the consideration given to issues raised in our submission to the 24-25 review process[2], the detailed response from IPART and the transparent feedback loop throughout the report that made it clear where our feedback and evidence had been utilised by IPART in the final analysis and report. This represents good engagement practice and an important commitment to improving the responsiveness and effectiveness of monitoring. Throughout this submission we highlight further opportunities to improve IPARTs retail monitoring.

The JEC acknowledges the data, case studies and anecdotal evidence that helped to inform this submission provided by the Tenants' Union of NSW, Financial Rights Legal Centre, Financial Counsellors' Association of NSW, CHOICE and Sydney Community Forum.

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1 IPART, 2025, Monitoring the NSW Retail Electricity Market 2024-25, p.10
2 Justice and Equity Centre, 2025, Submission to IPART Monitoring the retail and gas marketing in NSW 2025

2. Issues for NSW households in retail energy markets

In this section we highlight three broad issues impacting NSW household energy consumers which should inform the focus of IPARTs' 25-26 market review. These include:

1. Failures to consistently ensure meaningful choice and consent in retail energy markets, undermining good outcomes for many NSW households;
2. Energy continues to be unaffordable for many consumers; and
3. The benefits and costs of the household energy transition continue to be experienced and borne inequitably.

2.1 Failure to ensure meaningful choice and consent undermines good outcomes

The current operation of energy markets in NSW do not result in consistent, good outcomes for consumers. People across NSW broadly understand that energy retail markets are unfair, with low levels of trust in the market and service providers. The JEC has consistently detailed these market failures across many processes, including IPART monitoring reviews, AEMC consumer rule changes and AER reviews[3].

The fundamental assumption underpinning the current retail energy market – which much of IPARTs monitoring has been shaped to assess - is that consumers can 'shop around' for more efficient, 'fair' retail offers. The further assumption is that in this process, better outcomes are achieved not only for the individual consumer, but all consumers as it drives better and more efficient practices. In other words, that consumer switching and exercise of choice will shape and 'discipline' the market. This is simply not the case as it is increasingly clear consumers are not able to exercise meaningful choice, and cannot ensure their consent is consistently informed, sought and protected.

Failures which undermine assumed outcomes from consumer choice include:

- Evidence that retail practices make identifying and accessing 'better offers' difficult or even impossible for many consumers, including:
    - That not all best retail offers are consistently publicly available and equally accessible to all consumers, undermining scope for meaningful consumer choice. Often the 'best' offers are not publicly listed and may only be privately offered to or accessed by 'desirable' customers at the discretion of the retailer;
    - That the best publicly available offers are not equally accessible to all consumers and often exclude many consumers experiencing disadvantage (such as those on income support or those with current or previous debt). We have anecdotal evidence of retailers openly admitting that offers on EME are either not 'real' offers, or are not generally available. This undermines scope for meaningful choice for many consumers. Market monitoring relies on assessing listed offers, but does not assess

[3] See Section 5 "Further Resources"

how many people – if any – are actually accessing these offers and who may be being excluded;

- That there can be differences between the offer identified/selected by a consumer – on comparison sites - and the offer they are actually signed up to, undermining the effective exercise of consumer choice and the robustness of their consent. This is often not the fault of the consumer, but simply the result of publicly listed offers not being genuinely available. It is reasonable for people to assume that what they are offered is what they inquired about. Particularly for those with lower digital or English language proficiency, it can be unclear that the deal they rang/emailed to inquire about is not actually the one they are being offered or signed up to;

- That retailers discriminate between legacy and 'new' customers by offering different terms for the same 'named' energy deal, undermining free consumer choice and meaningful consent. The CHOICE 2025 designated complaint[4] highlighted that new and legacy customers can be on offers with the same name while receiving materially different terms. This often sees consumers who believe they are on the same 'named' offer have widely varying prices and changes in prices. To be clear, this is not a 'naming' issue, but one of price discrimination where the same product is arbitrarily offered to different customers for different prices. The AER decision[5] to require retailers to include an explainer on 're-naming offers' on bills does not materially improve the issue and, in our view, serves to legitimise a practice which is contrary to both the consumers expectations and interests;

- That until very recently[6] the price terms of an offer at time of sign-up (which form the basis of the consumers choice) quickly increased throughout the term of a contract (including when that contract was effectively perpetual) with nothing more than notification required. This represents variation of the key terms of the contract a consumer consented to and, we contend, undermined both effective choice and meaningful consent. This has had long term impacts on consumers view of the market and the value of engaging with it.

  This also disproportionately impacted those on low incomes and others experiencing disadvantage. As described by one consumer who investigated after receiving a high bill, "Apparently my plan had run out, so they'd bunged me on the highest rate[7]." While the *Improving consumer confidence in retail energy plans* rule change that commenced from July 1 2026 is intended to improve this issue, NSW households were still experiencing this problem throughout the 25-26 financial year, and the impact of the new rule on consumer outcomes and consumer trust is yet to be realised. Recent issues with retailers materially changing the balance of fixed and usage charges during the course of a contract suggest the underlying retail behaviour has not stopped, but simply shifted to a new area.

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4 CHOICE, 2025, *The Power of Confusion: CHOICE designated 'super' complaint on energy plans*

5 AER, 2025, *Section 37 decision for retailers re-using plan names*.

6 IPART should monitor the effectiveness and impact of the *Improving consumer confidence in retail energy plans* rule change which came into effect from July 1 2026.

7 Endeavour Energy Tariff Awareness Consumer Engagement Session August 14th 2024

- The use of inconsistent technical language and terminology across retailers making understanding and comparison of what an offer includes difficult for most consumers;

- Continued consumer confusion in relation to bills, despite the Better Bills Guidelines. Consumers continue to report difficulty in understanding key aspects of their bill, identifying critical information and utilising it to make decisions regarding their energy.

  In particular consumers continue to have difficulty accessing their deemed 'better offer', even after having it provided to them on their most recent bill. A key driver of this is likely to be inconsistency in the format, language and presentation of key information on the bill – and related billing material, such as apps, texts and emails. Given the importance of comparison, it is necessary to standardise and regulate the presentation of the most fundamental billing information, including how and where better offers are presented. Examination of actual bills would provide some further perspective on this for IPART.

The JEC supports IPARTs' conclusion in the 24-25 review that "the NSW retail electricity market delivered uneven outcomes[8]." But we would note these uneven outcomes are 'a feature, not a bug'. Our energy retail markets as they are currently designed, are predicated on the benefits of some consumers – and the profits of retailers – being subsidised by those unable to access and retain good deals. This is exacerbated by the fact that the number and nature of who benefits is, to large degree at the discretion of retailers.

In any case, predicating good consumer outcomes in access to an essential service on a particular form of regular consumer engagement is an inherently inequitable design. Information and power imbalances are inherent to the market and insurmountable. This is demonstrated in the tendency for reform focusing on one area of retailer behaviour simply shifting the problem to another area where retailers are able to exercise that imbalance to the detriment of some – or most – consumers.

There are a range of reform processes that have either recently been implemented or are still ongoing that seek to address some of the failures of the energy retail markets. We strongly encourage IPART to closely evaluate the impact of these reforms as they are implemented and begin to have impacts for consumers.

Recommendation 1

That IPART incorporate a detailed overview and analysis of electricity and gas retail market reform in all forthcoming annual retail market reviews. This should include a comparative element that can assist in evaluating the impact of retail reform on consumer outcomes over time, as more of the reforms come into effect.

Introducing a robust retailer overarching consumer duty

8 IPART, 2025, Monitoring the NSW Retail Electricity Market 2024-25, p.10

There is increasing interest in the introduction of an explicit energy service provider duty, obligation or responsibility to act in the best interests of the consumer in the delivery of good consumer outcomes in access to energy as an essential service. The JEC broadly supports this reform – correctly implemented - as a means of fundamentally shifting retailer incentives and actions, and addressing the imbalances discussed earlier. It is important to consider such a duty as a measure to augment and enable better regulation and protection (including through prescription), not as an alternative to it.

Energy is an essential service and service providers do (and should) have a higher level of responsibility or 'duty of care' to their customers in providing that service. Enshrining this duty, and responsibility for customer outcomes, would put greater onus on service providers to demonstrate they have fulfilled their duty and acted to deliver the good outcomes understood and agreed upon by their customer.

A positive duty is likely to enable improved outcomes for consumers by reversing the burden of responsibility. Where defined 'poor outcomes' occur (such as being on a poor offer, the accumulation of certain levels of debt, or threats of disconnection) the onus would be on the retailer to demonstrate they have still fulfilled their duty and done everything possible to avoid that outcome. That is – they have to demonstrate they have fulfilled their duty, notwithstanding the outcome. Many of the issues and market 'failures' we have detailed in this submission could be better addressed with implementation of an effective duty.

The ongoing *Better Energy Customer Experience* (BECE) process being progressed by Commonwealth DCCEEW and the forthcoming AEMC rule change process on *Requiring retailers and distributors to engage with customers in a way that meets their needs* are two likely forums through which the idea of a consumer duty will be further explored. We encourage IPART to consider what aspects of such work is particularly relevant for NSW households.

Strengthening explicit informed consent

Explicit informed consent (EIC) is a critical foundation and protection of meaningful consumer choice. It is critical that consumers are guaranteed clear, simple means to understand the terms of their services, agree to them and have that agreement protected. This is the foundation of good consumer experiences and outcomes. EIC as it currently operates is not robustly or consistently enabled. It is not fit-for-purpose, and in many cases the flaws contribute to poor outcomes for consumers. For instance – the narrow view of EIC prevents consumers from automatically benefitting from 'better offers', while allowing retailers to unilaterally change prices , 'benefits' and pricing structures.

Issues arising from the practical asymmetry in application of EIC have been examined by the AEMC as part of a number of rule changes relating to retail energy contracts. However, in their final determinations, the Commission explicitly avoided considering any reforms to EIC provisions themselves. Having recognised the problem and its significance, the AEMC opted not to make any substantive reform. This is a failure to protect the interests of NSW households.

The JEC has recommended that through BECE, Commonwealth DCCEEW should consider reforms to improve or augment explicit informed consent, given that robust consent provisions will be a critical part of any future energy regulation and protection framework.

There is a role for IPART in assessing the degree to which outcomes for NSW households are consistently aligned with the terms they have consented to and how effective current consent provisions are in enabling the outcomes consumers expect from energy markets.

Recommendation 2

That IPART recommend the NSW Government champion systemic reform of the electricity retail market through the Commonwealth Government Better Energy Customer Experience reform process and through the Energy and Climate Change Ministerial Council. Reform priorities should include:

- *Investigating the implementation of an explicit energy service provider duty, obligation or responsibility to act in the best interests of the consumer in the delivery of good consumer outcomes in access to energy as an essential service;*
- *Measures to improve or augment explicit informed consent;*
- *Investigating the addition of a social equity objective into the NEO.*

Progressing reform of embedded networks

Embedded networks undermine the equality of treatment of energy consumers, and the equality of outcomes they can expect in the provision of an essential service. It is not in the interests of energy consumers for residents in embedded networks to continue to be structurally disadvantaged.

We welcome the progress made by IPART and the NSW Government to implement the NSW Embedded Network Action Plan. However, crucial gaps in consumer protections remain. As a result, people living in embedded networks continue to face systemic inequities. Given the complexity of the regulatory framework for embedded networks in NSW, there is value in IPART reporting on specific outcomes for embedded network consumers.

The timing of reforms is an opportunity report on embedded network outcomes

In our submission to the 24-25 Review, we recommended IPART expand the metrics collected in relation to outcomes for embedded network residents. IPART did not enact this recommendation "as reforms are underway we have not assessed prices or outcomes for embedded network customers further in this report."[9]

Now that the NSW Government has announced the suite of reforms for embedded networks and already enacted or legislated some of these, we reiterate our recommendation.

With the reforms also creating improved price transparency in embedded networks, IPART should undertake analysis of the prices of offers available to embedded network customers. This would help to address the current gap on pricing data for embedded networks, and support the broader analysis of outcomes.

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9 IPART, 2025, Monitoring the NSW Retail Electricity Market 2024-25, p.29

Box 1. Ongoing issues in embedded networks.

The Tenants' Union of NSW (TU) is the state's specialist tenancy law legal centre and the peak body representing renters, land lease community residents and tenant advocacy organisations.

TU is concerned there is an effective market monopoly for embedded networks in NSW where Humenergy has established itself as a third party (embedded network seller) in a period where there has been minimal regulatory monitoring or transparency. They offer land lease community operators bulk buy deals. As an early-mover in embedded network services they have had time to negotiate favourable energy deals (for the operator). These circumstances have combined to limit the scope for other third party embedded network sellers or smaller retailers to enter the market and be able to compete. The TU is concerned that prices are being set at the IPART maximum or close to it regardless of the underlying costs of providing the service. This is instead of offering each community the best available offer relevant to their community's circumstances.

TU and the residents they represent are concerned that Humenergy offers and costs are not transparent. Where an operator uses Humenergy as a third-party supplier or for billing services, the TU is aware of homeowners who have been signed up without explicit informed consent and bills are issued in the name of "Dear Occupant" and a payment processing fee is imposed which hadn't been imposed when the operator was the embedded network seller.

One homeowner was charged a late fee by Humenergy when she paid on time using the specified method of payment on her bill – though there was no warning that receipt of the funds may be delayed using this method. The Humenergy bill also arrived late in the mail (coming from QLD for some Northern NSW home owners who do not use email). Despite this they did not allow any reasonable scope for slower payment before imposing a late fee. While a complaint to EWON was able to have this reversed for this individual, this is likely to be a common experience for many home owners who do not use email or have a credit card, nor use direct debit payment systems.

Under the now repealed *Residential Parks Act 1998* which was replaced by the *Residential Land Lease Communities Act 2013* (RLLC Act) on 1 November 2015, homeowners in embedded networks had historically paid for electricity infrastructure upgrades, repairs and maintenance in site fee increases. In some communities, residents are still being charged increased site fees that include a component for electricity services. The TU considers this to be double dipping as operators are also collecting energy payments from residents well above the actual costs associated with charges for their parent meter accounts that can be used for infrastructure costs. There are also recent instances where operators have attempted to obtain site fee increases on the basis that their costs have risen for electricity supply. Their assessment of increased supply costs does not take into account that the amount they collect in electricity charges from home owners has also increased well above the actual cost of supplying energy.

The TU and residents it has heard from do not consider charging the current IPART maximum price cap to be a fair or transparent approach. They argue, like other utilities covered under the RLLC Act, electricity charges should be linked to actual costs. Residents should be charged whichever is lower of: actual costs or IPART maximum. Residents should be able to know the charges in their bill that are used for embedded network infrastructure and should only be charged once for it.

2.2 Energy continues to be unaffordable for many consumers

The JEC supports IPART's 24-25 review finding that "electricity bills are continuing to put pressure on NSW households[10]." As cost of living challenges remain entrenched, energy continues to be a significant cost for NSW households.

A recent report by NCOSS[11] found that, for households experiencing poverty in NSW:

- 63% cannot pay their energy bills on time;
- 47% are skipping meals;
- 61% are skipping medical and dental appointments;
- 85% feel socially isolated;
- 54% are unable to pay for mobile data or internet at home.

This sacrificing of health and wellbeing essentials was similarly reflected in the JEC's Powerless report[12] and in the ACOSS Heat in Homes Survey 2025[13]. Some people are turning to credit products such as Buy Now Pay Later and payday loans to pay for energy bills, further increasing their costs of energy.[14]

Box 2. NSW Financial Counsellors update on entrenched debt.

A team of NSW Financial Counsellors have noticed a significant increase in calls and National Debt Helpline (NDH) chats from people experiencing entrenched energy hardship, alongside an increase in referrals to the NDH from retailers and the Ombudsman. As described by one representative:

> "By [entrenched] I mean people who have large, long term debts they are simply never going to be able to get on top of, in the thousands of dollars. They are perpetually in hardship, which must be a tough way to live."

As a critical issue for household energy consumers in NSW, affordability of energy for all NSW households must continue to be a central focus on IPART's annual market monitoring role. We welcome IPARTs' incorporation of JEC input on affordability concerns, and expanding the affordability analysis and metrics included in the 24-25 review. The further evolution of affordability metrics should continue in all forthcoming annual retail monitoring reports, and we encourage IPART to continue to strengthen analysis of affordability outcomes.

We support IPART's recognition that more affordability metrics are needed but we are concerned that the current view of affordability - in isolation, according to discrete metrics including bills as a

10 IPART, 2025, Monitoring the NSW Retail Electricity Market 2024-25, p.13
11 NCOSS, 2026, *The Affordability Crisis: The New Face of Poverty in NSW*, pp.2-3.
12 The Justice and Equity Centre, 2024, *Powerless: Debt and Disconnection*.
13 ACOSS, 2025, *Heat in Homes Survey Report 2025*
14 See: The Justice and Equity Centre, 2024, *Powerless: Debt and Disconnection*, pp. 49-50 and NSW Council of Social Service (NCOSS), 2024, *Impossible choices: Decisions NSW communities shouldn't have to make*, pp.46-49

proportion of average household disposable income – is narrow and inadequate. Utilising this, or similar metrics presents a number of issues. Specifically:

- Average disposable income is a comparison which is skewed by the income of households with higher incomes. While this is a useful general framing, it would be more informative (and relevant) to focus on disposable income by decile, enabling particular consideration of the bottom decile(s). We recommend that IPART assess affordability of bills on a more granular level (disposable income deciles).

- Energy bills are not a discrete consideration for households and, as an essential expense of maintaining a home (alongside rent/mortgage and water) should be considered holistically in conjunction with these expenses. At the very least increasing costs of water and the extremely high costs of housing (where Sydney has some of the most expensive housing in the country) should be part of the assessment of affordability pressures on NSW households. This could be achieved through ensuring comparisons of energy bills to disposable income post-housing and water costs.

- Energy bills are not aligned with household pay cycles. Energy bills are still quarterly for many consumers and are hundreds (often thousands) of dollars. People mostly receive income weekly or fortnightly (or sometimes monthly) and many people have casual employment and irregular pay cycles. Regular research also demonstrates many households do not have more than $300 in savings in order to deal with larger expenses like energy bills. Comparing annualised energy bills to disposable income is likely to obscure the mismatch between the funds people actually have access to compared to the bills they will be faced with.

- Energy is an essential service. The implications of this are that people must use it and do not have the fundamental 'buyers' agency to decide not to use or purchase it when they cannot afford it. Given the growing proportion of fixed energy charges, and significant non-discretionary usage elements – such as refrigeration and water heating - this means that changes in costs (particularly fixed costs) can have significant impacts for people who are already in financial stress. While reduced discretionary usage is likely to have little bill impact people in these circumstances will engage in extreme rationing as the only agency they can exercise. This is unlikely to show up in most retail reporting data.

We know that there are at least 20% of households in Australia experience energy 'hardship' in some form.[15] This is likely to be an underestimation as it does not include a comprehensive exploration of factors that contribute to household energy hardship. In any case, this indicates hardship is a much more widespread issue than retailer statistics on payment plans, hardship programs, debt and disconnections; and accessing EAPA, reveal. We encourage IPART to consider a wider range of hardship indicators to create a more accurate understanding of the experience of consumers and the impact of affordability issues.

We also encourage consideration of ways that supports can be reformed to better deliver on their intent, as we outline below.

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[15] Energy Consumers Australia, 2025, *Understanding and measuring energy hardship in Australia*

Rebate assistance is not effectively supporting affordability

Eligibility

Data from the NSW Energy Social Programs dashboard indicates significant numbers of NSW households do not receive rebates they are eligible for. In the most recent data available at the time of writing, it was estimated 470,000 households did not receive a rebate they were eligible for.[16] This means it is likely that many households on low incomes paying more for their energy bills than necessary and experiencing increased payment difficulty as a result. We support the work of the NSW Government (and other jurisdictional governments), Commonwealth DCCEEW and Services Australia to automate access to existing rebates, and urge priority in this reform.

JEC's *Powerless* research revealed that only 10% of NSW households respondents seriously struggling with energy bill affordability were accessing energy rebates, with only 7% receiving the main NSW energy rebate, the Low-Income Household Rebate (LIHR).[17] This suggests there are cohorts of households who would otherwise be regarded as 'in need of energy affordability support' who are currently not eligible for rebates. This includes families on low and even on middle incomes; First Nations households (particularly families); and young adults.

Further analysis from IPART on those missing out, including those groups in need but not currently eligible, would be a timely contribution to this process, and long-term NSW rebate reform considerations.

Proportion of support offered

As noted by IPART, rebates have not kept pace with electricity prices. The Energy Social Programs dashboard indicates this decline started after 2022, when rebates were, on average, covering 21% of energy bills. By 2024 (noting these are the latest figures available at the time of writing), this figure had dropped to 15.4%. Despite this, rebate values (and Energy Accounts Payment Assistance – EAPA amounts) were reduced in 2025 to FY 2023-24 levels, further lowering the average proportion of bill support offered by rebates. This does not account for the significant variability in proportional support and the reality that larger users (including low-income families) are receiving proportionately less support.

Providing energy rebates, intended as supports for affordability, as a proportion of bills is more equitable, more effective and more flexible over time. This is particularly important as the energy transition – through measures such as the Electricity Infrastructure Roadmap - leads to volatile energy costs and potentially higher energy costs in the short term, but lower energy costs in the longer term. Supporting rebate households to access energy efficiency programs and CER (or the benefits of CER) and ensuring rebate recipients are on efficient retail deals, would help to maximise the impact of rebates and significantly reduce rebate budgets overtime. IPART monitoring should assess the range of support proportions offered by rebates and make recommendations for what proportion of rebate assistance would effectively support affordability.

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16 NSW Government, Energy Social programs dashboard
17 Public Interest Advocacy Centre, 2024, *Powerless: Debt and disconnection.*

The JEC previously collaborated with Australian Council of Social Service and SA Council of Social Service and other civil society organisations to explore the impact that percentage-based rebates would have.[18] Although conditions have changed since the modelling was undertaken, the research demonstrates the benefits of a proportional approach.

The JEC supports IPART's finding 16 from the 24-25 report that the,

> "NSW Government energy rebates have not kept pace with electricity price increases over time and may not be sufficient to protect vulnerable customers from falling into energy hardship. **A rebate based on a percentage of the total bill could result in a more equitable outcome across eligible customers.**[19]

Given the ongoing affordability challenges NSW energy consumers are experiencing, we recommend that IPART strengthen this finding into a direct recommendation to the NSW Government.

Recommendation 3

That IPART include a recommendation in the 25-26 retail monitoring report for the NSW Government to consult on and implement percentage-based rebate support for energy affordability and consider mechanisms to expand eligibility.

Energy Accounts Payment Assistance

We recommend IPART assess access to the EAPA scheme, in particular repeated recipients, and recipients who also receive energy rebate support. Where possible, analysis should seek to draw conclusions regarding what is driving EAPA access, with a view to recommending reforms for more effective emergency payment support which is better integrated with general energy affordability support and the reduction of administrative costs associated with the program.

Based on data from the NSW Energy Social Programs dashboard, in the financial year 2024, 72.6% of Energy Accounts Payment Assistance (EAPA) recipients were also receiving the LIHR and 69.1% were also receiving the Gas Rebate. This is similar to the results in the 2023 and 2022 financial years. High proportions of households already receiving rebate assistance indicates that these rebate supports are not sufficient to avoid payment difficulty. Continuously having to rely on EAPA places stress on households and requires time, effort and often shame. This also has significant resource impacts on Service NSW and community organisations who facilitate EAPA.

We support investigation of reform measures, including continuation of the NSW DCCEEW Energy Debt Relief Trial. This should include considering models that accept referrals from community organisations and financial counsellors. The restructuring and continued implementation of this program should be aimed at addressing long term payment difficulty and reducing continued reliance on application for EAPA.

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18 SACOSS & ACOSS, 2022, *Reforming electricity concessions to better meet need: Summary report*.
19 IPART, 2025, Monitoring the NSW Retail Electricity Market 2024-25, p.16

EAPA is also used by households who don't already access a rebate, and we urge IPART to recommend NSW DCCEEW investigate who these households are and whether they would be better served by an expansion of eligibility to rebates and / or energy efficiency / CER programs to help prevent payment difficulty before it occurs. IPART monitoring should seek to provide insights into this aspect of EAPA use.

The costs of accessing payment difficulty assistance

The households who most need support are also likely to face barriers such as having less time, less administrative experience or capacity, less social network support, and to need to navigate multiple administrative burdens on the path to that support. In this way, administrative burdens can exacerbate inequality instead of delivering the help that is intended.[20]

The JEC has been working with researchers at the University of Sydney and Georgia Tech to map the learning, compliance and psychological costs NSW energy consumers incur when they seek relief from energy hardship and can provide IPART with the results of this research on request.

Disconnections and threats of disconnection

We encourage an expanded consideration of disconnection to gain a more comprehensive understanding of how it is experienced and how it impacts NSW households.

In their *Review of payment difficulty protections in the NECF - Findings Report*, the AER concluded that "Disconnection, or the threat of disconnection, is being used as an engagement tool despite the framework's implied objective that it should be a last resort for customers who are struggling to pay their bills."[21] And that "The community generally expects that all Australians should have universal access to essential services, such as energy".[22]

Energy Social Programs dashboard data indicates that disconnected households in receipt of rebates continue to have higher energy bills than the average for rebate / EAPA households. This suggests risk of disconnection is an effective targeting measures for support to lower energy costs long-term, such as improved energy efficiency, electrification and other appliance and energy use support.

Remote disconnection

We are concerned that increasing numbers of NSW households are being disconnected for non-payment remotely. The JEC has documented cases of distributors not completing disconnections due to concerns regarding the welfare of the occupants.[23] This important human check and 'procedural friction' is removed in remote disconnections. Given that disconnection warning notices and correspondence from retailers can be missed at times of stress, we urge the NSW

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20 Herd, P., Hoynes, H., Michener, J. & Moynihan, D. 'Introduction: Administrative Burden as a Mechanism of Inequality in Policy Implementation,' *Russell Sage Foundation Journal of the Social Sciences,* Herd, P., Hoynes, H., Michener, J. & Moynihan, D. Introduction: Administrative Burden as a Mechanism of Inequality in Policy Implementation. *RSF* 9, 1–30 (2023).vol. 9 (2023).

21 At page 22.

22 Ibid.

23 JEC, 2025, *In-person visits before disconnection*, p. 10 and 39.

Government to ensure that if a retailer considers that there is no option but to disconnect, disconnection must be actioned in person.

Disconnection threats

We draw IPART's attention to hams caused by threats of disconnection. Our *Powerless* research found significant harms occur when people are threatened with disconnection, even when it is avoided. For example, 54% of households threatened with disconnection reported that as a result of the threat, someone in the home became anxious or distressed, which was a higher rate of stress than for households who were actually disconnected. 'Threatened' households also indicated the threat caused them to significantly reduce their energy / water use and avoid seeing friends and family. These responses are likely to further compound the negative impact of the debt. [24]

Threats of disconnection can also be used to pressure people into agreeing to unaffordable payment plans, which do not address their payment difficulty problems, but often exacerbate them.[25] Whist figures for disconnection warning notices are not collected under reporting requirements by the AER, the Essential Services Commission of Victoria does collect these figures – and given retail practices do not broadly differ between Victoria and NSW - these figures should be regarded as indicative of NSW experience. For example, in Q3 2025-26, 3,227 Victorian households were disconnected for non-payment, but 84,104 received a disconnection warning.[26] This presents evidence of a much more widespread and serious risk of potential consumer harm.

Disconnection reform

Given the harms that disconnection itself and the threat and worry of disconnection causes, we look forward to working with governments to realise the AER's *Opportunity 13: Consider alternatives to disconnection to manage risk in the energy market*, in their *Review of payment difficulty protections in the NECF – Findings report*, so that households experiencing energy hardship can get the assistance and protections they need to avoid disconnection and debt build up. Our report *In-person visits before disconnection*[27] and our previously mentioned report *Powerless* provide ideas for avoiding disconnections where contact with the household can't be made or appropriate payment plans aren't able to be put in place.

Box 3. Story from Voices for Power Energy Literacy Training

I received a warning that my electricity may be disconnected because I am unable to pay my bill. I don't know how to apply for EAPA vouchers or government rebates, or where to get help. I want to learn what financial assistance is available and how to access it before my electricity is disconnected.

- Hindi-speaking training participant

24 At page 70.
25 See pages 31 to 34.
26 Essential Services Commission, *Energy market dashboard*.
27 JEC, 2025, *In-person visits before disconnection*

Extreme weather protections

Although the National Energy Retail Rules technically prohibit disconnection during extreme weather, the Rules refer to a local instrument for the meaning of ‘extreme weather event’. In the case of NSW, no such local instrument exists. This leaves it up to the discretion of distributors and metering coordinators to interpret when there is an extreme weather event without guidance from the NSW Government. Given our changing climate and increase of extreme weather events, this lack of clarity is no longer fit for purpose. We recommend the NSW Government work with consumer advocates, climate experts, health experts, distributors and metering coordinators to determine an appropriate definition of ‘extreme weather event’ to protect NSW households from losing their energy connection when they need it most.

We encourage IPART to consider a wider range of factors in relation to disconnection and its impacts and make findings and recommendations supporting further review and reform in NSW.

Understanding and measuring energy poverty in Australia

In our *Powerless* research (which only included households experiencing severe payment difficulty) we found significant numbers of households engaging in behaviour which disguises their experience of energy payment difficulty from retailers and governments, meaning they do not appear in the standard indicator data.

These behaviours include cutting back on essential food and medicine, accessing a foodbank and delaying medical / dental appointments. We found many households also shift some of their energy payment difficulty elsewhere – such as by borrowing money from friends / family; delaying or missing other important payments; and using credit products.[28] This indicates that what is revealed to retailers and reported to the AER, is a fraction of the energy payment difficulty that NSW households are experiencing. As noted earlier, an Energy Consumers Australia (ECA) report indicates at least 20% of Australian households are experiencing energy hardship.

The JEC considers that measuring energy hardship/poverty/payment difficulty should take a wellbeing approach. This would expand on the measures included in ECA’s report to consider whether households:

- Go without the energy needed to sustain health and wellbeing, in an attempt to lower energy bills (noting their attempts may be varyingly successful where fixed costs are increasing).
- Go without other essentials such as food and medical needs, in order to pay an energy bill on time.
- Shift energy bill payment difficulty elsewhere such as by accessing credit products (eg Buy Now Pay Later, Wage Advance or credit cards) and/or borrowing money from friends or family to pay bill they cannot afford.

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[28] At page 79.

Our systems rely on self-reporting of energy hardship. This is not accurate, given that many households don't self-identify, and may adjust to their circumstances over time, becoming habituated to payment difficulty. They are not likely to recognise their circumstances as energy hardship and are unlikely to volunteer it or be willing to admit it to others.

The approaches taken by ECA and the JEC indicate that energy poverty is a significant issue in the community. The high percentage of people experiencing energy poverty and the likelihood that this is a significant underestimation of actual energy poverty, indicates that energy affordability challenges aren't a marginal issue in the community and that retailer and government assistance measures are failing to prevent and address energy poverty.

We strongly encourage IPART to draw on all possible data and qualitative inputs to gain an indicative picture of NSW household experience of energy hardship and the impact on households in these circumstances. In the longer term, development of comprehensive measures of energy hardship and their incorporation into IPART monitoring, should be progressed.

2.3 Benefits of the energy transition are experienced inequitably

As our energy system continues its transition towards net-zero, NSW household benefits and costs of the transition are being experienced and borne inequitably. Consumer energy resources (including electrified fixtures, energy efficiency upgrades, advanced metering, and generation, storage and demand management assets) are critical to the energy system transition and have a significant impact on energy affordability. Households experiencing disadvantage, including renters, people with low-income, and First Nations and migrant households, often remain excluded from the good outcomes enabled by these resources due to agency, financial and other constraints.

NSW Government action to improve equity and actively improve outcomes for all NSW households has been strong and demonstrates what is possible. The NSW Consumer Energy Strategy has activated a range of relevant reforms and programs aimed at energy transition equity. These include:

- The Social Housing Energy Performance Initiative (SHEPI)
- The Home Energy Saver Program (HESP)
- The Inclusive Energy Outreach Grant
- The Solar for Apartment Residents Program (SoAR)
- Trialling the introduction of disclosure of home energy performance ratings
- Investigating the introduction of Mandatory Minimum Energy Efficiency Rental Standards
- Embedded network reform

The JEC recommends that IPART collaborate with relevant NSW departments to incorporate analysis of the impact of Consumer Energy programs and reforms on NSW household energy consumers into the annual retail market reviews.

Recommendation 4

That IPART collaborate with relevant NSW Government entities to incorporate analysis of the impact of NSW consumer energy reforms and programs on NSW household energy consumers into the annual retail market reviews.

Household energy transition indicators

The retail market is becoming more complex as our energy system continues to transform. This presents current challenges for consumers and increases the importance of ongoing reforms (such as those progressing out of the NSW consumer energy strategy).

The JEC strongly supports IPART expanding its monitoring to including the household experience of the energy transition. We recommend IPART continue to expand the focus beyond uptake of smart meters and CER to ensure a more holistic understanding and analysis of outcomes and experiences of NSW households, particularly those without CER.

IPART's market monitoring should track how retailers and consumers are engaging with the process of electrification, as well as provide updated data that can assist in the planning and implementation of electrification and improved efficiency in NSW. Electrification of households is critical to emissions reduction, which has been incorporated into the updated NEO and legislated targets through the NSW Net Zero Plan.

Market monitoring should track consumer energy resources (CER), innovative and green energy products, offsetting and bundling to better understand how the retail system is contributing to emissions reduction and equitable access to emerging energy products. These indicators could also assist in tracking potential greenwashing in the energy retail market, which is a current priority of the ACCC.[29]

The full range of potential additional indicators could include:

- NSW household experience of smart meter installation, including analysis of what is working well for consumers and what challenges consumers are experiencing. This could include consideration of:
    - Ease of upgrade process, including communication from retailer;
    - Unexpected costs of upgrading to a smart meter (e.g. remediation of meter infrastructure);
    - Those who have not been able to take up a smart-meter due to their installation and tracking numbers of households in this circumstance;
    - Ability to choose the tariff that best serves the household's needs, in particular ongoing access to flat-price retail offers;

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[29] ACCC, *Compliance and enforcement priorities 2026-27*.

- Usage and usage profile or bill changes post-installation

- Number of dual-fuel households.
    - As a proxy, all residential gas connections should be regarded as 'dual fuel' households. Sub-sets of this data could include households with gas and electricity accounts with the same retailer.

- Number of dual-fuel households with solar.
    - While this may be difficult where the gas retailer is not also the electricity retailer, it should be examined where possible. For instance, through the social programs report.

- Number of consumers with bundled renewable asset purchases.
    - indicating how retailers are adapting to consumer and environmental outcomes; if/how consumers are accessing CER; trends in debt and hardship (if debt/hardship sub-categories included); equity of access to CER.
    - this indicator should apply whether retailers are offering the products themselves or have a licensed deal.
    - Contract terms and advertised benefits of bundled renewable offers.

- Number of consumers on Greenpower.

- Number of consumers with carbon offsetting products.

- Total dollar amount of carbon offsets.

- Total carbon emissions offset.
    - This would be another useful area to collect qualitative data on retailer carbon offset programs, particularly given the recent Go Neutral litigation brought against EnergyAustralia.[30]

- Percentage of retailers' actual emissions offset by customer offset products.

- Consumers charged with load control supply charge but not usage (indicating legacy issues with an electric hot water service which has subsequently been removed).

- How much renewable generation retailers active in NSW purchase from the wholesale market.

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30 Energy Australia, 2025, *Go Neutral Litigation*.

- The different experience of customers wholly dependent on the NEM / Domestic Gas networks compared to those with CER

- Consumer complaints and issues concerning the deployment of CER, electrification and leaving the gas network.

The JEC understands that IPART is currently limited by the NERL (NSW) as to the information that can be drawn upon in market monitoring reports[31]. As identified in this submission, understanding and monitoring NSW household experiences of and outcomes from participation in the energy transition is an important role that IPART should be fulfilling. We recommend that IPART include a recommendation to the NSW Government in the 25-26 report that would provide IPART with the necessary powers – and resources - to obtain, monitor and report on key information on the NSW household energy transition.

Recommendation 5

That IPART recommend NSW Government reform to enable expanded analysis of NSW household experience of the energy transition in IPART's annual market monitor role. This should include a broader range of indicators that will provide a better, more holistic understanding of household experiences of and outcomes from participation in the energy transition.

Gas Disconnection

The JEC supports IPART metrics on the number of customers disconnecting from their service in the 25-26 monitoring report. The JEC was recently successful in procuring a rule-change on gas connections and disconnection through the AEMC. Part of this rule change process has resulted in more clear definitions of what is meant by disconnection and abolishment of gas connections. We recommend that IPART expand upon the gas disconnection metric to include:

- The number of customers disconnecting from their gas service
- The number of customers abolishing their gas service
- The cost of disconnection and abolishment services
- The number of dormant gas connections (not abolished or disconnected, but not associated with an active account)
- Qualitative data and analysis on the consumer experience of gas disconnection and abolishment
- Any qualitative or indicative data on gas appliances in gas connected households – that is, the number of gas connected households likely to have gas cooking and/or gas water heating and/or gas heating.

Where this data is not currently publicly available, IPART should recommend NSW Government measures to enable its collection.

Recommendation 6

That IPART expand upon the gas disconnection metric to include:

[31] IPART, 2025, Monitoring the NSW Retail Electricity Market 2024-25, p.27

- *The number of customers disconnecting from their gas service*
- *The number of customers abolishing their gas service*
- *The cost of disconnection and abolishment services*
- *The number of dormant gas connections (not abolished or disconnected, but not associated with an active account)*
- *Qualitative data and analysis on the consumer experience of gas disconnection and abolishment*
- *Any qualitative or indicative data on gas appliances in gas connected households – that is, the number of gas connected households likely to have gas cooking and/or gas water heating and/or gas heating.*

Ongoing CER challenges for consumers in NSW

The JEC is aware of a range of issues in NSW consumers' experience with consumer energy resources. These include:

- Ongoing perceptions of unfairness around decreasing feed-in tariffs and the setting of unreasonably high fixed charge components in solar offers[32]
- Increase in complaints about batteries
- Unsolicited and predatory sale tactics[33]
- Confusion on how to optimise benefits of installed solar and battery systems

Unsolicited and predatory sales are of particular concern, as we regularly hear case studies from community service providers where disadvantaged households are targeted, and end up in considerable debt and hardship. While these practices are well established in relation to solar and new energy services – often attached to unaffordable credit – we have also heard of cases where retailers are engaging in unsolicited door-to-door sales to new consumers. This should be investigated and we strongly recommend IPART support a blanket ban on unsolicited sales for energy products and services in NSW.

Box 4. Case studies on negative experiences with solar systems and sales tactics from the Voices for Power Energy Literacy Training and the Financial Counsellors Association of NSW.

I thought installing solar panels would automatically reduce my electricity bills. Even after installing them, I'm still receiving very expensive bills, and I don't understand why. I started wondering whether I'm using electricity at the wrong times or if my energy plan isn't suitable. I want to better understand how solar panels work so I can save money on my energy costs. - **Arabic-speaking training participant**

We have had a number of tenants approached by solar panel companies who talk them into purchasing solar panels on high interest rates. There are two people who I have supported recently who have needed to transfer from our properties but are hesitant due to paying exorbitant amounts on the solar panels they were talked into purchasing. These tenants hadn't asked us for permission to install, as per our process. One of the tenants said the solar panel company would talk to us for her, which we have no record of. These tenants also didn't notice their electricity bills become any cheaper once the panels were installed. Both the women I worked with were solely reliant of Centrelink for income and had children in the house to provide.

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32 Justice and Equity Centre, 2025, Submission to IPART on Solar Feed-In Tariff Benchmark Range Methodology
33 Justice and Equity Centre, 2025, Submission on unsolicited selling and lead generation

CER Embedded Networks

As raised in our submission to the 24-25 monitoring report process, the JEC is aware of the growing risk of CER embedded networks. As part of the energy transition, installation of solar, batteries, electric vehicles and other CER will increase. If appropriately regulated, CER embedded networks could provide a valuable option for certain households to electrify their home. However, with current lack of protections and poor regulation we are aware of:

- a growing market for CER embedded networks creating unacceptably poor outcomes for consumers.[34];
- additional barriers to electrification and installation of CER for customers in embedded networks.

Our climate commitments necessitate a fast and fair household energy transition. NSW households need to understand what is required of them in the transition and to trust that the provision of CER will result in emissions reductions, long-term energy affordability and better health outcomes. CER embedded networks established to benefit the developers and/or operators rather than the residents of the embedded network are a critical risk to achieving Australian and NSW climate commitments and an unacceptable poor outcome for NSW households.

As part of the retail monitoring report, IPART should investigate the growth of CER embedded networks, assess the issues and/or benefits being experienced by residents and consider further appropriate reforms to ensure consistent good outcomes for residents. The recent implementation of broader pricing and consumer protection regulation in NSW should go some

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34 For example see: Williams, S. 2025, *''You feel like Darryl Kerrigan of The Castle': How Adam got charged for his own solar power'*, Sydney Morning Herald.

way towards alleviating the emerging issue but IPART should regularly monitor outcomes for residents living in properties with CER embedded networks.

Box 5. Issues with embedded networks and CER – Insights from Tenants' Union of NSW

Access to sustainable energy solutions and government grants have been out of reach for many renters living in embedded networks in NSW.

The NSW government did not include embedded network consumers in the NSW battery program as the grant required an NMI. Each NMI was limited to one grant and therefore the embedded network operator's NMI could not be used when each accumulation meter (or flat rate meter) applicant wanted to apply for the NSW government "cheaper home batteries program."

The Federal Govt solar battery rebate was available for embedded network customers and the Tenants' Union of NSW is aware of at least one well equipped community that did allow homeowners to buy and install batteries under this scheme. However, this appears to be atypical for embedded networks.

Other barriers are that the operator of a land lease community typically will not approve homeowner requests to install solar panels or solar batteries. This is happening in communities with embedded networks (once they hit the 200kVA limit) as well as in communities where all homeowners have their own private retailer contract and pay both usage charges and daily supply/service availability to that retailer. The operator is still refusing homeowner requests to make an alteration or addition to their homes under s42 of the Residential (Land Lease) Communities Act 2013 to install either roof top solar panels or battery storage for fear of the impact to their internal infrastructure if the homeowner were to try to feed into the grid.

3. Approach to energy market monitoring 25-26

IPART's role in monitoring the retail electricity and gas markets provides a critical assessment of the energy experiences and outcomes of NSW households. It can identify and understand emerging issues and consider recommendations for further NSW Government action. This role is particularly critical through the energy transition, and amidst increasing energy bills and cost of living pressures.

As we have discussed in previous responses to IPART's annual market monitoring reports, it is critical that IPART analyse and interpret the quantitative data it collects – rather than simply present it at face value - to fully understand NSW household experiences and outcomes. We contend it is critical to collect actual consumer bill data and supplement reporting with 'qualitative' cases wherever possible – such as through interviews and case studies – to augment other indicators and provide greater insights into the outcomes markets are actually delivering for NSW household consumers.

IPART is to be commended for incorporating qualitative data on consumer experiences and perceptions into the 24-25 monitoring report. We strongly encourage IPART to expand on this approach and continue to incorporate robust qualitative data as standard practice in the annual monitoring review process.

Recommendation 7

That IPART continue to seek opportunities to access independent, robust qualitative data on customer experiences of competition, pricing and the outcomes the obtain from the retail market. This data should not be wholly sourced from retailer customer satisfaction data.

3.1 Pricing, competitive dynamics and consumer participation in markets

As discussed, there are a range of recently implemented or ongoing reform processes which may impact pricing, competitive dynamics and consumer experience in energy markets. These reforms should be closely monitored by IPART over next few years to enable a better understanding of their efficacy in delivering for NSW households, where gaps in policy remain and where unintended consequences have arisen.

Reform processes include:

- the package of seven retail rule changes proposed by the ECMC and progressed through the AEMC, several of which came into effect from July 1 2026;
- the Commonwealth review into reform of the DMO, which saw changes implemented from DMO 8 onwards;
- the AER's Review of payment difficulty in the NECF, which identified a range of opportunities for reform that will likely see changes implemented across coming years;
- the AEMC's Pricing Review, which will see changes consulted on and implemented from 2026; and
- the Commonwealth's Better Energy Customer Experience ongoing process that is scheduled to provide recommendations on regulatory and legislative reforms by early 2027.

The progress and effectiveness of these reforms should not, however, be assumed.

3.2 Participation of small customers in each market

We contend that focusing on customer participation and engagement – particularly through the narrow lens of switching – does not capture the outcomes being experienced by consumers in energy retail markets.

We fundamentally disagree with the following characterisation of retail energy markets:

> "…there is a virtuous cycle of competition; profit seeking firms compete to win well-informed customers who frequently engage and switch. Over time, this will lead to lower-cost offerings, innovations to meet changing consumer needs and preferences, and greater consumer confidence in the market."[35]

Consumers do not have the choice to opt-out of participation in the retail energy market. The essentiality of energy means that consumers act according to what they need to sustain

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[35] IPART, 2025, Monitoring the NSW Retail Electricity Market 2024-25, p.p.46

household health and wellbeing. Their decisions on how and when to use energy are seldom driven by energy related considerations, and arguably they want a market to deliver energy as an when they need it, rather than one they must learn to navigate and master, and consider on a daily basis.

Recently, Climate Change and Energy Minister Chris Bowen recognised that most consumers consider (and prefer) choosing an energy provider and energy plan to be a 'set and forget' task.[36] As acknowledged by IPART, recent ECA research found "that simpler or better information may not lead to higher engagement, [therefore] it's likely there will be a cohort of customers who will not engage and will continue to pay high prices"[37]. Further, IPART also identified that the complexity of the market is "having a particularly large effect on disadvantaged households that have limited time and capacity to navigate the energy market, or who face language, literacy or technology barriers"[38]. Taken together, these findings identify that:

- Many consumers do not want an energy retail market that requires constant engagement;
- no matter what retail companies do, or what reforms are implemented, there will always be consumers who cannot or do not engage with the market;
- the consumers who cannot or do not engage with the market are likely to be disadvantaged; and
- continuing to admonish consumers for 'not engaging' amounts to blaming people for not conforming to the needs of a broken market, rather than correctly assessing that the market is not designed to work for most people.

Despite consistent evidence, and consistent expression of consumer needs and preferences, the retail energy market remains predicated on an unrealistic requirement for consumer engagement and participation in the market, and makes any possibility of affordable access to energy dependant on it. This is fundamentally unreasonable, and is likely to continue to condemn many consumers to poor outcomes.

There are implications for this in IPARTs monitoring, particularly in how outcomes for consumers are considered and assessed. Such as, what conclusions are drawn about those who have switched? What assumptions are made about those who have not switched and how are their outcomes considered. And ultimately, what recommendations are made.

We acknowledge that in response to previous JEC feedback, IPART identified the limitations of using switching rates as a metric[39]. However IPART did not engage with our overarching critique and concern with the framing of customer engagement and participation.

We strongly encourage IPART to consider this more fundamental question overlaid over the entire monitoring report – what do energy consumers need and want the energy market to do, and how effectively is it delivering those outcomes for all consumers? We contend current

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[36] Minister Bowen, 2024, *Ensuring energy plan benefits last the length of the contract: Request to make a rule.*
[37] IPART, 2025, Monitoring the NSW Retail Electricity Market 2024-25, p.63
[38] IPART, 2025, Monitoring the NSW Retail Electricity Market 2024-25, p.12
[39] IPART, 2025, Monitoring the NSW Retail Electricity Market 2024-25, p.51

frameworks and practices in energy retail markets are not providing most NSW households with what they want and need from an affordable essential service.

Switching

We do not regard switching rates as a robust indicator of anything meaningful to consumers, and certainly not good consumer outcomes or an effectively operating retail market.

Switching offers does not necessarily secure a better (or even good) deal and does not reliably indicate the level of ‘engagement’ or capability of a consumer. Switching figures include when people move house even if they remain with the same retailer, but do not include households seeking a better offer with their existing retailer. Switching rates do not track outcomes, simply assuming – if implicitly – that a switch results in a better outcome. Reports over a number of years have indicated issues with consumers successfully identifying better offers in the process of switching. That is – if better outcomes cannot be guaranteed in a switch, or may even uncommon, then rates of switching have little meaning as an indicator in themselves. Indeed, given the cost to retailers and the system involved in the switching process, it is entirely possible that switching simply indicates the level of churn cost being spread across the retail market.

As it stands consumers must regularly (at the very least every 12 months) assess retail offers in order to have a chance of being on the best offer for them. We consider it unacceptable for decent consumer outcomes in an essential service to be so contingent on consumer behaviour which must be successfully repeated so often. Particularly when so much evidence indicates it is not regularly successful at all. Nor do we consider it acceptable for the price of failure to engage successfully to be so high, for it to be incurred by the majority of consumers, and to have such a material impact on those who are already experiencing disadvantage and vulnerability.

Through ‘Towards Energy Equity’, ‘Gamechanger’ and in recent State of the Market reports, the AER has recognised that existing energy market arrangements fail to adequately support consumers experiencing disadvantage and are likely to be contributing to increased consumer vulnerability:

> “For a range of reasons, many consumers face barriers to actively participate in the market and secure the best offer for their situation. This can exacerbate existing structural inequalities, whereby those who can least afford it are paying higher energy rates.[40]”

The AER’s work on consumer vulnerability also highlighted that 44% of the population have literacy and numeracy capability insufficient to navigate the energy market and successfully understand and access deals which may be in their best interests.[41] These conclusions support our assessment that switching rates are a poor market for consumer outcomes.

For many households, particularly disadvantaged households, there are considerable barriers to switching energy plans with the regularity required to enable fair outcomes, including:

- Recognising how often plans need to be re-evaluated,

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40 Australian Energy Regulator (AER), 2023, *State of the energy market 2023*, p.248.

41 AER, 2022, *Towards energy equity: A strategy for an inclusive energy market*, p.14

- Constraints on time impacting capacity to navigate and complete complex market assessments and choices,
- Language, literacy and numeracy constraints impacting capacity to assess and select the best available offers,
- Constraints on technological access, impacting ability to access comparison and switching services and complete switching processes,
- Constraints resulting from mental health, health, domestic violence and other issues impacting the capacity to deal with the 'mental load' of processes involved, and
- The increasing burden of engagement required throughout all aspects of everyday life, including work, family, essential services, banking, insurance, superannuation, government services and internet and communications.

Box 6. Stories from Voices for Power Energy Literacy Training

After moving to Australia, I found it difficult to understand how to find a better electricity deal. My bills have been very expensive, but I didn't know who to contact for advice or support. Before today's session, I had never heard of the Energy Made Easy website and didn't know it could help me compare electricity plans. I now feel more confident about finding a plan that better suits my household and may help reduce my energy costs.
Persian-speaking training participant

I don't speak English very well and don't have access to a computer or the internet, so I find it difficult to compare electricity plans or look for information online. I wasn't sure who I could talk to for help or where to get advice about my energy bills. Today's session helped me understand that there are community organisations and energy support services that can assist people like me in accessing information and finding a more suitable energy plan.

Persian-speaking training participant

In this context the complexity of the retail energy market and the practices of retailers make comparing, identifying and switching offers time-consuming, confusing, frustrating, with a low likelihood of delivering worthwhile outcomes. Many consumers previous experience can leave them knowing they are worse off by remaining on their current offer but concluding that the effort required to address this is likely to be wasted or not worth the cost to them. Their behaviour should not be taken as a free choice – that they are choosing to accept higher costs - but as a failure of the market to match consumer needs and expectations. This is not a 'loyalty tax', but simply a structural cost baked into the operation of the market, where retailers can extract higher costs from consumers noting that regardless of consumers preferences for a better deal, they are unlikely to be able to commit to the process, much less succeed at it.

IPARTs' analysis of switching rates should recognise these factors and seek to provide greater nuance and focus on consumer outcomes in drawing conclusions from them.

If IPART is to continue to incorporate switching rates as a metric in retail monitoring, the JEC recommends IPART incorporate analysis of the qualitative aspects of switching. This should go beyond assessments of how easy is it to compare prices and sign-up to a new offer but should actually look at the experience of switching, the costs of engaging in it, the actual outcomes achieved through it, and the likely systemic costs involved in the process. We have provided an example demonstrating the materiality of these issues in Box 7 on the following page.

Recommendation 8

That IPART incorporate more qualitative assessment of the experience of switching offers into the annual energy retail market review.

Box 7. Retail switching 2026 - 3 August 2026

Context:

I live in an all-electric home in inner Sydney, with low-to-average usage (~10 kWh/daily). No EV. No battery or rooftop solar. No controlled load.

I have a basic accumulation meter. I have lived here since December 2025.

I switch retailers annually using Energy Made Easy (EME) at the start the financial year to get a 'better deal'.

Timeline:

22 June 2026	My existing retailer (Origin) advises that my current energy price is increasing.
22 June 2026	Based on my average usage, this amounts to a roughly $25 bill increase per quarter.
1 July 2026	I compare offers on EME and reach out to Alinta Energy as they have the 'best offer'.
1 July 2026	Alinta advises that the price listed on EME is incorrect as it is based on a postcode estimate. I continue my search.
1 July 2026	Flipped Energy is the next best offer. I call and they advise that the price listed on EME is incorrect and they cannot me offer the deal listed on EME. I continue my search.
6 July 2026	Sumo Energy is the next best offer. I call but after 30 minutes on hold for customer service I decide to sign-up online without confirming their price is in fact aligned with what is listed on EME.
9 July 2026	Sumo advises my transfer is complete.
9 July 2026	Origin's customer retention team calls to offer me a better deal to stay. Their new offer is better than Sumo's so I decide to stay.
9 July 2026	Origin sends me a bill for service from 3 June to 6 July. It is based on an estimated read. My last actual read was on 2 June. The bill is for $351 based on an estimate daily usage of 28 kWh.
15 July 2026	I call Origin to request an amended bill and provide a self-read to assist.
15 July 2026	Sumo issues me a bill for service from 7 July to 9 July. It is based on an estimated read. The bill is for $28 based on an estimated daily usage of 28 kWh.
20 July 2026	Origin advises that to have my read updated I will need to first submit it to my previous retailer (Sumo) and once they update their records, Sumo will send Origin a more accurate estimate so they can reissue my bill reflecting the correct usage.
20 July 2026	I contact Sumo to request they update my read. Sumo advises they cannot issue an invoice based on my self-read because they no longer have billing rights to my meter. They advise I send my read to my current retailer (Origin) and request they revise my transfer read via the distributor.
23 July 2026	Origin advises they have received an actual read from my distributor. They amend my final bill. Origin reverses $243 worth of charges based on the adjusted reading.
29 July 2026	I contact Sumo to request an amended bill based on the updated reading.
31 July 2026	Sumo issues an amended bill for service from 7 July to 9 July. The bill is for $104 and indicates I used 330 kWh over the 3-day service period.
3 August 2026	I call Sumo to advise this bill is incorrect. After another hour on the phone with their customer service and customer complaints teams Sumo advises they will waive my bill.

Cost-benefit:

A conservative estimate on the time I spent comparing providers, switching, negotiating estimated bills, providing updated meter reads, and wrangling customer service calls and emails over the month-long experience is on the order of ~20 hours (as a deeply informed, committed and empowered expert energy advocate).

I estimate switching will save me $80 per quarter or $320 per annum if the initial savings are retained. At $26.44/hour (not actual pay), I would have been over $200 better off simply accepting my prior offer – to say nothing of the cost on the retail end which is likely to be substantial for both parties, and is a cost imposed on other customers.

Virtual power plants and demand response programs

VPPs and demand response programs will be important contributors to an efficient, zero-emissions energy system and are being prioritised as part of the NSW consumer energy strategy. We strongly support IPART focussing on assessing these products, how they are structured, what outcomes they are delivering for consumers, and what reforms may deliver better outcomes.

To date households participating in VPPs and demand response programs have faced a range of challenges that raise concerns about fairness, transparency, and long-term consumer engagement.[42] In many cases it is likely that these issues reflect broader issues with retail practices generally – for instance, issues with opacity of terms and pricing structures.

The common issue is the lack of trust in retailers, founded in the information imbalances and the lack of transparency involved in pricing of retail offers, particularly in relation to VPPs and demand response programs. This is particularly relevant in relation to how the financial benefits of battery participation are distributed. There is a perception that gentailers and VPP operators may retain a disproportionate share of these benefits, leaving households under-compensated for their contributions. In any case, it is not clear what proportion of benefits are flowing to households, and how benefits are being prioritised. This is likely not an issue with VPPs per se, but that the retailers offering most currently available VPPs may not be the party best placed to offer VPPs that consumers value.

This concern is exacerbated by the absence of robust regulation governing VPP operations. Without clear rules or enforcement mechanisms, there is no guarantee that consumers are receiving fair value for their participation, let alone an optimised benefit. In the absence of significant non-retail competition in the provision of VPPs these issues are material. Given the complexity of valuing VPP services, more appropriate consumer protections are needed and detailed monitoring and analysis now is critical to this.

Consumers face material barriers to making informed decisions about participating in VPPs and demand response programs. VPP offerings vary widely in design and value proposition, yet they are not consistently listed on comparison platforms such as Energy Made Easy. This lack of visibility makes it difficult for consumers to assess costs, benefits, contract terms and suitability.

To address this, we recommend that regulatory bodies such as IPART and the AEMC develop clearer standards for VPPs – potentially including standard contract terms or limitations - while agencies like AER and EWON ensure compliance and provide avenues for consumer redress. Providing clear, accessible, and standardised information about how VPPs operate, what services they offer, and how benefits are shared would support uptake and improve market transparency.

42 Energy Consumers Australia, 2026, Consumer Energy Report Card: Why households adopt batteries and why many aren't joining a VPP

Improving consumer understanding and confidence in these programs is critical to unlocking the full value of CER and placing downward pressure on energy bills. If left unaddressed, early negative experiences risk undermining long-term consumer trust and participation – an outcome that would hinder the broader energy transition, given the vital role VPPs can play in balancing supply and demand and delivering ancillary services to the grid.

Despite these challenges, there is promising evidence that VPP participation can significantly improve the economics of battery ownership while delivering broader system benefits. For example, combining federal and state incentives with VPP participation can reduce battery payback periods considerably, highlighting the potential value of well-designed programs that fairly reward consumers for their contributions to a more efficient energy system.

We encourage IPART to examine contract terms for VPP's as a basis for assessing consumer risk and benefit. This should include assessing the open interoperability of VPP arrangements and battery products which may either aid or restrict competition and future service switching.

Lower-than-expected uptake of VPP products should not be seen simply as a communication problem or a sign of consumer apathy. It may be a function of who is offering the products – retailers – and their lack of incentive to maximise value for consumers. It may also reflect a clear preference for control, certainty, and household resilience. This does not mean consumers are always making the best possible market choice. It means their behaviour makes sense given the current circumstances, risks and prices they face.

A simple household example makes this clear. If a household can export solar for a modest return during the day, or store that energy and avoid buying electricity later at a much higher price, self-consumption is not a misunderstanding. It is the most obvious source of value.

This is where the system may be creating the behaviour it later seeks to change. Consumers are not necessarily rejecting participation in the wider energy system. They are responding to a tariff signal that makes protecting their own household seem safer and easier to understand than sharing flexibility.

The concern is not simply that this behaviour is rational today. The bigger risk is that the same signal reinforces the behaviour over time, turning a sensible household response into a wider system cycle.

3.3 Barriers to entry, expansion or exit in each market

The JEC acknowledges that our feedback to the 24-25 monitoring review consultation has resulted in significant changes to the metrics being considered in the 25-26 review[43]. This includes the addition of a range of metrics under the new headline 'competing to attract and retain customers' which have been identified to supplement and provide deeper analysis than the metrics included under this 'barriers' section can provide. We commend IPART for seeking to strengthen their analysis.

[43] IPART, 2025, Monitoring the NSW Retail Electricity Market 2024-25, pp.35-36

As previously identified, the JEC does not consider the metrics included in this section of the report to be particularly robust or useful for understanding consumer outcomes.

Number of retail operators

Number of retailers – and change in that number - is not a good proxy for competitive dynamism and the effectiveness of the retail market. This is particularly true where the market structure itself may allow (and reward) poor retailer practices.

We understand that these factors have been assumed to be key indicators of the health of a competitive market, with the further assumption that an effectively competitive market would (by nature) deliver better consumer outcomes. We are concerned that previous IPART reports have not challenged or tested the validity of these assumptions. Competition is not an intrinsic good and cannot be assumed to automatically deliver better outcomes for consumers. Competition must be assessed for its effectiveness, and for its ability to deliver the most efficient, quality outcomes for consumers. In the case of energy, it should also be assessed for its delivery of affordable, accessible, and equitable energy services to all consumers.

The entry or exit of retailers (who are usually small) makes little or no impact for most consumers. For example, where a small retailer is started and undertakes a loss-leading strategy to acquire a sufficient customer base to become a ‘purchase target’ for a larger incumbent, this entry has not resulted in more efficient or better outcomes. Similarly, as we have previously noted, the lack of retailer exit can also be seen as a sign of poor market health, particularly where those retailers who do exit are often taken over by larger retailers, or their exit involves the ‘sale of customers’ to larger retailers. In these cases, entry and exit are merely dimensions of ‘churn’ which have limited impact beyond adding unnecessary cost to the system, which is cost that must be recovered from other consumers.

Number of retail offers

Number of offers is an even more fraught indicator of good consumer outcomes. Consumer experience consistently demonstrates that not all publicly available offers are actually available to all consumers, and that not all offers available in the market are made public. There is also anecdotal evidence that many public offers are effectively not available at all. Regardless, it is clear that the proliferation of offers does not necessarily aid effective choice for consumers. Indeed, it may do the opposite, simply becoming an intentional means of obscuring aspects consumers value and undermining effective comparison.

The JEC is concerned the market is characterised by opaque, personalised pricing – which renders the ‘number of offers’ indicator obsolete as useful proxy for good consumer outcomes. That is, the ‘named offer’ and their variants which are publicly listed are not representative of what consumers are actually paying, with much wider (personalised) variation in the pricing of those offers. There is clear evidence of this in the CHOICE complaint provided to the ACCC (referenced earlier) where consumers on the same named offer are paying substantially different prices. Again, we note that surveys of actual bills and conditions within retail offers is necessary to examine this in detail.

3.4 Attracting and retaining customers

The JEC supports IPART incorporating this new section and set of metrics to the annual energy market retail report. We strongly encourage IPART to strengthen the analysis and findings by drawing on actual consumer bills and qualitative consumer data, and not relying predominantly on bills estimated through EME data or data on consumer outcomes provided by retailers.

Innovation in products, services and price structures

Our changing energy system is providing more meaningful opportunity for genuine retail competition than was previously available prior to the introduction of consumer energy resources and flexible demand-side mechanisms. Retailers are increasingly able to innovate offers that meet consumer needs and preferences including opt-in time-of-use tariffs, solar-soakers, EV tariffs, bundling with renewable asset purchases and other green energy products. Whether or not retailers choose to take advantage of this changing market is their choice. The JEC supports IPART introducing analysis of actual innovation into the annual retail market report.

We note, however, that most retail 'innovation currently occurs to the detriment of consumers. That is, it is innovation to obfuscate comparison, undermine benefits and otherwise erode consumers capacity to lower their bills. This includes adjusting the balance of FiTs, usage charges and fixed charges to erode benefits, and universally raise fixed charges for all offers to narrow consumers ability to choose an offer that may enable more agency.

As with all metrics, the JEC recommends that IPART analyse innovation in products, services and price structures through the lens of actual outcomes for consumers, rather than a more superficial analysis of the apparent availability of innovative products and services. We provided further detail on how IPART could best frame analysis of innovative products and services that support household energy transition in Section 2.3.

Number of offers, spread of price, price differences across retailers and tariffs

As noted earlier, the impact of confusion stemming from the number of offers, the spread of prices, and the differences across retailers and tariffs should be considered not as anomalies, but as inherent features of the retail market[44].This complexity is to some extent intentional and almost always operates to the detriment of consumers and to the benefit of retailers.

Comparing offers, negotiating prices, accessing products, switching between providers in response to win-back policies, and contesting estimated bills have become core parts of the switching process. In this context, it is not difficult to understand why the majority of households choose to limit their engagement with, or withdraw altogether from, the retail market.

The evidence suggests that attempts to remedy this problem by helping consumers navigate this complexity are misguided and, as experience has shown, guaranteed to be unsucessful. Instead, efforts should focus on limiting the complexity—and, by extension, the risk—that retailers are able to pass on to consumers.

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44 See: https://www.abc.net.au/news/2026-06-24/why-power-bill-may-rise-despite-lower-default-market-offer/106830428

The JEC is aware of consumers reporting confusion and frustration when comparing time-of-use plans, including that there are different Peak/Shoulder/Off-Peak windows making it hard to compare plans across retailers, and this information being difficult to find on retailer websites.[45]

IPART should examine these issues and offer commentary and findings regarding its impact on NSW households.

Customer perceptions of satisfaction, complaints

There is a general lack of trust in energy retail companies and the energy market more broadly[46] grounded in poor retail practices, experience of consumer harm, and high and rising energy bills.

Consumers have reasonable expectations about pricing, contracts and how retail relationships should function for an essential service such as energy. The opaqueness and complexity of offers and contracts in the retail energy market does not meet these expectations, and contributes to poor consumer outcomes, heightening distrust of the retail energy sector. Both the CHOICE[47] and CALC[48] designated complaints to the ACCC in 2025 clearly demonstrated wide-spread retailer and market-participant behaviour that is antithetical to good consumer outcomes and consumer trust. The ACCC accepted the validity of these complaints, noting their impact and seriousness. These behaviours are demonstrably not in the long-term interest of consumers and should be examined by IPART as evidence of systemic retailer failure rather than isolated incidents or aberrations.

The JEC has consistently highlighted failures of consumer choice and consent, and unfair and inequitable outcomes in access to energy as an essential service. Many of these are detailed in our submissions to the seven retail rule change proposals that the AEMC has been consulting on over the past year.[49] Ongoing poor outcomes contribute to consumer distrust in the energy sector – which is consistently demonstrated in ECA's consumer sentiment surveys.[50]

In addition to examining publicly available reports, surveys and research (including those we have referenced), we recommend that IPART seek opportunities for additional qualitative data on customer experiences and perceptions of competition and pricing, particularly where these clearly relate to standard retail behaviour and pricing practices.

In any case we highlight the importance of drawing on 'objective' data relating to outcomes, rather than relying only on perceptions – particularly those derived through retail surveys. Perceptions are inherently subjective, subject to well-established biases and can be influenced by low expectations of what the energy retail market can deliver (particularly as a result of previous poor experience). Data on customer experiences and perceptions of competition and pricing should not be wholly sourced from retailer customer satisfaction data, which often skews towards outcomes retailers value, rather than those valued by consumers.

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45 Communication with CHOICE advocates.
46 See: Energy Consumers Australia, *Energy Consumer Sentiment and Behaviour Surveys*
47 CHOICE, 2025, *The Power of Confusion: CHOICE designated 'super' complaint on energy plans*
48 Consumer Action Legal Centre, 2025, *Designated Complaint: Unsolicited Selling*.
49 See Section 5 on further resources
50 See: Energy Consumers Australia, *Energy Consumer Sentiment and Behaviour Surveys*

Further, complaints data needs to be assessed in the context of its limitations. As IPART is aware, complaints data only helps understand issues experienced by the relatively small proportion of consumers who have the awareness, capacity and confidence to make a complaint.

Outcomes for vulnerable customers, including use of NSW government energy rebate programs

The JEC supports IPART's inclusion of this metric in the annual review of retail markets. Section 2.2 of this submission provided more detailed discussion of affordability and supports, including NSW government programs.

3.5 Price movements and product diversity

The JEC supports IPART examining price movements and product diversity in the 25-26 energy retail markets review. We agree that it will be valuable to include changes from July 1 2026, where the data is available in the 25-26 review.

Increase in fixed charges

The updated DMO involved setting indicative caps for fixed and usage charges. The fixed charges were set to represent the actual efficient fixed (unavoidable) costs of service. The purpose was to serve as a comparative indicator for other offers which may involve lower fixed charges, demonstrating to consumers that those offers may be better if they have lower usage. Following the implementation of these changes to the DMO many retailers simply universally increased their fixed charges.

The Federal Minister for Climate Change and Energy referred these price changes to the ACCC and AER as a potential failure of retailers to adjust prices in response to sustained and substantial reduction in underlying costs of procuring electricity. This referral may or may not be upheld, but it is the case that instead of engaging competitively to provide a range of different products consumers may value – as competition theory would assume – retailers simply raised their fixed charges. As part of this referral, the Minister noted these changes particularly impact lower usage customers.[51] While this investigation is ongoing, it would be helpful for IPART to report on the extent and prevalence of price movements for NSW consumers.

Given the findings of the AEMC Pricing Review, it would also be useful for IPART to analyse the how it impacts different consumers. This analysis should consider not only differences in outcomes amongst consumer cohorts such as CER and non-CER households but reflect the impact on customers at different ends of the energy usage spectrum within those cohorts[52]. Other consumer and community organisations have reported an increase in consumer concerns about fixed prices:

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51 The Hon Chris Bowen MP, 2026, Letter to Australian Competition and Consumer Commission and Australian Energy Regulator.

52 For example, a limited focus on the average non-CER households, stands to mask the significant variance across such households and hide the consumers at the extremes of that spectrum for which these changes are likely to have the largest impact.

> [Our members report] A fair bit of shock and general confusion around steep increases to supply charges. Relatedly, people have also told us that it's hard to gauge how much the increased supply charge might potentially be offset by an associated decrease to their usage rates.[53]

Solar Sharer Offer

The JEC led a joint consumer response to the Solar Sharer Offer consultation in late 2025. We supported the stated intent for the SSO to promote more equal access to the benefits of solar generation. However, we also raised a number of concerns about its capacity to deliver on this intent – these concerns are unfortunately beginning to be realised. The JEC is aware of issues with:

- Perceptions of unfairness by consumers who are excluded from the offer because they do not have a smart meter;
- Consumers who cannot easily shift their load misunderstanding how the offer works in practice;
- Consumers being worse off due to higher fixed and usage charges outside of the free period;
- Mismatch between consumer expectations and consumer experience of the offer.

Our engagement with Tier 1 retailers indicates that retailers are similarly hearing and witnessing the above concerns from their customers.

We note the initial implementation of the SSO was intentionally aimed at minimising consumer risk and providing a basis for gathering more information to inform iteration and improvement of the program in later years. In this context we encourage IPART to offer detailed observations, commentary and recommendations for an improved offer.

Underlying retailer costs

The JEC supports IPART incorporating more analysis of changes in retail costs into the annual review. The JEC regularly engages with the annual DMO process, through which we have developed a strong consumer perspective on the retail cost stack and changes in retail costs including bad and doubtful debt, smart meter costs and CARC. We recommend that IPART review our submissions to recent DMO processes[54] to assist in a deeper analysis of changing retail costs, their validity and impacts on consumer outcomes.

Recommendation 9

That IPART review JEC submissions to the past three annual DMO processes to assist in a more robust analysis of changing retailer costs, the validity of these costs and impacts on consumer outcomes.

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[53] Communication with CHOICE advocates.
[54] See Section 5 on further resources

3.6 Price of electricity and gas for small customers in regional areas

Current circumstances in the energy market see NSW households facing sustained high retail energy costs alongside wider cost of living pressures. Rural and regional NSW households often experience these pressures more acutely than metro households as a result of other structural issues.

JEC's Powerless research[55] into debt and disconnection/restriction of energy and water services reveals that utility affordability issues are more prominent than at any time since we commenced this research series in 2004. Noting that costs have only escalated since this research was completed. The pressure on lower income households is increasingly severe, with affordability and debt issues expanding to impact higher income groups. Consumers experiencing or at risk of energy debt and disconnection are likely to be impacted by other structural disadvantages this, includes First Nations people, women, young people, people with disabilities, people experiencing mental health issues, people experiencing family and domestic violence, people on low-incomes, and renters.

Our Powerless research consistently demonstrated that rural and regional NSW households[56] experienced the impacts of energy unaffordability at a higher rate than their metro counterparts:

Payment difficulty indicator	Regional	Metro
Used money that they needed for something else essential to pay for their energy bill on time	**70%**	60%
Stopped a payment plan because they couldn't afford it	**29%**	21%
Deliberately cut back their usage of things they need to try and bring the costs of energy bills down	**85%**	70%
Used as little energy as they could, even if it impacted on their wellbeing	**70%**	56%

Further to this, only 27% of regional respondents in the research were aware of EAPA vouchers and only 18% were aware that energy providers are required by law to help with payment difficulty.

These findings show many households in rural and regional NSW are experiencing payment difficulty in energy and, due to lack of knowledge or access, are not receiving the support they require to afford the energy they need for their health, wellbeing and social and economic inclusion.

55 The Public Interest Advocacy Centre, 2024, *Powerless: Debt and Disconnection*. Survey respondents only included households who were experiencing significant payment difficulty.

56 Not all of this data has been published at the time of writing. IPART is invited to contact the Justice and Equity Centre for further information or access to data if required.

REZS and Regional Affordability

Renewable Energy Zones are the foundation for a fast and fair transition. They are also critical for establishing long-term energy affordability and sustainability for all NSW consumers. However, the current affordability circumstances and *short-term* costs of transitioning the energy system are a relevant consideration in a broader assessment of outcomes for energy consumers living in rural and regional areas.

The JEC considers there is a timely opportunity to align NSW Government priorities and accelerate REZ implementation through ensuring benefits alleviate energy affordability concerns in both the short and long term, particularly in REZ host communities. The JEC has recommended the following reforms to the NSW Government to assist with both regional energy affordability and the achievement of our Net Zero targets:

- Additional targeted rebates or grants for home energy efficiency upgrades, electrification, electric vehicles, or home batteries. These measures could be general and/or prioritised for REZ hosting communities;
- targeted investment in community electric vehicle charging infrastructure or community batteries to facilitate local solar sharing schemes in REZ hosting communities;
- recovering the cost of NSW Roadmap, environmental and efficiency schemes more equitably[57]; and
- recovering the upfront costs of large transmission investments and Renewable Energy Zone infrastructure more equitably[58].

These reforms would materially alleviate energy affordability concerns generally, with opportunity to target regional and rural households, while demonstrating the benefits of the energy transition and supporting social licence in REZ host communities.

3.7 Detailed review of retail prices and profit margins

The JEC supports IPART conducting a detailed review of retail prices and profit margins. We recommend that this review be framed in terms of outcomes for consumers and consumer trust in the energy retail market. We suggest that conducting this additional review in the 25-26 report and again in the 27-28 report would allow IPART to do a comparative analysis of the impact of retail market reform on retail prices, profit margins and outcomes for consumers.

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57 Environmental scheme costs recovered from bills place a disproportionate burden on many low income households and others without scope to install their own solar or reduce their usage. Recovering these costs on budget or considering other ways to address inequities in cost recovery could improve fairness and affordability.

58 Environmental scheme costs recovered from bills place a disproportionate burden on many low income households and others without scope to install their own solar or reduce their usage. Recovering these costs on budget or considering other ways to address inequities in cost recovery could improve fairness and affordability.

Recommendation 10

That IPART conduct a detailed review of retail prices, profit margins and outcomes for consumers in the 25-26 and 27-28 annual NSW retail electricity and gas market monitoring reviews. This will allow a comparative element of the analysis which will provide useful data on the efficacy of newly adopted and incoming retail market reforms.

4. Persistent and emerging issues:

As discussed throughout this submission, energy retail markets are not currently fit-for-purpose and are not providing the outcomes NSW households need from an essential service. Alongside the range of issues already highlighted in earlier sections of this submission, the JEC is aware of a range of persistent and emerging issues in the energy retail markets that IPART should take into consideration for the retail monitoring report.

4.1 Other issues

Life support

JEC welcomed the AEMC's final determination for *Improving life support processes* which will improve protections for people who are reliant on life support equipment. We look forward to further reforms to develop a more centralised registration process that reduces administration load on consumers, and increases safety, including by linking life support registration with emergency services.

As a result of the rule change, a medical confirmation form will be developed the AER. We encourage the NSW Government to work with the AER to look for opportunities to coordinate this form with the NSW Life Support Rebate and NSW Medical Energy Rebate application forms to reduce the administration load on life support equipment users, including not requiring additional visits to medical practitioners.

Bundling

The JEC continues to be concerned by the practice of bundling non-essential products and services with the provision of essential energy services and the impact this can have on energy costs and affordability, and the ability for NSW households to identify affordable energy products and services. Additional non-energy 'benefits' including free memberships of tv streaming services, movie tickets, discounted internet or phone plans are often coupled with higher energy costs than a retailers' 'better offer.'

The JEC has heard concerning reports from community service providers of a growing trend of consumers presenting with significant debt, with bundling products being a contributor to the problem. One service provider reported a case study where a retailer was attempting to upsell a consumer an internet bundling plan on a phone call while the consumer was discussing a hardship plan.

Data Centres

The JEC is involved in ongoing consultations and discussions on data centre growth in NSW. As the consumer advocate on energy and water, both of which are strongly linked with data centres, we will be continuing to refocus and prioritise our work on this growing issue.

We consider that IPART has an important role to play in:

- monitoring data centre compliance with demand flexibility mechanisms;
- monitoring procurement of off-take and power purchase agreements for data centres;
- determining or reviewing how network costs attributable to data centres are allocated;
- monitoring whether network businesses are recovering the appropriate costs;
- advising whether connection and cost-recovery arrangements are working efficiently;
- providing independent economic analysis of whether the framework creates cross-subsidies from other electricity customers to data centres.

Account and service access for 16 and 17 year olds

The JEC has been provided with data[59] from youth housing and homelessness services that indicates there are complications and inconsistencies for 16- and 17-year-olds living independently being able to set up energy service accounts in their own name. Service providers have reported:

- Retailers refusing to open an account on the basis of age;
- Retailers requiring a guarantor or third party to hold the account;
- The housing service needing to hold the account for the young person; and
- A trusted adult needing to hold the account for the young person.

Reported impacts on young people from these inconsistent and concerning practices include:

- Being unable to access rebates, including the Low-Income Household Rebate;
- Financial strain;
- Increased risk of financial abuse and control;
- Being unable to access retailer hardship schemes or EAPA; and
- Missed opportunity to build independent living skills.

While not a large cohort of NSW consumers, the risk of harm to these young people who are already risking homelessness is concerning. Further, costs are being transferred from retailers onto youth homelessness services that are already overcapacity and under resourced. The JEC is undertaking preliminary work to understand retailer policies on providing energy services to 16 and 17 year olds.

5. Further Resources

The following recent submissions and reports provide further detail on a range of issues relevant to monitoring the retail electricity and gas markets in NSW.

59 The JEC can provide this data to IPART upon request.

IPART Retail monitoring report – last 5 years

- Justice and Equity Centre submission to IPART Monitoring the Retail Electricity and Gas Markets in NSW 2025.
- Justice and Equity Centre submission to IPART Monitoring the Retail Electricity and Gas Markets in NSW 2024
- Public Interest Advocacy Centre letter to IPART on Energy Retail Market Monitoring 2023
- Public Interest Advocacy Centre submission to IPART Monitoring the NSW energy retail markets 21-22 Draft Report
- Public Interest Advocacy Centre submission to IPART on NSW electricity retail market 2020-21 Draft Report

AEMC Retail rule change processes

Improving confidence in retail energy plans

- Joint submission in response to the Issues Paper
- Joint submission in response to the Draft Determination

Assisting hardship customers

- Joint submission in response to the Issues Paper
- Joint submission in response to the Draft Determination

Improving the ability to switch to a better offer

- Joint submission in response to the Issues Paper
- Joint submission in response to the Draft Determination

Improving the application of concessions to bills

- Joint submission in response to the Issues Paper
- Joint submission in response to the Draft Determination

AEMC Gas regulation rule change processes

- Joint Submission to AEMC gas distribution networks: connection and permanent abolishment charges.
- Justice and Equity Centre submission to the AEMC Draft Determination on updating the regulatory framework for gas connections

- Joint Submission to the AEMC Gas Networks in Transition consultation paper
- Submission to the AEMC draft determination on Establishing the Regulatory Framework for Retail Customer-Initiated Gas Abolishment
- Submission to the AEMC in response to the Gas Networks in Transition Directions Paper
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Default Market Offer submissions – last three years

DMO 8

- JEC submission to DMO 8 Issues paper
- JEC, ACOSS, QCOSS and SACOSS submission to Solar Sharer Consultation Paper
- Justice and Equity Centre Submission in response to the Australian Energy Regulator Default Market Offer draft determination for 2026-27

DMO review

- JEC, ACOSS, Combined Pensioners & Superannuants Association, Energetic Communities and SACOSS Joint Submission to DCCEEW Consultation Paper

DMO 7

- JEC, ACOSS, QCOSS and SACOSS Joint Submission to DMO 7 Draft Determination
- JEC, ACOSS and SACOSS Joint Submission to DMO 7 Issues Paper

DMO 6

- JEC, ACOSS and SACOSS Joint Submission to DMO 6 Draft Determination
- JEC and SACOSS Joint Submission to DMO 6 Net System Load Profile Approach
- JEC, ACOSS and SACOSS Joint Submission to DMO 6 Issues Paper

Other relevant submissions

2026:

- Joint submission to the DCCEEW's Retail Electricity Tariff Reforms Consultation Paper
- Justice and Equity Submission to DCCEEW on the PEMM Provisions in the Competition and Consumer Act 2010 Consultation Paper
- Joint submission on Treasury's consultation on unfair trading practices
- Justice and Equity Centre Submission to the AEMC Pricing Review Draft Report

- [Justice and Equity Centre Submission in response to the NSW DCCEEW's independent review of the NSW Electrical and Gas Safety Regulatory Framework consultation paper]
- [Justice and Equity Centre Submission in response to the NSW Parliamentary Inquiry into data centres]
- [Joint submission in response to proposed amendments to the NSW Social Programs for Energy Code]
- [Joint submission in response to the AEMC's Improving Life Support Processes draft determination]
- [Justice and Equity Centre Submission in response to Infrastructure NSW's data centres consultation paper]
- [Justice and Equity Centre Submission in response to NSW DCCEEW's Investigation into Minimum Energy Efficiency Rental Standards (MEERS) consultation paper]
- [Joint Submission in response to the AEMC's Strengthening Payment Difficulty Protections consultation paper]
- [Joint Submission in response to the AEMC's Streamlining Payment Difficulty Protections draft determination]

2025:

- [Justice and Equity Centre Submission to the National Energy Market Wholesale Market Review]
- [Justice and Equity Centre Submission to the AEMC Pricing Review: Discussion Paper]
- [Joint submission to the Better Energy Customer Experience consultation paper]
- [Justice and Equity Centre submission to IPART Draft Report on Solar Feed-in-Tariff Benchmarks 25-26]
- [JEC submission to ACCC unsolicited selling and lead generation]
- [Joint Submission to the AEMC Improving life support processes]
- [Justice and Equity Centre submission to DCCEEW's Solar Sharer Offer Consultation Paper]
- [Joint submission to the AER's Retail Guidelines Review Consultation Paper]

2024:

- Joint Submission to the AER's Review of Payment Protections in the NECF
- Justice and Equity Centre Submission to Electricity pricing for a consumer-driven future

2023:

- Joint Submission to the AER's Review of consumer protections for future energy services: Options for reform of the NECF