



17 April 2019

Essential Services Commission  
Level 37, 2 Lonsdale Street  
Melbourne, Victoria 3000

By email: [energy.submissions@esc.vic.gov.au](mailto:energy.submissions@esc.vic.gov.au)

## **Energy Retail Code Changes to Support Family Violence Provisions for Retailers – Draft Decision**

Alinta Energy Retail Sales Pty Ltd (**Alinta**) welcomes the opportunity to make a submission regarding the Essential Services Commission's (**ESC**) *Energy Retail Code Changes to Support Family Violence Provisions for Retailers – Draft Decision (the Draft Decision)* released on 19 March 2019.

Alinta is an active investor in energy markets across Australia with an owned and contracted generation portfolio of nearly 3,000MW, including 1,700MW of gas-fired generation facilities and 1,070MW of thermal generation facilities, and in excess of 1.2 million electricity and gas customers including more than 630,000 in east coast markets, and is therefore well placed to provide comments on the Draft Decision.

Alinta unequivocally supports the objective of the Draft Decision which is; to provide affected customers an entitlement to safe, supportive and flexible assistance when managing their personal and financial security. Alinta acknowledges the ESC for their consultative approach to implementing a regulatory framework that will ensure retailers consistently provide personalised and tailored support for customers affected by family violence.

Alinta has been actively engaged during the ESC's consultation and workshop process to ensure we understand the feedback provided by victim-survivors which has aided in identifying what support we can provide as energy retailers. Although there is currently no formal family violence regulations in operation, Alinta also considers that the findings and recommendations of the Victorian Royal Commission into Family Violence as a key input into current services being provided by Alinta and should be used to frame the family violence framework from the Draft Decision.

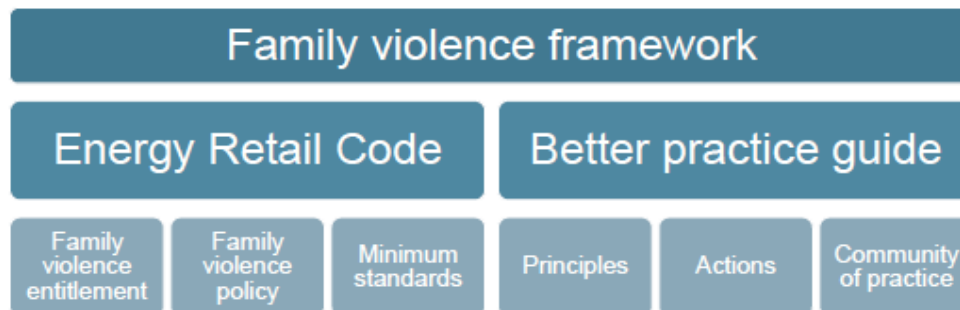
As described in the Final Report;

*Because of the critical function these essential services play, perpetrators use control over them as a form of economic abuse in a number of ways<sup>1</sup>*

Taking this into account the ESC has developed the family violence framework in a similar manner to the recent Payment Difficulties Framework (PDF), in an attempt to find the right balance of prescription in the Energy Retail Code (ERC) and guidance within Better Practice Guides (BPG).

The Draft Decision outlines the process and structure associated with developing the family violence framework through a combination of ERC changes and development of BPG's as described in Figure 1 below.

**Figure 1: Family violence framework.**



The ESC described, in the PDF final decision paper, that this shift in approach to regulatory framework development was the result of the ESC needing to;

*shift from a rules-based approach to one that was focused on positive results for customers.*

*That is why the entire framework ultimately relies on retailer judgement. Regulating guidance cannot be a substitute for retailer judgement.<sup>2</sup>*

To that end, it is imperative that the ESC find the right balance of, what is codified in the ERC and what is appropriately placed within the BPG's to allow retailers to utilise their judgement in delivering positive results for victims of family violence.

The ERC changes described in the Draft Advice require retailers to establish a family violence policy and minimum standards of conduct relating to;

- training,
- account security,
- customer service,
- debt management,
- family violence as a potential cause of payment difficulty,
- external support services, and evidence.

<sup>1</sup> Royal Commission into Family Violence (RCFV), *Final Report*, Volume IV, page 104.

<sup>2</sup> <https://www.esc.vic.gov.au/sites/default/files/documents/payment-difficulty-framework-final-decision-20171009.pdf>, page iv,

It is Alinta's view the minimum standards are appropriately drafted and placed within the ERC to promote consistent standards across the energy industry for households affected by family violence. Similar to the PDF regulatory framework, these changes result in entitlements that are readily accessible and will support affected customers to manage the risks associated with their energy accounts.

Alinta's only concerns with changes codified in the ERC are in relation to extending the said standards and entitlements to small business customers.

Alinta acknowledges that victims of family violence can extend to small businesses, however in our view, we feel that these consumer protections are better suited to be contained in the BPG's not in the ERC. Establishing these support mechanisms within the BPG, will allow retailers to use their judgement based on the circumstances and is more appropriate than having a uniformed provision in the ERC to extend to all small business customers.

Alinta look forward to participating in further consultation associated with the BPG's and ERC amendments.

Should you require any additional information or wish to discuss any aspect of our submission please contact Ante Klisanin, Retail Regulation Manager on [REDACTED]

Yours sincerely



**Shaun Ruddy**  
Manager National Retail Regulation