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Dear Aaron

Better protections for life support customers in Victoria – Submission to consultation paper

AusNet welcomes the opportunity to provide feedback on the Essential Services Commission's (ESC) consultation paper *Better Protections for Life Support Customers in Victoria*. This is an important reform that aims to strengthen protections for customers who rely on life support equipment, streamline life support customer register management and improve outcomes for electricity customers with critical life support equipment.

AusNet is the largest diversified energy network business in Victoria. We own and operate three regulated networks: electricity distribution, gas distribution and the state-wide electricity transmission network, delivering energy to more than 6 million Victorian households and businesses. As energy distributors for both gas and electricity, we have a unique perspective on life support requirements and management across the two energy sources, which has informed our submission.

AusNet strongly supports the ESC's review of the current life support management framework and the Energy Charter's #BetterTogether (#BT) life support initiative¹. AusNet has actively participated in the Energy Charter's #BT initiatives since 2023, including through AusNet's CEO's role in the CEO Executive Council for #BT. The #BT initiatives brought together industry stakeholders and consumer and customer representatives, to address known challenges in life support customer management and drive collaborative reform that improves customer outcomes while reducing administrative burden and the cost of life support management.

As has been highlighted through the Victorian Government's Network Resilience Review in 2022 and the Network Outage Review in 2024, life support customer management in Victoria is increasingly challenging due to a rapid increase in customers registering as requiring life support in both electricity and gas, without supporting medical confirmations. AusNet's life support register has increased four-fold in both electricity and gas since 2017, with the majority of customers not medically confirmed and growing inaccuracies in the register. This has led to increased challenges for AusNet and the government in supporting the critical few customers who rely on energy to sustain their lives, especially during emergency events and widespread power outages.

Our submission reflects AusNet's experience in managing both electricity and gas life support customers and our engagement through the #BT initiatives, balancing the need for robust customer protections with the operational complexities of maintaining accurate life support registers across electricity and gas.

Operating both electricity and gas distribution networks, our experience shows that electricity and gas life support customers have different needs and require different support from service providers. As the energy transition progresses and customers move away from gas and become more reliant on electricity, there is a need to consider life support protections for electricity and gas as distinct from each other and design frameworks that are fit for purpose for each energy source. We have therefore proposed a divergence of life support arrangements for electricity and gas customers where appropriate throughout the submission.

We support distinguishing critical and assistive life support equipment for electricity customers

AusNet supports defining 'critical' and 'assistive' life support equipment for electricity customers. This distinction is vital for emergency response prioritisation, enabling emergency services and government agencies to better support customers whose lives depend on critical electric medical equipment. The list of critical and assistive life support equipment should be clearly defined and available to all medical practitioners. Further, all life support

¹ <https://www.theenergycharter.com.au/bettertogether/>

equipment should be required to be energy-dependent, to prevent ineligible registrations and improve register accuracy.

However, life support equipment for gas should be classified as assistive only as we are not aware of any gas-powered equipment that sustains life. Introducing a critical classification for gas life support equipment could create confusion among customers and medical practitioners and would increase costs as a result of the implementation and maintenance of an additional critical life support register. As the gas network is anticipated to reduce in size in the future, it is crucial that all investment in gas systems and processes is based on genuine need and customer benefit. There does not appear to be a basis for investment in a critical life support register for gas at this stage.

Retailers should own the life support customer registration process

AusNet proposes that there should be one responsible party for registration of life support customers, to simplify the registration process, reduce customer confusion and improve data quality. Retailers are best placed to manage life support registrations as they are already responsible for maintaining customer data and own more than 99% of the registrations in AusNet's networks. They have privileged information about other customer vulnerabilities that are not available to distributors, and they are the first point of contact for customers for a large majority of energy matters. Our experience shows that with distributors currently being required to register customers for life support, the instances of customers requesting registration from distributors in both electricity and gas are extremely rare. Therefore, the cost to retailers of moving this small number of distributor-registered customers to a retailer-owned register would be minimal, while delivering significant efficiencies in the future.

Medical confirmation forms should be standardised and clearly distinguish between electricity and gas

AusNet supports the introduction of a standardised medical confirmation form that clearly distinguishes between electricity and gas life support requirements, limiting the ability of medical practitioners, customers or retailers to apply one medical form to both the electricity and gas life support registration at once. Our experience shows that in many instances customers registering through retailers are often incorrectly recorded as requiring both gas-powered and electricity-powered life support equipment (for those who have dual-fuel homes or businesses). This has contributed to a high number of inaccurate registrations, particularly within the gas network, where the equipment may not be energy-dependent or critical. Revising the form layout to clearly guide medical practitioners to select only one life support classification would likely significantly reduce inaccurate or unconfirmed registrations in both electricity and gas and enable a more reliable and accurate life support register.

Further, we encourage the ESC to consider other reforms that prevent retailers from registering customers as requiring gas for life support equipment by default when they require electricity-powered equipment. This appears to happen with dual-fuel contracts and in an abundance of caution. However, this results in gas life support registers being oversized and inaccurate, resulting in increased cost for managing the gas network and inefficiency in operations.

We support medical confirmation requirements for customers to remain on the life support register

AusNet supports the requirement for registered life support customers to periodically submit updated medical confirmation and also supports mandatory deregistration by retailers if the medical confirmation is not provided. This should apply to all customers, including those with permanent conditions. While the consultation paper proposes that the medical confirmation is updated every four years, there is an opportunity to align the frequency of medical confirmations with more regular customer visits to medical practitioners (particularly for customers with critical life support needs), which would further improve the currency of the life support register. We encourage the ESC to reassess the frequency of medical confirmation updates based on customer needs and typical engagement with medical practitioners.

Customer communications should be electronic by default for electricity customers

AusNet supports the broader use of electronic communications for electricity life support customers and their nominated contacts. Electronic communication is more reliable, cost-effective and timely, especially as postal delivery timeframes increase. Electronic communication should be the default method unless customers opt in to receive regular mail. These changes would support more efficient communication, reduce costs and improve customer experience, particularly for those in rural or non-standard premises. This is supported by our customer research which shows that customers prefer electronic communications over regular mail.

Conversely, AusNet recommends retaining the current communication framework for gas life support customers without requiring further investment to enable electronic communications. Communications with gas customers

are rare compared to electricity customers, due to a significantly lower number of planned and unplanned outages. To date, we have not received any feedback from gas customers indicating a preference to receive electronic communications.

The implementation of the life support reforms should be aligned with other market reforms

AusNet supports the timely and efficient implementation of the proposed life support reforms, to enable customers to receive better and more targeted protections as soon as possible. However, a significant market reform package is currently underway to deliver National Electricity Market (**NEM**) reforms and the Australian Energy Market Operator's (**AEMO**) Market Interface Technology Enhancement (**MITE**), which require substantial system changes for all industry participants. These are the same systems that would need to be updated to implement a new life support framework. Therefore, we recommend aligning the implementation of the life support reforms with the broader market reforms currently underway, scheduled for completion in late 2027.

We expand on these positions and provide more information and examples in the body of the submission.

We appreciate the opportunity to contribute to this important consultation and look forward to working collaboratively to improve outcomes for life support customers.

Please do not hesitate to contact me at [REDACTED] about this submission.

Sincerely,

[REDACTED]
Christina Telya
Compliance Manager, Distribution
AusNet

1. New definitions

1.1 Critical and assistive life support equipment

Electricity

AusNet strongly supports the proposed differentiation between critical and assistive life support equipment to distinguish between those who rely on electric medical equipment to sustain life and those who require electric medical equipment to improve quality of life. This distinction is essential during emergency events, such as prolonged power outages, as it enables emergency services and government agencies to prioritise assistance for customers who rely on electric medical equipment to sustain life or prevent lifelong irreversible injury. Accurate classification will improve the effectiveness of emergency response and provide timely support to those most at risk.

AusNet also supports splitting the life support equipment list into two categories, one for critical equipment and one for assistive equipment, to assist medical practitioners in accurately classifying a life support customer. The distinction will be essential to maintaining an accurate life support register that enables emergency services and government agencies to prioritise those who rely on electricity-dependent equipment to sustain their lives during emergency events.

These adjustments would remove ambiguity, reduce the administrative burden on retailers and distributors, support medical practitioners and help the life support register more accurately reflect customers who genuinely require electricity-dependent medical equipment.

Gas

AusNet proposes that all gas life support equipment be classified as assistive, not critical. We are not aware of any gas-powered medical equipment that sustains a person's life. From our operational experience, the only gas equipment associated with life support registrations is heating, which plays an important role in comfort and wellbeing but does not meet the threshold of critical equipment. For this reason, gas-powered equipment should always be classified as assistive in the life support framework.

1.2 Equipment list

Electricity

AusNet's experience with the life support framework has highlighted significant confusion around what constitutes life support equipment in the context of energy. As customers typically register their premises through their retailers, and retailers are not trained medical professionals, we have observed a sharp increase of registrations where ineligible equipment has been accepted via the medical confirmation process. This issue is further compounded by the use of non-standardised medical confirmation forms, which typically include the current list of life support equipment that is open-ended and unclear, leading to ineligible registrations and subsequently inaccurate life support registers.

To further improve clarity, we propose a small but important change to the current list to clarify that 'other medical equipment' must be equipment that requires a supply of energy. While the definition of *life support equipment* states this, explicitly adding it within the list would help avoid the registration of ineligible equipment. It would also assist medical practitioners by clearly indicating that only energy-dependent equipment qualifies, removing ambiguity and reducing the risk of misclassification.

Gas

As stated in the cover letter and in Section 1.1, AusNet is not aware of any gas-powered medical equipment that sustains a person's life and unplanned outages and emergency management in gas are extremely rare. Therefore all gas life support equipment should be classified as assistive, not critical. A separate list should be developed to clearly outline eligible gas-powered equipment, informed by the medical industry.

1.3 Nominated contact person

Electricity

AusNet supports allowing life support customers to nominate a secondary contact person to receive communications about outages. However, the definition and associated rules could be improved to further clarify the intent, address privacy implications and enable updates to the contact details as required.

We propose that the definition include a statement that nominating a contact person is optional. Additionally, it should clearly indicate that the contact person will only receive electronic communications. While this is implied in the proposed changes to the National Energy Retail Rules (**NERR**), it is not clearly reflected in the proposed definition.

Currently, the nomination of the contact person is captured in the medical confirmation form. While this may be suitable at the time of registration, customers should be able to easily change or remove the nominated contact person without resubmitting a medical confirmation form. This could be particularly important for customers experiencing family or domestic violence. AusNet proposes this be clarified in the rules by introducing an obligation on life support registration process owners (**RPOs**), i.e., the entities who registered the customers, to provide a mechanism for customers to update this information when needed.

Gas

In the gas network, as we do not envisage customers would have critical life support equipment and both planned and unplanned outages are rare, we do not believe introducing a nominated contact person is necessary or warranted. This would reduce the need for investment to comply with this change at a time when the gas network must evolve to be fit for purpose rather than mirror the requirements of the electricity network.

2. Registration process ownership

2.1 Changes to how life support customers register

AusNet proposes additional reforms to life support-related obligations in the Electricity Distribution Code of Practice (**EDCOP**) and Gas Distribution Code of Practice (**GDCOP**) beyond what is outlined in the ESC's consultation paper. We recommend changes to restrict life support registration to retailers only. Retailers already manage the customer relationship and are required to maintain relevant customer details, making them best placed to manage the registration process. In contrast, distributors do not typically have a direct relationship with customers, and many customers are unaware of who their distributor is. In most cases, customers will contact their retailer as the first point of contact for any energy-related support.

From an operational perspective, this approach would also reduce confusion and improve data accuracy. AusNet currently has over 22,500 electricity life support customers on its register and approximately 7,000 gas life support customers. In both electricity and gas, due to the nature of interaction between the retailer and the customer, 99% of registrations originate from retailers, reflecting the reality that customers rarely engage directly with distributors.

This imbalance underscores the inefficiency of maintaining two registration pathways and reinforces the need for a single, streamlined registration process led by retailers. Transferring the small number of customers currently registered directly with AusNet to a retailer-owned register would be an insignificant cost, while delivering significant efficiencies in the future.

2.2 Requesting updating medical confirmation

As stated in Section 3, AusNet supports the requirement for life support customers to submit updated medical confirmation in order to remain on the life support register. We propose that the responsibility to request this updated medical confirmation should rest with the RPO. This provides a clear point of accountability and maintains consistency in customer communications. It also supports the collection and maintenance of accurate data, which is essential to delivering the appropriate level of support to life support customers, particularly during planned or unplanned outages.

3. Medical confirmation form template

3.1 Changes to the template

AusNet supports the introduction of a standardised medical confirmation form, as it promotes consistency across the industry and helps reduce misinterpretation. However, based on our operational experience, we have identified several areas where the current form could be improved to enhance accuracy and usability.

In particular, we have observed that where retailers sell both gas and electricity, life support customers registering through these retailers are often incorrectly recorded as requiring both gas-powered and electricity-powered life support equipment. This has contributed to a high number of inaccurate registrations, especially within the gas network, where the equipment in question may not be gas-dependent or critical.

To address this, we recommend that the medical confirmation form include a tick box to indicate whether the customer requires life support equipment for electricity, gas, or both, with the relevant equipment lists for each energy type, as discussed in Sections 1.1 and 1.2, included beneath. These additions would help prevent incorrect assumptions and support more accurate classification of customer needs.

Additionally, the structure of the current form may lead to confusion. In its current format:

- Requiring assistive equipment is labelled as A1
- Requiring critical equipment is labelled as A2
- The list of equipment options is labelled as A3.

This layout may unintentionally suggest that multiple sections should be completed (i.e., A1 and A2) rather than guiding the medical practitioner to select only one classification, either assistive (A1) or critical (A2).

To reduce the risk of misclassification, the form should be revised to make it explicit that there is one question with two options for electricity customers: *What type of electricity-powered life support equipment does the customer require – critical or assistive?* For gas customers, there should only be one option: assistive.

Clarifying this and restructuring the form accordingly would help medical practitioners complete it correctly and lead to more accurate registrations.

4. Medical confirmation requirements

4.1 Mandatory deregistration

Based on operational experience, AusNet has observed that few retailers actively undertake the deregistration process for customers who have not provided medical confirmation. Because deregistration is not currently mandatory, our life support register contains a large number of outdated registrations, including customers who have never submitted medical confirmation and have remained on the register for several years.

Through our conversations with customers and experiences in the past three years, we have identified several examples of this issue, including a customer who registered for heating equipment for their pet snake, a customer who registered for a non-electric oxygen tank while they were diagnosed with COVID-19 for a week and a customer who passed away five years prior. These cases illustrate the broader issue that the absence of a robust deregistration mechanism has contributed to a rapidly growing and increasingly inaccurate register, which undermines the effectiveness of the life support framework.

We support the introduction of a requirement to deregister customers who have not provided medical confirmation within the prescribed timeframe and after appropriate reminders have been issued. The reform would help maintain a register that more accurately reflects customers who genuinely rely on life support equipment to sustain or support their lives.

AusNet does not support the proposed requirement for mandatory deregistration where the retailer is the RPO and the distributor becomes aware of a change in the customer's circumstances. Due to the high frequency of

retailer churn in Victoria, the timing of life support transactions and the requirement to register a life support customer from any retailer, there can be significant complexity surrounding individual customer transfers. AusNet strongly advocates for retaining flexibility in such circumstances to maintain customer protections and mitigate the risk of wrongful deregistration. Imposing a mandatory deregistration could increase the likelihood of errors and adversely impact customers.

4.2 Frequency of medical confirmation updates

AusNet strongly supports the requirement for customers to provide updated medical confirmation on a regular basis. While the consultation paper proposes a four-year timeframe, there is merit in reviewing the timeframe to align with changing customer needs. Customers who rely on life support equipment are likely to visit their medical practitioners more frequently than those without life support needs, either for ongoing treatment or routine check-ups. We encourage the ESC to review the frequency of medical confirmation updates and align it to customers' lived experience with medical practitioners. This would more accurately reflect customers' current medical needs, reduce the number of outdated registrations and better support those who genuinely depend on energy supply for their health and wellbeing.

4.3 Permanent conditions

AusNet acknowledges the value of allowing customers to indicate a permanent medical condition when registering for life support. However, we believe that all customers, regardless of whether their condition is classified as permanent, should be required to provide updated medical confirmation periodically, consistent with the requirements for all other life support customers.

In cases where a customer has passed away, it can be difficult for retailers or distributors to identify that the premises no longer requires life support equipment. Without a process to review these registrations by through periodic updates of medical confirmation, the life support register may continue to include entries that no longer reflect current circumstances. This can be distressing for loved ones and contributes to a register that does not accurately represent current needs.

Requiring all customers to provide updated medical confirmation would support a more streamlined and consistent process for RPOs. Maintaining two separate processes, one for customers with permanent conditions and one for those without, adds unnecessary complexity and increases the risk of outdated registrations that cannot be managed. Applying a consistent update requirement across all life support customers would simplify the process, reduce administrative burden and better reflect the current needs of customers who rely on energy-powered medical equipment.

4.4 Cap on registration attempts without medical confirmation

AusNet supports the proposed cap of two attempts to register as requiring life support equipment before medical confirmation is required upfront. This approach strikes a balance between enabling timely access to life support protections and maintaining the integrity and accuracy of life support registers.

While we acknowledge the practical challenges of implementation, we agree with the principle that repeated registrations should be substantiated by medical confirmation. However, in practice, retailers do not share information about previous life support registrations with prospective retailers. This means customers could switch retailers and repeatedly register as requiring life support equipment without ever providing medical confirmation. As data sharing between retailers is limited, some customers may continue to misuse the life support framework.

We encourage the ESC to consider mechanisms that promote consistent implementation across the sector to support the intent of the proposed cap. This could include improved data sharing between retailers and clear, practical guidance for both retailers and distributors.

5. Communication preferences

5.1 Electronic communications

Electricity

AusNet supports the use of electronic communications for electricity life support customers who have nominated this as their preferred method. Our customer insights indicate that customers generally prefer to receive electronic communications due to their convenience and reliability. However, fewer than 1% of our electricity customer base of over 800,000 customers have elected to receive electronic-only communications. This low uptake may be due to customers not realising they must update their communication preferences with both their retailer (for billing) and their distributor (for outage notifications). This split in responsibility can lead to confusion.

We support the expanded use of electronic communications to communicate with electricity customers due to its reliability and lower cost compared to physical mailed notifications. With Australia Post delivery timeframes being reduced, especially in rural and regional areas, it is becoming increasingly difficult to conduct our processes efficiently using mail. In some cases, where the 'customer' is a piece of equipment or a non-residential building without a mailbox, notifications are not delivered directly to the account holder. Once notifications are given to Australia Post to send, whether they reach the intended recipient is beyond our control. This is not an ideal process or experience for customers who rely on timely information.

AusNet proposes that the EDCOP be amended to allow the use of electronic communication methods as the default for both life support and non-life support customers, where relevant electronic contact details are available, unless the customer has explicitly updated their preferences to receive communications by mail.

Gas

Conversely, AusNet proposes that customer communication requirements remain unchanged for gas customers. The current notification framework is fit for purpose, particularly as the level and frequency of customer communications with gas customers is rare compared to electricity. Changing the customer communications framework would require additional investment in electronic platforms at a time when customers are considering leaving the gas network. In this respect, it is unnecessary for gas and electricity protections to mirror each other.

6. Gas life support obligations

6.1 Required divergence of gas life support obligations from electricity

There are inherent differences between the electricity and gas networks that result in different customer experiences and hence a need to design fit-for-purpose customer protections for each network. Some of the differences include:

- Gas networks have far fewer planned and unplanned outages as the network is underground.
- Customer communication is rare due to lower activity on the network.
- Electricity customers have smart meters, allowing them to switch retailers frequently. In contrast, gas meter reads are still conducted manually, usually on a quarterly basis, which also aligns with the frequency at which customers can change retailers.
- The energy transition is incentivising customers to move away from gas and fully electrify their homes and businesses, which means that reliance on gas is anticipated to fall over time, while the opposite is true for electricity.

In relation to life support protections, the difference between gas and electricity networks means that:

- There is a difference in criticality of life support equipment—there is a wide range of electrical life support equipment classified as critical to sustaining one's life, however, there have been no known gas appliances with that status to date.
- The process of registering and de-registering life support customers is inherently more complex in the electricity sector due to the much higher frequency of customer churn. As a result, life support systems in electricity must be designed accordingly, to accommodate frequent changes. Conversely in gas, customers churn every three months at most, meaning gas life support systems and processes could be designed differently.
- Customer communications with life support customers need to be appropriate based on the customer experience in each network. With more frequent outages in the electricity network, there is a need to have more modern and fast communications through electronic means, while in the gas network customers are not asking for similar changes away from regular mail.

For the reasons stated above, there is a significant opportunity to refine gas life support obligations as part of this reform in a way that meets customer needs while maintaining necessary protections, rather than mirroring electricity life support obligations.

This is particularly important in the context of the energy transition where reliance on electricity is growing while the gas network will likely reduce in size and customer numbers over time. As each customer leaves the gas network, the cost burden of maintaining the network (including life support obligations) is borne by the remaining customer base, a lot of whom may experience other hardship and vulnerabilities which are preventing them from moving away from the gas network. Coupled with increasing gas wholesale prices and bills, there has never been a more pressing time to review and refine gas network obligations in way that they deliver the necessary and appropriate customer protections at least cost to remaining customers on the gas network.

6.2 Preventing gas life support registration by default

AusNet also urges the ESC to consider additional reform to prevent retailers from registering customers as requiring gas for life support equipment as default when registering customers for electricity life support. This appears to happen with dual-fuel contracts and in abundance of caution. However, this results in gas life support registers being oversized and inaccurate, impeding the efficiency of gas network operations by:

- Preventing disconnections unnecessarily.
- The inefficient use of resources during emergency events.
- Causing increased compliance costs, leading to higher energy costs for all gas consumers.

We believe that implementing reforms that prevent the practice of default assignment to the gas life support register if a customer has notified the retailer of electricity life support requirements will create a marked reduction in the number of non-medically confirmed gas life support customers.

7. Timeframe for implementation

7.1 Alignment with other industry changes

AusNet recommends that the implementation of the proposed life support reforms be aligned with other major industry-wide changes scheduled for completion in late 2027. The changes include updates to enable flexible trading arrangements and AEMO's MITE, which will require significant upgrades to its identity and access management systems and Industry Data Exchange technology, which are the same systems that will require an upgrade when the proposed life support reforms come into effect. On average, AusNet also supports two AEMO schema changes per year, with the frequency of these changes increasing. We urge the ESC to consider the volume and size of changes underway when assessing the appropriate implementation timeframe.

The proposed life support reforms will require significant system changes to capture additional customer information and accommodate new or updated processes. Aligning implementation with the other known regulatory and market reforms would allow businesses to plan and deliver these changes more efficiently,

avoiding duplication of effort and minimising disruption to businesses. Coordinating the timing of these changes would also help reduce costs and administrative burden across the sector, particularly for retailers and distributors who will need to make extensive system and process updates.

7.2 Timing of life support classification implementation

The ESC's consultation paper indicates that energy businesses may start registering life support customers as 'critical' or 'assistive' prior to the implementation date, which is currently proposed to be 18 months following the final decision. AusNet recommends that the classification of life support customers not be implemented until the supporting system changes are required to be operational as this could result in misalignment across energy businesses, e.g., retailers and distributors, thereby undermining the reliability of the life support register.