



Promoting opportunities. Protecting rights. For older Victorians.

COTA Victoria & Seniors Rights Victoria

Energy Consumer Reforms

To:

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About us

[Council on the Ageing \(COTA\) Victoria](#) is the leading not-for-profit organisation representing the interests and rights of people aged over 50 in Victoria. For over 70 years, we have led government, corporate and community thinking about the positive aspects of ageing in the state. Today, our focus is on promoting opportunities for and protecting the rights of people 50+. We value ageing and embrace its opportunities for personal growth, contribution, and self-expression. This belief brings benefits to the nation and its states alongside communities, families, and individuals.

[Seniors Rights Victoria \(SRV\)](#) is a program of COTA Victoria, and the only state-wide community legal centre dedicated to advancing the rights of older people and the early intervention into, or prevention of, elder abuse in our community. SRV has a team of experienced advocates, lawyers, and social workers who provide free information, advice, referrals, legal advice, legal casework, and support to older people who are either at risk of or are experiencing elder abuse. SRV supports and empowers older people through the provision of legal advice directly to the older person.

1 Introduction

In November 2024, COTA Victoria and Seniors Rights Victoria provided a submission to the Essential Services Commission's Energy Consumer Reforms Discussion Paper. Our views, and the advice we provided, remain unchanged. Once again, we would like to emphasise that utility bills often represent the single largest category of expenses that older Victorians struggle to pay – with many forgoing other essentials or sufficient power usage to make ends meet. These choices demonstrate that the system and supports remain inaccessible and a source of hardship to many Victorians.

2 Proposed reforms

2.1 Ensuring automatic and equitable access to the best offer

We strongly support reforms that ensure all consumers — especially those experiencing payment difficulty — automatically receive the best available energy offer. People do not choose to fall into arrears; rather, evidence shows many prioritise energy bills over other essentials to stay connected.

Current systems place an unfair burden on consumers to actively "engage" to access fair pricing, excluding those who face barriers such as long wait times, digital literacy challenges, or limited access to technology. These barriers disproportionately impact older Victorians and others in vulnerable situations. Access to a fair deal should not be conditional on navigating complex systems; it must be embedded within a consumer-focused, essential service framework.

Automatic best offer provisions are a vital expression of positive consumer duty and align with public expectations of a regulated, competitive market: that vulnerable consumers are protected, not penalised, for their circumstances or limited digital engagement. Monitoring measures should be further considered to ensure retailers do not respond with inflated base rates or restrictive conditions.

We also support reforms that make switching to better offers easier, more transparent, and more inclusive. Requiring digital-only access, direct debit, or e-billing to obtain the best price is exclusionary and unfair. These requirements particularly disadvantage older people, those with disabilities, and individuals in financial hardship who may rely on paper billing or alternative financial arrangements.

2.2 Extending protections for customers on legacy contracts

Many older consumers remain on long-term or "set-and-forget" contracts, often unaware that better offers exist. The reform to require retailers to review prices for customers on contracts older than four years is strongly supported by COTA Victoria and Seniors Rights Victoria, as it provides critical protection against loyalty penalties and market inertia.

The burden should not be on the consumer, especially those with limited digital literacy or confidence, to regularly assess whether they are receiving a fair deal. Moving customers to

a better offer without requiring explicit consent (with the option to opt-out) reflects a fair balance between market flexibility and consumer protection.

We support the idea of reviewing whether a shorter threshold (such as three years) would be more appropriate, particularly given how frequently market offers change. We also support action to inform consumers of their savings, particularly if changes might initially appear as a price increase.

2.3 Improving the application of concessions on bills

A gap remains between the number of people eligible for energy concessions and those actually receiving them. Many older people, particularly those from culturally and linguistically diverse backgrounds or those managing multiple household bills, may be unaware of their eligibility or face barriers to applying.

We support reforms to standardise and improve the application of concessions. A consistent, baseline standard across retailers would improve access, reduce administrative burdens, and help ensure people receive the entitlements they are due. We urge the commission to also consider the issue of concession "drop-off", where consumers lose their concession due to administrative lapses or verification failures. Any reform should include safeguards to minimise these occurrences and protect low-income consumers from unnecessary bill shocks.

2.4 Improving the awareness of independent dispute resolution services

Too many consumers remain unaware of their right to free, independent dispute resolution through the Energy and Water Ombudsman Victoria (EWOV). This lack of awareness erodes consumer confidence and prevents some from accessing fair outcomes.

COTA Victoria and Seniors Rights Victoria support the proposal to include information about EWOV on bills. This small inclusion can have a significant impact, especially when people are confused or distressed about their energy situation. It ensures consistency with other regulated sectors like financial services, where contact details for ombudsman schemes are routinely provided.

We reject the argument that including EWOV details will "clutter" the bill. If anything, this information is among the most important a customer can receive. Access to redress should not be limited to those already in dispute; all consumers have a right to know where to turn if they encounter a problem. Providing this information aligns with a positive consumer duty and ensures that vulnerable customers are not left to navigate complex disputes alone.

2.5 Increasing the best offer and debt disconnection threshold

Disconnection from an essential service like energy should always be a last resort, not a tool used to pressure engagement. We are concerned that the threat of disconnection is often used as an engagement mechanism, rather than a genuine step in a graduated assistance process. This is inappropriate and inconsistent with a principles-based regulatory framework.

An increase to the disconnection fee is a positive step. However, the proposed \$500 threshold is not aligned with the lived realities of energy billing. It does not consider seasonal spikes in bills, such as during winter heating or summer cooling periods, where a single quarterly bill can easily exceed this amount. The average debt at disconnection currently stands at \$2,500, while average consumer energy debt is approximately \$1,300. Therefore, while the proposal seeks to increase the disconnection figure from \$300 to \$500, we expect that this will do little to discourage disconnection activity earlier in the debt cycle, particularly if retailers see it as a permission point rather than a protective barrier.

Furthermore, if some retailers are not currently disconnecting at \$300 or, in line with the proposed threshold of \$500, but still object to a higher threshold, this raises concern about their intent — is it about actual disconnection, or the use of its threat? This reinforces the need to design disconnection thresholds not around retailers' operational preferences, but around consumer protections.

We recommend that thresholds be tied to meaningful indicators of financial distress and be coupled with clear obligations around communication, hardship support, and referral to the best offer or payment difficulty assistance. A hard figure such as \$500 is not future-proofed and lacks the flexibility to respond to inflation, rising energy costs, and varied household circumstances. Ultimately, the focus should not be on the exact dollar amount, but on ensuring a process that maximises early intervention and minimises harm.