EWOV submission
Draft Getting to fair: Advancing equity strategy

25 February 2026

Introduction

The Energy and Water Ombudsman (Victoria) (**EWOV**) welcomes the opportunity to provide input to the Essential Services Commission (the **Commission**) on the draft *Getting to fair: Advancing equity* strategy (the **draft strategy**).

EWOV provides free, independent dispute resolution for Victorian consumers by receiving and resolving energy and water complaints. We work to ensure fair and reasonable outcomes when energy and water problems arise. We use our unique data insights about consumers' experiences of the Victorian energy and water markets to improve consumer and market outcomes, through our engagement with businesses, government, regulators and the wider community.[1]

EWOV received more than 20,000 cases between 1 January and 31 December 2025. This follows a steady increase in case volumes over recent years, a trend we expect to persist. Contributing factors include global events driving energy price volatility, rising affordability pressures, increasing market complexity from new energy technologies, the impact of large-scale renewable projects on communities, and challenges for consumers navigating available supports.

Over 20 per cent of EWOV cases involved consumers experiencing vulnerability.[2] EWOV has observed some improvements in how retailers respond to vulnerable consumers. These improvements have been driven, in large part, by the Commission's clear expectations, set out in *Getting to Fair*, that essential service providers reduce barriers for consumers experiencing vulnerability. This includes regulated responses to payment difficulty and family violence in the energy retail rules and water industry standards, targeted reforms to prevent disconnection during the pandemic, and the recent release of the *Designed to Disrupt* better practice guide.

Despite these positive developments, more sustained action is needed to ensure essential services consistently embed fairness and equity in their interactions with individual consumers (such as in Joan's case detailed below) and in service design. This is increasingly important in the context of the energy transition, where growing complexity and uneven distribution of costs and benefits can deepen inequity, particularly for consumers who do not engage with the market.

In this context, EWOV supports the Commission's work to address both individual and system-level inequity, with a continued focus on improving outcomes for consumers experiencing vulnerability.

[1] See Clause 5.1 of EWOV's Charter.
[2] Cases flagged for vulnerability between 1 January – 31 December 2025. EWOV may flag a case when a consumer disclosed they were experiencing vulnerability, or the facts they reported indicated they were likely experiencing vulnerability. The primary issue in dispute may or may not directly relate to the consumers' vulnerability. While EWOV staff receive training to support this approach, not all indicators of consumer vulnerability may be identified or reported.

Our feedback on the draft strategy is set out below. EWOV welcomes ongoing engagement with the Commission as it works to promote the long-term interests of Victorian consumers and progresses actions to achieve its strategic goal of advancing equity.

Case study

Payment difficulty | Family violence | Limits of retailer support

Ashley* contacted EWOV on behalf of Joan*, who was experiencing issues with payment difficulty and poor customer service. Joan had contacted her energy provider to apply for the Utility Relief Grant (URG) for both gas and electricity, as an experience of family violence had caused financial hardship. Joan had been asked inappropriate questions about her experience by the retailer. Joan managed to receive the URG for one account, but not the other, and believed this contributed to accumulation of debt. Although she was hesitant to contact her retailer after her poor experience, she reached out to discuss options to manage the debt. Joan reported that the retailer had offered a payment plan she could not afford, which is when she asked Ashley to contact EWOV for assistance.

As part of our initial assessment of the account, EWOV found that there was over $3,400 owing for gas and over $3,700 for electricity. Ashley confirmed that Joan now lived as a single mother, following a long-term family violence situation, and was also experiencing multiple physical and mental health issues impacting her ability to work. Joan relied on Centrelink payments for income and was very concerned about her energy being disconnected.

Our review of the case indicated that the initial contact for the URG had occurred in 2023, and she was eligible to receive the URG for both accounts again. EWOV reviewed contact notes between the retailer and Joan, and found that although the retailer had complied with its minimum requirements in relation to evidence when engaging with a consumer in family violence circumstances, there were multiple opportunities where the agent could have handled the call with more care in light of clear indicators of Joan's vulnerable state.

Recognising these missed opportunities and the impact on Joan's willingness to seek further assistance, the retailer confirmed it would apply for the URG, provide a $1300 customer service gesture for the issue with URGs in 2023, and credit the account a further $1,300 to match the amount it expected Joan would receive. The retailer applied an additional $1,400 credit for both accounts to bring the total amount owing down to $1,800. The retailer agreed to set up a 12-month underpayment arrangement with Joan in light of her ongoing payment difficulties, with the intention to set up a further plan in line with future URG eligibility. Joan was satisfied with this outcome and the complaint was resolved.

**Name changed for privacy purposes.*

Overall feedback on the draft strategy

EWOV supports the second iteration of the ESC's strategy, which broadens the focus from removing barriers for individual consumers to improving equity and outcomes through system-level regulatory responses. The new goal for the strategy to *"promote just outcomes and equitable access to essential services for all Victorians, today and tomorrow"* clearly reflects this shift.

Essential services are undergoing significant transitions: decarbonisation, digitalisation, technological innovations and new service delivery models, alongside persistent cost-of-living pressures. These shifts elevate the risk of inequity without targeted regulatory responses.

In this context, we support the Commission's critical role in fairly distributing the costs, benefits and risks of essential services. We particularly welcome its continued focus on improving outcomes for consumers experiencing vulnerability.

Energy and water providers play a vital role in identifying and responding to consumers experiencing vulnerability to ensure ongoing access to essential services. We welcome the Commission's continued efforts to strengthen provider responses to individual consumers.

A key challenge the Commission will face in achieving the draft strategy's goal is the complex and evolving nature of consumer vulnerability, which is often shaped by circumstances beyond energy hardship. Consumers who present to EWOV frequently have other intersecting challenges, such as financial hardship, family violence, and physical and mental health issues.

The draft strategy could more explicitly recognise these intersecting challenges and ensure energy and water providers do not entrench or exacerbate vulnerability when consumers seek help. This should include clear expectations for providers to recognise complex and evolving forms of consumer vulnerability and adapt their approaches to reflect best practice responses as they emerge, guided by strong leadership from the Commission to drive consistency across the market.

However, the Commission and the services it regulates cannot address these broader challenges alone. Holistic policy responses will be required to actively address existing inequities, strengthen the effectiveness of energy and water-specific supports and mitigate increasing cost pressures over the coming years. These matters are discussed in further detail on page 10.

EWOV responses to the consultation questions

Are there matters we should consider in evolving our Getting to Fair strategy to encompass both individual and system-level equity?

A consumer duty could support this approach

EWOV strongly supports an action the Commission has proposed to explore *"principles-based, outcomes-focused regulation to drive better consumer outcomes and reduce reliance on unnecessary prescription (for example, a consumer duty of care)."*[3]

In our view, a consumer duty would be a key enabler of evolving the approach to encompass both individual and system-level equity and achieving the strategic goal. It could also assist the Commission with ensuring the costs, benefits and risks of its regulated services are distributed fairly across diverse consumer and user segments, including current and future generations.

A consumer duty would also set an overarching regulatory expectation about conduct of essential service providers when dealing with consumers and drive a culture of greater sensitivity to achieving fair consumer outcomes.

A consumer duty would have particular benefits for consumers experiencing vulnerability

While a consumer duty would drive better outcomes for all consumers, there are particular benefits for consumers experiencing or at risk of vulnerability, who continue to experience barriers to accessing essential services at a reasonable cost. While the Payment Difficulty Framework (**PDF**) has improved retailer approaches to financial hardship and reduced the volume of disconnections, EWOV continues to see high levels of debt, consumers missing out on, or not receiving their entitlements, or facing barriers when they attempt to seek support.

In many cases we handle, retailer conduct often aims to meet, but rarely exceed, minimum standards of assistance set out in the PDF, and rarely leverages other actions that would be suitable, but not necessarily required, in the circumstances. The framework contributes to this culture - EWOV observes instances of providers acting in ways prescriptive rules permit, but that we do not consider fair or reasonable and drive consumer harm. Joan's story on page 2 illustrates an example of this.

A consumer duty, articulated in well understood terms that reflects broader social values and norms, could drive better outcomes for consumers experiencing vulnerability. A consumer duty places a positive obligation on providers to act in a flexible and appropriate way that is responsive to the specific interests and needs of the individual consumer they are dealing with. This would help enable continued access to an essential service, ensuring retailers do not take actions that drive harm, such as collections or disconnections activities, when other actions could be taken instead.

This submission includes insights that illustrate how consumer vulnerability is complex and dynamic, with new risks emerging as the market evolves and responds to external factors. An overarching obligation that expresses the fundamental consumer protection intent of the relevant rules would help to clarify regulatory expectations into the future and could alleviate the need to introduce targeted rules or address emerging gaps.

[3] Draft strategy, p 10.

Do you think the priority themes are the right themes to help achieve our goal?

- **If yes, is there a way we could strengthen or improve the themes?**
- **If no, are there other themes we should consider?**

EWOV broadly supports the priority themes, which we consider allow the Commission to build on work progressed under the objectives of the previous strategy while allowing the Commission to respond to emerging needs, risks and harms. EWOV particularly supports an approach where priority actions under each theme will be published in the Commission's annual regulatory priorities plan, ensuring that actions to drive fairer and more equitable outcomes are a Commission-wide commitment in its workplan.

EWOV encourages the Commission to consider establishing an annual consultation process to shape which actions the Commission will commit to each year. This could be achieved by leveraging the Commission's existing community and industry forums as well as proactively engaging with people with lived experience, noting EWOV recommends the Commission ensure any such process is appropriately resourced and recognises the contribution of community members.[4]

The Commission has proposed a number of actions in the draft strategy that may be delivered under the priority themes, which have not yet been committed in its work program. EWOV welcomes this opportunity to comment on these proposed actions, as well as other actions we recommend the Commission prioritise.

EWOV feedback on proposed priority actions

1. Business conduct – developing consumer protections for innovative products and services

EWOV has witnessed first-hand the profound shifts in energy and water markets, driven by the energy transition and climate imperatives, technological innovation and difficulties, and evolving consumer needs and expectations. These changes present an opportunity to reimagine energy and water markets, including regulatory settings and whether they are fit for purpose and allow industry to rapidly evolve and respond to emerging opportunities and risks.

Market complexity is a by-product of this and can contribute to creating or exacerbating inequity, creating some barriers to accessing essential energy and energy adjacent services. These risks are greater for consumers with lower energy literacy levels or those at risk of experiencing vulnerability.

Emerging Consumer Energy Resources (**CER**) products and services in particular promise the benefits of more affordable energy, but have high upfront costs. Further, these products and services are closely integrated with existing energy retail arrangements and can have a direct impact on a consumer's supply and ability to use energy.

Both government and regulators have a role in ensuring all consumers have fair and equitable access to energy products and services as they evolve and are protected from potential harms, including by:

- Reducing barriers to accessing energy products and services and designing the market in a way that does not create or exacerbate inequality.

[4] EWOV encourages the Commission to consider engaging with groups including, but not limited to, the Victim Survivor Advisory Council (family violence victim survivors), Noor Survivor Advocates (migrant and refugee family violence victim survivors), Lived and Living Experience Advisory Group (mental health), Experts by Experience (Women with Disabilities Victoria).

- Reducing specific financial risks including by setting fair and equitable pricing and providing finance options and payment difficulty protections where needed.
- Establishing consumer protections that build consumer trust and confidence across the whole market, with targeted protections to address consumer vulnerability.

EWOV welcomes the proposed action to drive these changes. We encourage the Commission to leverage reforms underway initiated by Department of Environment, Energy and Climate Action's Consumer Protections for CER and Department of Climate Change, Energy, Environment and Water's CER Roadmap.

2. System level responses – exploring principles-based, outcomes-focused regulation

EWOV has observed the Commission shifting towards a more principles-based, outcomes-focused regulatory approach, such as in the recent Energy Consumer Reforms Final Decision. EWOV strongly supports this approach, which we consider helps providers focus on actions to drive fairer consumer outcomes, shifting away from a culture of rigid compliance that does not meet an intended objective.

Principles-based obligations can set minimum standards of conduct, while also allowing for greater flexibility for providers to develop effective approaches to achieve the intended objective. In some cases, particularly where there is greater risk of harm, targeted guidance will also be needed, to clarify expectations and support compliance.

The Commission has a track record of using these approaches to ensure consumers are accessing their entitlements to assistance. For example, the provisions in the Energy Retail Code of Practice (the **Code**) aimed at improving access to energy concessions and rebates. These provisions provide more detailed guidance about retailer conduct, sitting under a broader objective to make disconnections for non-payment a measure of last resort. These provisions are also supported with better practice examples set out in the Commission's Payment Difficulty Framework Guideline.

EWOV considers that introducing principles-based rules to target specific issues could be supported with the introduction of a fundamental, overarching consumer duty, which frames how rules can be applied in practice. EWOV considers an overarching obligation could encapsulate relevant consumer protections and frame how providers should interpret rules and guidance which apply to particular circumstances and high risks of harm. In this way, principles-based obligations come together with rules based regulatory approaches, to deal with the full range of risks and conduct in the dynamic energy market.

3. System level responses – exploring options to reduce higher energy costs faced by some consumers experiencing vulnerabilities

EWOV welcomes the Commission's continued focus on actions to reduce high energy costs faced by some consumers experiencing vulnerabilities, which has been a key focus for us in our engagement with the Commission on its review of the Code. EWOV supports recent changes introduced by the Energy Consumer Reforms Final Decision, aimed at lowering energy costs for consumers experiencing payment difficulty or who do not or cannot engage in the market.

EWOV notes that while these changes will likely reduce the reliance on consumer-initiated engagement to receive assistance, engagement will nonetheless be required for consumers to access other assistance suitable to their circumstances.

We welcome the Commission exploring the introduction of a training requirement in the Code, to ensure that retail staff are sufficiently trained and capable in supporting consumers experiencing financial hardship. This will ensure that opportunities to provide early support to consumes are not missed, and retail staff can identify consumer needs and improve outcomes for consumers.

EWOV also encourages the Commission to consider further changes to the Code to drive better outcomes for consumers experiencing vulnerability and ensure ongoing access to energy in the next stage of the Review, including:

- Introducing new requirements for retailers to engage with consumers about the best offer when contacting retailers about high bills and indicating payment difficulty circumstances.
- Clarifying expectations that payment difficulty entitlements and broader financial hardship supports must be provided for closed accounts.
- Further changes to ensure disconnections are a measure of last resort, including:
    - Preventing disconnections where the consumer does not have payment difficulty assistance arrangements in place, but they are making genuine efforts to pay.
    - Clarifying retailer obligations in relation to using disconnection notices as a method of engagement, particular in circumstances where consumers are making genuine efforts to pay.
    - Introducing additional requirements to ensure retailers more thoroughly consider disconnection as a measure of last resort, such as undertaking an audit of the customers customer's contact history and usage patterns, actions and contact to determine where the relationship has broken down and what opportunities may exist for a reset.
- Strengthening protections for consumers seeking reconnection after being disconnected.

EWOV also notes a particular challenge for industry in supporting consumers experiencing long term or chronic payment difficulty and who cannot pay for ongoing energy usage. We explore this implementation challenge the Commission may face in more detail on p 10.

EWOV recommendations for other priority actions

1. Strengthening family violence protections

EWOV supports the Commission's continued commitment to improving outcomes for consumers impacted by family violence, including the establishment of the Safety by Design partnership and the launch of the Designed to Disrupt report outlining a path towards designing energy and water products and services for safety.

However, cases like Joan's illustrate that some challenges remain.

EWOV recommends further changes to ensure that:

- Energy and water providers are sufficiently trained and capable to identify family violence circumstances and provide appropriate and safe support.
- Energy and water providers' family violence-related policies reflect leading practice and are supported with adequate resources to be implemented, maintained and complied with.
- Consumers impacted by family violence can access the supports they are entitled to without being required to provide evidence.

While these outcomes may be achieved by introducing targeted amendments to relevant regulation, EWOV observes that the current framework permits practices that we do not consider fair or reasonable. This illustrates how reliance on prescriptive rules can drive a rigid culture of compliance, where providers act based on narrow or technical interpretations of regulatory requirements.

Better outcomes for victim survivors of family violence could be achieved with an approach that brings together existing minimum standards set out in relevant regulations and guidance for conduct expected in specific circumstances, such as in Designed to Disrupt, under an overarching consumer duty, which frames how rules and best practice examples should be applied to respond to consumers impacted by family violence. This would encourage providers to act to promote outcomes that are genuinely fair, reasonable and responsive to the needs of victim survivors.

2. Introducing specific protections for consumers impacted by natural disasters

Our case insights indicate that natural disasters are increasingly placing consumers at risk of vulnerability, with consumers reporting a range of concerns with energy and water provider responses to disaster events including:

- Continuing to receive bills, collections and disconnection notices for properties destroyed by natural disasters.
- Experiencing delays in having damaged assets replaced.
- Incurring large fees to have their supply reconnected after a disaster event.
- Experiencing poor customer service and inadequate financial hardship support from their providers after a disaster event.

These issues could be addressed by introducing targeted changes to better support consumers who have been impacted by natural disasters, including:

- Requiring energy and water providers to recognise natural disasters as a potential cause of payment difficulty and vulnerability and implement targeted natural disaster policies and response plans. This should include requirements to provide appropriate and tailored assistance for consumers impacted by family violence.
- Introducing obligations that prevent retailers from billing based on estimated reads, charging for daily supply or commencing collections or disconnections activities when the consumer has been impacted by a natural disaster.

Introducing an overarching obligation to act *efficiently, honestly and fairly* would also encourage providers to take action that drives better outcomes for consumers impacted by natural disasters.

3. Guidance for businesses initiating major business or technological change

Factors including the energy transition, changing consumer preferences and behaviours and the use of new technologies to increase productivity are changing the way energy providers deliver services and engage with consumers. EWOV has experienced major complaint events driven in large part by technological or process changes.

These events highlight the critical importance of effective change management processes to prevent consumer harm. Energy and water providers should ensure operational and technological change processes are inclusive, and do not create or entrench barriers to accessing energy and water services. To ensure any change intended to impact consumers is effective, early user testing could be built into design. For example, as part of reforms to improve consumer comprehension of bills, the Australian Energy Regulator invited consumers to review bills from nine retailers, before and after new billing information requirements were introduced.[5]

Further, providers should plan for diverse methods of engagement and mitigation in the event of changes not going to plan to reduce further harm.

What can be done to support our regulated sectors embed considerations of justice and equity at both the individual and system level?

Developing the energy justice framework

The Commission proposes to establish an energy justice framework. There are established policy and regulatory responses aimed at reducing barriers to accessing affordable energy and supporting consumers who experience vulnerability. However, Victoria does not have a standalone energy equity framework that coordinates government, regulatory and industry action to achieve energy

[5] Behavioural Economic Team of the Australian Government, Better bills impact report, August 2025, p 8.

equity. In this context, we welcome the proposal to establish an energy justice framework, which we consider could build on foundational work achieved by the first Getting to Fair Strategy, and play a key role in embedding energy justice and equity at both the individual and system level.

EWOV also notes work at the Commonwealth level to develop a National Energy Equity Framework, as part of the CER Roadmap, which, although endorsed by government, received some criticism from expert consumer and social justice advocates.[6] Alternatively, EWOV notes the Commission's recent work to establish the Safety by Design partnership, leveraging specialist family violence expertise and engaging widely with community and industry to build the Commission's and industry's capability in designing energy and water services for safety.

EWOV encourages the Commission to leverage a similar collaborative and expert-led approach to developing an energy justice framework, incorporating voices of people with lived-experience, to ensure it can deliver the outcomes the Commission is seeking to achieve.

Ensuring sustainable access to clean and affordable water

While a significant reform agenda is underway in response to the energy transition, water security is emerging as a critical issue for Victoria's future. Climate change, population growth, usage demands from new infrastructure such as data centres and changing rainfall patterns have the potential to place pressure on our water systems. Recently, Victoria has experienced hotter and dryer conditions than anticipated, driving higher usage, higher costs and related issues for consumers.

Our case insights reflect this, with water complaints highlighting:

- Consumer concern about high water bills, driven by a combination of regulated price increases coming into effect, as well as higher water usage.
- Increased payment difficulty cases, driven by many water providers recommencing credit and debt collection activities this financial year, following a long-term pause on these activities since 2020.
- Increased land and property damage cases, likely driven by issues relating to ageing infrastructure causing issues like burst pipes and related property damage, which highlight challenges for consumers when navigating processes and potential compensation options for repair.

The Commission could consider actions to support the water industry embed justice and equity at the system level, to balance resource management and risks with supporting consumer protections. This would reflect the essential nature of water services and ensure consumers can access ongoing and affordable water supply.

Is there anything else we should be doing to ensure the success of this strategy?

EWOV's role in supporting the success of this strategy

EWOV supports the recognition of collaboration and consumer voice as critical to supporting implementation of the strategy.

Ombudsman schemes are independent bodies who engage directly with consumers, playing a critical role in highlighting how consumers experience harm or barriers to engaging with essential services. EWOV's complaint and systemic insights provide an early, consumer-centred evidence base that can support policymakers and regulators to better understand and incorporate the practical implications of regulatory approaches such as this strategy. Crucially, EWOV can provide early insights on impacts of new regulatory interventions or rules. We are able to identify potential

[6] ACOSS-Submission-to-draft-Energy-Equity-Framework-Consultation-Final-21102024.pdf

issues before they become larger market trends and inform potential actions to refine the framework to ensure it is fit for purpose as the market evolves.

EWOV regularly collaborates with the Commission on a range of actions to drive better outcomes for consumers in energy and water markets. For example, to support the first Getting to fair Strategy, EWOV worked with the Commission to design and deliver a joint family violence forum. This forum informed subsequent work to establish the Commission's Safety by Design program, as well as establishing information sharing arrangements to support the Commission's compliance and enforcement activities.

EWOV is well-positioned to continue collaborating with the Commission on similar initiatives and is able to provide key insights and data to support an evidence-based approach to implementation.

What challenges or barriers might make it harder to deliver this strategy?

The broader affordability challenge

Victorians are facing ongoing affordability challenges, with many struggling with high housing, food and essential service costs. EWOV's overall case data reflects this, with complaints about high bills consistently topping our caseload, comprising around 20% of all cases. Complaints involving issues with accessing payment difficulty support are also consistently amongst the top 5 issues, while complaints involving disconnections have been steadily rising over the past 12 months.

This reflects the Commission's own insights, with the latest Energy Market Dashboard data indicating:

- The highest number of Utility Relief Grant applications in the last five years (42,330)
- A near record number of consumers accessing tailored assistance (88,486) with average arrears at record levels ($1,184) and
- The highest number of residential disconnections for non-payment in a quarter (4,213) since 2021-22.[7]

EWOV observes particular challenges for consumers experiencing chronic or long-term payment difficulty, where consumers cannot pay for ongoing energy usage.

EWOV reviewed a sample of 306 investigations received between 1 July 2024 – 31 January 2026, where credit was the primary case issue and the consumer presented with arrears of $55 or more on entry. Of these, 133 reported that they could not afford ongoing energy usage. Consumers in this group presented with significantly higher average debts (almost $5,000) compared with 173 who reported they could afford ongoing usage (around $2,400). These cases commonly involved consumers facing multiple intersecting challenges besides their energy complaint, including unemployment, family violence, long-term or complex financial hardship, and severe health issues. When these consumers presented to EWOV, they had debt they were struggling to manage and were facing imminent disconnect or debt collection, such as in Mindy's case below.

[7] Energy market dashboard | Essential Services Commission

Case study

Chronic payment difficulty | Income support | Challenges for consumer engagement

Mindy* made five complaints to EWOV between February 2024 and December 2025. Her first complaint followed a prolonged outage at her rental property after the February 2024 storm event. Mindy told us she relied on the Disability Support Pension and had lost a significant amount of food during the outage, which she could not afford to replace. The other four complaints related to imminent disconnections of her gas, electricity and water services, and highlighted multiple intersecting challenges including financial hardship, communication difficulties and disability.

In her first electricity disconnection complaint, the retailer told us that Mindy made regular payments through Centrepay, but these did not cover her ongoing usage, causing debt to accumulate and resulting in the imminent disconnection. The retailer said it had set up a $50 per fortnight payment plan based on her capacity to pay and had applied for the Utility Relief Grant (**URG**). When Mindy returned to EWOV about 10 months later with another electricity disconnection complaint, the URG had been applied to her account, but her electricity debt had still risen to around $5,500. She accepted a new payment plan, but at the agreed amount the debt was likely to continue to grow. The retailer reported offering additional tailored assistance, but Mindy had not taken this up.

Two months later, Mindy contacted EWOV again after receiving water disconnection notices. Mindy reported being able to afford only $10 per fortnight, indicating significant affordability issues. The water provider said the last payment on her account was in 2023, with the last regular payments made in 2021. Given the size of the debt, it arranged a $30-per-fortnight payment plan and committed to matching every fifth instalment to encourage engagement.

After Mindy's water disconnection complaint, EWOV offered to refer her directly to local support services through our No Wrong Door referral service; however, she did not take up this offer.

**Name changed for privacy purposes.*

The regulated response to payment difficulty has improved since the introduction of the payment difficulty framework. However, EWOV observes cases where retailers have provided consumers with the full range of support options they are entitled to, but the consumer still cannot afford their ongoing energy costs.

The energy regulatory context is limited in terms of providing effective, sustained responses to consumers in these circumstances. For example, the temporary and ad hoc nature of supports in the context of payment difficulty assistance (i.e. where payment plans are effectively limited to 2-year periods) does not adequately support these consumers.

In this context, EWOV sees a need to address a gap for consumers experiencing long-term or chronic payment difficulty. While the Commission can play a critical role in the suite of responses needed, these issues may be better addressed by government exploring more targeted and coordinated responses across both the energy and social service systems to respond to the broader intersecting challenges that often drive or are worsened by energy hardship.

The Victorian Government currently provides non-recurrent funding for the Energy Assistance Program, which offers one-on-one support to consumers experiencing chronic or long-term payment difficulty. This includes assistance with energy issues and referrals to other services. EWOV's outreach team has been partnering with organisations delivering this program, as well as other social service organisations, to support consumers' holistic needs in settings where they are already engaged and have established relationships of trust. Providing ongoing funding for the program would improve its long-term effectiveness.

Further, at the national level, Energy Ministers acknowledged challenges for Commonwealth concession card holders in accessing state-based energy rebates, and the need to coordinate responses across the energy industry with Services Australia to support Commonwealth concession card holders to address this. To address these issues, Energy Ministers instructed Commonwealth Department of Climate Change, Energy, the Environment and Water to work with Services Australia to explore future system improvements needed to facilitate automatic application of concessions.

Conclusion

EWOV welcomes the Commission's commitment to advancing equity in essential services and supports the shift toward addressing both individual and system-level inequities. Our case insights illustrate the complexity of consumer vulnerability, which is often driven by circumstances beyond the energy and water sectors. As markets evolve through decarbonisation, digitalisation and rising affordability pressures, regulatory approaches must keep pace to ensure that consumer vulnerability is not worsened. Strengthening expectations for provider conduct, embedding protections for consumers experiencing vulnerability and adopting principles-based regulation, anchored by an overarching obligation to act efficiently, honestly and fairly, will be essential to achieving the goal of the strategy.

At the same time, the Commission cannot address broader drivers of inequity alone. Sustained collaboration across regulators, government, EWOV, industry and community services will be critical, particularly to support consumers facing chronic payment difficulty, natural disasters, family violence and other intersecting challenges. Ongoing investment in effective community supports, along with coordinated policy responses across the energy and social service systems, will complement actions set out in the draft strategy. EWOV looks forward to continuing to work closely with the Commission by sharing our insights, data and frontline experience to drive just and fair outcomes for Victorian consumers, now and into the future.

If you have any questions about this submission please contact Felicity Fast, Head of Public Affairs at [redacted] for further information.