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AER Retail guidelines review - Draft guidelines 2026

Thank you for the opportunity to make a submission in response to the draft Australian Energy Regulator (AER) retail guidelines.

National Seniors Australia (NSA) is the leading independent advocacy organisation for older Australians. Through our research and advocacy activities, NSA works to improve the wellbeing of all older Australians, including self-funded retirees, pensioners, part-pensioners, veterans, and carers.

Our research has shown the cost of power is a key concern for seniors. Concern about the affordability of electricity ranked equal-second in a list of common consumer goods and services.[1]

While supportive of measures to improve the guidelines, we are concerned that so much effort is required to ensure retailers "do the right thing". It does not reflect well on the electricity sector. We believe that much broader reform of the retail market is required. Rather than putting the responsibility on consumers to navigate an increasingly complex electricity system – it should be made simpler and easier to understand and navigate.

As Energy Consumer Australia research has shown, 59% of people only want a basic electricity plan with a good price and reliable supply.[2] This reinforces our ongoing call for flat tariffs to always be available and be the default offer.

Yours Sincerely

Chris Grice
Chief Executive Officer

[1] Affordability Infographic | NSA
[2] Consumer Energy Report Card data | Energy Consumers Australia

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Bills are the key communication method with consumers, and as such, NSA supports the existence of the retail guidelines. However, the degree to which bills help customers to understand billing practices is largely a product of the underlying market.

Given the recent decision by Origin to refund customers after an Australian Competition & Consumer Commission (ACCC) investigation of allegedly misleading representations, we are supportive of action by the AER to improve areas raised by the originating complaint by CHOICE.

> "The ACCC was concerned that Origin made statements both in the Ongoing Saver plan's terms and conditions and in customer bills that represented charges would be lower than on Origin's "Basic" plan for the life of the plan. In fact, some customers on Ongoing Saver plans were charged more than they would have been on the Basic plan."[3]

Statements by the ACCC highlight underlying issues that are not captured by the guidelines.

> "Energy plans are complex, and the mix of usage and supply charges makes it difficult for many consumers to assess potential savings. Retailers should provide clear and accurate information about their plans to help consumers make informed decisions."

Pointing to energymadeeasy.gov.au for the relevant states and territories, Commissioner Brakey said:

> "We strongly encourage all consumers to use available Government energy comparison sites to try to find the best available energy deal for their circumstances, as there are large differences between the cheapest and most expensive plans".

Such statements, in our view are misguided because they put the onus on consumers to understand and compare complex plans, a task even Origin appeared to find difficult.

With hundreds of different plans available each with slightly different terms and conditions, we challenge any reasonable person to be able to easily compare and choose a plan that best suits them, when the actual bill outcome of the plan depends on the future behaviour of multiple people in a single household in which electricity use can often be variable (in response to changing environmental conditions). Even if a consumer understands a plan and what it means for their bill, they may not always be in a position to act in ways that reflect a plans pricing structure. The draft

[3] Origin Energy to refund customers after ACCC investigation | ACCC

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guidelines simply reinforce this choice narrative without addressing the difficulty that consumers face when face with a multitude of incomparable plans.

The work conducted by the AER and BETA (Behavioural Economics Team of the Australian Government) in relation to the guidelines is only part of the picture – it focusses on *how* the information is presented, not *what* the information is.

Additionally, it relies on the information presented to consumers on *EnergyMadeEasy* being understandable and correct. As we have previously raised with government and regulators, *EnergyMadeEasy* does not currently present information to this level at this stage.[4]

For instance, BETA focussed on the plan search result page on *EnergyMadeEasy* – but this page doesn't include key details like demand charges.

Figure 12. This example shows the critical information appearing on the main results page, instead of only on the detailed results page.

Fig. 1: *EnergyMadeEasy* search result from BETA report[5]

EnergyMadeEasy still does not calculate an estimate of the demand charge, while displaying an annual figure which is used to rank different plans. This understates the true price of plans with demand charges, potentially encouraging consumers to take up these plans on the false impression that they are cheaper than alternatives:

[4] Submission DCCEEW Reforms Default Market Offer | NSA
[5] Empowered to switch: Energy made easier | PM&C

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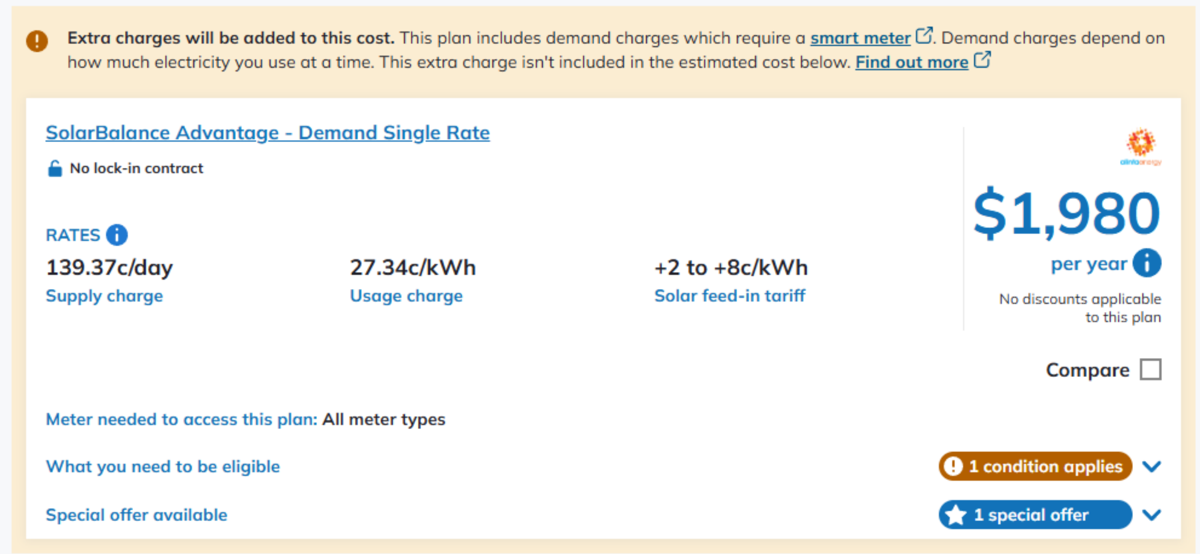

Fig. 2: *EnergyMadeEasy* search result for plan with demand tariff[6]

If consumers try to understand the detail of the plans, they then encounter widely varying descriptions of demand charges, with some providing no information on how the charge is actually calculated.

For instance, how is a consumer meant to understand how their bill will be calculated, or how they can respond to this price signal, when the only information they get is that it applies "All Year":

Demand charges

Name	Description	Demand charge rate
Demand (c/kW/day)	All Year	$0.2531 per/kW/day

Fig. 3: *EnergyMadeEasy* example of demand tariff description[7]

Even when the description is more detailed, there are what appear to be several pricing errors. For instance, a plain reading of the demand ('capacity') charge below of $10.1640 per/kW/day with an

[6] SolarBalance Advantage - Demand Single Rate | EnergyMadeEasy
[7] SolarBalance Advantage - Demand Single Rate (ALI1128879MRE5) | EnergyMadeEasy

assumed peak usage of 3.5 kW – which is conservative given it is an *annual* measurement - would be $12,984.51 (3.5 x 10.1640 x 365) a year:

Demand charges

Name	Description	Demand charge rate
Capacity Charge (cents per kW pr day)	Capacity charges are applied to the maximum half hourly kW power reading that occurred at a customer's connection point over the 12 months prior to a bill being calculated.	$10.1640 per/kW/day

Fig. 4: *EnergyMadeEasy* example of demand tariff possible rate error[8]

Given such outliers appear to be close to 30 times the other rates (10.1640 / 30 = $0.3388), we expect this is an error of not adjusting from per-month calculations in Queensland to per-day calculations for the *EnergyMadeEasy*.[9] But if electricity retailers can't be expected to present such things correctly on *EnergyMadeEasy*, can they be trusted to calculate bills correctly?

We also question the accuracy of current *EnergyMadeEasy* estimates given moves by the AER to shift more default usage patterns into the middle of the day.[10] This may reflect consumers with solar and batteries but is likely to misestimate the usage of disengaged consumers.

Ultimately, if consumers are not switching electricity plans as much as regulators think they should, maybe the solution is not in the constant refinement of the guidelines, but in simpler electricity pricing.

This would allow consumers to more easily determine which plan is suitable for them.

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[8] GEE Smart Value ENGXR Demand Time of Use (GEE1037088MRE1) | EnergyMadeEasy
[9] Submission AEMC directions paper smart meter protections | NSA
[10] Submission Default market offer 2026–27: Draft determination | NSA

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