

First Nations Clean Energy Network

Submission to the Essential Services Commission on Energy Retail Code of Practice review

June 2025







Overview

The <u>First Nations Clean Energy Network</u> (the Network), welcomes the opportunity to provide a submission in response to the Essential Services Commission's Energy Retail Code of Practice. The Energy Retail Code of Practice sets out the rules retailers must follow and the ongoing protection of gas and electricity customers.

The Essential Services Commission (ESC) is proposing new rules requiring retailers to:

- Review and adjust legacy plan prices annually.
- **Switch customers** on legacy plans to cheaper options—without needing explicit consent—but with opt-out rights.
- **Ensure any conditional fees or discounts** are fair and cost-reflective, even on older contracts.

These changes aim to protect disengaged or vulnerable consumers—including First Nations customers—who may be stuck on **outdated**, **costly contracts**. The proposed changes to the *Energy Retail Code of Practice*, as outlined in the Issues Paper, Proposed Amendments, and Regulatory Impact Statement, present important opportunities to improve energy outcomes for First Nations customers—particularly those experiencing financial hardship, digital exclusion, or energy insecurity.

However, as noted throughout this document, it needs to be better implemented through targeted engagement, equity at the core and cultural safety to significantly benefit First Nations customers across Victoria.

These reforms can help reduce financial stress in First Nations households by:

- **Improving affordability** through automatic access to retailers' best energy offers for those in arrears or on hardship plans.
- **Enhancing access to concessions**, ensuring more First Nations customers receive energy bill discounts they are eligible for.
- **Reducing disconnection risks** by raising the debt threshold for disconnection and introducing clearer obligations for retailer support.
- **Creating fairer contracts**, especially for those on legacy or disadvantageous energy plans.
- **Increasing awareness of consumer rights** by mandating clearer, more visible information about complaint and dispute services like the Energy and Water Ombudsman.



However, to fully realise these benefits, reforms must be implemented in partnership with First Nations communities and reflect the lived experiences, needs, and cultural contexts. This includes culturally safe training for retailers, data collection to monitor outcomes for First Nations customers, and co-designed outreach and support services. In addition, these reforms present a unique opportunity to address the unique barriers faced by First Nations consumers—including language, literacy, trust in institutions, and access.

About the First Nations Clean Energy Network

The <u>First Nations Clean Energy Network</u> (Network) is made up of First Nations people, groups, community organisations, land councils, unions, academics, industry groups, technical advisors, legal experts, renewables companies and others - working in partnership to ensure that First Nations share in the benefits of Australia's clean energy transition.

The Network is led by a Steering Group of First Nations leaders.

Australia's rapid transition to renewable energy will require access to vast areas of land and waters, including for thousands of kilometres of new transmission infrastructure. Enabling and empowering First Nations to play a key and central role in Australia's renewable energy transition goes beyond just social licence issues - it presents a unique opportunity for Australia to design a system that is fair and just and which can also positively impact and result in other social and economic benefits for First Nations.

As a national, First Nations-led coalition, the Network aims to enable and empower First Nations to participate in, benefit from, respond to, and shape renewable energy projects that impact their communities, land, waters and Sea Country.

The First Nations Clean Energy Network's approach is built on three pillars:

•	Community	The First Nations Clean Energy Network supports First Nations communities to shape the design, development and implementation of clean energy projects at every scale
•	Industry partnerships	The First Nations Clean Energy Network acts as an innovation hub, promoting best practice standards and principles that companies should adopt and investors should require before committing capital to a clean energy project
•	Policy reform	The First Nations Clean Energy Network advocates to lift significant federal and state regulatory barriers and stoke government investment, removing regulatory barriers to energy security and clean energy generation



The importance of getting consumer protection right

The proposed reforms represent a valuable opportunity to address energy inequality in Victoria—but that opportunity will be missed unless the specific needs of First Nations peoples are embedded at every stage. The gaps in the current reforms are detailed below:

Superficial Engagement with First Nations Consumers

- Despite acknowledging that First Nations communities are disproportionately affected by digital exclusion, payment method limitations, and systemic hardship, no targeted initiatives or engagement strategies have been proposed.
- There is no mention of engaging with First Nations consumers in the design or implementation of the reforms.
- No culturally appropriate consultation models are suggested in the regulatory process.
- There is no requirement for retailers to collect and report on outcomes for First Nations consumers. This hinders evidence-based reform and masks structural inequality.

Vulnerability Frameworks Lack Cultural Safety

- The Payment Difficulty Framework and family violence responses are not culturally informed or trauma-informed for First Nations people.
- Retailer training and obligations make no mention of cultural competency, local context, or intergenerational trauma.

Concessions Access Remains Burdensome

- When promoting the concessions, ensure programs arousing an inclusive definition of payment difficulty which take into consideration barriers related to cultural stigma, institutional distrust, and limited service access, which disproportionately affect First Nations people.
- Some First Nations consumers may lack access to phones, data or internet, have fluctuating incomes, or face ID documentation barriers, yet the proposed concessions reform assumes self-disclosure and self-navigation of eligibility processes.
- There is no mention of streamlining or automating concession access for high-risk groups such as First Nations people.

Opportunities for Equity-Centred Reform

We urge the Commission to move beyond acknowledgment to active inclusion by working in partnership with First Nations communities. These reforms must reflect the reality that energy is not just an economic issue—but a justice, health, and human rights issue for our communities. We recommend the below steps be undertaken to further protect First Nations consumers:

Establish a First Nations Consumer Advisory Panel

• Embed First Nations representation in ESC consultation processes.



• Partner with First Nations communities to co-design energy hardship programs, communication materials, and outreach campaigns.

Cultural Competency and Place-Based Training

- Mandate First Nations cultural competency training for all energy retailer customer service and hardship staff.
- Create a set of minimum standards for trauma-informed and culturally safe practices.

Culturally Tailored Assistance and Communication

- Develop First Nations-specific hardship assistance program.
- Require retailers to communicate using preferred engagement protocols and media (e.g., local radio, posters at health clinics).

Concession Access Reform

- Introduce a universal concession pre-qualification process for Centrelink-connected customers.
- Pilot automatic concession matching in partnership with Services Australia and Aboriginal Housing Victoria, targeting First Nations tenants and reducing the barriers to concessions.
- Promote early triggers for support that do not rely on self-identification or written/phone
 contact alone such as multiple missed bills, known postcode indicators of disadvantage,
 or referrals from trusted Aboriginal Organisations ie. their local Aboriginal Community
 Controlled Organisation.

Disaggregated Reporting and Accountability

- Disaggregate hardship and disconnection data by First Nations communities, where
 possible, to measure reform impact. The ESC could publish annual First Nations energy
 access and hardship reports to measure improvements.
- Track uptake of Utility Relief Grants, disconnections, complaints, and payment plans by First Nations status.

Conclusion

This review presents a vital opportunity to embed equity in the regulation of essential energy services. We urge the Commission to **centre the voices and needs of First Nations people** in this process. Doing so is not only consistent with the objectives of the *Getting to fair* strategy, but essential to a just energy transition for all Victorians.

We would welcome the opportunity to discuss these matters further.

Our contact details

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