Services Australia
PO Box 7788
Canberra BC ACT 2610

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To Whom It May Concern,

2025 Centrepay Reform – consultation paper

ENGIE Australia & New Zealand (ENGIE) welcomes the opportunity to respond to Services Australia to provide feedback on the proposed reforms seeking to ensure that Centrepay continues to appropriately meet the ongoing needs and expectations of customers.

The ENGIE Group is a global energy operator in the businesses of electricity, natural gas and energy services. In Australia, ENGIE operates an asset fleet that includes renewables, gas-powered generation, and battery energy storage systems. ENGIE also provides electricity and gas to retail customers across Victoria, South Australia, New South Wales, Queensland, and Western Australia.

While ENGIE supports certain aspects of the proposed reforms, such as enabling the use of Centrepay for final utilities bills, ENGIE is concerned that some parts of the reform risk creating unintended consequences that could adversely impact customer outcomes and diminish the overall Centrepay experience. These risks are further compounded by the pace at which businesses need to implement and comply with these proposed reforms.

In this submission, ENGIE provides feedback on the potential impacts on businesses and customers as a result of the proposed reforms.

Mandatory deduction authority form

The proposed introduction of the mandatory deduction authority form risks reducing customer participation in Centrepay

ENGIE is concerned that the introduction of a mandatory deduction authority form to change or cancel a Centrepay deduction may result in a range of unintended consequences for both Centrepay businesses and customers. For example, this requirement may discourage customer participation if the process is perceived as overly time-consuming, complex, or difficult to navigate. This risk is particularly relevant for customers experiencing vulnerability or those facing challenges with literacy, language, or digital access who may find the form especially challenging. ENGIE's experience with vulnerable customers is that adding additional administrative steps to an existing and relatively well-understood process may unintentionally alienate customers. As a result, the uptake and overall effectiveness of Centrepay could be significantly diminished if customers become disengaged by this new process.

The physical nature of the mandatory declaration authority form is incompatible with retailers' digital service channels

The mandatory deduction authority form may introduce unnecessary complexity by creating a new friction point between businesses and customers. This risk is particularly compounded for customers wishing to use a new mandatory deduction authority form with energy retailers. This is because energy retailers do not have physical shopfronts and instead rely on digital and phone-based channels for customer engagement. Requiring both customer and business input on the same physical form introduces significant operational challenges, as back-and-forth coordination via a physical form creates a material barrier for customers seeking to use the mandatory deduction authority form to pay their energy bills. This back-and-forth nature may also create risk in relation to securely managing personal information.

From an implementation perspective, retailers would likely require significant system changes, alongside additional staffing and training, to comply with and operationalise this reform, which requires time and resources to execute effectively. Introducing such changes within a short timeframe could increase the risk of administrative errors, particularly during the early implementation stages, potentially impacting customer experience and the secure handling of sensitive information.

The mandatory declaration authority form may deter customers from switching retailers

ENGIE is concerned that the mandatory deduction authority form could also create a material barrier to customers being able to effectively switch retailers if they are required to complete a new form each time they change energy retailers. This added step may deter customers, particularly those experiencing vulnerability, low digital literacy, or limited access to support, from taking advantage of better energy deals that suit their needs. Over time, this could reduce consumer engagement, limit competitive pressure on retailers to offer affordable plans, and ultimately weaken the functioning of the energy retail market.

Final utilities bills

Allowing Centrepay for final utility bills is a welcome change

ENGIE supports the proposal to allow the use of Centrepay for final utilities bills and to allow individuals to voluntarily establish new Centrepay deductions to pay for utilities arrears. While ENGIE welcomes the intent of these specific reforms, the fast-approaching implementation date may not provide sufficient time for some retailers to adapt operational systems and processes without risk or disruption. A longer lead time would support smoother implementation and maximise the customer benefits intended by the changes.

Business obligations

Additional time is needed to implement new business obligations and assess regulatory alignment

ENGIE is concerned that the proposed introduction of additional business obligations beyond those that already exist under the current Centrepay Terms of Use is likely to impose unnecessary administrative hurdles on businesses and may increase the risk of inadvertent non-compliance. For example, one of the proposed obligations would require businesses to issue account statements to customers detailing Centrepay transactions and amounts. ENGIE notes this is not current practice and would necessitate significant internal system changes for businesses to implement.

Specifically for retailers, compliance with this obligation is not as simple as amending an energy bill. Energy bills are subject to stringent regulatory scrutiny to ensure their format and content are fully compliant with industry-specific legal frameworks. ENGIE encourages Services Australia to undertake further analysis, such as a cost–benefit analysis, to properly assess the impact of these changes on businesses and customers.

Feedback policy and procedure

Greater clarity is needed on how the proposed complaint process would integrate with existing frameworks

ENGIE supports customers having access to an appropriate and fit-for-purpose avenue to raise concerns about their Centrepay experience; however, ENGIE is concerned about how the proposed Centrepay complaints framework would interact with existing complaints processes that are already subject to strict regulatory oversight in the energy sector.

As such, ENGIE seeks clarification on whether the proposed complaints process can be incorporated into retailers' existing complaints and dispute resolution policies, rather than requiring a standalone process solely for Centrepay-related matters. Introducing a separate process may risk duplicating effort, creating inconsistencies, and potentially conflicting with industry-specific compliance obligations.

The proposed 20 business day complaints resolution timeframe may be impractical for businesses to adhere to

ENGIE notes that Part F of the Centrepay Terms of Use proposes that complaints be resolved, where practicable, within 20 business days. ENGIE considers that this timeframe may be too short, as the scope of obligations under clause 18.1 seems more onerous than what may be able to be achieved in the proposed 20 business day requirement. Effective complaints handling relies on timely two-way communication with the customer and, in many cases, is dependent on the customer providing the necessary information to resolve. Timeline pressures may be further compounded by the need to manage additional back-and-forth communication with Services Australia.

ENGIE contends that it may be useful to amend the wording to provide greater flexibility, allowing retailers to resolve complaints practically and reasonably, which reflects real-world operational constraints and customer responsiveness. For example, in ENGIE's standard complaints and dispute resolution policy, ENGIE commits to working with the customer to establish a timeframe for a resolution if the complaint has not been resolved.

Transition plan for implementing Centrepay reforms

The speed at which these reforms are moving does not allow for effective business implementation

Critically, ENGIE contends that the proposed effective date of 1 July 2025 does not provide sufficient lead time for businesses to effectively implement the proposed reforms. As highlighted in the above sections, the proposed changes will likely require businesses to undertake a range of operational activities, including system updates and staff training (particularly for call centre teams), which are complex and resource-intensive.

This timing issue is a material concern that cuts across all areas of feedback raised in this submission. ENGIE strongly encourages Services Australia to reconsider the proposed implementation timeline and extend the effective date across all aspects of the proposed plan to ensure a more appropriate timeline for both businesses and customers. ENGIE contends that an appropriate implementation date would be at least nine months from when business and customers are provided with the updated Terms of Use and final decision.

Concluding remarks

ENGIE looks forward to working actively with Services Australia to ensure that Centrepay continues to appropriately meet the ongoing needs and expectations of customers, while also taking into account the practical implementation considerations for businesses and the potential impacts on customers from the proposed reforms.

Should you have any queries in relation to this submission, please do not hesitate to contact me by telephone at 0400 731 274.

Yours sincerely,

Ronan Cotter

Ronan Cotter
Regulatory Advisor