

28 April 2025

Services Australia  
Centrepay Program and MDT Branch

By email submission: [centrepay.reform.engagement@servicesaustralia.gov.au](mailto:centrepay.reform.engagement@servicesaustralia.gov.au)

Dear Services Australia

**RE: Centrepay Reform**

Momentum Energy Pty Ltd (**Momentum, our or we**) welcomes the opportunity to respond to Services Australia (the agency) on the consultation paper *Shape the future of Centrepay*.

We are an Australian operated energy retailer, owned by Hydro Tasmania, Australia's largest generator of renewable energy. We pride ourselves on providing competitive pricing, innovation and excellent customer service to electricity consumers in Victoria, New South Wales, South Australia, Queensland, the ACT and the Bass Strait Islands. We also retail gas to Victorian customers.

**We support the agency's decision to undertake the CentrePay reforms.**

Momentum recognises that Centrepay plays an important role for consumers and its benefits in helping consumers to arrange regular deductions from their Centrelink payment for essential goods and services, particularly those experiencing financial hardship and vulnerability.

Accommodation and utility services make up by far the largest share of Centrepay deductions (by value), and its ongoing popularity with consumers reinforces the importance of Centrepay as an ongoing payment option for energy consumers. We therefore welcome the opportunity to provide feedback and input into improvements specifically tailored to the sector.<sup>1</sup>

While we support the intent of the measures proposed by the agency, we believe they require some modifications to ensure they deliver the intended objectives. The agency and utility sector must work together to understand how these customer support initiatives can be best implemented to deliver the intended outcomes and ensure utilities can better meet customers ongoing needs and expectations.

Our submission focuses on four sections of the Consultation Paper:

1. Mandatory deduction authority form
2. Final utilities bills
3. Dealing with incorrect payments
4. Transition plan for implementing Centrepay reforms

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<sup>1</sup> Centrepay [Reform Discussion Paper May 2024](#), pg 6

## Mandatory deduction authority form

The proposed mandatory deduction authority form in the Centrepay Terms of Use at Schedule 3 requires minor system and procedure changes. Momentum currently provides an approved version of the deduction authority form based on the Centrepay Procedural Guide. The proposed form in its current format will require testing and training for front-line staff before deployment.

Momentum supports the agency's approach with a standardised application form. However, we recommend creating a standardised form for the utilities sector to better support customers. Momentum has recently provided feedback on our existing deduction authority form, and some of our feedback has been incorporated. We also provide the following feedback to the proposed form:

### PART A

- For utilities, change '*Customer's account identifier with the business*' to '<insert business name> electricity or gas account number'
- A reminder to inform consumers that a separate form is required for each energy service

### PART C

- For utilities, move the options around, with '*Specify that this deduction will be ongoing*' being the first option on the form

### PART D

- Spacing between sentences to improve readability in the consent section
- Incorrect reference with 'Part F' instead of 'Part E' in the sentence '*Then read this Part F and, if you agree, sign this form in the space below.*'

### PART E

- Remove the 'identifier of staff members receiving the form' as the person's login information is provided to the agency when the staff member is logged in to Centrelink Business Online Service (CBOS)
- Incorrect reference with 'Part G' instead of 'Part E' on the second to last dot point. Momentum notes that our current form includes our business details in the declaration and consent and suggests Centrepay businesses prefill Part E as Part D consent, which refers to the business details section.

In addition, we suggest further consideration of the deduction authority form with an Easy English version to support any person with low literacy in helping them understand what they are signing.

Momentum is seeking clarification on whether businesses will be required to send customers a deduction authority form in the scenario where the customer has provided an oral deduction authority instead. Clause 8.2 details this particular scenario and makes no mention of providing the customer with a form, rather that the business must read them the contents of the form. Whereas clause 8.3(a) notes that retailers must also advise the customer to read the important information contained within the form. Therefore, Momentum is seeking clarity on whether it is intended that customers be provided with a copy of the form or not.

If the proposed approach involves sending a copy of the mandatory deduction authority form to the customer after the customer has agreed to record an oral deduction, we suggest that the agency consider how the customer receives this information specifically, whether the form will be blank or filled in with the information they provided over the telephone.

Momentum's preference after collecting an oral deduction authority is to send the customer a summary of the agreed instalments and attach a copy of only the important information section of the form. Given that they won't need to fill out the form, we are positive that they need not be provided with a copy of it.

### **Final utilities bills**

Momentum has reviewed Clause 9.6, which does not require utility businesses to cancel a deduction authority that covers payments in arrears in respect of accommodation or utilities. Momentum supports the agency's proposal to allow the use of Centrepay for final utilities bills, which may be issued after a customer has moved out and has stopped receiving services.

The proposed change is consistent with the agency's previous advice, and we support the proposed inclusion of the utilities clause in the Centrepay Terms of Use.

### **Dealing with incorrect payments**

Momentum has reviewed PART C 'Payments to you' and Clause 38 of the Centrepay Terms of Use and supports the extensive review. Momentum is conscious of the nature of energy invoices being seasonal and with regularly changing amounts owed. As a result, customers may be in credit or debit at various times during the year, for a variety of reasons. For example:

- Credits by an amount considered *reasonable* to pay for a future bill for an 'active' customer is not considered an overpayment, it was suggested that a 12-month historical review of their billing would be appropriate to use as a benchmark figure, and
- Energy bill relief grant funds and state-based grants (e.g. URGs<sup>2</sup> and HEEAS<sup>3</sup>) accrued positive balances on energy accounts; however, each energy business has different policies on whether they are refundable and carry over to the customers' next energy bill.

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<sup>2</sup> [Utility relief grant scheme](#)

<sup>3</sup> [Home Energy Emergency Assistance Scheme](#)

The proposed changes to the Centrepay Terms of Use may increase refund requests and communication with customers and the agency when the issue may not stem from an incorrect payment.

We suggest the following improvements:

1. The Terms of Use are better defined for utilities incorrect payment, provide clear guidance on a reasonable amount, and ensure helpful and transparent information for customers and utility businesses
2. The Centrepay Deductions—Information for customers is updated for the utilities sector or standardised for all registered businesses to provide a statement ‘if you are using Centrepay for utilities’... to inform customers that credits may accumulate to account for seasonal fluctuations and bill increases or be transferred to another energy account instead of a refund.

Momentum supports customers wanting to be notified of overpayments and the choice of a refund when they accumulate reasonable credit on their accounts. It is our view that there is a strong need for energy-wide collaboration and cooperation to deal with incorrect payments, refunding or transferring amounts to other energy accounts and when energy businesses are to engage with the agency on amounts considered reasonable.

### **Transition plan for implementing Centrepay reforms**

Momentum welcomes the agency's support for businesses to begin a phased-in transition to the new contractual arrangements, as proposed to commence on 1 July 2025. We cannot assume that the draft will proceed in its current form, and implementing the draft proposal creates a risk that we would incur further unnecessary costs. However, insufficient time for review from the final decision to conduct training, process changes, and testing creates a risk of non-compliance and poor customer experiences. Therefore, we would like to put forward a more extended transition period to support customers better and generate trust with businesses and the agency. We suggest that the transitional period is aligned with Centrepay service categories (e.g. utilities) and consistent between energy businesses to take effect from at least 30 November 2025 instead of 1 September 2025 or otherwise agreed with businesses in special circumstances. This would provide the optimal customer experience and additional time for businesses to implement policies, systems and procedures to monitor compliance.

### **Conclusion**

Momentum supports the intent of Centrepay reform, provided the approach is altered to support utilities modifications in the Centrepay Terms of Use and deduction authority forms to support consumers.

Momentum would welcome the opportunity to engage with the agency and other key stakeholders to explore any gaps in dealing with incorrect payments that can be identified and worked on for utilities.

Momentum looks forward to engaging with you on these matters. If you have any questions or would like to engage in discussions with Momentum, please contact Daniel Oliver at [Daniel.oliver@momentum.com.au](mailto:Daniel.oliver@momentum.com.au).

Yours sincerely

[Signed]

**Daniel Oliver**

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