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Rowan McKeown
Director Policy
Essential Services Commission of South Australia
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By email reviews@escosa.sa.gov.au

11 February 2026

Dear Rowan,

**Submission to the Essential Services Commission of South Australia:
Review of Consumer Protections for NEM-Connected Distributors**

The Energy and Water Ombudsman (SA) Limited (EWOSA) welcomes the opportunity to submit to the Essential Services Commission of South Australia (Commission) on the Consultation Paper for the Review of Consumer Protections for NEM-Connected Distributors (Review).

EWOSA is the independent energy and water ombudsman scheme in South Australia. It receives, investigates and facilitates the resolution of complaints by customers with regard to (*inter alia*) the connection, supply or sale of electricity, gas or water.

Our submission provides insights on the cases we have received about the eight NEM-connected distributors listed in the Consultation Paper. We also highlight key research on issues for customers with prepayment meters and suggest a few potential changes to the Prepayment Meter System Code.

Between the beginning of 2020 and the end of 2025, EWOSA received 39 cases about the NEM-connected distributors listed in the Consultation Paper, split almost equally between complaints and enquiries.

Two thirds of these cases have been with Cowell Electric, with less than 40% of these complaints. There have been six cases with the Municipal Council of Roxby Downs (two thirds of these complaints), five cases with CPE (all complaints) and two enquiries with Enerven.

There have been five billing complaints, four credit complaints (three about disconnection), four complaints about provision (three about existing connection), three complaints about customer service and one complaint each about land (property damage) and supply (unplanned interruption).

A key observation is that complaints about disconnection associated with credit issues and unplanned interruptions accounted for 21% of complaints about these providers over six years. This compares to just 4% across EWOSA's total complaints in 2024-25.

Reflecting EWOSA's complaints data, we would like to highlight a report released in November last year by Original Power, *The Right to Power*, which highlights the plight of consumers with prepayment meters and provides a number of recommendations on how to improve their conditions.¹ We know that the Commission is aware of this report.

Insights from the report show that, in South Australia, there are 14 disconnection events per customer on average each year for prepayment customers, which is much less than for prepayment customers in other states and territories (Northern Territory, Queensland and Western Australia), but much higher than for customers connected to the SA Power Networks grid. Fortunately, all customers with prepayment meters in South Australia entitled to concessions receive them and they also pay significantly less for their electricity than the Default Market Offer, at 10 cents per kWh, due to the Remote Area Energy Supply scheme.

The six recommendations from the report are:

- require better reporting by energy retailers, and performance-based monitoring, to achieve meaningful reductions in disconnection events
- adopt clearly defined energy hardship metrics, including an obligation for energy retailers to pro-actively identify and respond to customers in financial hardship
- remove barriers that exclude prepayment customers from accessing, owning and enjoying the full benefits of consumer energy resources (including rooftop solar), energy efficiency and insulation upgrades, and community microgrids
- implement measures to assist vulnerable people during extreme temperatures and other emergency events
- implement national initiatives including a Priority Services Register that improves coordination of targeted support for prepayment and other vulnerable customers
- remove mandated prepayment arrangements and provide prepayment customers with the same consumer protections and choice of energy services that non prepayment meter customers enjoy.

Details on sub-recommendations and possible ways forward are provided in the report.

EWOSA is aware that some of the sub-recommendations and proposed actions are already taken account of – either fully or partially – in the protections in licence conditions and codes that are applicable to these providers that the Commission regulates. We also note that some of the sub-recommendations and proposed actions are outside the scope of the Commission's work and require new policies or programs, or changes to existing policies and programs, at the Commonwealth and/or State Government levels to implement. Nevertheless, we request that the Commission explore where it can make improvements to the protections for customers with prepayment meters in light of the Original Power report.

Potential changes to the Prepayment Meter System Code could include:

- requiring the Written Disclosure Statement (Clause 2.5) that must be provided to the customer to include the contact details of EWOSA
- an alert to be provided to the customer under the System Requirements (Clause 2.7) when their credit is low enough to indicate an imminent disconnection – the type of alert would be largely dictated by the capabilities of the meter
- requiring the steps to be undertaken by the retailer under Payment Difficulties (Clause 2.15) to be initiated when the retailer develops a payment splitting arrangement under Limitation on the Recovery of Debt (Clause 2.17).

1

https://www.firstnationscleanenergy.org.au/national_investigation_into_prepayment_power_arrangements_reveal_first_nations_communities_among_world_s_most_energy_insecure

We note that Cowell Electric maintains a website which contains a substantial amount of important and accessible information, including audio files in First Nations language, so the costs of further information requirements are an important consideration relative to the benefits that they might provide.

For NEM-connected distributors that provide bills to their customers, EWOSA recommends that our contact details are included on those bills. The requirements to include Ombudsman contact details on energy retailer bills since September 2023 and SA Water bills since the beginning of 2025 has raised awareness of EWOSA.

We note that the “Standard pre-payment and post-payment contract” under the Remote Area Energy Supply scheme that is provided to customers contains the contact details of EWOSA and the circumstances in which to contact our office under Queries, Complaints and Dispute Resolution (Clause 17.2). However, this is only provided at the start of a customer’s contract and information being provided regularly on the bill is a useful and visible tool for ensuring consumers are aware of their rights.

Thank you for consideration of this submission. Should you require further information or have any enquiries regarding this submission, please contact me at antony.clarke@ewosa.com.au or on (08) 8216 1861.

Yours sincerely



Antony Clarke
Policy and Governance Manager