Council on the Ageing
Queensland

Submission to Queensland Competition Authority (Interim consultation) - *Proposed amendments to the Guaranteed Service Levels scheme*

March 2026

Council on the Ageing
Queensland

Council on the Ageing Queensland is a for-purpose statewide charitable organisation.

We are the state's Seniors Peak and Seniors Social Isolation Prevention Peak and work with and for older adults, advancing the rights, needs, interests, and futures of people as we age. For more than 60 years, we have worked to influence positive social outcomes for older Queenslanders.

We connect directly with older Queenslanders, their families, carers, and organisations, service providers, consumer advocates, special interest groups, and our federal, state and local governments. We engage with all of these groups to understand needs, aspirations, and priorities for older people in Queensland, and partner to achieve the best outcomes for people as we age.

Our work includes policy analysis, community education, representation, evaluation and research, community engagement, and cross sector collaborations to achieve systemic change. We deliver funded programs directly to older people in need and provide sector support to those organisations who offer aged care and other services to older people.

We seek to eliminate ageism and support healthy ageing and growth of age-friendly communities. There are many areas of policy development needed to achieve this – elder abuse, energy, social isolation and loneliness prevention, climate resilience and disaster preparedness, digital inclusion, health, housing, and transport are just a few.

Our vision is that ageing is a time of possibility, opportunity, and influence.

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Acknowledgement
Council on the Ageing Queensland acknowledges Australia's First Nations Peoples as the original custodians of this land.

Contents

Executive Summary 4

Older Queenslanders' navigation and understanding of energy markets 5

Energy affordability and financial vulnerability 5

Accessibility and system navigation 5

Energy literacy and bill complexity 5

Regional access and banking changes 6

Energy reliability and medically vulnerable consumers 6

Responses to consultation questions 6

Executive Summary

Council on the Ageing Queensland (COTA Queensland) supports the Queensland Competition Authority's (QCA's) proposed reforms to facilitate Guaranteed Service Level (GSL) payments via retail electricity bills, recognising the declining viability of cheque payments and the barriers they present, particularly for older consumers in regional and remote areas. However, reforms must ensure that payments remain accessible, automatic, and meaningful in practice, especially for older Queenslanders living on fixed or limited incomes.

COTA Queensland's engagement with older consumers highlights key factors shaping their experience of the energy market, including financial vulnerability, system accessibility, energy literacy, regional service access, and reliance on electricity for health needs. These factors reinforce the importance of ensuring GSL payments are not only delivered efficiently, but are also usable, visible, and easy to understand.

COTA Queensland supports:

- Bill crediting where it is automatic and transparent, but it must not disadvantage consumers. Alternative payment options such as electronic funds transfer (EFT) should be available where bill credits are not appropriate, and clear obligations are required to ensure no consumer loses access to their entitlement.

  To strengthen consumer protections, COTA Queensland recommends automatic payments, clear notification, transparent bill presentation, enforceable timeframes, and accessible dispute resolution.

- Introduction of explicit retailer obligations as a Queensland-specific derogation to the National Energy Retail Law

- Phasing out cheque payments as soon as practicable, alongside a comprehensive and accessible consumer awareness program

- Extending Disaster Recovery Funding Arrangements (DRFA) exclusions with implementation in the next regulatory period.

Overall, GSL reforms must prioritise equity, clarity, and usability, ensuring older consumers are not disadvantaged by changes to payment mechanisms.

Council on the Ageing (COTA) Queensland appreciates the opportunity to contribute to the Queensland Competition Authority's (QCA's) interim consultation regarding proposed changes to the Electricity Distribution Network Code (EDNC) relating to Guaranteed Service Level (GSL) payments.

COTA Queensland is the peak body representing the rights, interests, needs and futures of older Queenslanders. Through our policy and advocacy work, as well as practical consumer education programs such as the recently concluded **Energy4Seniors program**,[1] we have engaged with older people navigating electricity costs, billing systems, concessions, and consumer protections in the energy market. These experiences inform our current response. We first provide an overview below of five areas that influence and impact older Queenslanders' navigation and understanding of energy markets.

Older Queenslanders' navigation and understanding of energy markets

Energy affordability and financial vulnerability

Older Queenslanders are disproportionately represented among households living on fixed or limited incomes, often relying on the age pension or modest retirement savings. Energy costs therefore form a significant component of household expenditure. Even relatively small amounts can have an impact on household budgets. Guaranteed Service Level (GSL) payments therefore play an important role in ensuring that consumers receive compensation when electricity service standards are not met. For households with limited financial security, receiving these payments promptly and in a usable form can assist with managing short-term financial pressures arising from service interruptions or reconnection delays.

Accessibility and system navigation

Many older consumers experience barriers navigating the increasingly complex energy market. These barriers can include lower levels of digital literacy, limited access to online accounts, and difficulty understanding electricity billing structures and entitlements. For this reason, COTA Queensland strongly supports that compensation payments such as GSLs are delivered automatically and transparently without requiring consumers to make claims or navigate complex administrative processes. Automatic payments help ensure that vulnerable consumers receive entitlements without needing to identify service failures or initiate complaints.

Energy literacy and bill complexity

Electricity bills and retail energy products have become increasingly complex over time, incorporating multiple tariffs, concessions, credits and adjustments. Many older consumers report difficulty understanding their bills or identifying when entitlements have been applied. This complexity can make it difficult for consumers to verify whether compensation payments such as GSL payments have been received. COTA Queensland therefore supports requirements that GSL payments be clearly identified on electricity bills as a distinct line item, accompanied

[1] Council on the Ageing Queensland. (2026). *Energy4Seniors. Empowering Older Queenslanders to make wise energy choices* [Webpage]. https://cotaqld.org.au/energy4seniors/

by accessible explanations where necessary so that consumers can easily recognise when a payment has been applied.

Regional access and banking changes

The transition away from cheque payments is occurring at a time when many regional and rural communities across Queensland are experiencing reduced access to banking and postal services. The closure of bank branches and some post offices can make depositing cheques difficult, particularly for older residents who may need to travel long distances to access financial services. While moving to bill credits or electronic payments can address some of these challenges, it is important that any new system continues to provide practical access to compensation payments for consumers who may have limited digital access or financial service options.

Energy reliability and medically vulnerable consumers

Electricity reliability is particularly critical for some older households who rely on electrically powered medical devices or assistive technologies such as Continuous Positive Airway Pressure (CPAP) machines, home oxygen equipment, mobility charging devices, or refrigerated medications. Interruptions to electricity supply can therefore create health risks as well as financial impacts. Ensuring that GSL payments are delivered automatically, transparently, and in a form that people can readily access is particularly important for medically vulnerable consumers who may already be managing significant health and financial pressures.

In consideration of the contexts above in which older consumers navigate information and understand the energy market, we further provide specific responses to the consultation questions below with a focus on older consumers living on limited or fixed incomes.

Responses to consultation questions

1. Support for a change of EDNC to facilitate GSL payments via retail electricity bills
COTA Queensland supports facilitating GSL payments through retail electricity bills as cheque payments become increasingly impractical. Many older Queenslanders already face barriers accessing banking services due to the closure of regional bank branches and post offices, particularly in rural and remote communities; for example, lengthy travel to deposit or process cheques, creating unnecessary barriers to receiving compensation payments.

Allowing GSL payments to be credited through electricity bills represents a practical alternative, provided the process remains automatic and transparent, and that consumers continue to receive the full value of the payment.

However, bill crediting must not result in consumers losing practical access to the payment. Where a bill credit would not provide real benefit to the consumer; for example, where an account has been closed or the consumer has already accumulated a credit balance then an alternative payment mechanism such as an Electronic Funds Transfer (EFT) should be made available.

2. There are potential technical, legislative or operational barriers, unintended consequences and other challenges with crediting GSL payments via retail electricity bills
COTA Queensland acknowledges there are potential technical, legislative and operational barriers. A key operational challenge may arise when identifying the appropriate consumer account if the consumer has moved premises or switched retailers between the service failure and the payment being issued.

COTA Queensland understands that other jurisdictions have developed mechanisms to address this issue and recommends that the QCA adopt best practice approaches from other jurisdictions to ensure that consumer entitlements are not lost during retailer switching or account closure. In addition, clear obligations must exist to ensure that consumers with closed accounts still receive their payment, consumers who have switched retailers do not lose entitlement, and consumers with accounts already in credit receive the payment in a usable form.

This will prevent potentially vulnerable consumers including older people from inadvertently losing access to payments intended to compensate them for service failures.

3. Comments regarding simpler or more effective mechanisms for automatic GSL payments once cheques are phased out
COTA Queensland does not propose alternative payment mechanisms at this stage. However, it is essential that any payment system remains automatic. Consumers should not be required to lodge claims, complete forms, or navigate complex processes to receive compensation to which they are entitled. Automatic payments are particularly important for older consumers who may experience barriers relating to digital literacy, administrative complexity, or reduced capacity to navigate consumer systems.

4. Additional consumer protection measures are required to support GSL payments via retail electricity bills
COTA Queensland recommends that the following consumer protections accompany any transition to bill-credited GSL payments including:

- Automatic payments so consumers do not need to lodge a claim
- Mandatory notification when a GSL payment has been applied
- Clear billing transparency with GSL payments appearing as a clearly labelled line item on the electricity bill
- Alternative payment pathways including EFT or other agreed methods where bill crediting would not provide practical benefit
- Timely payment requirements requiring retailers to pass through payments within a specified timeframe
- Appeal rights enabling consumers to challenge decisions relating to GSL eligibility
- Continuation of existing arrangements for Ergon Energy consumers with card-operated prepayment meters, and
- Access to dispute resolution through the Energy and Water Ombudsman Queensland (EWOQ).

These protections will help ensure the payment mechanism remains fair and accessible particularly for older Queenslanders living on fixed incomes.

5. Additional consumer protection measures and proposed approaches
To provide certainty to consumers that GSL payment obligations will be met, COTA Queensland supports Approach 3 - introducing a Queensland-specific derogation in the National Energy Retail Law (Queensland) establishing explicit retailer obligations for the pass-through of GSL credits. This approach would provide the strongest consumer protections by ensuring retailers are legally required to pass through GSL payments within defined timeframes.

Without explicit retailer obligations, consumers may face uncertainty regarding whether and when payments will be credited and may have limited recourse if retailers fail to pass through the payment.

6. EDNC should specify a phase-out date for cheque payments
COTA Queensland supports phasing out cheque payments as soon as practicable, recognising that cheque usage is rapidly declining and that processing cheques is increasingly difficult for many consumers. However, any phase-out must occur only after replacement payment mechanisms are fully operational, retailers and distributors have implemented the required systems, and consumers are clearly informed about the changes.

COTA Queensland strongly recommends that any transition be accompanied by a comprehensive, funded consumer awareness program. This program should include accessible communication through community organisations, seniors' groups and trusted intermediaries to help older Queenslanders understand the changes and adapt to the new process.

7. Support for the proposed DRFA exclusions for connection and reconnection GSLs
It appears inconsistent that connection and reconnection GSLs would continue to apply during Disaster Recovery Funding Arrangements (DRFA) exclusions particularly where widespread power outages are occurring as part of a broader natural disaster event. Extending DRFA exclusions to connection and reconnection GSLs would improve consistency in the application of the scheme.

8. Extending DRFA exclusions to connection and reconnection GSLs would be consistent with the purpose of the GSL scheme
Extending these exclusions would be consistent with the broader intent of the GSL framework which is designed to address service failures within normal operational conditions rather than during large-scale emergency events.

9. Benefits of introducing DRFA exclusions for connection and reconnection GSLs
The primary benefit would be administrative clarity and consistency in the application of the GSL scheme. It may also simplify administrative processes for distributors during disaster recovery periods, potentially reducing operational costs which may otherwise be passed through to consumers.

10. If DRFA exclusions were introduced, exclusions should be deferred to the next regulatory period

Because GSL estimates have already been incorporated into distributors' allowances for the current regulatory period, COTA Queensland supports deferring this change to the start of the next regulatory period. This approach would minimise disruption and ensure that distributors' regulatory allowances remain aligned with the scheme design.

Ensuring that Guaranteed Service Level payments remain accessible, automatic and transparent is particularly important for older consumers and others who may face barriers navigating the energy system.

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