

26 July 2019



Sarah Proudfoot
General Manager, Retail Markets Branch
Australian Energy Regulator
GPO Box 520
Melbourne Victoria 3001

By email: AERInquiry@aer.gov.au

Dear Ms Proudfoot,

AER Draft Retail Pricing Information Guideline

The Public Interest Advocacy Centre (PIAC) is an independent, non-profit legal centre based in New South Wales. Established in 1982, PIAC tackles systemic issues that have a significant impact upon people who are marginalised and facing disadvantage. We ensure basic rights are enjoyed across the community through litigation, public policy development, communication and training. The Energy + Water Consumers' Advocacy Program represents the interests of low-income and other residential consumers, developing policy and advocating in energy and water markets.

PIAC welcomes the opportunity to respond to the Australian Energy Regulator's (AER) consultation paper on the review of the Retail Pricing Information Guidelines.

Third parties, agents and door-to-door marketing

The draft Guidelines contain a number of amendments that effectively remove the requirement for third party price comparison websites, sales websites or sales agents advertising electricity plans to provide customers with a link to the Basic Plan Information Document (BPID), or a hard copy of the BPIB or Detailed Plan Information Document (DPID) through in-person marketing.

PIAC supports concerns raised by the Energy and Water Ombudsman NSW (EWON) in its submission that these draft amendments weaken the regulatory framework that supports customers comparing their energy options. It narrows the application of the Guidelines by removing the requirement for third parties and agents to comply with Part B of the Guidelines. Such a change is counter to the interests of consumers and does not provide a sufficiently material or certain reduction of regulatory burden to warrant this.

We are particularly concerned that the Guidelines create different outcomes for gas versus electricity customers, and for electricity customers searching for an offer through a third party compared to those dealing with a retailer directly.

We support EWON's recommendation to retain and not delete the wording in clauses 168, 178, 180-181, 186 of the draft Guidelines relating to agents and third parties. We also support EWON's recommendations to:

- amend clause 189 of the draft Guidelines with wording similar that contained in clause 99 of version 5 of the Guidelines.

- amend clause 17 of the draft Guidelines to include third parties and agents marketing or advertising on behalf of retailers.
- remove clause 18 of the draft Guidelines.

Comparison rates and reference prices

PIAC supports the use of a comparison rate as a means to support customers in comparing offers. Furthermore, we support the requirements in the Guidelines for retailers to provide prices and discounts in comparison to the reference price for the relevant distribution region. Requiring all this information to be presented in comparison to the same price will provide important consistency and aid meaningful comparisons by customers.

Language requirements

PIAC broadly supports the AER's updated language requirements for Part A, Part B and Part C. PIAC concurs with other stakeholders that technical jargon and inconsistent language create a barrier for consumers to meaningfully compare different retail offers. By requiring consistent definition of terms like 'general usage' and 'Separately metered usage', the AER will help to address this problem.

Timeframes

PIAC supports the 2-day timeframe, unchanged from version 5 of the Guidelines, for retailers to submit (or remove) plan information from Energy Made Easy once the plan becomes available (or unavailable). This timeframe ensures Energy Made Easy remains an up to date and reliable source of information for small customers comparing energy plans.

Continued engagement

PIAC would welcome the opportunity to meet with the AER and other stakeholders to discuss these issues in more depth.

Yours sincerely

Anna Livsey

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