

# Saving money on your energy bill

This fact sheet explains how you may be able to save on your electricity or gas bill by switching to a new plan or retailer.

This information applies to customers who live in Queensland<sup>1</sup>, New South Wales, South Australia, Tasmania<sup>2</sup> and the Australian Capital Territory.<sup>3</sup>

## Check your energy bill

The company who you purchase your electricity or gas from is called your retailer.

There is a message on your bill which tells you if you could be saving money on another plan with your retailer. This is called a **better offer message**.

The better offer message may not appear on every bill because it is only required to be provided every 100 days. If your latest bill doesn't have this message, call your retailer and ask them if there is a cheaper plan available.

### Where do I look?

The better offer message is on the first page of your bill.

The message starts with 'Could you save money on another plan?'

It should look similar to this:

### Could you save money on another plan?

Based on your past usage, our **Super Saver Plus** plan may cost you up to **\$81.45** less per year than your current plan.

To switch plans, go to retailer.com.au or call us on 131 131. Conditions may apply.

The Australian Energy Regulator requires us to include this information.

### How do I know if there is a better deal available?

If there is a better deal available, the message will say that another plan **may cost you less per year than your current plan.** 

If you receive this message, you should contact your retailer as you may be able to save money by switching to another plan. This is usually a quick and easy process.

<sup>&</sup>lt;sup>1</sup> This fact sheet applies to customers in Metropolitan Queensland only and does not apply to customers in Regional Queensland which is serviced by Ergon Energy.

<sup>&</sup>lt;sup>2</sup> For customers in Tasmania, this fact sheet applies to electricity only and not gas.

<sup>&</sup>lt;sup>3</sup> Customers who live in Victoria should review the Essential Services Commission of Victoria's <u>website</u>.

### What if there isn't a better deal available?

If there isn't a better deal available, the message will say you are on the best plan that the retailer can offer you.

If you receive this message, there may still be a better deal available to you with another retailer. You can compare plans for free on the Australian Energy Regulator's (**AER**) **Energy Made Easy website**.

There is more information about Energy Made Easy under 'Comparing plans' below.

## What if the message recommends a plan I'm already on?

Sometimes retailers re-use plan names.

If your retailer does this, your bill may have a better offer message which says you may be able to save money on a plan with the same name as your current plan.

This can be confusing but it isn't an error or something you should ignore.

You may still be able to save money by switching because there is a newer version of the plan you are on with a lower price.

If this happens to you, you should contact your retailer and ask about switching.

## **Comparing plans**

Retailers have different plans which may:

- have different prices and charges
- offer discounts, benefits, credits or have fees
- expire after a certain period of time

#### **Energy Made Easy**

To compare all energy plans available to you, visit the Energy Made Easy website at <a href="https://www.energymadeeasy.gov.au">https://www.energymadeeasy.gov.au</a>

Energy Made Easy is a free, trusted and independent website that can help you access the best energy plan for your circumstances.

Unlike some commercial switching websites, Energy Made Easy shows all generally available plans and does not take commissions from retailers.

## **How does Energy Made Easy work?**

The website will ask you some questions to get started.

For the most accurate comparison, add your NMI when prompted. Your NMI is a number you can find on your electricity or gas bill. For help finding your NMI, click <a href="https://example.com/here">here</a>.

If you don't have your NMI, you can still compare plans without it, but the potential savings may not be as accurate.

Once you answer all of the questions, you will see a list of available plans.

The plan at the top of the list will be the lowest estimated price per year based on your usage, excluding any discounts available.

You can change the filters if you wish to see plans presented based on other information. For example, to show single rate plans or time of use plans.

## Is the plan right for you?

#### Before you decide to sign up to a new retailer or switch plans you should:

- check that you aren't in an embedded network (see more information under 'Energy plans' below)
- confirm whether you have a smart meter or solar panels
- review the fees, charges and tariffs (see more information under 'Tariffs, fees and charges' below)
- consider the length of the contract (while you can switch to a new retailer or plan at any time, if your contract is for a fixed term there may be an exit fee)
- · check if there are any discounts available
- consider the savings of any benefits offered or credits available for new customers
- consider the payment methods provided and how you would like to receive your bill (such as a paper bill) and whether there are any associated fees
- consider whether GreenPower is important to you
- confirm if you need to pay a security deposit and how much it is
- check if you will receive one bill if you choose to have electricity and gas from the same retailer
- consider talking about it with someone else (family, friends etc.) before deciding

More information about some of these considerations is below.

#### Types of meters

There are basic meters and smart meters for electricity.

A **basic meter** (also called a legacy or accumulation meter) is an older style of meter that usually has an analogue display and requires a person to manually read it to know how much electricity you have used over a period of time. These meters are usually read every 3 months.

A **smart meter** is a new type of meter with a digital display that measures your electricity use every 5 minutes. A smart meter sends information about when and how much electricity you have used to the relevant metering party who sends it on to your retailer (the company you purchase energy from) on a frequent basis, usually once a day.

You can find out more information about smart meters here on the AER website.

There is only one type of meter for gas. These meters are manually read, usually every 3 months.

### Tariffs, fees and charges

### Tariffs (usage charges)

Tariffs are the way you get charged for your energy.

Your usage charges are calculated by your retailer based on how much energy you use and the tariffs that apply to you under your energy plan.

For electricity this is usually calculated and shown on your bill in cents per kWh (kilowatthours) or c/kWh.

For gas, this is usually calculated and shown on your bill in cents per MJ (Megajoules) or c/MJ.

The tariffs and charges you pay for are listed on your bill, often in the 'Understand your bill' section. You can ask your retailer if you aren't sure.

We've included information on common types of electricity tariffs in the table below.

| Type of tariff   | What it means  |
|--|--|
| Flat rate tariff Also sometimes called: single rate, standard rate or anytime rate | You are charged the same price per kWh (kilowatt-hour) regardless of the time of day that you use energy.  |
| Time of use tariff*  *Only relevant to customers with a smart meter                | You are charged different prices per kWh (kilowatt-hour) for electricity you use at different times of the day.  |
|  | Time of use tariffs generally divide the day into 2 (peak and off-peak) or 3 periods (peak, off-peak and shoulder):  |
|  | 1. Peak usage times are when demand from all consumers is generally higher. You are charged a higher price when you use electricity during peak usage times.   |
|  | 2. Off-peak usage times are when demand from all consumers is generally lower. You are charged a lower price when you use electricity during off-peak usage times.   |
|  | 3. Shoulder usage times are when demand from all consumers is a little less than during peak usage times, or there may be a high level of solar generation. Shoulder rates usually apply in-between peak and off-peak usage times.       |
|  | Your retailer should list your peak, off-peak and shoulder (if applicable) usage times on your bill. Usage times may vary between retailers, so keep that in mind if you change retailers. You can ask your retailer if you aren't sure. |
| Pemand charge*  *Only relevant to customers with a smart meter                     | You may also be charged a demand charge on top of your usage charges. This may be added to a flat rate tariff or time of use tariff.   |
|  | Demand charges are based on the maximum amount of electricity you use during a specified demand period or over   |

| Type of tariff                                   | What it means   |
|--|---|
|  | a specific demand threshold. Demand charges can take different forms, some common types include:  |
|  | 1. Anytime demand: The demand charge is determined by the maximum amount of electricity you use in a particular period set by your retailer (this is commonly a 30-minute period or a day) throughout the entire billing period. For example, your retailer may take the largest 30-minute period of demand measured in kilowatts and multiply that by the demand charge rate and the number of days in the billing period. |
|  | 2. Peak demand: The demand charge is determined by the maximum amount of electricity you use during peak periods only. For example, this could be between 5pm and 8pm daily.  |
|  | Demand charges vary between retailers and plans, and should be listed on your bill. You can ask your retailer if you aren't sure.   |
| Solar feed-in tariff (also called solar exports) | This will only apply if you have solar panels. This is the price you receive from your retailer for the solar electricity you generate and don't use or store. This will usually appear as a credit on your bill. You can ask your retailer if you aren't sure.   |

### **Fees and Charges**

Most retailers charge a fixed **daily supply fee** on top of your usage charges. This is charged regardless of whether you use any energy or not.

#### Retailers may also have the following fees and charges:

- account establishment fees for new customers
- special meter read fees, including when you move in or out of a property
- connection, re-connection or disconnection fees (including exit fees to leave your current retailer)
- fees for paying your bill in a particular way such as via credit card or over the counter at Australia Post
- late payment fees
- early termination or exit fees
- paper bill fees
- subscription or membership fees

The fees and charges you pay should be listed on your bill. They are often found in the 'Understand your bill' section. You can ask your retailer if you aren't sure.

### Discounts, credits and benefits

Some retailers may offer discounts if you pay your bill on time, use a particular payment method or are a customer of another business (such as a bank).

Some retailers may offer credits on your bill as a once-off or for a fixed period of time when you sign up as a new customer.

Some retailers may offer other benefits such as discounted internet or mobile phone plans, memberships or subscriptions (such as online streaming services), tickets and rewards points.

#### GreenPower

Some retailers may allow you to purchase GreenPower or offer GreenPower plans.

GreenPower is a government-managed program that lets consumers support renewable energy generation. When you buy GreenPower from your electricity retailer, you're paying for renewable energy that meets strict criteria.

You can find out more about GreenPower here.

## **Energy plans**

Your retailer will send you all of the information about your energy plan (also called your energy contract) when you agree to sign up.

This may happen when you switch retailers or when you move into a property which is already connected to a retailer and you start using electricity or gas (known as a deemed customer retail arrangement).

When you receive a copy of your energy plan, you should make sure the terms and conditions (including the tariffs, charges and fees) match what you agreed with the retailer.

You should also check your first bill to make sure it matches what you agreed with the retailer.

### **Embedded networks**

Sometimes apartment blocks, retirement villages and caravan parks (all referred to as 'sites') can be part of what is known as an 'embedded network'.

In embedded networks, the owner of the site buys energy from a retailer and sells it to the people who live there.

If you live in an embedded network, you will generally be unable to switch or sign up to a new retailer due to the way the network is wired. Energy retailers are not required to sell energy to you if you live in an embedded network. You can find more information about how you may be able to buy your energy directly from a retailer under the 'Embedded Networks' section here on the AER website.

More information on embedded networks is available **here** on the AER website.

## Types of energy contracts

There are 2 types of energy contracts – standard contracts and market contracts.

#### 1. Standard contracts

These have set terms and conditions that can't be changed and a maximum price that can be charged by the retailer.

You may have this type of contract if you have not changed retailers or contacted a retailer about a contract.

#### 2. Market contracts

These have some set terms and conditions and some terms and conditions set by your retailer.

They may cost less than standard contracts, and may offer renewable energy or discounts.

They are sometimes for a fixed length of time, and where they are there may be an exit fee if you leave early.

Retailers offer very different market contracts so look for one that will work for you.

### Consent

A retailer is required by law to obtain your explicit informed consent when switching you to a new plan or signing you up to a new plan (also called a contract).

This means that you must be provided with information from the retailer so that you are able to understand what you are agreeing to.

Your acceptance of the retailer's offer must be voluntary. This means it must be free from pressure, undue influence or duress.

You must also have the capacity to provide consent. This means you have the ability to understand and use the information provided to make a decision. Age, physical or intellectual impairments or disabilities may affect your ability to provide consent.

Your retailer should also offer you a cooling off period once you enter into a contract. This must be at least 10 business days (2 weeks) but may be longer. A cooling off period is where you can change your mind and stop purchasing energy from your retailer without any financial penalties. You can check with your retailer if you aren't sure about the duration of your cooling off period.

## Supports available

Retailers have supports available if you need them now or in the future.

## Are you having difficulty paying your bill?

If you are having difficulty paying your energy bill for any reason, contact your retailer.

Your retailer may be able to offer you a payment extension, payment plan or add you to their hardship program. Your retailer may also be able to waive any late payment or other fees.

Retailers are required to have a hardship policy which list the supports available to customers who are having difficulty paying their energy bills. You should be able to find this on your retailer's website or call them to request a free copy of their policy.

You are considered a **hardship customer** if you are a residential customer (not a business customer) who is identified (either by yourself or your retailer) as experiencing payment difficulties due to hardship.

Hardship can occur for a number of reasons, so if you have difficulty paying your bill for any reason you should contact your retailer as soon as possible.

More information on hardship is available under the 'Hardship and payment difficulties' section **here** on the AER website.

## Family and domestic violence support

Your retailer has support available if you are affected by family violence.

Family violence, also referred to as domestic violence or abuse, involves a pattern of behaviour intended to coerce, control or dominate someone in a domestic, intimate, family, or family-like relationship. Family violence may take many forms including physical, emotional, psychological, financial, economic, sexual, social, technological and spiritual abuse.

Retailers are required to have a family violence policy which list the supports available to customers affected by family violence. You should be able to find this on your retailer's website or call them to request a free copy of their policy.

More information on family violence support is available under the 'Family violence' section **here** on the AER website.

### **Concessions and rebates**

There may be concessions and/or rebates available to you, depending on which State or Territory you live in.

You should contact your retailer to assist you in understanding what concessions and rebates are available based on where you live. You may be required to take additional steps yourself to determine your eligibility and apply for the available concessions or rebates.

## **Contact us**

| Austra                                    | lian Energy Regulator (AER)  |  |
|---|--|--|
| Phone                                     | 1300 585 165 or +61 2 6243 1306 (International)  |  |
|   | Monday to Friday, 10am to 3pm AEST/AEDT  |  |
| Website                                   | www.aer.gov.au   |  |
| Email                                     | aerinquiry@aer.gov.au  |  |
| Post                                      | GPO Box 3131   |  |
|   | Canberra ACT 2601  |  |
| First N                                   | lations Infoline   |  |
| Phone                                     | 1300 303 143   |  |
|   | A dedicated phone service for Indigenous Australians seeking information about their consumer rights and consumer protection |  |
| Langu                                     | ages other than English  |  |
| Phone                                     | <b>13 14 50</b> and ask for the AER on 1300 585 165  |  |
| Website                                   | www.tisnational.gov.au   |  |
| Hearing and speech assistance             |  |  |
| National Relay Service – TTY Users        |  |  |
| Phone                                     | 13 36 77 and ask for the AER on 1300 585 165   |  |
| National Relay Service – Speak and Listen |  |  |
| Phone                                     | <b>1300 555 727</b> and ask for the AER on 1300 585 165  |  |
| National Relay Service – Internet Relay   |  |  |
| Website                                   | Visit <u>nrschat.nrscall.gov.au/nrs/internetrelay</u> and ask for the AER on 1300 585 165                                    |  |

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