



## Joint compliance bulletin

April 2026

# Changes to the Electricity Retail Code

The Australian Competition and Consumer Commission (**ACCC**) and the Australian Energy Regulator (**AER**) have published this joint compliance bulletin to help electricity retailers understand and comply with certain obligations to account for changes to the *Competition and Consumer (Industry Code—Electricity Retail) Regulations 2019* (**Electricity Retail Code**).

This document outlines our expectations about how retailers will comply with new obligations set out in sections 12, 13 and 18 of the amended Electricity Retail Code.

It is important to note that this document is only intended as a guide for electricity retailers about their responsibilities. It is not a substitute for independent legal advice, nor is it intended to comprehensively encapsulate the responsibilities of electricity retailers under the amended Electricity Retail Code.

## Amendments to the Electricity Retail Code

The *Competition and Consumer (Industry Code—Electricity Retail) Amendment Regulations 2026* makes significant changes to the Electricity Retail Code. Relevantly for this document, the changes included:

- introducing the Solar Sharer Offer
- renaming the “reference price” to the “comparison price set by the AER”
- expanding the scope of the Electricity Retail Code to cover more tariff types, including demand tariffs and small business customers on flexible tariffs
- requiring the AER to determine a tariff cap for common standing offer tariff types (regulated tariffs), and
- requiring the AER to determine annual comparison prices for both regulated tariffs and non-regulated tariffs.

## The amended Electricity Retail Code

The amended Electricity Retail Code has 3 broad elements:

1. It applies tariff caps and an annual price to standing offers.<sup>1</sup>

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<sup>1</sup> Sections 10 and 10A of the Electricity Retail Code.

2. It sets requirements on the pricing information retailers must communicate to small customers and how retailers are to communicate this price information to small customers (the “**communication requirements**”).<sup>2</sup>
3. It requires retailers to:
  - a. offer the Solar Sharer Offer as an opt-in offer to residential customers with smart meters, and<sup>3</sup>
  - b. provide information about the Solar Sharer Offer to customers before making an offer or at the time an offer is made.<sup>4</sup>

By 1 July 2026, retailers in the following distribution regions must comply with the amended Electricity Retail Code, including their obligations regarding the Solar Sharer Offer:

- Ausgrid
- Endeavour Energy
- Essential Energy
- Energex, and
- SA Power Networks.

The amended Electricity Retail Code does not apply in Victoria, Northern Territory, Australian Capital Territory, Tasmania, regional Queensland and Western Australia.

## Regulated and non-regulated tariffs

One of the key changes to the DMO framework is the introduction of regulated and non-regulated tariffs to small customers.<sup>5</sup>

Previously under the Electricity Retail Code, the AER determined an annual price cap against which retailers’ standing offers (for common tariff types) had to be compliant.

The Electricity Retail Code now prescribes a list of regulated tariffs for which the AER must determine a tariff cap.<sup>6</sup>

- The tariff cap imposes maximum amounts on the underlying charges of a standing offer (i.e. supply and usage charge).<sup>7</sup> This structure is more in line with the structure of the Victorian Default Offer.

Non-regulated tariffs are tariffs that do not fall under the list of regulated tariffs (such as demand tariffs).<sup>8</sup> This acts as a ‘catch-all’ for tariff types that are not prescribed in the

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<sup>2</sup> Section 12 of the Electricity Retail Code.

<sup>3</sup> Section 11 of the Electricity Retail Code.

<sup>4</sup> Section 13 of the Electricity Retail Code.

<sup>5</sup> The Electricity Retail Code defines a small customer as:

Residential customer in relation to whom electricity is supplied principally for personal, household, or domestic use.

Small business customer in relation to whom both of the following apply:

- (i) the electricity is not principally for personal, household, or domestic use;
- (ii) the supply is, or will be, at a rate of less than 100 MWh a year.

<sup>6</sup> Regulated tariff is a defined term under the Electricity Retail Code, and includes flat rate residential, flat rate small business, flexible residential, flexible small business, residential controlled load, Solar Sharer Offer.

<sup>7</sup> Section 10A of the Electricity Retail Code.

<sup>8</sup> Non-regulated tariff is a defined term under the Electricity Retail Code and means a tariff that is not a regulated tariff and for which the AER has determined a comparison price set by the AER under paragraph 16(1)(b).

Electricity Retail Code as regulated tariffs. Standing offers for non-regulated tariffs must not exceed an annual price cap.<sup>9</sup>

For both regulated and non-regulated tariffs, the AER is also required to determine annual prices for the purpose of price comparisons with retailer market offers (comparison prices set by the AER). For non-regulated tariff standing offers, the comparison price set by the AER also acts as the annual price cap.<sup>10</sup>

## Overview of the Solar Sharer Offer requirements

Retailers must advise customers that the Solar Sharer Offer may not be suitable in all circumstances and opt-in customer agreement will be required to place a customer on the Solar Sharer Offer.

The amended Electricity Retail Code places the following requirements on retailers regarding the Solar Sharer Offer:

1. A retailer must make a Solar Sharer Offer as an opt-in standing offer to residential customers with a smart meter.<sup>11</sup>
2. Before, or at the time of, making the offer, the retailer must disclose specific information about the Solar Sharer Offer to the residential customer.<sup>12</sup>
3. A residential customer must consent to being placed on the Solar Sharer Offer.<sup>13</sup>

Retailers supplying electricity to fewer than 1,000 residential customers across all distribution regions to which the amended Electricity Retail Code applies, are not required to make a Solar Sharer Offer.<sup>14</sup>

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<sup>9</sup> Section 10A of the Electricity Retail Code.

<sup>10</sup> Section 10(3) of the Electricity Retail Code.

<sup>11</sup> Section 11(1) of the Electricity Retail Code.

<sup>12</sup> Section 13 of the Electricity Retail Code.

<sup>13</sup> Section 11(2) of the Electricity Retail Code.

<sup>14</sup> For DMO 8, the 1,000-customer threshold is as of 1 March in the financial year beginning 1 July 2025.

# Our expectations about how retailers will comply with new requirements in the Electricity Retail Code

From 1 July 2026, electricity retailers will have additional obligations under the amended Electricity Retail Code.

This section outlines our expectations for how retailers comply with the following requirements of the amended Electricity Retail Code:

- Section 12: Communicating price information to customers
  - Including communicating prices with a demand charge
- Section 13: Solar Sharer Offer specific information, and
- Section 18: Free usage periods and reasonable use cap.

## Section 12: Communicating price information to customers

Retailers communicate their prices to their customers when they:

- advertise or publish the offered prices
- offer to supply electricity at those offered prices, or
- notify customers of a change in prices.

The Electricity Retail Code sets out specific information that electricity retailers must communicate to customers when communicating their offered prices to small customers. Items in **bold** below must be clearly and conspicuously stated. This includes:

- **whether the offered prices apply in relation to a non-regulated or a regulated tariff, and the relevant comparison price set by the AER for that non-regulated or regulated tariff**<sup>15</sup>
- **the difference between the unconditional price and the comparison price set by the AER, stated as a percentage of the comparison price set by the AER**<sup>16</sup>
- **for each proportional conditional discount, the difference between the conditional price and unconditional price, stated as a percentage of the relevant comparison price set by the AER**<sup>17</sup>
- **conditions for all conditional discounts**<sup>18</sup>
- **the distribution region and type of small customer**,<sup>19</sup> and
- a conditional discount must not be the price-related matter that is mentioned most conspicuously in the advertisement, publication or offer.<sup>20</sup>

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<sup>15</sup> Section 12(2B)(a), (b) and (c) of the Electricity Retail Code.

<sup>16</sup> Section 12(3)(a) of the Electricity Retail Code.

<sup>17</sup> Section 12(3)(b) of the Electricity Retail Code.

<sup>18</sup> Section 14(3) of the Electricity Retail Code.

<sup>19</sup> Section 12(6) of the Electricity Retail Code.

<sup>20</sup> Section 14(2) of the Electricity Retail Code.

## The comparison price set by the AER

To allow consumers to more easily compare market offers, Section 12 of the Electricity Retail Code requires retailers to compare their prices with a comparison price set by the AER.

The AER is required to set a comparison price for each regulated tariff and a comparison price for non-regulated tariffs.

The comparison price set by the AER for both regulated and non-regulated tariffs is an annual price, based on what the AER considers would be a reasonable per-customer annual price for that tariff.

For DMO 8, the AER has calculated the comparison price for regulated tariffs by applying its annual usage and pattern of supply determinations to the tariff cap for each regulated tariff. For example, calculating the comparison price for a flat rate regulated tariff by multiplying the annual usage amount and the maximum charges under the flat rate tariff cap.

The comparison price set by the AER for a non-regulated tariff is equivalent to the price cap on standing offer prices for non-regulated tariffs.

## Communicating the relevant comparison price to customers

Changes to the Electricity Retail Code introduce new requirements for retailers when communicating prices to small customers.

Section 12(2B) requires retailers in their price communications to:

- identify whether the offered price relates to either a regulated or non-regulated tariff, and
- state the relevant comparison price set by the AER for that tariff.

Section 12(3) requires retailers to compare their offered prices with the relevant comparison price set by the AER for each market offer. In deriving their offered prices, retailers are required to apply the relevant per-customer annual usage and pattern of supply determined by the AER for regulated and non-regulated tariffs.

In identifying the relevant comparison price set by the AER, retailers should consider the tariff components and structure of their market offer and select the standing offer with the tariff structure that most closely aligns to that market offer.

- For example, where a retailer offers a flat rate market offer, the retailer should compare it against the comparison price for a flat rate regulated tariff. Where a retailer offers a time-of-use market offer with a free usage period, the relevant comparison price set by the AER is likely to be the Solar Sharer Offer.

Retailers' obligations about the interactions between the Solar Sharer Offer and the Better Bills Guidelines are outside the scope of this document. For further information retailers can consult the [AER's Solar Sharer Offer – Fact Sheet for Retailers](#).

## Communicating prices with a demand charge

The AER has not, in its draft determination for DMO 8, determined the per-customer amount and the timing or pattern of supply specifically for tariffs with a demand charge. As tariffs with a demand charge are a non-regulated tariff, retailers are required to calculate the annual

offered price for tariffs with a demand charge using the AER's per-customer annual usage determination and pattern of supply determination for non-regulated tariffs.

As the annual price of an electricity plan with a demand charge is heavily influenced by a customer's peak demand usage, the ACCC expects retailers to clearly and prominently communicate to small customers that the actual price for plans with a demand charge may be significantly higher than the unconditional price used to compare to the comparison price set by the AER for non-regulated tariffs depending on the customer's actual usage.

For example, as identified in the ACCC's Electricity Inquiry December 2025 report, the ACCC calculated that the customer-weighted median residential customer maximum demand per 30-minute interval for plans with a demand charge was approximately 4.1 kW.<sup>21</sup> On this basis, the usage assumptions for non-regulated tariffs in the AER's draft determination for DMO 8 are unlikely to be representative for the majority of customers on plans with a demand charge.

## Section 13: Solar Sharer Offer specific information

Section 13 of the Electricity Retail Code sets out specific information that retailers must communicate to customers before making, or at the time of making, the Solar Sharer Offer standing offer:

- that the offer is best suited to customers who can shift their usage to the free usage period
- that failure to shift usage to the free usage period could result in higher electricity costs, and
- customers may be charged for use exceeding the reasonable use cap during the free usage period.

The Electricity Retail Code does not specify how retailers should present the specific information about the Solar Sharer Offer to customers. We consider it is good practice for retailers to provide this specific information whenever they promote or refer to the Solar Sharer Offer standing offer in communications to customers, including through:

- advertising materials,
- webpages displaying the Solar Sharer Offer as an option for prospective customers, or
- verbal communications with current or prospective customers.

This specific information is important as it allows customers to make an informed decision about whether to enter into a Solar Sharer Offer standing offer.

Regardless of the format or channel, retailers should communicate this information in a way to ensure prospective customers can easily understand and act on the specific information prior to entering into a Solar Sharer Offer standing offer.

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<sup>21</sup> To derive the single input figure, the ACCC collated the provided maximum demand data from all retailers and customer-weighted this by both retailer and distribution zone. Australian Competition and Consumer Commission (ACCC), Inquiry into the National Electricity Market: December 2025, ACCC, Australian Government, 18 December 2025, p. 57.

### *Record keeping of customer communications*

Under Section 13A of the Electricity Retail Code, retailers are also required to keep a record of their communications to residential customers regarding the specific information about the Solar Sharer Offer.

Retailers must also make and keep records relating to communicating their prices for supplying electricity to a customer. The record must include:

- the content of the communication
- the date of the communication, and
- keep the record for 6 years from the end of the financial year in which the communication is made.<sup>22</sup>

The record is not required to contain the personal details of a small customer or personal information about a small customer who is an individual.<sup>23</sup>

For multiple communications of offered prices made to small customers in the same way (for example, through a mass marketed campaign), retailers may make and keep a single record. This includes circumstances where offers are made to different small customers of the same type, in the same distribution region, in the same financial year, based on a single template or script, and substantially identical in content and form.<sup>24</sup>

## **Section 18: Free usage periods and reasonable use cap**

For Solar Sharer Offer standing offers, the AER is required to determine a free usage period that is for 3 consecutive hours that applies daily.

In its draft determination for DMO 8, the AER has set the free usage periods at 11am–2pm for New South Wales and South East Queensland and 12pm–3pm for South Australia. The free usage periods are fixed in local time year-round and do not change for daylight savings.

Under Section 18(3) of the Electricity Retail Code, retailers must not charge customers on Solar Sharer Offer standing offers for electricity during this free usage period up to a reasonable use cap of 24 kWh per day. For any usage above the reasonable use cap, the AER will set a maximum tariff cap that retailers can charge customers for excess electricity used during the free usage period.

Retailers are not required to charge customers for electricity usage beyond the reasonable use cap, and for simplicity, may choose to continue not charging for excess electricity usage during the free usage period.

Section 13 of the amended Electricity Retail Code requires retailers to state that customers may be charged for electricity consumption exceeding the reasonable use cap during the free usage period. Given customers are likely to place considerable weight on electricity being described as “free”, we also consider it is good practice for retailers to clearly disclose the following:

- whether the retailer will impose charges for electricity consumption exceeding the reasonable use cap

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<sup>22</sup> Section 13A(2) of the Electricity Retail Code. In addition, under Section 13A(2A) the record must record whether the content of the communication complied with subsections 12(2B), (3) and (6).

<sup>23</sup> Section 13A(3) of the Electricity Retail Code.

<sup>24</sup> Section 13A(4) of the Electricity Retail Code.

- where such charges will be imposed, that the electricity consumed in the free usage period is only free up to the reasonable use cap
- information to help customers understand the likelihood of exceeding the reasonable usage cap, and
- that customers may still need to pay for other charges not related to usage, such as supply charges and controlled load.

## Compliance approach

### *Expectations prior to 1 July 2026*

We expect retailers to be compliant with their obligations under the new DMO framework, including the Solar Sharer Offer, from its commencement on 1 July 2026.

If retailers are experiencing barriers that will prevent full compliance with the new obligations by 1 July 2026:

- compliance issues with the Solar Sharer Offer information requirements should be reported to the ACCC, and
- issues with the National Energy Retail Law and Rules (including the Better Bills Guideline and Retail Pricing Information Guidelines) should be reported to the AER.

This should be reported to the ACCC or the AER as soon as possible.

### *Factors we will consider after 1 July 2026*

We will assess a retailer's non-compliance with the Solar Sharer Offer obligations in accordance with our respective compliance and enforcement priorities and policies.

For instances of non-compliance, the ACCC and the AER will also consider the following factors to determine the appropriate response for resolving alleged contraventions:

- the steps taken by the retailer to achieve full compliance prior to 1 July 2026
- whether the delay to full compliance is reasonable in all the circumstances
- the retailer's proposed timeframes to achieve full compliance
- the number of customers affected by the non-compliance (noting the Solar Sharer Offer standing offer will first be implemented in New South Wales, South Australia and South East Queensland)
- the retailer's planned communication strategy and other actions taken to mitigate customer harm from any delays in fully complying with their obligations, and
- the engagement with and quality of the evidence provided to the ACCC and AER in support of the retailer's barriers to full compliance.

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### **Further enquiries**

If you have a question about the Electricity Retail Code, email [ElectricityMonitoring@acc.gov.au](mailto:ElectricityMonitoring@acc.gov.au).

If you have a question about the National Energy Retail Law and Rules, email [AERretailcompliance@aer.gov.au](mailto:AERretailcompliance@aer.gov.au).

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**Important notice**

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