



Communicating pricing changes

- The Australian Energy Regulator (**AER**) and the Australian Competition and Consumer Commission (**ACCC**) work together closely to monitor the retail electricity market and enforce consumer protection requirements under relevant laws and regulations.
- The electricity market regulatory framework is undergoing significant change. This includes changes to the Default Market Offer (**DMO**) framework and changes to the National Energy Retail Rules around price changes.
- Separate to these changes, retailers are also updating their pricing of competitive market offers, which in some cases has included material increases in daily supply charges for some customers alongside declines in usage charges. The Minister for Climate Change and Energy has asked the AER and ACCC to advise on these price changes.
- It is essential that energy consumers are provided with clear and accurate information when being advised of price changes to enable them to make informed choices about their energy costs.
- This compliance bulletin reminds retailers of their obligations around:
 - notifying customers of price changes
 - the price cap on standing offers
 - the Australian Consumer Law
 - use of conditional discounts in advertising
 - communicating and advertising prices to customers.
- The AER and the ACCC will continue to monitor retailer behaviour in this space and may take enforcement action against retailers who fail to comply with these important obligations.

Obligations under the Electricity Retail Code

- The Electricity Retail Code (**Code**) is a mandatory industry code under the *Competition and Consumer Act 2010* (Cth) (**CCA**). The Code applies to retailers that supply electricity to households and small businesses in New South Wales, South Australia, and South East Queensland.
- It aims to prevent disengaged consumers from paying too much for electricity and to help consumers compare electricity offers.

- It does not apply to embedded network customers or prepayment meter customers. From 1 July 2026, the Code will apply to demand, small business time-of-use and small business controlled load tariffs.

Requirements under the Code

Caps on standing offer prices

- Under the Code, retailers must ensure their standing offer prices for small customers do not exceed the applicable price cap for non-regulated tariffs or the applicable tariff cap for regulated tariffs.
- Retailers must make and keep records that demonstrate compliance with the applicable standing offer price requirements. For non-regulated tariffs, retailers must make a record demonstrating how they calculated the total annual price payable by a representative customer at the retailer's standing offer prices. For regulated tariffs, retailers must make a record of the tariff components and the tariff cap applicable to those components.

Communicating prices to small customers

- Retailers must state specific information when communicating their prices to customers under the Code.
- A retailer communicates their prices to a small customer if they:
 - advertise or publish the prices
 - offer to supply electricity at those prices, or
 - give a customer written notice of a change to their prices.
- Retailers must clearly and conspicuously state:
 - whether the offered prices apply to a non-regulated or regulated tariff, and the relevant comparison price set by the AER for that tariff
 - the difference between the unconditional price¹ and the comparison price set by the AER, stated as a percentage of the comparison price set by the AER
 - for each proportional conditional discount,² the difference between the unconditional price³ and conditional price, stated as a percentage of the comparison price set by the AER
 - the distribution region
 - the type of small customer.
- Retailers must make and keep a record of the content and date of communications to customers and record whether the communication complied with the requirements set out above.

¹Unconditional price means the total price a representative customer would be charged for the supply of electricity in the financial year at the offered prices, disregarding any conditional discounts.

²Proportional conditional discount refers to a conditional discount that is calculated as a proportion of all or part of the amount a customer is charged for the supply of electricity at the offered prices.

³ Conditional price means the total amount a representative customer would be charged for the supply of electricity in the financial year at the offered prices, assuming that the conditions on the discount were met and disregarding any other conditional discounts.

Advertising conditional discounts

- A retailer must not state any conditional discount as the main price-related element of an advertisement.
- When advertising a conditional discount, retailers must state any conditions on the conditional discount clearly and conspicuously.

The Solar Sharer Offer

- From 1 July 2026, retailers must make a Solar Sharer Offer available to customers with a smart meter.⁴ It is a new time-of-use standing offer for residential customers which includes a 3-hour free usage period.
- The Solar Sharer Offer is a regulated tariff. Therefore, retailers must ensure their prices comply with the relevant tariff cap.⁵
- Retailers must obtain a customer's consent before transferring them to the Solar Sharer Offer.⁶ This means that customers cannot be placed onto the Solar Sharer Offer by default nor when they are rolled onto a deemed contract.
- Before, or at the time of, offering a Solar Sharer Offer to customers, retailers must provide the following information:⁷
 - the Solar Sharer Offer is best suited for customers who are able to shift their electricity usage to the free usage period
 - not shifting electricity usage to the free usage period could result in higher electricity costs
 - customers may incur further charges for any electricity use exceeding the reasonable use cap for the free usage period.

The ACCC enforces the Code by checking compliance

- The ACCC is currently responsible for monitoring and enforcing compliance with the Code. It does this in accordance with its [Compliance and Enforcement Policy and Priorities](#). Misleading pricing and claims in relation to essential services, with a focus on energy, is a current enforcement and compliance priority.
- The ACCC can require retailers to provide information or documents they're required to keep, generate, or publish under the Code. If a retailer is selected for a compliance check, they will receive a notice pursuant to section 51ADD of the CCA that sets out the information or documents that must be provided. Retailers have 21 days to provide the information or documents.
- The ACCC also uses public information to monitor compliance with the Code.

⁴ The obligation to make a Solar Sharer Offer available does not apply to retailers who supply to fewer than 1,000 customers across all distribution regions to which the Code applies.

⁵ Section 10A of the Code.

⁶ Section 11(2) of the Code.

⁷ Section 13 of the Code.

- If a compliance check reveals that a retailer may have breached the Code, we will engage further with the retailer. We may take administrative or enforcement action in line with our Compliance and Enforcement Policy and Priorities.
- Most of the requirements in the Code are civil penalty provisions with a maximum prescribed penalty of 300 penalty units. In lieu of formal legal action should the Commission have reasonable grounds to believe a person has contravened such provisions of the Code, the ACCC may decide to issue an infringement notice specifying a penalty of 60 penalty units for each breach in the case of corporations. A penalty unit is currently equal to \$364.
- Infringement notices have previously been issued to [Locality Planning Energy \(2020\)](#), [CovaU \(2022\)](#), [ReAmped and CovaU \(2023\)](#), [M2 Energy t/a Dodo Power & Gas \(2024\)](#) and [Diamond Energy \(2025\)](#) for alleged contraventions of the Code.
- The Federal Court also ordered [EnergyAustralia to pay \\$14 million in penalties](#) for:
 - failing to provide mandatory information required by the Code, and
 - making false, misleading or deceptive statements to hundreds of thousands of consumers about electricity prices.

Obligations under the ACL

- Retailers should also be aware of their obligations under the Australian Consumer Law (**ACL**). The ACCC enforces the ACL.
- Retailers must ensure that they represent and communicate prices in a way that complies with the ACL, including prohibitions on false or misleading representations and misleading or deceptive conduct. Retailers should be clear when explaining why and how prices are changing so that consumers are not given misleading impressions.⁸
- Conduct that breaches any of the provisions of the ACL could result in fines of up to \$2,500,000 for individuals and the greater of \$100 million, 3 times the value of the benefit received, or where the benefit cannot be calculated, 30% of adjusted turnover during the breach turnover period for the contravention for companies.

⁸ In 2020, the ACCC issued an infringement notice to [Origin Energy](#) for allegedly misleading customers about the reason prices were changing.

Obligations under National Energy Retail Law and Rules

- The National Energy Retail Law (**Retail Law**) and National Energy Retail Rules (**Retail Rules**) govern the sale of energy from retailers to customers in New South Wales, Queensland, South Australia, Tasmania and the Australian Capital Territory. The AER enforces obligations under the Retail Law and Retail Rules.

Obligations around standing offers

- The DMO is set by the AER for households and small businesses in South Australia, New South Wales and South East Queensland. It is the maximum price that retailers can charge customers on a standing offer.
- Default placements or end-of-contract rollovers must use a typical DMO standing offer (e.g. flat rate DMO or non-Solar Sharer Offer time-of-use DMO).⁹

Requesting to go on a standing offer in response to price change

- Every retailer must have a standing offer and customers have the right to ask for one if they wish. However, for customers with an existing electricity connection, only their existing retailer is obliged to supply them on these terms. Therefore, customers seeking a standing offer can make that request of their existing retailer, knowing it will be met and that they will be protected by the DMO price cap. Retailers must ensure they comply with this obligation.
- The AER expects that, if a customer asks their existing retailer if there is a better offer available than their existing Market Retail Contract, that the retailer include the DMO as an option.

Price changes

- Retailers are only permitted to increase prices and/or decrease energy payments once every 12 months for all existing and new Market Retail Contracts.¹⁰
- These changes can only occur either:
 - once within the month of July each year, or
 - no earlier than the anniversary of the contract and no sooner than 12 months from the previous price increase where the contract has a fixed price for a period of time after the contract start date.¹¹
- The Retail Rules also allow these changes in two additional scenarios:
 - as a direct result of a tariff reassignment by a distributor under the National Electricity Rules (**Electricity Rules**), or

⁹ The AER reminds retailers of the two-year explicit informed consent requirements after smart meter installation, including for flat rate tariffs, as set out in the [Guidance to Retailers: Site Defects, Tariff Structure Changes and Shared Fusing](#).

¹⁰ Retail Rules, subrule 46AA.

¹¹ Retail Rules, subrule 46AA.

- with respect to a tariff, charge or energy payment that continually varies in relation to the prevailing spot price of energy.¹²
- Customers paying standard offer prices under standard retail contracts are only permitted to have a maximum of 2 price increases per year.¹³

Notice of changes to tariff, charges and energy payments

General requirements

- Under the Retail Rules retailers must comply with notification procedures when making changes to any tariffs, charges and energy payments under a Market Retail Contract with a small customer (residential or small business).¹⁴
- Retailers must give notice to the customer of any variation to the tariffs, charges or energy payment that affects the customer, subject to Rule 46AA.¹⁵
- Retailers must give at least 5 business days for contracts that are not fixed price periods and at least 20 business days for fixed price period contracts prior notice before the price change takes effect.¹⁶ The notice must be delivered by the customer's preferred form of communication, or the same method as the customer's bill.¹⁷ These obligations are tier 2 civil penalty provisions. The maximum corporate civil penalty is \$1.778 million plus \$89,000 for every day during which the breach continues. The maximum individual civil penalty is \$355,600 plus \$17,800 for every day during which the breach continues.¹⁸
- The notice must
 - specify that the customer's tariffs, charges or energy payments are being varied and the date on which the variation takes effect
 - identify the customer's current tariffs, charges and energy payments inclusive of GST
 - identify the customer's varied tariffs, charges and energy payments inclusive of GST
 - specify that the current and varied tariffs, charges and energy payments are inclusive of GST
 - specify that customers can request historical billing data and electricity consumption data from the retailer.¹⁹
- This obligation is a tier 3 civil penalty provision. The maximum corporate civil penalty is \$210,600 plus \$21,100 for every day during which the breach continues. The maximum

¹² Retail Law, subrule 46AA(3).

¹³ Retail Law section 23(5).

¹⁴ National Energy Retail Rules, subrule 46 ('Retail Rules').

¹⁵ Retail Rules, subrule 46(3).

¹⁶ Retail Rules, subrule 46(4).

In Queensland, this requirement has been modified and energy retailers must give at least 10 business days prior notice for price increases. See <https://www.legislation.qld.gov.au/view/html/inforce/current/sl-2014-0339>.

¹⁷ Retail Rules, subrule 46(4).

¹⁸ The penalties stated apply to conduct that occurred on or after 1 July 2026. The applicable penalties for conduct prior to this date are set out at [Civil and criminal penalty indexation | Australian Energy Regulator \(AER\)](#).

¹⁹ Retail Rules, subrule 46(4A).

individual civil penalty is \$42,000 plus \$4,200 for every day during which the breach continues.

- A retailer is required to provide a notice of tariff and charge variation to a customer as soon as practicable, and in any event no later than the customer's next bill, where the variations to the tariffs and charges are a direct result of a tariff reassignment by the distributor pursuant to clause 6B.A3.2 of the Electricity Rules.²⁰

Exemptions

- The Retail Rules also set out a number of limited scenarios when notice is not required. These are:
 - where the customer has entered into a Market Retail Contract with the retailer within 10 business days before the date on which the variation referred to in rule 46(3) is to take effect, and the retailer has informed the customer of such variation pursuant to rule 46A of the Retail Rules and section 39(1)(a) of the Retail Law
 - where the variations to the tariffs, charges or energy payments is a direct result of a benefit change and the retailer has provided the customer with a notice under rule 48A
 - with respect to a tariff, charge or energy payment that continually varies in relation to the prevailing spot price of energy
 - However, the retailer must provide notice under rule 46(3) with respect to variations to any remaining tariffs, charges or energy payments that form part of the same Market Retail Contract
 - where the variations to the tariffs, charges or energy payment is a direct result of a change to, or withdrawal or expiry of, a government funded energy charge rebate, concession or relief scheme, or
 - where the variations to the tariffs, charges and energy payment is a direct result of a change to any bank charges or fees, credit card charges or fees, or payment processing charges or fees applicable to the customer.²¹
- Section 23 of the Retail Law sets out the requirements for varying standing offers.

Market Retail Contracts with benefits that expire or change

- Retailers must ensure that for Market Retail Contracts which contain time-limited benefits, the energy rates do not exceed the retailer's standing offer price when the benefit period ends.²²
- For existing Market Retail Contracts where the benefit period:
 - ended before 1 July 2026, retailers must charge energy rates that are no more than the standing offer prices from 1 July 2026 and notify the customer, or

²⁰ Retail Rules, subrule 46(4C).

²¹ Retail Rules, subrule 46(4B).

²² Retail Rules, Rule 48C.

- ends after 1 July 2026, retailers must charge energy rates that are no more than the standing offer prices from the benefit period end and notify the customer.²³
- If the post-benefit energy rates under the Market Retail Contract are already lower than or equal to the standing offer prices, the retailer is not required to change.²⁴

Engaging with customers during price changes

- We remind retailers that they must actively assess customers for hardship programs if they exhibit a history of late payments, request repeated extensions, or indicate they are struggling to pay. We expect retailers to actively assess customers they engage with in relation to price changes for payment difficulty.
- Retailers are required to offer payment options that take into account a customer's capacity to pay, expected energy consumption, and any government concessions they are eligible for.
- Retailers must ensure that hardship customers pay no more than their deemed better offer, if available, preventing these customers from incurring more debt or expenses than necessary.
- It is our expectation that retailers advise customers of the better offer information on their bills and of the AER's price comparator website Energy Made Easy.

Important notice

The information in this publication is for general guidance only. It does not constitute legal or other professional advice and should not be relied on as a statement of the law in any jurisdiction. Because it is intended only as a general guide, it may contain generalisations. You should obtain professional advice if you have any specific concern.

The ACCC and AER have made every reasonable effort to provide current and accurate information, but it does not make any guarantees regarding the accuracy, currency or completeness of that information.

Parties who wish to re-publish or otherwise use the information in this publication must check this information for currency and accuracy prior to publication. This should be done prior to each publication edition, as ACCC and AER guidance and relevant transitional legislation frequently change.

²³ Using the benefit change notice provisions of Rule 48A of the Retail Rules.

²⁴ Retail Rules, Rule 48C.