

17 July 2026

Executive Director, DMO and Consumers
Australian Energy Regulator
By Email: consumers@aer.gov.au

Dear Executive Director, DMO and Consumers

**Re: AER Retail Guidelines – Draft**

Solstice Energy Retail (**Solstice**) welcomes the opportunity to provide feedback to the Australian Energy Regulator (**AER**) on the draft AER Retail Guidelines (**Guidelines**).

Solstice (previously Tas Gas) is an electricity and gas retailer in Tasmania, having commenced retailing electricity during the first half of 2024. Whilst Solstice is only regulated by the AER in relation to its electricity retail business, we endeavour to apply consistency across fuel types wherever it is practicable to do so.

We support the consolidation of the current retail guidelines to the extent that it will assist customers to receive clear and useful information from retailers. However, as a small electricity retailer, we are concerned about the timing and cost of implementing some of these requirements. We also have concerns that the omission of some of the previous prescriptive guidance from the Guidelines will cause confusion for retailers in relation to interpretation and application, which will be inconsistent with the objective of the Guidelines to provide greater clarity to customers. We have set out these matters below.

In summary, Solstice's key requests are that the AER:

1. Clarify whether terms such as 'incentives', 'credits' or 'gifts' are captured in the definition of 'benefit', and confirm whether one-off benefits and each benefit received during a contract term trigger a Benefit Change Notice or a new Basic Plan Information Document;
2. Resolve the contradiction between the existing 100-day better offer obligation and the proposed two-week bill notification requirement, expressly remove Reminder Notices from the two-week bill notification requirement and clarify the position for retailers with shared billing systems for customers regulated by the AER's jurisdiction and other jurisdictions; and
3. Extend the implementation deadline for the Benefit Change Notice, Billing template and deemed better offer changes to **1 July 2027**.

Benefits and Benefit Change Notices

Firstly, the Guidelines define a benefit as 'a discount, reward or other advantageous feature provided to a customer under or associated with a market retail contract during the term of that contract.' Whilst 'reward' is referred to in Plan Information, it is not defined elsewhere in the Guidelines nor is 'advantageous feature'. Therefore, it is not clear whether terms such as 'incentives', 'credits' or 'gifts' (which are also referred to throughout the Guidelines but not defined elsewhere) are captured in the definition of 'benefit' and as such whether they are captured by the requirement for a benefit change notice. It is also not clear whether the requirement for a benefit change notice extends to benefits offered on a one-off basis (i.e. a one-off gift).



Further, we challenge whether the definition of ‘benefit’ requires a new Basic Plan Information Document each time a customer receives a benefit under that contract (i.e. a credit, gift, voucher etc if captured by the definition of ‘benefit’). This can be contrasted with the definition of ‘incentive’ in the current guidelines where the requirement for a Basic Plan Information Document for incentives is captured only ‘upon entry to a contract’.

Solstice requests that AER expressly define these terms, and confirm that one-off benefits and each benefit received during a contract term do not, of themselves, trigger a Benefit Change Notice or a new Basic Plan Information Document.

Deemed Better Offer

In relation to the definition of ‘bill notification’ and the requirement to use best endeavours to include a best offer message in such notifications if sent within two weeks of a bill issue date, Solstice is concerned about the potential to confuse customers in the following key areas, which would be inconsistent with the objective of the Guidelines:

- There is a direct contradiction between the existing retailer obligation to provide customers with a better offer message at least once every 100 days on a bill and the new obligation to provide this message within two weeks of such bill being issued.
- This requirement inadvertently captures Reminder Notices unless specifically excluded in circumstances where these communications could be issued within two weeks of a bill issue date.
- Solstice uses the same billing system for both its gas and electricity customers and is concerned that bill notifications cannot be configured to include a best offer message and exclude gas customers, hence causing confusion to gas customers in receipt of those notifications who do not use Energy Made Easy.

Solstice recommends that the AER either remove the two-week bill notification trigger, or amend the Guidelines to reconcile it with the existing 100-day obligation, and expressly exclude Reminder Notices from its scope. Solstice further requests that retailers using a shared billing system for gas and electricity customers be permitted to rely on the 100-day obligation alone, rather than being required to modify its’ systems solely to exclude gas customers from bill notifications.

We are also of the view that the Guidelines omit the following key aspects, which if addressed would provide better clarity for retailers in calculating the deemed better offer:

- Whilst ‘energy payment’ is defined in the Guidelines, it is not clear whether an ‘energy payment’ is to be included in the calculation of ‘annual total cost’;
- Whilst one-off gifts and sign up credits are clearly excluded from the calculation of ‘annual total cost’ it is not clear whether, in order to be excluded, such gifts or credits must be provided upon entry to a contract or if they can be marketed at the time of entry but provided at intervals during the contract; and
- For discounts to be excluded from the deemed better offer, it is not clear whether the good or service must be acquired through the retailer (i.e. gas – not subject to AER jurisdiction in Tasmania), or whether the exclusion also extends to a good or service acquired through a third party.

Billing

Solstice is concerned about the significant costs required to successfully test and implement the new information requirements into the billing template, particularly ahead of the proposed 31 December 2026 deadline.

Solstice has only recently rolled out its billing template when we commenced retailing electricity in the first half of 2024. At that time, it was noted the billing template requirements (particularly the Tier 1 information) were significant and confined to already tight spacing limitations.



New requirements such as including conditions or eligibility criteria with the best offer message, or meter serial numbers in circumstances where customers may have more than one meter, has the potential to confuse customers and our position is that any perceived confusion would outweigh the perceived benefit to customers. Unfortunately, the cost to implement changes such as these will be significant and passed onto customers, which will have the effect of lessening competition in the local Tasmanian market, which is already dominated by the state-owned incumbent retailer.

Due to timing and cost limitations, Solstice respectfully requests an extended implementation timeline of **1 July 2027**, particularly in relation to the changes to the Benefit Change Notice and Billing templates, as well as the deemed better offer.

Please contact Georgia Farmer on [REDACTED] or at [REDACTED] if you have any questions or would like to discuss the contents of this submission.

Yours sincerely

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Georgia Farmer

Senior Legal & Compliance Counsel