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22 July 2015

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

By email: AERinquiry@aer.gov.au

Dear Ms Proudfoot,

Additional Feedback on AER Retail Pricing Information Guideline

Thank you for your email and the opportunity to provide further comment on the AER's Retail Pricing Information Guidelines V4.0 – selected sections for additional consultation only.

Language requirements

We support extending the 'language requirements' of Energy Price Fact Sheets to advertising and marketing materials for consistency. Consistency reduces consumer confusion.

Is there an assumption that the materials that exist prior to the implementation date of 1 Jan 2016 will be removed from the market over a relatively short period of time? There is potential for confusion if the old advertising and marketing materials (which do not comply with the 'language requirements') remain in use over a long period.

CUAC is of the view that the 'language requirements' should be standardised across Energy Price Fact Sheets, advertising and marketing materials, customer contracts and bills. We recommend that AER extend this work to also look at customer contracts and bills.

Conditional discounts

We support extending the conditional discount disclosure obligations to advertising and marketing materials for consistency with the Energy Price Fact Sheet. Consistency reduces consumer confusion.

Guaranteed discounts

As mentioned in our submission of 21 May, CUAC's preferred position is to prohibit the practice of offering discounts that are not conditional. If there are to be guaranteed discounts, we agree that where the customer's supply address and specific meter type are known, the retailer must ensure that the representations of the guaranteed discount to that customer are accompanied by the pre-discount tariff rate. In all other cases, the specific pre-discount tariff rate need not be stated but the tariff (or base rate) which the guaranteed discount will be applied must be clearly stated.

Please do not hesitate to contact Deanna Foong at (03) 9639 7600 or at <u>deanna.foong@cuac.org.au</u> if you have further queries.

Yours sincerely,

Mercedes Lentz Executive Office

Consumer Utilities Advocacy Centre