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6 December 2011

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

By email: <u>AERInquiry@aer.gov.au</u>

Dear Ms Proudfoot,

Draft amended AER Retail Pricing Information Guideline (November 2011)

The Consumer Utilities Advocacy Centre Ltd (CUAC) is an independent consumer advocacy organisation. It was established to ensure the representation of Victorian consumers in policy and regulatory debates on electricity, gas and water. In informing these debates, CUAC monitors grass roots consumer utilities issues with particular regard to low income, disadvantaged and rural consumers.

CUAC has actively participated in AER consultations on the development of the AER Retail Pricing Information Guideline and has responded to various AER papers on this. We welcome the opportunity to comment on the *draft amended AER Retail Pricing Information Guideline (November 2011)* (hereinafter called "draft amended guideline"). We note that amendments to the final *AER Retail Pricing Information Guideline (September 2011)* have been proposed to reflect the requirements upon retailers to provide data and information to the AER for the price comparator website. Some of our comments in this submission may overlap with our response to the *AER Statement of Approach: AER Price Comparator website (November 2011)*.

CUAC agrees with the overall approach to the draft amended guideline. In particular, we support the following:

- The requirement on retailers to submit data and information via a series of templates embedded within the retailer secure area of the price comparator website;
- The automatic generation of Energy Price Fact Sheets (EPFS) for each contract offer created or modified by a retailer in the retailer secure area on the price comparator website;

- The two business days timeframe for the retailer to submit information to the AER once the offer (including modifications to existing offers) becomes available to customers;
- The requirement to submit accurate information to the AER;
- The need to ensure that all hyperlinks to external sources including retailer's website and contract offer terms and conditions are working and current at all times.

Energy Price Fact Sheets generated on the price comparator website

CUAC believes that the automatic generation of EPFS via the retailer secure area on the price comparator website facilitates the process of submitting data and information to the AER, thereby ensuring their timely submission.

We understand that retailers would want to "customise" the EPFS generated via the price comparator website such as to include their branding, for publication on the price comparator website. Clause 4.4 of the draft amended guideline allows this. We have no objections, if the customisation does not obscure or detract from the requirements under the draft amended Guideline.

Publication of Energy Price Fact Sheet on retailer's website

Retailers are obliged to publish an EPFS for each generally available offer on their respective websites. Retailers are able to produce their own EPFS for publication on their respective websites (which also needs to comply with the draft amended guideline) (hereinafter called "retailer-generated EPFS"), or to publish the EPFS generated via the price comparator website (hereinafter called "price comparator-generated EPFS") on their respective websites.

When a customer uses the price comparator, information on each energy offer displayed in the results listing will include a link to the offer's corresponding price comparator-generated EPFS. Where retailer-generated EPFS are provided on the retailer's website, there is a need to ensure that the way information is presented, the terms used, name of the energy offer etc is similar to the price comparator-generated EPFS. Otherwise, there is the potential for customer confusion, which may result in the customer signing up to a different offer on the retailer's website.

Where a retailer chooses to produce their own EPFS for publication on their website, the draft amended guideline requires the retailer to, in the embedded online template within the retailer secure area of the price comparator website, provide a link to each EPFS available on the retailer's website for each generally available contract offer. We agree that this will enable the AER to access a retailer's EPFS for monitoring, investigation and compliance activities. However, the AER needs to monitor this regularly to ensure that retailers are compliant with the requirements of the draft amended guideline.

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Metering configurations

In CUAC's experience, many consumers will be unaware of what their national metering identifier is even though that is actually stated on their bill. Should information on meter type or configuration be needed to assess if a particular energy offer applies, the retailer needs to provide the customer with a plain English explanation as to how to obtain and input this information.

We see merit in having standardised, simple (non-technical) terms defined across the industry, on metering type or configuration. For example, the term "smart meter" has gained considerable currency, particularly among the Victorian community. It would probably be an easier term to understand than "time of use meter" which is the term currently used as an example in section 2.3.5 of the draft amended guideline.

Thank you for the opportunity to participate in the AER's consultation. If you have any queries, please do not hesitate to contact the undersigned at (03) 96397600.

Yours sincerely,

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Jo Benvenuti Executive Officer Deanna Foong Senior Policy Officer