

# DRAFT AER Benefit Change Notice Guidelines

# Version 1

April 2018



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### 1 Overview

- 1 The National Energy Retail Rules (Retail Rules) requires a retailer to notify small electricity and gas customers when a benefit provided to them for a minimum or fixed period in their market retail contact is ending or changing.<sup>1</sup> Retailers are required to send the benefit change notice to customers<sup>2</sup> no earlier than 40 business days and no later than 20 business days before the benefit change date.<sup>3</sup>
- 2 A 'benefit change' is defined<sup>4</sup> as a change to, or expiry of a benefit (such as a price discount) provided to a customer for a minimum or fixed benefit period under a market retail contract during the term of that contract. The Australian Energy Regulator (AER) is able to further define a 'benefit change' within these Benefit Change Notice Guidelines (Guidelines).<sup>5</sup>
- 3 A retailer is not required to send a benefit change notice if a benefit change is defined as an excluded change by the Guidelines.
- 4 The Retail Rules prescribe the basic information that must be contained in the benefit change notice.<sup>6</sup> This includes:
  - the customer's metering identifier
  - that a benefit change will occur and the benefit change date
  - a reference to Energy Made Easy, and that a customer can use Energy Made Easy to compare offers that are generally available to small customers in their area
  - any early termination charges payable under the contract, and
  - that a customer can request historical billing and energy consumption data from their retailer that will assist them to use Energy Made Easy to compare offers that are generally available to small customers in their area.
- 5 The AER has developed the Guidelines, which further expand on the above mentioned information requirements, in accordance with the retail consultation procedure.<sup>7</sup>
- 6 The Guidelines must specify:<sup>8</sup>
  - the manner and form in which the benefit change notice is to be provided by a retailer

<sup>&</sup>lt;sup>1</sup> Rule 48A(1) of the National Energy Retail Rules

<sup>&</sup>lt;sup>2</sup> For the purposes of the Guidelines, references to 'small customer/s' or 'customer/s' has the meaning of 'small customer' as defined in the National Energy Retail Law.

<sup>&</sup>lt;sup>3</sup> Rule 48A(2)(b) of the National Energy Retail Rules

<sup>&</sup>lt;sup>4</sup> Rule 45A of the National Energy Retail Rules

<sup>&</sup>lt;sup>5</sup> Rule 45A of the National Energy Retail Rules

<sup>&</sup>lt;sup>6</sup> Rule 48A(3) of the National Energy Retail Rules

<sup>&</sup>lt;sup>7</sup> Rule 173 of the National Energy Retail Rules

<sup>&</sup>lt;sup>8</sup> Rule 48B(2) of the National Energy Retail Rules

- the information a retailer must include for the customer to be able to use Energy Made Easy to compare available offers with their existing market retail contract after the benefit has changed or ended
- how a retailer must calculate any amounts to be included in the benefit change notice.
- 7 The Guidelines may specify what constitutes a 'benefit change' and what constitutes an 'excluded change'.<sup>9</sup>
- 8 The Guidelines may also specify any information a retailer must include in the benefit change notice:<sup>10</sup>
  - with respect to the nature of the benefits provided under the existing market retail contract during the benefit period
  - with respect to the nature of the change to the benefits on the benefit change date
  - to enable a small customer to compare the amount billed for their energy consumption during the benefit period with both the amount that would be payable by the customer under its existing market retail contract following the benefit change date and other offers available on Energy Made Easy, and
  - with respect to dual fuel contracts.<sup>11</sup>
- 9 The Guidelines may specify any other information the AER considers would be reasonably required by a small customer to assess the energy offers available to it and which is held by the retailer.<sup>12</sup>

### 1.1 AER enforcement of the National Energy Retail Rules and Law

- 10 The AER is responsible for monitoring, investigating and enforcing compliance with the obligations under the National Energy Retail Law (Retail Law), Retail Rules and National Energy Retail Regulations. For detailed discussion on the AER's performance of this role, see the AER's Compliance and Enforcement Statement of Approach.<sup>13</sup>
- 11 The Retail Law gives the AER power to monitor, investigate, enforce and report.<sup>14</sup> In particular, the AER:

<sup>&</sup>lt;sup>9</sup> Rule 48B(3)(a) and (b) of the National Energy Retail Rules

<sup>&</sup>lt;sup>10</sup> Rule 48B(3) of the National Energy Retail Rules

<sup>&</sup>lt;sup>11</sup> A dual fuel contract is defined in Rule 117(1) of the National Energy Retail Rules as either (a) one market retail contract between a small customer and a retailer for the sale of both electricity and gas by the retailer to the small customer, or (b) two market retail contracts between the same small customer and the same retailer, one for the sale of electricity and one for the sale of gas, by the retailer to the customer, under which a single bill is issued.

<sup>&</sup>lt;sup>12</sup> Rule 48B(3)(c)(v) of the National Energy Retail Rules

<sup>&</sup>lt;sup>13</sup> Available on the AER website at: <u>https://www.aer.gov.au/publications/corporate-documents/aer-compliance-and-enforcement-statement-of-approach</u>

<sup>&</sup>lt;sup>14</sup> Section 204(b) of the National Energy Retail Law

- monitors compliance with obligations under the national energy laws
- investigates and makes inquiries regarding breaches or possible breaches of the national energy law
- takes appropriate enforcement action, including:
  - issuing infringement notices
  - accepting voluntary or court enforceable undertakings
  - instituting proceedings in relation to breaches of obligations under national energy laws
  - revoking retailer authorisations
- reports on compliance with obligations under the Retail Law.
- 12 Possible enforcement responses to breaches of the Retail Law or Rules can generally be categorised as administrative resolution (such as voluntary undertakings, revisions to internal processes or improved compliance training) or statutory enforcement action.
- 13 Statutory enforcement action can include issuing infringement notices of \$4,000 for a natural person or \$20,000 for a body corporate, enforceable undertakings and court proceedings.<sup>15</sup> The AER also has the power, in limited circumstances, to revoke a retailer authorisation.
- 14 The AER aims to exercise its functions and powers in a fair, consistent and transparent manner. The AER and the Australian Competition and Consumer Commission (ACCC) work together by applying a coordinated approach to ensure misconduct in the energy market is addressed.
- 15 Businesses that operate under the Retail Law also have obligations under the Australian Consumer Law, which applies to their relationships with energy customers. The Australian Consumer Law and the national energy laws operate together to provide a framework for businesses to operate within.

### **1.2 Definitions and interpretation**

16 In these Guidelines, words and phrases have the meaning given to them in the Glossary, or if not defined in the Glossary, the Retail Law or Retail Rules.

#### **1.3 Application of these Guidelines**

- 17 A retailer with small electricity and gas customers on market retail contracts which provide for a benefit change must notify small customers of each benefit change. Retailers are not required to comply with the Guidelines if the change to the benefit provided to the customer meets the definition of an 'excluded change'.
- 18 Retailers are required to comply with the Guidelines from 1 October 2018.

<sup>&</sup>lt;sup>15</sup> Section 279 of the National Gas Law

19 There is currently no civil penalty attached to a failure to notify a customer of a change or end to their benefit in accordance with the Guidelines. However, the AER notes the Australian Energy Market Commission (AEMC) has recommended that rule 48A(1) be classified as a civil penalty provision.

#### **1.4 Processes for revision and version history**

20 The AER may amend the Guidelines in accordance with the retail consultation procedure.<sup>16</sup>

<sup>&</sup>lt;sup>16</sup> Rule 48B(4) of the National Energy Retail Rules

# 2 When a benefit change notice is required

21 This section of the Guidelines specifies when a retailer must send a benefit change notice to a customer and explains what benefit changes are excluded from the benefit change notice requirements in these Guidelines.

#### 2.1 Requirement to send a benefit change notice

- 22 A retailer must send a benefit change notice to a customer when a benefit change meets the definition of a benefit change in section 2.2 of these Guidelines.
- 23 A retailer is exempt from the requirement to send a benefit change notice if:
  - (a) the benefit change does not meet the definition of a benefit change in accordance with section 2.2 of these Guidelines, or
  - (b) the benefit change has been defined as an excluded change in accordance with section 2.3 of these Guidelines.

### 2.2 Definition of benefit change

- 24 A benefit change is defined as a change to, or expiry of, a benefit (such as a price discount) provided to a small customer for a minimum period or fixed benefit period under a market retail contract during the term of the contract.<sup>17</sup>
- 25 The requirement to send a benefit change notice applies to both financial benefits (such as, but not limited to, a price discount) and non-financial benefits (such as, but not limited to, a magazine subscription).
- 26 A benefit change includes, but is not limited to, the following examples:
  - 15% guaranteed discount off usage charges for 12 months. At the end of 12 months, the customer's discount will change to a 10% guaranteed discount.
  - 15% off usage charges for 12 months, if a customer pays on time. At the end of 12 months, the customer will no longer receive a pay on time discount.
  - 15% guaranteed discount off usage charges for six months. At the end of six months, the customer's discount will change to a 20% guaranteed discount.
  - A customer receives two movie tickets every month for six months. At the end of six months, the customer will no longer receive any movie tickets.
- 27 A benefit change does not include, but is not limited to, the following examples:
  - where a customer's existing benefits are rolled over on the same terms and conditions
  - where a one-off gift or sign-up credit is provided to a customer as a result of entering into the contract

<sup>&</sup>lt;sup>17</sup> Rule 45A of the National Energy Retail Rules

• where there is a change to the rates of the market plan or standing offer plan upon which a benefit is based.

#### 2.3 Definition of excluded change

- 28 An excluded change is defined as a change to the tariffs, charges, or benefits to a small customer under a market retail contract that is specified not to be a benefit change for the purposes of these Guidelines.<sup>18</sup>
- 29 A benefit change occurring within or at the first 40 days of the commencement of a customer's market retail contract is an excluded change for the purposes of these Guidelines.
- 30 A benefit change that requires a retailer to notify a customer under Retail Rule 46(3) is an excluded change for the purposes of these Guidelines.

<sup>&</sup>lt;sup>18</sup> Rule 45A of the National Energy Retail Rules

# 3 Manner and form of the benefit change notice

- 31 This section of the Guidelines specifies the manner and form of the benefit change notice.
- 32 The Retail Rules specify the benefit change notice must be provided to a customer in writing<sup>19</sup> and in the manner and form specified by these Guidelines.<sup>20</sup>
- 33 Any information required to be included in the benefit change notice under the Retail Rules and these Guidelines must be clearly stated in the benefit change notice. For example, a retailer cannot direct a customer to the terms and conditions of their existing market retail contract to fulfil any of the benefit change notice information requirements.

#### 3.1 Ordering of information in the benefit change notice

- 34 A retailer must structure the benefit change notice in accordance with the Benefit Change Notice Template at Appendix A. The zones labelled A, B and C in the Benefit Change Notice Template indicate where the information to be included in the benefit change notice must be positioned.
- 35 The dimensions of the zones are not fixed.
- 36 If the Guidelines do not specify in which zone information must be included, a retailer may decide where this information is positioned in the benefit change notice.

#### **3.2 Communication preferences**

- 37 The benefit change notice must be sent to the customer in accordance with the customer's preferred method of receiving written communication from the retailer. For example, if a customer has opted to receive communication from the retailer via email, the benefit change notice must be sent to the customer via email.
- 38 If a customer has not indicated a preference for how they wish to receive written communication, the retailer is to decide the method by which to send the customer the benefit change notice.

#### **3.3 Fees**

39 A retailer must send a benefit change notice to a customer without charge. This includes any administrative fees associated with sending the benefit change notice to a customer in a hard copy format.

#### 3.4 Language requirements

40 A retailer must use language in the benefit change notice that is clear, simple and widely understood.

<sup>&</sup>lt;sup>19</sup> Rule 48A(2)(a) of the National Energy Retail Rules

<sup>&</sup>lt;sup>20</sup> Rule 48A(2)(c) of the National Energy Retail Rules

41 Where the meaning of the term is unchanged by these Guidelines, terminology used in the benefit change notice should be consistent with the language requirements specified in the AER Retail Pricing Information Guidelines.<sup>21</sup>

#### 3.5 Marketing material

- 42 If a retailer markets any generally available or restricted plan in the benefit change notice, the retailer must provide that marketing material in a separate part and after zone C of the benefit change notice.
- 43 If a retailer markets any generally available or restricted plan to a customer in the benefit change notice, the retailer must comply with any relevant requirements under the AER Retail Pricing Information Guidelines.

#### 3.6 References to Energy Made Easy

- 44 Energy Made Easy and its URL web address must be referenced in the benefit change notice before the retailer's own web address and telephone number, if the retailer's website or telephone number is referenced.
- 45 Any references to Energy Made Easy and its URL web address in the benefit change notice must be more prominent than the retailer's own website and telephone number.
- 46 If the benefit change notice is provided to a customer via electronic means, the URL web address of Energy Made Easy must be hyperlinked.
- 47 If the benefit change notice is provided to a customer via electronic means, the retailer must pre-fill the 'offer type' and 'postcode' fields in Energy Made Easy to reflect the customer's circumstances and provide the customer with the relevant hyperlinked web address<sup>22</sup> where required by the Guidelines.

<sup>&</sup>lt;sup>21</sup> For the purposes of these draft Guidelines the AER has applied version 4 of the AER Retail Pricing Information Guidelines which can be accessed here: <u>https://www.aer.gov.au/retail-markets/retail-guidelines-reviews/retail-pricing-information-guidelines-2015</u>. However, the AER is currently consulting on a draft version 5 of the AER Retail Pricing Information Guidelines. It is proposed that version 5 will be published by 30 April 2018. More information on draft version 5 of the AER Retail Pricing Information Guidelines can be accessed here: <u>https://www.aer.gov.au/retail-markets/retail-guidelines-2018</u>.

<sup>&</sup>lt;sup>22</sup> For example, a residential customer (R) with a Sydney postcode (2000) should be provided with the following Energy Made Easy web address: <u>https://www.energymadeeasy.gov.au/offer-search/R/2000</u>

# 4 Content of the benefit change notice

48 This section of the Guidelines specifies what information must be contained in the benefit change notice. It also prescribes how the information is to be displayed in the benefit change notice.

#### 4.1 Basic information requirements

- 49 Retailers must state in the benefit change notice:<sup>23</sup>
  - (a) the customer's metering identifier
  - (b) that a benefit change will occur and the benefit change date
  - (c) that the customer may use Energy Made Easy to compare offers that are generally available to classes of small customers in their area
  - (d) the Energy Made Easy URL in the following format: <u>www.energymadeeasy.gov.au/offer-search</u>, or in accordance with clauses 44-47 if the notice is sent by electronic means
  - (e) that the customer can request historical billing data, and if they are being sold electricity, energy consumption data, to assist in using Energy Made Easy, and
  - (f) any early termination charges payable under the contract.
- 50 Retailers must comply with any additional information requirements as specified in these Guidelines.

# 4.2 Information to enable a customer to use Energy Made Easy

- 51 A retailer must provide a customer with information in the benefit change notice to enable a customer to compare available energy offers on Energy Made Easy.<sup>24</sup>
- 52 A retailer must provide clear and simple instructions to a customer on how to use the information at clause 54 to compare offers on Energy Made Easy.
- 53 A retailer must, in zone C in a separate part of the benefit change notice, provide the information contained in Table 1 of clause 54, where the information is relevant to the characteristics of the customer's existing market retail contract (for example, fuel type or tariff type). The information must be provided in the form of Table 1 of clause 54.
- 54 Table 1 is as follows. Instructions for retailers as to what information needs be included in the benefit change notice is provided in italics.

<sup>&</sup>lt;sup>23</sup> Rule 48A of the National Energy Retail Rules

<sup>&</sup>lt;sup>24</sup> Rule 48B(c)(i) of the National Energy Retail Rules

Question on Energy Made Easy	What to enter
Compare energy offers	
What kind of offer are you looking for?	Home/Small business The retailer must state either 'Home' or 'Small business'
	as corresponding to the customer's existing market retail contract
What is your postcode?	The retailer must provide the postcode corresponding to the customer's supply address
What would you like to	Electricity/Gas/Both electricity and gas
compare?	The retailer must state the fuel type/s corresponding to the customer's existing market retail contract
Who is your electricity distributor?	If the postcode corresponding to the customer's supply address contains multiple electricity distribution zones, the retailer must state the electricity distributor for the customer's supply address if the customer's existing market retail contract relates to electricity.
Who is your gas distributor?	If the postcode corresponding to the customer's supply address falls within multiple gas distribution zones, the retailer must state the gas distributor for the customer's supply address if the customer's existing market retail contract relates to gas.
Your electricity usage	
What is your electricity	Single rate/Time of use
tariff type?	The retailer must state the electricity tariff type corresponding to the customer's existing market retail contract
Do you have a controlled	Yes/No
load for your hot water or another appliance?	The retailer must state either 'Yes' or 'No' if a controlled load applies to the customer's existing market retail contract
Do you have your kilowatt hour (kWh) usage from a recent bill?	Yes
Electricity bill 1	
Start date	dd/mm/yyyy
	The retailer must state the start date of a 12 month period in accordance with section 4.2.1 in the format

#### Table 1: Information to help customers use Energy Made Easy

	dd/mm/yyyy
End date	dd/mm/yyyy The retailer must state the end date of a 12 month period in accordance with section 4.2.1 in the format dd/mm/yyyy
Standard (peak/anytime)	The retailer must state the number of peak kWh consumed or estimated to be consumed by the customer for the 12 month period in accordance with section 4.2.1
Off-Peak	The retailer must state the number of off-peak kWh consumed or estimated to be consumed by the customer for the 12 month period in accordance with section 4.2.1
Shoulder 1 (if any)	The retailer must state the number of shoulder 1 kWh consumed or estimated to be consumed by the customer for the 12 month period in accordance with section 4.2.1
Shoulder 2 (if any)	The retailer must state the number of shoulder 2 kWh consumed or estimated to be consumed by the customer for the 12 month period in accordance with section 4.2.1
Controlled load	The retailer must state the number of controlled load kWh consumed or estimated to be consumed by the customer for the 12 month period in accordance with section 4.2.1
Your gas usage	
Do you have your megajoule (MJ) usage from a recent bill?	Yes
Gas bill 1	
Start date	dd/mm/yyyy
	The retailer must state the start date of a 12 month period in accordance with section 4.2.1 in the format dd/mm/yyyy
End date	dd/mm/yyyy
	The retailer must state the start date of a 12 month period in accordance with 4.2.1 in the format dd/mm/yyyy
Megajoule (MJ)	The retailer must state the number of megajoules consumed or estimated to be consumed by the customer for the 12 month period in accordance with section 4.2.1

55 A retailer must provide in the benefit change notice, immediately after the required information set out in clause 54, instructions for the customer on how to submit and complete an Energy Made Easy search.<sup>25</sup>

#### 4.2.1 Consumption data

- 56 Clause 54 requires a retailer to provide a customer with their historical consumption data in the benefit change notice.
- 57 The information required by clause 54 must be based on the customer's actual historical consumption over the most recent preceding 12 month period from the issue date of the benefit change notice.
- 58 If a retailer does not have a customer's actual historical consumption data for the 12 month period referred to in clause 57, a retailer must provide the actual historical consumption data available and an estimate based on the current estimation practices of the retailer for the most recent preceding 12 month period from the issue date of the benefit change notice.
- 59 If a retailer cannot estimate consumption in accordance with clause 58, a retailer can provide the relevant AER benchmark consumption data<sup>26</sup> as a replacement for the customer's estimated or actual usage.<sup>27</sup>
- 60 When providing AER benchmark data, a retailer must use the household that best reflects the customer's usage based on the bill benchmark.
- 61 If a retailer estimates the customer's historical consumption data for the purposes of clause 58, or uses AER benchmark data for the purposes of clause 59, this must be clearly expressed to the customer in the benefit change notice.

# 4.3 Amount payable by the customer following the benefit change – 'do nothing' amount

- 62 A retailer must include in the benefit change notice the amount that is payable by the customer under its existing market retail contract now the benefit is ending or changing.<sup>28</sup> This amount is referred to as the 'do nothing' amount in these Guidelines.
- 63 The purpose of the 'do nothing' amount is to ensure a customer is aware of what they can expect to pay under their existing market retail contract over the next 12 months now their benefit is ending or changing.
- 64 A retailer must ensure the purpose of the 'do nothing' amount is clearly expressed to the customer in the benefit change notice.

<sup>&</sup>lt;sup>25</sup> For example, the instructions could read as follows: "You don't have to put in another bill. Just accept the terms and conditions and click compare energy offers".

<sup>&</sup>lt;sup>26</sup> The AER benchmark data can be accessed here: <u>https://www.aer.gov.au/retail-markets/retail-guidelines-reviews/electricity-and-gas-bill-benchmarks-for-residential-customers-2017</u>

<sup>&</sup>lt;sup>27</sup> This will not apply to small business customers or gas customers.

<sup>&</sup>lt;sup>28</sup> Rule 48B(2) of the National Energy Retail Rules states that the Guidelines must include information to allow a customer to compare the amount payable under their existing market retail contract following the benefit change date with available offers on Energy Made Easy.

- 65 The 'do nothing' amount must be expressed as an annual figure in dollar terms in the benefit change notice.
- 66 The 'do nothing' amount must be calculated in accordance with section 5 of these Guidelines.
- 67 A retailer must clearly state in the benefit change notice that the 'do nothing' amount is an estimate, and what the estimation is based on.<sup>29</sup>
- 68 A retailer has discretion over whether to include conditional discounts in the 'do nothing' amount in the benefit change notice. A retailer must clearly describe in the benefit change notice whether the 'do nothing' amount includes, or does not include, conditional discounts.
- 69 A retailer must clearly state in the benefit change notice any limitations that apply to the 'do nothing' amount. For example, if the 'do nothing' amount does not reflect demand charges or solar feed-in tariffs.

#### 4.4 Headline statement

- 70 The benefit change notice must include a headline statement.
- 71 A retailer must populate zone B in the benefit change notice with the headline statement.
- 72 The headline statement must be prominent and clear. A retailer must use colour and font size to ensure the headline statement is easily distinguishable from the other information in the benefit change notice.
- 73 If the benefit change will result in a decrease in the value of the benefit, the headline statement must be expressed as follows: "You are about to lose your [*description of the benefit*]. Visit www.energymadeeasy.gov.au/offer-search to find the best plan for you."
- 74 If the benefit change notice is provided to a customer via electronic means, the reference to Energy Made Easy in the headline statement must be made in accordance with clauses 44-47.
- 75 A retailer must describe the benefit in the headline statement in the same way as it is described in the retailer's marketing material.
- 76 If the benefit change will not result in a decrease in the value of the benefit, a retailer has discretion over the content of the headline statement.
- 77 The benefit change notice must contain a description of the nature of the benefit and the benefit change date if this is not included in the headline statement.
- 78 The requirement to provide a headline statement does not satisfy the retailer's obligations under Retail Rules 48A(3)(c)-(d).

<sup>&</sup>lt;sup>29</sup> Section 5 of the Guidelines specifies the basis of 'do nothing' amount calculation. The calculation will be based on either the customer's actual energy consumption data, an estimation of the customer's consumption, or AER benchmark data.

#### 4.5 Instructions for customers

- 79 A retailer must include in the benefit change notice simple information on the steps a customer must take when using the information in the notice to compare offers on Energy Made Easy. A retailer must populate zone A of the benefit change notice with this information.
- 80 A retailer must ensure the information referred to in clause 79 is prominent. A retailer must use colour, font size and/or other visual tools to ensure that this information is easily distinguishable from other information in the benefit change notice.
- 81 Retailers must ensure the information:
  - (a) includes the Energy Made Easy URL web address
  - (b) directs the customer to the personalised usage information in the benefit change notice as required by section 4.2
  - (c) states that the customer can use Energy Made Easy to compare plans.
- 82 The requirement to provide the information under clause 79 does not satisfy the retailer's obligations under Retail Rules 48A(3)(c)-(d).

# 5 Generating the 'do nothing' amount for the benefit change notice

- 83 This section of the Guidelines specifies how retailers must calculate the 'do nothing' amount required to be included in the benefit change notice.<sup>30</sup>
- 84 In accordance with clause 62, a retailer must provide the customer with the estimated amount payable over the next 12 months by the customer under its existing market retail contract as a result of the benefit ending or changing.
- 85 A retailer must calculate the 'do nothing' amount using the applicable rates and charges under the customer's existing market retail contract at the time of the benefit change and the customer's consumption data as per clauses 57-61.
- 86 Retailers must use the same methodology as Energy Made Easy to perform the calculation of the 'do nothing' amount.
- 87 Retailers can access the calculation methodology used by the Energy Made Easy website via the following link: <u>https://retailer.energymadeeasy.gov.au/</u>.
- 88 The Energy Made Easy methodology and algorithm may be amended by the AER from time to time. The AER will provide retailers with at least 20 days' notice of any algorithm change.

<sup>&</sup>lt;sup>30</sup> Rule 48B(2)(d) of the National Energy Retail Rules

# 6 Glossary

#### Benefit change means:

- (a) a change to, or expiry of, a benefit (such as a price discount) provided to a customer for a minimum period or a fixed benefit period under a market retail contract during the term of that contract (whether or not as a result of the variation to the contract); and
- (b) a change of the type specified in these Guidelines in section 2.2 (but does not include an excluded change).

Benefit change date means the date on which the benefit change will take effect.

**Benefit change notice** means the notice provided by a retailer to a small customer under rule 48A of Retail Rules.

**Benefit period** means a period of a market retail contract during which a benefit to the customer (such as a price discount) is available and where the end date of that period is specified or ascertainable at the beginning of that period, and earlier than the date on which the contract will end.

Business day means a day that is not

- (a) a Saturday or Sunday; or
- (b) observed as a public holiday on the same day in each of the participating jurisdiction (except the Commonwealth).

**Conditional discount** has the same meaning given to it in the AER Retail Pricing Information Guidelines.

**'Do nothing' amount** means the amount that is payable by the customer under its market retail contract now that the benefit is ending or changing.

**Excluded change** means a change to the tariffs, charges or benefits to a small customer under a retail contract that is specified not to be a benefit change under these Guidelines in section 2.3.

Financial benefit means a monetary benefit such as a price discount.

**Generally available** has the same meaning given to it in the AER Retail Pricing Information Guidelines.

**Non-financial benefit** means a benefit that is not solely monetary in value, such as movie tickets.

**Restricted plan** has the same meaning given to it in the AER Retail Pricing Information Guidelines.

**Zones** means the areas labelled 'A', 'B' and 'C' in the 'Benefit Change Notice Template' set out in Appendix A.

# **Appendix A – Benefit Change Notice Template**

Your Energy Company	Saving money on energy is easy Visit the energy comparison website www.energymadeeasy.gov.au/offer- search
Alex Sample 1 Sample Rd SAMPLEVILLE 9999	<ul> <li>2 Enter the information on the back of this letter</li> <li>3 Compare retailers and find the best plan for you</li> </ul>
1 February 2018	
Dear Alex	
on your electricity bill very soon. This will had discount you've been receiving since 1 Mar If you take no action, we estimate you will p	rch 2017 is about to expire.
is on the back of this letter. Simply enter th	an, a summary of your electricity plan information is information at the Australian Government's asy at www.energymadeeasy.gov.au/offer-search
Nicky Tindall	
Customer Service Representative	
* This is an estimate based on your recent usag contact us on 9123 4567	ge. For your historical billing and consumption data

Summary of your most recent bills	Your Energy Company
Visit www.energymadeeasy.gov.au/offer-se information below to see how much you ca	
Question on Energy Made Easy	What to enter
Compare energy offers	
What kind of offer are you looking for?	Home
Postcode	2154
What would you like to compare?	Electricity
Who is your electricity distributor?	Endeavour
Your electricity usage	
What is your electricity tariff type?	Time of use
Do you have a controlled load for your how water or another applicant?	Yes
Do you have your kilowatt hour (kWh) usage from a recent bill?	Yes
Electricity bill 1	
Start date	01/03/2017
End date	28/02/2018
Standard (peak/anytime)	1893
Off-peak	1120
Shoulder (if any)	574
Shoulder 2 (if any)	0
Controlled load	350
Don't add another bill. Accept the term and condit Compare energy offers 🕥	ions and click:
You should now see a list of plans that you can your estimated bill next year of \$2,072	