

Our Ref: EWOQ/17/0073  
31 October 2017

Mr Simon Kidd and Ms Elisha Kelly  
Australian Energy Regulator  
[www.AERInquiry@aer.gov.au](http://www.AERInquiry@aer.gov.au)

Dear Mr Kidd and Ms Kelly,

**Re: Issues paper – customer price information**

Thank you for the opportunity to make a submission on the Australian Energy Regulator's (AER) customer price information issues paper.

**Background to EWOQ**

The Energy and Water Ombudsman Queensland (EWOQ) provides a free, fair and independent dispute resolution service for small electricity and gas customers across Queensland and water customers in south east Queensland who are unable to resolve a dispute with their supplier.

**EWOQ response**

In our submission to the '*Customer price information issues paper*,' EWOQ has only provided responses to questions based on our experience as an industry external dispute resolution scheme and dealing with residential and small business customer complaints in Queensland.

In response to the energy affordability issues it is worth noting that in 2016-17 EWOQ closed 1,265 credit related complaints which includes assisting 200 customers to gain access to payment plans and payment extensions. The majority of credit related complaints dealt with by EWOQ related to collection and disconnection activities undertaken by retailers against customers.

EWOQ agrees with the Australian Energy Regulators (AER) view that customers must be able to understand the key elements of an energy offer in terms of price, contract terms, fees and charges. EWOQ is supportive of any initiative that would require retailers to present information to customers in a consistent, simplified and transparent format that would ultimately assist customers to better understand and compare plans best suited for their circumstances.

For example, most electricity retailers offer discounts as part of their contract offers but what is not always apparent to the customer is the discount is conditional on the customer paying their bill in full by the due date. There can also be further consequences to the customer in these circumstances because in many cases if the customer doesn't pay their bill in full by the due date, they not only lose access to the discount but their contract offer may also provide for a late payment fee to be imposed against them.

**Energy Price Fact Sheet (EPFS) content and format**

EWOQ agrees with the information identified by the AER in the issues paper that should be summarised in the EPFS. In addition, EWOQ is supportive of having information included in the EPFS relating to any fixed benefit periods within contract offers that discounts may apply to as well as including information about how the notification of any price changes will occur. EWOQ is also supportive that information about the availability of concessions and rebates to customers are included in the EPFS.

EWOQ has developed a 'switching energy retailers' brochure to assist customers with switching retailers. The purpose of the brochure is to help customers to navigate the transfer process by including a switching checklist highlighting fees, charges and contract terms and conditions that customers should be aware of prior to agreeing to an energy offer and information that could be included in an EPFS. A link to the EWOQ brochure has been included for information.

<http://www.ewoq.com.au/userfiles/files/Switching-energy-retailers-WEB.pdf>

### **Comparison rates and reference prices**

EWOQ would be supportive of any initiatives that reduce the barriers for customers to engage with the market. EWOQ agrees in principle with the AER view that displaying a clear comparison rate or reference price in an EPFS, as well as in marketing and advertising material would assist to simplify the process for customers to compare the cost of energy offers. EWOQ also supports that all costs, fees and charges and comparison rates associated with energy offers should be clearly displayed on the EPFS, websites and marketing and advertising material of all retailers.

### **Technological options to facilitate offer comparisons**

The Australian Competition and Consumer Commission (ACCC) inquiry into retail electricity supply and pricing issues paper released earlier this year identified there was over 4,300 available offers throughout the National Energy Market available to consumers. Given the number and the complexity of offers and the different ways the information and terms and conditions of contracts can be presented by retailers to customers it does make it difficult and confusing for many customers particularly vulnerable customers to make fully informed decisions.

Generally, EWOQ has found from customer contacts that there is a low awareness by customers of the tools available to compare energy offers and to make informed decisions. To assist customers who are thinking of switching retailer or wanting to find out information about comparing energy offers, EWOQ refers customers to the energy made easy comparison website as a the main tool for customers to access this information.

Thank you for the opportunity to contribute to this review. If you require any further information regarding this matter please contact Ms Lyn Stevens, General Manager - Reporting, Policy and Research on (07) 3087 9455 or [lyn.stevens@ewoq.com.au](mailto:lyn.stevens@ewoq.com.au)

Yours sincerely,



**Jane Pires**  
Ombudsman  
Energy and Water Ombudsman Queensland