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By email: RPIGconsultation@aer.gov.au

### **Retail Pricing Information Guidelines Review 2019**

Meridian Energy Australia Pty Ltd and Powershop Australia Pty Ltd (**MEA Group** or **Powershop**) thank the Australian Energy Regulator (**AER**) for the opportunity to provide comments on the AER draft Retail Pricing Information Guidelines Review 2019 (the **Review**).

MEA Group is a vertically integrated generator and retailer focused on renewable generation. We opened our portfolio of generation assets with the Mt Millar Wind Farm in South Australia, followed by the Mt Mercer Wind Farm in Victoria. In early 2018 we acquired the Hume, Burrinjuck and Keepit hydroelectric power stations, further expanding our modes of generation. We have supplemented our asset portfolio by entering into a number of power purchase agreements with other renewable generators, and through this investment in new generation we have continued to support Australia's transition to renewable energy.

Powershop is an innovative retailer committed to providing lower prices for customers and which recognises the benefits to customers in transitioning to a more distributed and renewable-based energy system. Over the last five years, Powershop has introduced a number of significant, innovative and customer-centric initiatives into the Victorian market, including the first mobile app that allows customers to monitor their usage, a peer-to-peer solar trading trial and a successful customer-led demand response program. Powershop has also been active in supporting community energy initiatives, including providing operational and market services for the community-owned Hepburn Wind Farm, supporting the Warburton hydro project, and funding a large range of community and social enterprise energy projects through our Your Community Energy program.

Powershop acknowledges the need to review and update the Retail Pricing Information Guidelines (**Guidelines**) to reflect the introduction of the AER's 'Default Market Offer' (**DMO**) and the Competition and Consumer (Industry Code - Electricity Retail) Regulations 2019 (the **Electricity Code**). However, we would note that the specific purpose of the Guidelines is to provide guidance to retailers on the presentation of offers and providing information to the AER for AER's Energy Made Easy (**EME**) price comparison service, and not to impose additional obligations on retailers.

As a general comment, from a usability perspective the addition of new parts to the Guidelines has created an unwieldy, complex and confusing document. Our preference would be to keep the structure of the current Guidelines, and to add any additional obligations in relation to the Electricity Code, or related matters, to the appropriate section. We would suggest that the approach taken in the National Energy Retail Rules (**Rules**), where there is a comment at the end of each paragraph (or in the title) indicating which customers the content applies to (i.e. applies to non-Code retailers, Code retailers or both) offers a better approach to segmenting the Guidelines. This would avoid the duplication caused by the AER's proposed 'part'-based approach, facilitate easier updates and assist with harmonisation more generally.

Our specific comments in relation to the draft Guidelines are as follows.

Paragraph ref	Comment
1	This change is unnecessary and inconsistent with s61(2) of the National Energy Retail Law, which states the purpose of the Guidelines is to provide guidance to retailers in the presentation of offers.
2	The last two sentences relating to market offers would be more appropriate under paragraph 3.
9	This paragraph should confirm that the AER will make the necessary changes to the EME website.
15	The Guidelines need to follow the customer relationship and relate to offers applicable to that customer, not refer to retailers supplying in different regions, ie an Electricity Code retailer is only an Electricity Code retailer in so far as it relates to relevant sales of electricity to small customers in a region covered by the Electricity Code.
20	As per above, in so far as it relates to offers to customers within those states (ie the Guidelines are not concerned by where the retailer is based).
126	The AER needs to establish a system where retailers can enter the actual discount applicable (whether as a percentage or dollar amount) and the EME website will calculate and display the comparison to the reference price.

As we have noted above, the proposed changes to the Guidelines appear to have changed the underlying purpose of providing guidance, and have added obligations over and above what is required under the Rules and the Electricity Code. Further, the addition of new parts has added unnecessary complexity to what is already a complex regime.

If you have any queries or would like to discuss any aspect of this submission please do not hesitate to contact me.

Yours sincerely,



**Ed McManus**  
Chief Executive Officer  
Powershop Australia Pty Ltd  
Meridian Energy Australia