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## TRANSCRIPT OF PROCEEDINGS

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PUBLIC TRANSCRIPT

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O/N H-483111

### **AUSTRALIAN ENERGY REGULATOR**

### **STAKEHOLDER FORUM**

### **RETAIL PRICING INFORMATION GUIDELINE REVIEW**

**MS S. PROUDFOOT, Presiding**

**DATE: 9.39 AM, THURSDAY, 12 FEBRUARY 2015**

MS PROUDFOOT: Thank you and we might get things started because we do have a fair bit to get through today. So, good morning everyone and welcome to today's forum. We really appreciate you making the time to come. We know that you've all got more than enough work to do and so we're really grateful for you being here as  
5 we do value your input into our processes. For those of you who don't know me, I'm Sarah Proudfoot. I'm the general manager of the Retail Markets Branch. With me are Imogen and Jess who are also in the branch and we've got Simon, Seona and Angela also in the backseats there.

10 I'm going to keep this short because we've got a presentation to follow that will, sort of, deal with the more meaty issues. You will have seen the slides we sent you around last week, and Jess and Imogen will run through those shortly and give you the chance to comment on the issues that we've raised so far. Before they begin,  
15 though, I would just like to cover a couple of things, mainly including what we're hoping to achieve today and, sort of, the more practical details around how we propose to run the forum. So, the purpose of today is really to seek your feedback as to how we might amend our Retail Pricing Information Guidelines. We're undertaking this work as part of our ongoing focus on increasing customer confidence in the retail energy markets, and I think you would all agree that informed  
20 and confident customers are vital to an effective competitive market.

What we're continuing to hear, however, and I suspect many of you are, is that most energy customers still feel confused or overwhelmed when they're trying to navigate the range of offers that are available to them. In many cases, they're giving up rather  
25 than risking making a bad choice or switching to a worse offer. We recognise, also, that our work on this guideline is just one piece of work that's part of a bigger picture and there's lots of other activity happening in this space. There are various ERAA working groups, for example, that were created out of last year's affordability forum represent retailers and consumer groups and other stakeholders working together,  
30 which we see as a really positive step, and we're hoping that we will be able to share some of what we find with them and vice versa to just, sort of, have a good flow of information and cooperation between the various processes given we've all got a fairly common goal.

35 So, back to the forum today. The process, for those of you who have worked with us in other processes, is a bit different to what we've traditionally done because we haven't put out a draft guideline and asked you to comment on that. Rather, we've raised three issues that we will be seeking your views on and using those to formulate a draft then. So, we're really looking to get your input earlier, I guess, in  
40 the process than we traditionally have and we're also more than happy for you to make submissions now if there's any particularly burning issue that you don't get to cover, but as Jess will explain, we will be seeking formal submissions through the more traditional process once the draft guideline has gone out.

45 We would like the review process to be as consultative as possible. We've already had some meetings with many different representatives and those views have fed into

what we're going to talk about today but, obviously, looking to continue that sort of strong engagement throughout the review. The forum is, as Imogen mentioned earlier, being transcribed. That just makes it easier for us to get an accurate record of – of what you've said and what we've said. We will be circulating that to all of you  
5 once we've got it completed so that you can have a look through and make sure it accurately reflects what – what has been said and then that will go on our website as part of the, sort of, public consultation process and the formal record ..... We also, as you can see, have a few other locations. We've got Sydney, Brisbane and Hobart. That gives us some real advantages in that it doesn't require everyone to fly in and, I  
10 guess, us to hire a hall – given the number of you attending.

But it does have some challenges as well. It makes things a little bit less free-flowing, I guess, and we would ask just that if you're in an office that's not speaking, just to have it on mute so that we don't get that annoying feedback and things like  
15 that. When you are given the opportunity to speak, with the transcriber, we would ask that you identify yourself and the organisation you represent and that you do that each time you speak just to make things easy – more easily recorded. So, when we get to each of the three discussion points that Imogen and Jess take us through we will go around each office just seeking comments and then there will be a chat at the  
20 end for, sort of, more general statements. We're hoping to spend about 30 minutes on each issue so that we get everything covered and I would just reiterate that this is really early consultation. We are going to hear from you but there will be a lot of other opportunities going forward. So, I will pass it over to Imogen.

25 MS HARTCHER-O'BRIEN: Thank you, very much, Sarah. I'm just going to put the slide-show up quickly, so that it's visible in the other offices. So, I'm just going to run quickly through what we're hoping to cover today and then I will hand over to Jess who will run through the first few slides and then we will alternate in terms of taking you through the various issues, and as Sarah said, as we get to each issue and  
30 we run through what the issue is and advantages and disadvantages, we will then seek your input on that issue and hopefully we can have robust discussion around what we're proposing. So, just broadly, this morning we're going to cover, I guess, why we're here and what the objectives of our review are, the proposed timeline for that review and then, as I said, we will take you through those issues and then there  
35 will be an opportunity at the end to cover off on anything that we haven't covered this morning, and so, I'm handing over to Jess to take you through the purpose.

MS MCCRUM: Good morning everyone. So, basically the purpose of this forum is following on from the AEMC's rule change last year. We are seeking to review the  
40 pricing guidelines and so we would really appreciate your feedback on all the proposed changes that we would like to make. In terms of the indicative timeline, we hope to release the draft guidelines for consultation in April this year and then that will be, potentially, followed by a second stakeholder forum if it is required. Then we hope to release the final guidelines in July and they will take effect in October.  
45 So, moving onto what the guidelines are. Under the National Energy Retail Law the AER is able to make and amend the Retail Pricing Information Guidelines. The aim of the guidelines is to help consumers really understand and compare the different retail

offers that are available to them. So, retailers have to present their standing and market offers in accordance with the guidelines when they do publish, advertise and notify the AER of the different prices. Now, I will move onto the issues of consultation.

5

MS HARTCHER-O'BRIEN: Okay. So, the first issue that we wanted to talk to you about this morning was a proposal that we're looking at to refine the guidelines to provide greater clarity around how they operate, and also in that, look at how we can better clarify retailers' obligation so that it's more apparent to each of you as retailers exactly what you're obliged to do, what's mandatory, what's possibly more permissive and just, more generally, clarify with the benefit of our experience to date, to clarify how we want our guidelines to operate both in relation to, you know, requiring you to provide us with the information, but also feeding into the re-development process that we're doing with EME which impacts – and how you would present offers through EME in this.

So, some of the advantages that we have identified as potentially arising from increased clarification in the guidelines operation and obligations on retailers are that it will provide retailers with greater certainty around how their obligations under the guidelines can be fulfilled, and we see this as really positive because you will know, in much more certain terms, exactly what you can and can't do. So, there's less grey area with that and, you know, as I will turn to the next slide, that can have some risks as well. But, we also think it will then promote increased compliance by retailers because we will have that greater certainty and we also think that there are potential flow-on effects in terms of the clarity of retailers' offers being made in the market but also through EME.

So, as I said, some of the potential, sort of, risks or disadvantages with this proposed amendment is that it could potentially limit certain retailer behaviour. So, as I was saying before, if we're looking to remove the grey area, then retailers operating in that grey area may not be able to continue with that behaviour which might, at the moment, be something that can occur under the guideline, when we clarify that, that potentially is removed; and, again, potentially higher compliance cost is the corollary of increased compliance by retailers; and now to the second issue with Jess.

MS MCCRUM: Sure. So, with the second issue, we are looking at representations made in the marketing and advertising of offers more generally, and also, specifically on energy price fact sheets. So, we are considering limiting the use of jargon and increasing consistency among retailers and we are also looking to potentially prohibit representations of unconditional discounting.

MS HARTCHER-O'BRIEN: I'm sorry guys. I totally moved to the second issue without allowing people to input.

45

MS PROUDFOOT: I thought we would just run through the issues

MS HARTCHER-O'BRIEN: Yes.

MS PROUDFOOT: - - - and then go back.

5 MS HARTCHER-O'BRIEN: Excellent. Okay. Sorry about that.

MS MCCRUM: So, we will just move onto discussing the advantages of those proposed changes. So, we do hope that they will simplify and clarify offer information for consumers and that energy offer information would be more readable and consumer friendly, and we think that this would really help consumers to understand and compare offers and be more active market participants which would help competition. There are some potential disadvantages that may arise and that is that retailers may have to make some system changes. This could, potentially, reduce the ability of retailers to creatively market offers, but we think that product innovation will be more easily identified by consumers in this case and genuine innovation can occur; and so, we have been circulating some jargon examples to retailers and also consumer group stakeholders and these are the results that we've had so far.

20 So, one example that we have identified is "fixed term". Some comments from retailers have said that they might prefer to refer to a product by the length of time instead, for example, by 36 months or 12 months, and by contrast, consumer group comments indicate that it should only really be used when the price is fixed for the contract term; and so, moving onto the next one, there is a problem with "Evergreen" and no term contract being used at times, it can be a bit confusing, and so retailers have gotten back to us and said it might be preferable to use the phrase "no lock-in contract" instead, and consumer groups have thought you could just state that it does not expire.

30 There is also quite a variety in terms of green energy that is being used right now, and so, retailers thought that renewable energy products could be appropriate there, as did consumer groups, and in terms of the tariff types, we also found that "peak" and "off-peak" seemed to be preferable compared to other potentially more confusing terms like "shoulder"; and so, I might now just move onto discussing the third issue; and so, what we are looking at is potentially standardising the format and the layout of energy price fact sheets and we think that this will really help consumers to understand and compare offers more readily, and so, we are looking at requiring retailers to use either a standard template or fact sheets that are generated by Energy Made Easy, and so, we think that it would also be helpful to have separate fact sheets for each offer, or variation of an offer, just to simplify the process for consumers when they are comparing offers, and we are also looking to require retailers to potentially display price fact sheets a bit more prominently on their websites so that consumers can access them a bit more easily.

45 Some of the advantages of this that we have identified are that they will simplify price fact sheets and also really improve their readability. We think that standardising price fact sheets would also allow consumers to more easily understand

and compare offers that are available to them, and again, we think that product differentiation will be more apparent to consumers because of standardisation and they can really identify those points of difference among retailers. Just in terms of the disadvantages, we understand there might be some system costs for retailers to  
5 implement these proposed changes and that a regulatory burden may be increased. There is also the risk that it may constrain the ability of retailers to market certain aspects of their products in a creative way, but we think that it will also limit the ability of retailers to mislead and confuse consumers because their product will be more apparent and clear.

10 And so, the following eight slides also would have given you some illustrative price fact sheets so what we have done is given you a package that we sent around and it includes price fact sheets that are in the market and also some concept templates that we've come up with and that CUAC has also come up with, and some examples  
15 from OFGEM as well; and so, we thought that if you had any comments on those you could get back to us a bit later if we have time today or just in the near future.

MS PROUDFOOT: So, what we might do now is return to the first of those three issues, being the idea of refining the guidelines to provide greater clarity around their  
20 operation, and I would like to start, just for something a little bit different, we will go to Brisbane first. Do we have any comments or questions from Brisbane please?

BRISBANE OFFICE: Not at this stage no.

25 MS PROUDFOOT: Okay. Thank you very much. Anything from Hobart?

MR ORR.....: No, nothing from us, thank you.

MS PROUDFOOT: Okay. All right. We will try Sydney please.

30 MR MOFFITT .....: Sorry, no comments here in Sydney.

MS PROUDFOOT: Okay. All right. I expect we might have something from Melbourne. Just to open up, I guess, I'm interested, perhaps, in retailers'  
35 perspectives even around the current version of the guidelines and do you feel there is enough clarity already? Are there specific areas you feel there could be more clarity? Consumer groups – also interested in your views.

MS SHIELDS: It's Dianne Shields here from Simply Energy. I guess the issue that  
40 I'm struggling with is what requirements you want to make, so it's hard to actually respond to the proposal. I'm not quite sure what it is you're proposing .....

MS PROUDFOOT: I guess it's the language and – so, we've got a lot of "mays" and "mights" and things like that in the guideline in terms of how it prescribes  
45 different things. Whether there's benefit in moving some of those "mays" to "must" for example, and just making things a bit less, as Imogen said, "grey", and so that's going to, I guess, come out to more from what we actually decide to change, whether

it's things like, at the moment, "you may" use the energy price fact sheet generated by Energy Made Easy to "you must" and the potential benefits from those, I guess, in terms of – I mean, it may be that retailers think, at the moment, the guideline provides enough clarity and you're not worried – you're making decisions quite  
5 confidently thinking, yes, this is compliant or not compliant.

MS SHIELDS: But have you noticed any significant non-compliance amongst retailers with what's produced now?

10 MS PROUDFOOT: What we've found is potentially things that aren't what we would have intended when writing the guideline but that may not be black and white. We've had discussions with a few of you separately around, for example, the number of variations that might appear on a sheet of one offer. Other things that I think we thought could work okay in terms of a range of green offers on – on one fact sheet,  
15 we're thinking, might not be as clear for consumers as they could be, and so it might not be meeting the purpose in terms of providing that clarity. So, we're really open up – opening up to anything.

MS BOURKE: You've also had examples where people have put, kind of, solar  
20 options on top on – as an add-on to an existing offer, but actually, the supply charge was different if you had solar panels to what was included in the top table around what the supply charge was, and it was included as a fee down the bottom which is, actually, misleading. So, if you have solar panels you're not charged the stated supply charge, you're charged differently, which is listed later down in the fee  
25 section, and obviously, that isn't clear in Energy Made Easy. It's calculating the estimate wrong and we had a complaint about it from a consumer and some of our experience has been there is a fair bit of ambiguity in the current guideline and we haven't, from our perspective, had a great response on occasion when we've raised these issues with retailers seeking improved practices.

30 So, some of those issues are really what's driving us around clarifying the obligations in the current guideline. So, things like "generally available" – it's very ambiguous. There's a wide range of interpretation as to what that means. So, there are a range of issues – you know, there's things in the guideline like "excessive  
35 shading". Well, what does that mean? There's a whole range of issues that, having had some experience now of utilising the guideline and seeing the examples in the industry and in the market and seeing how it has been interpreted, it's appropriate to look at some of these issues and try and fix them through better and clearer drafting in the actual guideline itself.

40 MR MAIR: Andrew Mair from M2 Energy. I think - I support the plan. It's a bit hard for us to really comment on the guideline until the draft guidelines are released.– I think that's – there's a few areas like – that are raised about ambiguity that could certainly be cleared up. Things like the terms that have to be used for the  
45 price – for mention in the price fact sheet. I think these could be loosened up because of the – as stated, it's a bit – a bit wordy for, you know, radio ads for instance. It adds a lot of cost onto the stuff and it's also not clear enough, I think, on web

marketing and stuff and how that's done. So, areas like that ..... areas like keeping things to one A4 piece of paper might also be worth looking at, especially if you were going to increase the amount of words and stuff. I am concerned, very much, about constraining retailers to ..... how their price fact sheets work. Very concerned about making us have a price fact sheet for each meter configuration and solar configuration and green configuration.

I go from, in one particular Victorian DB which are, you know, technically valid but just on that particular DB, I go from having one price fact sheet to 30, and I don't seek out that ..... customers at all. So – and I think we've got to define what's the purpose of the price fact sheet versus, you know, a more detailed offer, because to get to a price fact sheet that picks out a meter configuration, a solar configuration and a green configuration, that's a lot more choices a customer has to make to get the price information. They can't just go and say "I live in this postcode, tell me the price fact sheet". At the moment they get to ..... standing offer and then the main offer and that's it. Now, you know – and that's partly – sorry, that's just with one – that's with just one type of contract, by the way. You start adding fixed term contracts, multi-term – we're into, you know, hundreds of price fact sheets and that's just a massive regulatory burden when – when, really, the information of it is the same.

MS PROUDFOOT: What degree of price variation would there be? Say, when you go from the one - - -

MR MAIR: Well, at the moment - - -

MS PROUDFOOT: - - - to the - - -

MR MAIR: At the moment, between the meter configurations there's - obviously there's variations. But, a green product – our green products – there's two types, they're the same and they apply to all of our products. The solar stuff, again, you know, if it's not changing the actual base electricity prices, then they're just a ..... tariff and they're just a line and then you just need to describe when they apply. So, you can keep that quite constrained and it applies regardless of meter configuration in most cases. So – and you can specify that where it, you know, if it doesn't apply to a certain meter configuration. But, again, it depends on whether customers are having it installed now or it has been installed. So, it – yes. We're just really opening up to it – and then how does a customer who's not sure of meter configuration or what they want to do, how are they helped by having three different retailers with, potentially, 60 pieces of paper in front of them? That's not offering any help, and also, it doesn't make it easier to find on web because there's 300 offers for them to get put through, and the first 30 might be all for the same retailer.

MS PROUDFOOT: I think that's a really valid point around the amount of information and going back to what you referenced around the size of the energy price fact sheet. I think something we've been grappling with a lot, with Energy Made Easy as well, is just how much information is helpful and how much is too



much and it gets to the point that it becomes overwhelming and really, sort of, is counter to your original purpose. One of the reasons for limiting the fact sheet size, originally, was to try and restrain that, and I think one of the things we will be looking at is whether the information currently prescribed for the fact sheet is all the information that's necessary or whether some of that could go, or be replaced, by links to websites and things like that, just for that purpose of really simplifying things because that seems to be the common theme coming through in a lot of our other discussions as well, it's that too much information is as unhelpful as not enough or unclear information.

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MR MAIR: Can I also just make – there's a couple of things that concern me with the ..... report back the guess – guessing people's consumption over a year business which had a – it's not a price fact sheet anymore, it's a price guess sheet - and then with that is also just the – sorry, I completely lost my train of thought. So is that in the – sorry, is the idea between looking for pricing information and then getting an offer, and I think the price fact sheet doesn't have to be the offer. It is – it is how you choose to talk to a retailer - - -

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MS PROUDFOOT: Yes.

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MR MAIR: - - - or to retailers. It's not – so it doesn't have to have all that information including estimates of how much usage the person might use which – and again, you know, where you can get into that and when you're that conversation with a person you can say “yes, but that's what a meter” or “I can look you up. What's your ..... or what's your address”. I can find out that information and give you a more specific two year offer which is then covered off in other materials directly to that customer and related to that customer and has much more force of contract anyway, so. So, I think we need you to be very clear about what is the purpose of the price fact sheet and not add in things that it doesn't need to have.

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MS BOURKE: Andrew, the purpose of the guideline is to help consumers compare offers.

MR MAIR: I completely understand that.

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MS BOURKE: And all the – all of the research points to the main reason that consumers switch are the price and cost and, obviously, all the other research suggests that it's very difficult for consumers to compare individual tariff rates, particularly when they have different seasons or different blocks then it's difficult to compare apples with apples, which is why we're asking the question as, you know, would it help consumers to show a single annual cost figure based on the consumption benchmarks that go on their bill because – because that is the simple way for them to digest the information, rather than looking at the tariff details.

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DR SIMON: On that point – Fiona Simon from ERM – I'm a bit – can I just add I'm a bit concerned though because we went – you know, we went through all of this four years ago, with the end notion being that, ‘look, we end up running a greater

risk of misleading customers', which wasn't the point. It was about having very precise detail that helped people say, all right, it – and as Andrew said, it's not the entire offer, it's not everything they get. It's the very precise information that we can be held to account on without getting into murky territory of time of use tariffs and things like that. How on earth do we say what someone's – and, you know, expenditure is going to be, and I would like to think one day we will have, you know, Victoria coming into the fold and time of use tariffs will be a reality in a number of places.

10 So – and I also reiterate Andrew's point. I mean, I'm horrified at the thought of a separate price sheet for every single metering configuration. I think about our website, how easy it is to navigate, how few price fact sheets we need to have, how much effort we've gone into making them make sense, and the notion of someone then coming up and saying 20 per price when we don't face that issue of the costs actually being different to a customer, and I can understand why you might want to have something different if the prices were fundamentally different with the one price fact sheet. But, for us, it isn't and it's – you know, we would actually have to rejig our entire websites. So, if someone was going to find their way they would actually have to enter in a whole lot more information, where right now, they can just go to quite a – you know, it's a pretty simple thing. So, I think the implications are really disturbing.

MR EVANS: Ross Evans from Pacific Hydro. The one question I've got, when just listening to that presentation and some of the discussion that goes with it, I would question whether this is an issue about the prices fact sheet and the information contained on it, or the structure and nature of the offers that retailers have got because, you're right, a prices fact sheet should just simply replicate what that offer is to that customer, but that's our choice as to what we're offering the customer as a retailer. Whereas, what you're talking about, is the multitude of different configurations of meters, prices, tariff types, structures, wording. It sounds a lot more like it's – you're trying to structure the offer in a particular way to get a simplistic answer rather than make sure that the offer is accurately represented.

MS PROUDFOOT: No. I hope it wouldn't sound like that, Ross, because it's certainly not the intention and - - -

MR EVANS: I know it may not be the intention, but that's where it's starting to drive to.

40 MS PROUDFOOT: And that's what we're talking about, though, and what we're saying, particularly around the risks of if we do overly prescribe, are we limiting the types of offers you can make and potentially then stifling some form of innovation or make an offer that's much more appealing to consumers. That is not our intention. That's why we're having this discussion. But, I think when we're looking at things like the terms that are used to describe a type of contract or something like that, it can't be that helpful to consumers to have to work out whether an Evergreen contract is the same as a no term contract is the same as something else, and where we can get

to those terms that are not going to be stopping you innovating, but make things a bit clearer for consumers. I think we should be looking at that because it's also in retailers' benefits. I would be interested, Janine – sorry to look at you or – or anyone else though. I mean, the price fact sheets are something that we looked at and developed, as Fiona said, four or five years ago now, but we haven't had a lot of feedback other than the, sort of, general consumer information around – too much and too confusing, and I just would be interested in any observations you had.

MS RAYNER: Yes. So, definitely the issue of language is a concern for us. Consumers don't understand the link between, say, information or words that they see on a billboard compared to what they see on – an offer on a website compared to what they see on their actual bill or a contract. So, there's a lot of confusion about ..... even a retailer how that information relates to what they're actually getting and what they're actually paying for and, I think, what it means for them. So, that's one thing that we're observing, and the other thing is that it is constantly a pet issue for consumer ..... compare against retailers. The language is a really big thing for consumers who don't understand fixed benefit contract – a fixed term contract. Those things are the way you knew of some of those contracts but they mean the same thing and it, actually, may as well be – you know, you may as well be selling – you know, not a comparable level if you are going to be selling it, doing the price or be more innovative around how you do that rather than the words you're using.

It's more obvious ..... that the consumers to - who don't understand them and the whole thing is you want consumers to engage in the market and to be able to understand what you're offering and we've had the retailers come to us saying how do we get the consumers to engage. I mean, it's really simple. Make it easier for them to understand what you're trying to tell them. I think – I'm just trying to look at your website. I haven't seen it ..... but if it is simple and it is accessible, that's a really – that's a really good start. I think if the information is there and it – and - accessible for consumer that – I think that's really important. If it's hard to find on the website or it's confusing on Energy Made Easy to start with, that's already a problem for consumers. But then it's the language as well. I think there are – there are layers here that are going to make it harder for consumers and there are – are quick simple fixes to making it more available to consumers. And, the way you innovate is – you know, up to you guys, but some of these other things are quite simple and necessary for consumers to be able to engage with you.

MR EVANS: Look, Ross Evans, again. Back over it. I don't disagree. I think that is exactly right if it's a comparable level. That's what the guideline was intended to do, was make sure that it was comparable. Maybe there does need to be some sort of clarity around the language that's used but it can't – it can't be targeted at the type of offer. The type of offer is unique to each retailer and I think that's where – this doesn't quite clearly draw the line between when it's going to be about the offer and when it's going to be about the language the offer is described for the purposes of Energy Made Easy or for a prices fact sheet. So - - -

MS PROUDFOOT: Can you give an example? Just so it's .....

MR EVANS: Okay. Unconditional discounts, this is my absolute ..... If we can't describe it in a particular way you've just limited a product innovation. You're going to drive retailers away from making that offer. But, if you have a simple way of describing how it's going to be – how it could be described, then it might become quite a valuable offer to consumers.

MS PROUDFOOT: But we all know discounting the way it's described on – around retailers is one of the main causes of confusion for consumers, and so, to even work out what – be really clear about the language used to describe a discount - - -

MR EVANS: Agreed.

MS PROUDFOOT: - - - is the first step because - - -

MR EVANS: Wholeheartedly agree.

MS PROUDFOOT: - - - if it is just off whatever, or if ..... time, or whatever, that kind of stuff is really important.

MR EVANS: Wholeheartedly agree with you. Prohibiting it doesn't do that. That's the point. If you make a – you make a prohibition about how you describe what you're limiting and how it can be done, if you provide options for how it could be described, that are ..... across the board, then we're fine.

MS BOURKE: Ross, can I ask why you use unconditional discounts?

MR EVANS: We don't.

MS BOURKE: You don't have to do - - -

MR EVANS: We don't.

MS BOURKE: Okay.

MR EVANS: I just – I just .....

MR MAIR: And I don't – we don't have to ..... Andrew Mair from M2 Energy. I think ..... sorry, I was kicking in. I think – and again, I'm just going back to the conversations I've had with ..... over the years, but I think people like to see that they're getting something ..... going and that's that discount. So – and I think – and I'm assuming what's driving the removal of unconditional discounts is that that would – they're putting a pricing in. They're putting all this extra information in when the customer is going to get that discount anyway. So that the real electricity prices, you know, are 10 per cent cheaper, or whatever. But, it's that – it's that ability to convey the offer has this headline discount from what might be the standing offer.

MR EVANS: .....

MR MAIR: That's – that's what it – what I think it comes down to and I think Ross is right that if you can't – there has got to be a way to describe that properly or better  
5 so it's clearer and – and then perhaps gives you that ability to – you know, to market that then “hey, this is 10 per cent than what you do if you don't do anything and you stay with the standing contract”. I mean, it's different with conditional discounts because, you know, you're already there, and I think what you will find, perhaps, is if you took away the ability to have unconditional discounts in the price fact sheets,  
10 you might find everybody just switches to conditional discounts and I'm not sure that, necessarily, is good for anybody.

MR EVANS: And I think – look, years gone by where we had the benchmark as a government regulated rate, it was easy. It was your discount is off that particular  
15 baseline. So, it was easy to describe. It provided – it – or conveyed a great value to a consumer and it engaged people a little bit more. Now that that baseline has gone we've had to try and innovate around how we've done it and, clearly, there has been mistakes made. I'm not going to, you know, go out defending everybody, but I think the simple thing here is not off the government regulated rate anymore, it's off our  
20 standing offer. There's a change in language. It's not a change in offer. It's not a change in innovation.

MS PROUDFOOT: And I think it's the language point, Ross, that is what leads you into the, sort of, more risky territory - - -  
25

MR EVANS: Agreed.

MS PROUDFOOT: - - - and looking around your ACL obligations, for example, that you've got two recent cases - - -  
30

MR EVANS: Yes.

MS PROUDFOOT: - - - where – where the term is problematic. So, I guess, what we're looking at is, you know, consumers get the benefit from paying a lower price  
35 but how do we explain to them what that benefit is in a way that doesn't make them think they're getting something that they wouldn't have already just been getting.

MR HARROD: But the ACL is solving this issue for us.

40 MR EVANS: Exactly.

MR .....: To a fair degree. I mean, yes, mistakes have been made and I don't think any companies are going to be going down that particular track again. So, they will – they will find a way to present them in a – in a clearer way for consumers.  
45

MS PROUDFOOT: And I think that's what we're looking at. So – so with those recent outcomes, you know, there's no benefit to be used from using that term. There's a high level of risk so why wouldn't you ban that term - - -

5 MR MAIR: Well, that's not - - -

MS PROUDFOOT: - - - and encourage people to look at the actual discount

10 MR MAIR: - - - that's not 100 per cent true. It depends on how you – how that rate is set. It's where – where rates vary, that's applied to the market contract - to the standing contract. That's where the difficulty, as I understand it - - -

MS BOURKE: I think the other - - -

15 MR MAIR: You get tripped up. When – if unconditional was deemed to mean, perhaps, off your standard rate, than – whatever that may be, then, perhaps, that's one way that - - -

MR EVANS: Yes, but it comes down to the .....

20

MS BOURKE: But, I think the other point - - -

MR MOFFITT: Sorry, Sarah, it's Shannon in Sydney here. Do you think you could just take the slides off the screen? It just makes it a bit easier to follow.

25

MS BOURKE: Sorry, Shannon. I forgot you didn't have two screens. I'm sorry Shannon.

MR MOFFITT: Beautiful, thank you.

30

MS PROUDFOOT: The other – so the other point – that broad analogy that we're seeking to draw out and have a debate around is that with the whole issue of “fixed” that came up in the AEMC's rule change process, it was always described as “fixed term”. It was the perception of the community and the market that went with that, that assumed that “fixed term” meant “fixed price” and I think there's a similar parallel here where people assume that the discount is off a particular rate and that assumption is less meaningful now because it could be all sorts of different rates, and I guess from our perspective, we're just really trying to understand why retailers continue with this practice. So, if you have a rate for your offer and then you don't have to do anything but get some kind of discount from that rate, surely the discounted price is what reflects your offer and so, I guess from – from Andrew's point is, that it's more attractive or you can lure more customers in by talking about the discount you get rather than talking about the tariffs and that's why you do it.

45 MR MAIR: Yes. Sorry, that's my view of – that's Andrew's view of what I've been told over the years by ..... across multiple organisations.

MR EVANS: No, you're right. But, look, I will go back to Victoria 2009 and say we had the same ..... as soon as government regulated rates came away we had to say "well, okay, we can't save it, we're discounting off that". We had to say we were discounting off our standard rates. So, the difference is "their" or "our".

5

MS BOURKE: Well – and I think that's where the confusion comes from because consumers don't know and they just go "this one's 27 per cent off so that's going to be better than - - -

10 MR EVANS: .....

MS RAYNER: Cheap .....

MS .....: - - - that's a cheap rate. That will keep the market in turn .....

15

MR EVANS: It's – okay, let us change the – the tactic here and say, okay, we know consumers are not engaged with the dollar – the cents per kilowatt hour description. So, we've got to find a way to describe the value that a product has. We say it is a discount of X off a particular benchmark regardless of what that is. That's the perceived value for the customer because that's what they've responded to.

20

MS RAYNER: That's all you've tried so far I would say.

MS PROUDFOOT: Fiona just put her hand up so she wins.

25

DR SIMON: Thank you. So, we don't do that sort of discount and I'm wondering for those who do, does the price fact sheet just have the actual number on it or does it – or do you have to have to calculate the 20 per cent off yourself? How does it work?

30

MR REID: It has the – Andrew with Origin. It actually has – ours actually has the rate, or the standard rate, and then you have to take off 20 per cent .....

DR SIMON: Because, in a way, I kind of think I'm coming back to Ross' original point which is the price fact sheet should just have, in my view, the number on it, right, but the – the marketing is another issue and the marketing of, well, you know, so you've arrived at this number and that's because you got 20 per cent off this sort of thing and then you can let the ACL work out whether people did it right or not. But, the price fact sheet has a number on it and, at the end of the day, it should look the same whether it's ERM who doesn't do those sorts of discounts and someone who does, and then that's what the person has to compare. So, I'm not really sure, with the price fact sheet, how that – that discounting sales pitch that, sort of, surrounds it is represented or how it might need to be changed, because in my view, I would agree that muddies the waters in a price fact sheet if you don't have, certainly at least, the final number that someone knows what they're – what they're judging things against.

45

MS BOURKE: So, I guess from our perspective, these guidelines don't only just dictate what goes on fact sheets. They are how retailers must present their prices when they notify us of that and when they market and when they advertise, and our question is, is this practice of unconditional discounting helping or hindering consumers make good decisions in the market?

MS PROUDFOOT: And so, for example, Energy Made Easy currently shows unconditional discounts as one of the three prices in the annual estimate. One of the things we're looking at is whether we would do that or not and - - -

MS SHIELDS: It's Dianne from Simply Energy. Some of what you were saying then, Angela – so what you're trying to do is regulate away bad decisions. Is that what you're trying to do?

MS BOURKE: Well, what we're trying to do is fulfil the purpose of the guidelines. So, the purpose of the guideline is to help consumers compare offers. At the minute, we think there are a range of issues around how these are operating and many of those have arisen and been flushed out through the AEMC's rule change on unilateral market variations – unilateral variations and market retail contracts. So, what we wanted to do was have a debate with people about what information do consumers need to help them engage in the market. How – what is the best way — to describe offers?

What is the most important features of offers to consumers so that we can prioritise that information and help them make good decisions in the market to improve the competitiveness of the market as a whole; and what we're seeing now is that, you know, a lot of – a lot of indications point to consumers not making good decisions. There's a lack of trust and lack of confidence in the market and what we're trying to do is have a discussion and a debate about how can we as consumer representatives, as a regulator, as an industry help consumers understand the products in the market and make good decisions. That's what our debate is about.

MS SHIELDS: Consumers make bad decisions in different markets all the time and that's part of the competitive market process is allowing customers to make bad decisions that they then make a good one after .....

MS RAYNER: This is for a unique product, though, isn't it so it's about keeping energy connected to your home. So you want to make a good decision about that and maintain affordability so you can make that – so you can maintain a lifestyle.

[NO INFORMATION RECORDED]

MS SHIELDS: ..... try to regulate out bad decisions, then you have a danger of regulating out competition.



MS PROUDFOOT: No, I think we understand that we can't prevent bad decisions and bad decisions will happen, but at the same time, they shouldn't be more easily made because of misrepresentations or a false representation of what the offer actually is.

5

MS SHIELDS: But ..... wants out ..... if we misrepresent ..... then the ACCC can take action on the issue, so.

10 MS SHIELDS: ..... necessarily that the energy price fact sheet is going to solve that problem. Our problem – if it is a problem, will be solved by the ACL.

MS HARTCHER-O'BRIEN: Well, the two points that... sorry, its Imogen. As Ange said, the purpose of the guidelines is to facilitate consumers being able to make informed decisions about what prices and offers there are in the market and it goes more broadly, again, than just energy price fact sheets. So, it's not just a matter of, sort of, sitting back and letting the ACCC come in and take enforcement action when there's a breach of the ACL, it's also about – and it's not trying to regulate away bad decisions. We acknowledge that consumers, however much information you put out there, will make the decisions that they make, but it's about trying to facilitate the best decisions that a consumer can make on the information and the guideline by way of actually doing that – of assisting retailers being able to offer in a way that isn't going to mislead and deceive consumers.

25 MR KREMZER: Sorry, Joe Kremzer from Energy Australia

MR MOFFITT: Sarah, I think we've had a comment here in Sydney, if you don't mind us butting in?

30 MS PROUDFOOT: Sure.

MS DALMEIDA: It's Skye D'Almeida from the Australian Energy Market Commission here. I just wanted to add to the discussion about consumer decision making. I think it was Dianne who was talking about how you can't regulate the bad decisions and I'd agree. I think that relates to what Angela, sort of, went into and something we also found in the consumer research we've been doing for the competition review we held forums in six different locations and a big survey of 2200 customers and one of the strongest points that came out of that research was that consumers can't compare apples with apples and that issue is actually leading to a lot of customers just refusing to engage at all. They find it too difficult to have, sort of, a consistent way to compare all the various options out there and they just disengage. So, I think, you know, we would certainly support looking at ways to make offers more comparable through the – the information that's provided but it – it's not about regulating against bad decisions, it's just simplifying a comparison process.

45

MS PROUDFOOT: Okay. Deanna?

MS FOONG: I'm Deanna from CUAC. CUAC's research shows that consumers have difficulties comparing offers. Our Energy Info Hub Community Participation Coordinator does all our community presentations throughout Victoria and his experience also shows that a lot of people do experience difficulties comparing. I don't see it as regulating bad decisions, I think the whole basis of the price sheets is to decide what information is essential for consumers to make informed decisions; and the way that the fact sheets are presented and the kind of language that you actually use. My other point is on unconditional offers. I'm not really – well, CUAC is not really comfortable with the term “unconditional discounts”.

It's a very meaningless basis of comparison particularly when the standing offer could be any price. If you say “unconditional offer”, regardless of what customers do, they would still get that offer. The “unconditional discount” becomes the base price of the contract, really, and it is therefore quite a meaningless term; and I think the reason why, perhaps, businesses use that term “unconditional discount” is more so in terms of marketing and, you know, it grabs the consumer's attention. But as to the real basis of comparison and whether it helps it's really questionable.

MS PROUDFOOT: Can I just – while we're – sorry, we could probably spend the rest of the forum on this issue, but I'm mindful that we do have some other things to talk about. I would just like to do a quick whip around to the other offices please. We will come back to this after we do the other ones, Ross. But, Sydney, were there any other comments just on the first issue from you?

MS VAN DEN EYNDEN: Leen Van den Eynden from Macquarie Bank Limited. I just wanted to make a general comment which is probably more applicable to all the different issues being raised. I suppose – so you probably understand, we come from quite a niche look at all of this and for those that don't know, we only supply very large corporate customers, and so, whilst, of course, when I ..... principally, of course, I don't think many people would disagree about making things clearer and providing more clarity for consumers like ..... like a good idea. However, from ..... the others would like to ask you if you make any changes to what is mandated to be these price fact sheets to ensure that someone like ourselves is actually able to comply, because ..... if you mandate to put discounts in there and all sorts of different, sort of, more detailed information, we would not, per say, have had available - which is, actually, the only reason why we have price fact sheet is because we are mandated by the guideline and the rules to have one.

It's – yes, I think I'm – it's only on our website because we have to. We actually don't really have that kind of interest, actually, which requires to even act on the offer that's there. So, I suppose, what I'm trying to say is, can you - ..... would be, like, make sure that any mandated additional information is, I suppose, achievable also for – for someone like ourselves, and in ..... otherwise at the moment, I

understand that there's a – an automated link into ... who is not for – for what we produce. We wouldn't want that offer to start circulated in the market because, obviously, we – we do not want a market because we don't actually want consumers really as customers we want, just because that would give us all sorts of other issues.

5

So, I suppose my usual comment would be – would be a – consider making some sort of exclusion for retailers like ourselves to produce the price fact sheet and maybe that might then be possible ..... regulation and the rules work. But, if that is not possible and we keep the guideline as it is and we need to comply, which is fine, but we will do what we need to do, however – yes, my comment is please ensure that we actually are in a position to comply with the information we need to keep. That's only a general comment.

MS BOURKE: Just to be clear on that point, the guideline only applies to small customers. So, I would assume you would not be captured by these requirements – or your customers would not be captured by these requirements.

MS VAN DEN EYNDEN: Well, we were told, in the licensing process, that we – whilst we don't have small customers, we still have to produce a price fact sheet for the off-chance that one day one of our size might be re-classified into a small customer ..... and then they are for – the customer at the ..... would need to know what the standard offer is. But, obviously, we do everything in our power to avoid that happening because we can't service these customers – if that were to happen, we actually would need to get rid of them anyway because we – we ..... customers. So, that's really coming from – so, we have a ..... to comply with the guideline but if you make any changes, please keep an eye on that. Someone like ourselves might get in trouble if you ask a lot of detail. So, yes.

MS PROUDFOOT: Thank you. Was there anything else from Sydney?

30

MS LEUNG Yes, I just want to make – sorry, it's Jane from EWON. I just want to make ..... on the inconsistency of terminology and how customers can't compare all offers in a consistent way. I was looking at the Energy Made Easy website yesterday and I just want to draw your attention to off-peak ..... there is a lot of variation amongst the retailers as to how it's described. So, for example, there's off-peak ..... and when I go to the fact sheets to see whether there were other explanations to what these are, there is also a lot variation towards retailers as well. So, for some reason ..... it's – then all controlled by consumption. Other retailers maybe are a little bit more helpful when they say it's consumption ..... I think it's the lack of explanation as well – consistent explanation that really prevents customers from coming to understand what the offers and ..... compare us. And just on the ..... customers usually don't know that by taking control over any of a person's ..... and customers also don't know what the difference between control ..... one or control ..... two, so it leaves it very confusing ..... that's probably all I have to say about that.

45

MS PROUDFOOT: Thank you. Right, we might go up – Brisbane, were there any comments following that discussions?

5 MS NORRIS: It's Michelle from Ergon Energy. You know, we are obviously not able to make or offer other contracts. We can only offer our standard retail contract. So, again – I guess, still on the point from – from – that Sydney has made that we – just to be mindful of, I guess, some of the restrictions placed on some retailers in relation – relating to these, which could ..... energy price fact sheets right now that are complied with what the QCA requires for our small customers and large  
10 customers, but not – we certainly aren't able to offer discounts to – to our product.

MS PROUDFOOT: All right. Thank you, very much, and Hobart, anything from Tassie?

15 MR HERMANIS: Good day. Ian Hermanis from Aurora Energy. I guess, at this stage, we've only got a reasonably new small contestable market so we haven't had too much involvement in this phase. Definitely, I guess, the standardising of terms would be handy, I would have thought. But, the other issue being with a lot of, you know, control by ..... off-peaks is, from a retailers point of view, we can, I guess, do  
20 – only do a lot of what the network companies do and we need to try and commit some sort of ..... between what the network companies, you know, prescribe to us and to the offers that we issue out. So, any further, I guess, regulation on terms could also make things a bit difficult going forward in that space.

25 MS PROUDFOOT: Okay. Thank you, very much. We might stick with, I guess, language and representations, sort of, leading us into the second point, and I won't put that back up because I realise most of you don't have two screens. But, this – this second issue, now, is really around representations made in marketing and advertising offers that includes on fact sheets, but also more broadly, and so some of  
30 the things that we're looking at – and I see the second dot point as prohibiting unconditional discounting. We might park that and come back and look more around the – the use of jargon and increasing consistency in the terms that retailers are using in their communication with customers. So, do people have thoughts, more broadly, on that issue and we will start, maybe, in Brisbane.

35

MS NORRIS: We've got no comments on this thanks, Sarah.

MS PROUDFOOT: Okay.

40 MS ROBINSON: Hi. It's Robyn. I'm representing COTA, that's the council on the ageing consumer voice. I certainly support the consumer views that have been expressed so far that simplifying the language and simplifying the offers making them much easier to understand for consumers is absolutely essential to get more consumers engaged in the whole process. There is some confusing language – a lot  
45 of confusing language around and just on some of these concept fact sheets, it jumps out at me. Things like confusion between "consumption" and "usage". They seem to be used interchangeably and a consumer doesn't understand whether that's true or not.

Discussion about when discounts are applied and how concessions and rebates are handled within this process, it's quite a – a touchy subject for a lot of pensioners and concession holders who can suffer adverse outcomes depending on at what point in the process a concession is applied, as opposed to a discount. So, I think it's  
5 important to get some of that information clarified on the fact sheets and that can only help the process.

MS PROUDFOOT: Thank you, Robyn. Anything else from Brisbane? No?

10 MS ROBINSON: No. Fine thanks.

MS PROUDFOOT: Okay, thank you. Sydney? Sydney? We will open up to questions from Sydney

15 MR MOFFITT: Sorry, no comments from here.

MS PROUDFOOT: Okay, thank you. Hobart?

MR ORR: No comments from us, thank you.  
20

MS PROUDFOOT: Okay, thank you, very much. All right. Melbourne, the floor's yours.

MR KREMZER: Joe Kremzer from Energy Australia here. We, and probably most  
25 of the retailers in this room – we've got, you know, focus groups- market research that tell us that how each of us retailers present our – our fact sheets and the terminology we use is the language that consumers want to hear and the fact that it's all different suggests there is no one size fits all solution. So, you know, any research that's undertaken by – by any other entity, while completely valid, we can  
30 show you something else that suggests – or retailers – sorry, consumers are talking to us and saying this is what – this is how they understand it, this is the terminology they want and those sorts of issues. So it's, sort of, one of these issues that, by tailoring language to suit someone, you're alienating someone else – leaving someone else out of the tent. So, I think it's going to be a really difficult issue to,  
35 sort of, correct.

MS RAYNER: I think, just in response to that, just simply by having everyone with the similar language means that everyone has lifted up to the same level of understanding, so there is no – that just eradicates any confusion in the market  
40 because you're all looking at the same - - -

MR KREMZER: I don't think that's strictly true because we've had – I mean, you know, the market has come together – a national market that has come from a bunch of ..... state markets and, you know, I know my colleagues will probably tell you that  
45 – that customers down there still call it a Hydro bill coming through. So, in some parts of the country it is – you know, “consumption” is the term that's used and some parts “usage” is the term that's used. So, you know, by having a standard level of language you're not, sort of, brining everyone up to the same level of understanding.

MS RAYNER: It's a start. I do think it's a start. I mean, the market has changed for a lot of people. We might as well bring everyone with us.

5 MR EVANS: True, but – Ross from Pac Hydro again. The comments from New South Wales from the Ombudsman, sort of, ring a few alarm bells to me because there is a clear difference in understanding as to what consumers are getting in these fact sheets versus what we're seeing as retailers versus what is actually going on at the customer's premises. Not knowing the difference between the different types of peaking control load and off-peak shoulder tariffs, it's quite concerning because  
10 these are based on the metering configurations that are there and I'm – I'm scared that if we label everything as off-peak, we're then misleading what is a controlled load, because it means something different. It is a time switch element. It's something fixed. It can't change, there's no variable to it, and what happens in a household at the same time as a controlled load is on versus when an off-peak is on,  
15 is something very different. You're actually confusing things. If we start standardising language, especially in that space, we're going to make matters worse. It's as simple as that in my mind. We say we want to get rid of things like the description of "shoulder". Well, are we alienating Victoria, because that's part of what – the path they're taking.

20 MS BOURKE: I don't think we're trying to say that. I guess what – what we've seen, and we did a lot of looking at fact sheets, is that some people use peak and off-peak, some people use GD/GR, some people use Winner – so, it's not like – we're happy, so from our perspective, and this is part of what we want to ask the question,  
25 if there are four main, broadly speaking, types of tariffs, you know, how feasible is it for everyone to move towards agreeing to describe those main types of tariffs in the same way? That's the question we're putting out there, and so that people know, I'm on a single rate or I'm on a peak or, you know – and, kind of, when you go out to shop in the market everyone calls that sort of tariff the same thing, and so you don't  
30 have to understand what GD/GR or GD/HL is.

MS RAYNER: And to be really fair, if you look at the AEMC research last year for the competition review, a lot of consumers don't even know what a kilowatt is.

35 MR EVANS: No, I agree.

MS RAYNER: So, you know, to have GD/GR and all these other layers of language on top of that, we've lost everyone.

40 MR EVANS: I don't disagree, but what I disagree with is if we start standardising to that level we will actually cause a greater problem than what we're trying to solve.

MR MAIR: I think - - -

45 MS PROUDFOOT: Sorry, Andrew, before you go – so Fiona has been waiting and then we will go to you.

DR SIMON: I have to have patience too ..... I don't have any lasting insights either, but I guess what I would want to see is we share some concerns that are raised by – I'm sorry, I didn't catch the name of that other lady from – in Sydney talking about C&I customers. You know, that was our experience as well. When we just sold just  
5 to C&I we did have to have some price fact sheets, so that should be pretty common. There would be several of us that have gone through that. So, I would like to understand – and I understand why we're having a broad discussion now, but when we see something, I really would like it to be very clear what the difference is between discussion on the price fact sheet versus everything else and I would like us  
10 to be very clear about the difference between the language and those broader accessibility issues because, as we talked about at the start, I think we would have kittens at the notion of having to have very many price fact sheet to cover what, really, essentially one price that it might cover a number of metering types.

15 What I was hoping to do, though, is say, with language, personally I have no problem - and I would say ERM, generally, probably wouldn't have an issue with us saying 'yes, this is the time to talk about language and what should and shouldn't be done and to test that out'. Certainly, why not. I get nervous at the notion of standardisations for the reasons that people have talked about so far, and I'm  
20 wondering whether we can test – and what I would like to understand is, what are the precise terms? I mean, I know there are some examples here, but we're also seeing a lot of stuff being thrown out there about marketing language versus something very precise in a price fact sheet, and I think that there's probably a list that you could probably start on. But, I'm also wondering whether you could do a glossary so if we  
25 – if there's a general agreement that, you know when it comes to talking about – about certain types of tariffs, that there could be some notion of a glossary where, you know, people can go to, to say, all right, well when a retailer uses this term, these are the sorts of things that – that they're talking about or this is the precise definition of what they're talking about. So, what concerns me is that the  
30 conversation is just so broad - - -

MS [UNIDENTIFIED SPEAKER]: Are you saying – suggesting having a centralised glossary. Is that my ..... website.

35 MR MAIR: .....so, controlled load is a classic – controlled load can be easily defined. It's – in my view, it's different to off-peak because off-peak is about, broadly, anything you use in a residence at a certain time, whereas controlled load is about specific circuits that are being used, potentially, at any time, but – and depending on which state you're in. But that's easily defined. But within there,  
40 you've got controlled load 1 and 2, which is because of the applications with inside the – inside that particular jurisdiction or network. So, we can work a lot of that stuff out - - -

MS [UNIDENTIFIED SPEAKER]: You could agree on a full base of terms  
45 between you without having multiple ones with the – a very long glossary saying all of these terms - - -

DR SIMON: But I'm just – I'm just throwing out there that – we are hearing, and I think you should take seriously that there are some – a lot of complexity in this

issue for retailers themselves and what they – what they are takers of and in what they are told about, from their own marketing people, from their own customers about the way they like to hear things. That’s not to say we can’t close the gap and do better in some ways, I imagine, to improve language. I don’t think we’re ever  
5 going to close the gap completely because, you know, we will end up as a, sort of, OFGEM failed competition world if we try to regulate out all the innovation into – into a place where we, in fact, then – you know, there’s nothing left.

10 I was throwing out a glossary as an idea. I have no idea myself exactly how long that would be. Obviously you wouldn’t want it to be super long. You wouldn’t want it to be something you can only find through Government Gazette. It would have to be something that would be actually accessible, but I also note that, you know, this is all part of the work that’s being undertaken, and so many of you are part of the work that’s being done – facilitated by the ERAA about affordability and engagement and  
15 that, you know, would like to think that the working groups that are looking at language and engagement would provide some more useful input here as well.

MS BOURKE: And that’s – I mean that’s what we’ve tried to do. So we’ve approached the ERAA and said, “You have two working groups that are working on  
20 similar issues. Can we get some input from there?” We wrote out to all retailers and said, “How do you describe these things?” and, you know, what – you know, “Tell us all the weird and wonderful examples that you have and how feasible is it to move to more common terms?” and we got a pretty limited response to that. We did the same thing with consumer groups. So this is the conversation we wanted to have and I  
25 think any closing of the gap we would really welcome and we can certainly explore. I mean we’ve done a little bit of the glossary thing on the fact sheets, and if there are a core set of terms that we can agree, then we think that is a lot – it’s some really good steps in the right direction. On the flip side of that is if there is stuff that you think it would be really problematic to move towards a kind of common terminology,  
30 then it’s handy to know that at the beginning as well.

MR HARROD: Jayden Harrod from Momentum. One of the things we need to consider as well is – I mean what we’re seeing in Victoria is Powershop ..... here and what is on the fact sheets isn’t essentially what the customer is billed and the terms  
35 will be merged and putting any type of glossary or any type of standard in terms of the innovative offers might make things even more confusing for consumers.

MS HARTCHER-O’BRIEN: How would it do that? What are the sorts of things  
40 - - -

MR HARROD: Well, for example, essentially they might have their rate and then they’ve got their service charge, but they put their – they divide the service charge by their usage and combine it together into a unit rate and mix and blend based on averages or past consumption. So it actually goes up and down as it goes across and  
45 so what they actually get billed is just one unit rate and there may not be a peak or even off peak or service charge.



DR SIMON: When I put glossary out there I wasn't considering it to be something that had to be on price fact sheets.

MR HARROD: Wider than that, yes.

5

DR SIMON: It was more, you know, that there is something accessible that is easy that people can find that, you know, where someone has used this sheet, this is what it means.

10 MS RAYNER: I don't personally see that as – depending on the size of it and the extent of it and where it's held, I don't necessarily see that as a solution to standardising, or to not standardising terminology. So I think there has got to be middle ground somewhere and I don't think it's an extensive glossary tucked away on essential sites - - -

15

DR SIMON: And I wasn't proposing that either.

MS RAYNER: - - - or on your web sites tucked away. I think that information needs to be clear, it needs to be obvious. I think that Power Shop example can be  
20 overcome or understood. It's not a road block. I think there are ways to make this information more simple for consumers so that they can actually understand what you guys are offering, and how you market your offers is totally up to you. Go and market as much as you like, but as long as the language around that is clear for consumers.

25

DR SIMON: That's not entirely true. You can't say, "Go market it however you like," when we're sitting here talking about how people are confused by marketing.

MS RAYNER: Sorry. Go innovate as much as you like. Go and develop as many  
30 different solutions as you like. Discount is not the end of the world, if you can't do discounting, but the language around how you do it should be obvious to consumers.

DR SIMON: I think what – at the heart of a lot of this is that there's debate about what is and isn't obvious to consumers and so - - -

35

MS RAYNER: Well – yes.

DR SIMON: - - - if we're able to work through specific examples and understand the materiality of the confusion and whether it's about certain types of customers and whether maybe that should be then effect how the language – I mean I do think we're  
40 talking so broadly that any suggestion you want to make, someone is going to say, "Well, that's not going to work, because I've got a perfect idea up here," and I just – that's why I would just like to work more with detail to understand well, now to what degree are the Venn diagrams overlapping about what exactly could we all agree on,  
45 could be made consistent versus that which could never be made consistent versus that which gets just stuck up in a glossary, if that's the way to deal with it.

MS PROUDFOOT: I might just go up to Sydney to see if anyone has got additional comments on this issue.

5 MS PRIEST: Hi, Hilary Priest from Pooled Energy. I think that some of the  
comments that have been made and ..... in terms of, you know, how do you display  
controlled load one versus two, or whatever, some of these are, you know, dictated  
differently, distributor by distributor, State by State and it may end up having to be in  
a State defined glossary or something like that that the consumer can sort of get  
down to understanding what is controlled load one, what is controlled load two,  
10 because, you know, a lot of retailers will lay their retail prices across the network  
tariff so they will keep the – they will keep the same shape, they will keep the same  
timing and that’s a way some retailers reduce their risk on some of their products.

Others may do it differently. So I think, you know, Fiona has made some reasonable  
15 points that there are going to be terms that we just cannot standardise across the  
States, across – you know, so there may be things we can and there may be things we  
can’t, and I agree that we probably need to unpick what are those things that are  
generally applicable across all the States ..... better under the guidelines and then  
what has to be sort of defined at ..... levels.

20

MS RAYNER: Is it possible for - - -

MS PROUDFOOT: Sorry, Janine.

25 MS RAYNER: Sorry.

MS PROUDFOOT: Just a moment, sorry. Okay. Sorry, Janine.

30 MS RAYNER: I was going to say, is it possible for all the distributors to have  
different terms, but for the meaning of those terms to be approximately the same, and  
then the retailers have a different language on top of that . It doesn’t have to reflect  
what the distributors are saying, but it’s the same product, it’s just that you call it  
something different that we’ve agreed is a standardised term. It doesn’t have to be  
that because they use CV1 or whatever it is, that we have to use that term. We can  
35 create a new term because it doesn’t matter at this stage because it’s so confusing. It  
reflects this is the product.

40 MR MAIR: Andrew Mair from M2. Look, I agree that ..... that I just think the  
problem then is you’ve got the distributors and their pricing is something that  
influences everybody and also, you know, influences customers at some point too .....  
talking about – when they’re talking about their metering configuration, they might  
be doing that with the electrician and .....

45 MS RAYNER: But what they call it doesn’t matter.

MR MAIR: Well, no, but it does because it then influences what the customer  
thinks is going on. So what – I’m not saying that – I think we can get a degree of

standardisation of what tariffs are called, even at a national level, specifically within that, so off peak is off peak is off peak and controlled load is controlled load, but within the ..... then I think we can get the distributors probably on board with a lot of that potentially, and I think we can get a long way there so that we're all talking the same language across – about controlled load, for instance, and then within that it's –  
5 in Queensland there's, you know, two types of controlled load and you can have off peak.

I mean there's a tariff up there that's time of use, so you've got peak, shoulder, off  
10 peak, and then you can add two controlled loads attached to it as well. So all five things can apply to a property, so – which makes just life really interesting ..... price fact sheets and everything else, but that's the reality of it. And that is where we're heading with the power of choice, and power of choice is going to get even more .....  
15 with all this stuff and you're already seeing it in Victoria, we've got a period of time it's free in our office, and that's coming out from other retailers as well. Whole swaths of time where there's no charge. So how does that get represented .....

MS RAYNER: We would like some more information about the other charges on the rest of the time, but that's something else .....

20

MR MAIR: No, no, but that's – and that allows customers to make hopefully informed choices, an understanding of how their usage fits into that offer and how they can make their best affordability and lifestyle decisions, and that has got to be better – it has got to be good for everybody.

25

MS PROUDFOOT: I think there was another comment from Sydney.

MR MOFFITT: No, there isn't actually.

30 MS PROUDFOOT: Okay. That's easy. Brisbane or Hobart, while we're heading around the offices.

MS ROBINSON: It's Robyn from COTA again. Just a general comment. We seem to be up to general comments. We've talked a lot about Energy Made Easy and fact sheets on websites and glossaries on websites. I just want to remind everybody  
35 that there are a whole lot of customers who can't or won't use that sort of technology to obtain their information and retailers need to be able to find other methods of communicating and engaging those people.

40 MS PROUDFOOT: Thank you, Robyn. I think that is a helpful reminder. Hobart, anything from Aurora?

MR ORR: No but I can confirm people still refer to Hydro bills. Nothing further so, thank you.

45

MS PROUDFOOT: I'm glad we sorted that out. It's probably the easiest issue for today. All right. Well, we might go now to the third point and I think, as Robyn said, happy to open up generally also if you have views around the specific examples

of the price fact sheets and things at the back of your slide pack either now or later, but this one is more specifically around the energy price fact sheets and whether we create a template or whether we solely use the fact sheets generated by Energy Made Easy. We've heard a lot of views from retailers around the idea of the separate price fact sheet for each aspect of the offer, would be interested in consumers' views on those, particularly around that idea of the flood of information, I guess, that has come in, and placement of price fact sheets on their websites.

One of the things I'm interested in is the extent to which retailers are using price fact sheets as sort of a marketing tool or a conversation with consumers versus whether it's just another regulatory tool that you've got there that you need to use, and also from consumer groups about sort of whether you've got views on how helpful those are and perhaps whether they're a tool that consumers are finding particularly useful. Sydney, let's start with you.

MR MOFFITT: Sorry, I was on mute for a second. Doesn't look like we have any comments here in Sydney.

MS PROUDFOOT: Okay. Brisbane or Hobart?

MS ROBINSON: Don't have any further comments at this stage.

MS PROUDFOOT: Thank you, Robyn.

MR HERMANIS: G'day. Ian from Aurora. I guess we would be of the view definitely to try and reduce the number of fact sheets produced, not increase, given there can be a fair bit of variety in tariffs offered, depending on each customer's individual situation. You could be trying to compare, you know, several different pieces of paper between several different retailers which realistically I think would just confuse consumers more than actually help them.

MS PROUDFOOT: Okay. All right. And bringing it back to Melbourne.

MR MAIR: Andrew Mair from M2. The – I think we need to be very careful about what our add-on options to – and try to keep them – like that's one area. So solar, as a general rule, it's just an add-on to your existing ..... configuration and doesn't change anything else. It should be able to be easily put on to a price fact sheet and not create another price fact sheet. So it's just an extra eight cents or 66 cents or whatever it is, that should be easily added on with no additional burden. Same with green powered products. I will come back to the ..... there's probably two types of renewable products: there's green power and then there's other renewable products.

I think that's probably a definition, green power being, you know, a government scheme that ..... sign on to at various levels. Again those options are usually depending, if they're just add-on options, which they are for us, they should be able to just go on the price fact sheet with a clear explanation. I think the issue then, I think, pretty much ..... you know metering configurations and what that means and I

think it depends on where the customer is at. So if a customer is moving into a property that they don't – not too sure about, it doesn't matter. I mean they do – if they don't know what the ..... configuration is then having multiple ..... if they've got more information then maybe they can define it down, but I don't – I think it's – I think it's a moot point is that it's about comparing numbers.

So the less paper the customers have got the better. It would be good if they had four retailers they're interested in, they've got four bits of papers. That's really what we should be ..... and from in there, if they say, "If I want green power I can go this," because within green power you might have, inside the offers, there might be a 10 per cent offer there and a 100 per cent offer there or a 66 per cent offer there, but that's a choice over and above their price.

MS BOURKE: So the issue we're really grappling with here is how difficult is it for a customer, when they're looking for a fact sheet which has 60 numbers on it, to pick up the one line of numbers that is relevant to them, and so – so the question is that easier than looking at multiple factsheets?

MR MAIR: ..... definition of what's the controlled load on the tariff, and that's a hard thing to do, but it's about – some of that can be helped if they contact a retailer and that's where you go to this next stage where – in Victoria we've got, you know, price fact sheets, but we've also got the offer summary that customers can request and get and – which is a more detailed – specific to them where you talk about, you know, what's their meter configuration, what's their usage and that sort of stuff. So that two tiered approach. Now .....

MS BOURKE: Yes. I guess for us, as a tool, the trade-off we're trying to get more information about is if you have four fact sheets from four retailers and they each have eight offers on them and you have to distinguish which one is applicable to you and your metering configuration is that more helpful than having just four offers that only have the information that's relevant to you?

MR MAIR: That's a good question. Can I – I think one way that would be partially resolved is if we had reasonable – you know, standardised definitions of peak, off peak, whatever. So if the customer is in one area, they shouldn't have three descriptions of the single rate. It should just say "single rate," and even within that – so if everybody said single rate, the peak, off peak rate, the time of use rate, okay, and then it had all the solar offers that were there and one of them – two of them are going to be the regulated offers and one might be the non-regulated solar offer, it's all sitting there. The customer then, even if they're not sure of their metering configuration, they can get a feel for which is the better offer for them because it's all fairly standardised.

So that the rate that might, or the offer that might work the best on a single rate across all three ..... at least they're in – they can say, "Well, hold on. This has got the best single rate." So that might be the people they talk to. It's about providing – as I say, I can understand there's a difficulty on the rates. I think some of that's, you

know – we can fix fairly easily, but at the same time, you know, reducing the confusion .....

5 DR SIMON: How is having a whole bunch of sheets though – I mean I can understand why it's worth it ..... but, how is it helpful having a whole bunch of sheets that someone has to pick which sheet applies to them necessarily more helpful than someone having the one sheet where they then identify, "Well, I have controlled load," or "I use solar"?

10 MS BOURKE: And that's the question we're asking.

15 DR SIMON: Or if – okay. So I would say that if there was a benefit in having lots of different sheets, that certainly needs to be traded off against the cost where it's the cost of the person then having to find their sheet, and there's certainly the cost to the retailers of having to develop some kind of super clever way which, you know, not all of us have that because we haven't needed to, some super clever way of someone finding their price fact sheet by putting all sorts of information in. We don't do that. We would have to fundamentally overhaul our website, and mind you, we only sell to business customers.

20 So again, we're looking at households here, we're looking at a lot of information here which is driven by the most unsophisticated customer who needs the most help and people – you know, businesses like ours that only deal with business customers will end up having to do major overhauls based on something because, you know, 25 the least sophisticated person needed some more help and I don't believe we can close the gap. We can start to, but I don't think we can because this is just one piece of the overall discussion that a customer should be having, and yes, we can start to change language, but this notion of having a separate price fact sheet for every single thing is just horrifying and I know I said this before, but while I've got the floor, this 30 whole idea of the price fact sheet showing an annual cost amount for electricity use is a problem.

I mean if you're going to make this meaningful in a 'Power of Choice' time of use world, you would have to show when do they use it, and you would have a really big 35 table then because the price is going to vary from this to this dependent on when someone used it. So the whole notion to my mind is completely out of date already.

MR [UNIDENTIFIED SPEAKER]: And you need profiles.

40 DR SIMON: You need profiles.

MR [UNIDENTIFIED SPEAKER]: Profiles .....

45 DR SIMON: So now we've turned the price fact sheet into something very very - - -

MR [UNIDENTIFIED SPEAKER]: It's like a simulation tool

DR SIMON: - - - clunky.

MR [UNIDENTIFIED SPEAKER]: .....

5 DR SIMON: And something other than what it was intended to be, which was a one page, “Here are the numbers you need to know and then now you can understand your marketing a bit better as a result.” So, yes, I just wanted to reiterate, but these examples that we’re looking at here are really, really concerning.

10 MR REID: When I think of the medium that we’ve got today to actually manage it as in what’s there today ..... switch on, if this came along and we actually extrapolated all these permutations out, that would sink us. It’s killing us now with what we’ve got with maintaining the number of offers we’ve got in the market today, it would be four times the size of what I’ve got. We would end up with 4000 fact  
15 sheets ..... all our markets, and that’s including when Queensland comes into the mix in the middle of this year, we would need an army of people just to - - -

MS [UNIDENTIFIED SPEAKER]: And so I guess part of the - - -

20 MR [UNIDENTIFIED SPEAKER]: - - - deal with it.

MS BOURKE: Part of the issues that we wanted to talk about today was just that to understand what both sides are. So how difficult is it for customers to understand the fact sheets now when there is multiple information on it, is one element, because the  
25 fact sheets are a tool designed to help consumers compare. The other side we’re asking is, “Well, what would be the impact from rolling out something like this?” which is why we’re having this debate today. So we’re hearing your point that it would be more work and that it would greatly increase the number of fact sheets you would have to create and manage, we’re hearing that, but what I’m – what we’re  
30 trying to get a better understanding of is how do your customers use fact sheets now? So are they a useful tool?

You know, we tried to find them on some of your websites and even if you Google “energy price fact sheets”, they don’t even come up. Some examples you had to put  
35 your licence number in to be able to get to them. So there are a range of issues that we have seen and experienced in this that – you know, because we ourselves have some doubts about how many people actually see these pieces of paper and how useful they are, and what we really want to do is make sure that they are a useful tool for consumers, but that we are not kind of – you know, because we are aware of the  
40 regulatory burden and I guess, you know, any information you can provide us about how easy or difficult it is for your customers to understand your current fact sheets would be really helpful.

MR REID: I mean from our perspective we actually use them a lot throughout the  
45 business, so all our channels get them. They’re actually available at our front line agents. So we have a repository. Whatever is on the website or even the ..... available offers are actually – we have internally on our intranet, so they actually can

call up whatever offer is there. So if a customer does call in and request one, they've actually got that in front of them, so we are actually using them and sending them out.

5 MR MAIR: When you're in that state of talking to customers about stuff and it's a lot easier for a customer to see a number and hear it as well from the rep. We ..... our fact sheets and our offer ..... our offer documentation which is only required in Victoria, but we use it nationally anyway because it gives the customer that information. It gives them everything, right there and then while you're having the  
10 conversation. It makes it a lot easier .....

MR REID: And also what we've done, even with our collateral end to end, so whatever comes out of our CRM, like contract packs and all the literature, we've got all the similar language, everything is in daily amounts so it's all in alignment and –  
15 except for some of the words that are actually on the fact sheet itself because there's ..... what we can .....

MR [UNIDENTIFIED SPEAKER]: ..... consumption.

20 MR [UNIDENTIFIED SPEAKER]: We actually use usage as opposed to consumption ..... collateral, but it's the same sort of language right throughout.

MR [UNIDENTIFIED SPEAKER]: Yes.

25 MS PROUDFOOT: Okay. Rebecca.

MS BRIGHAM: Rebecca from AGL. Just to that point actually, with AGL we have adopted a consistent language across all pieces of collateral, marketing, contract, advertising, everywhere we possibly can, and the bill, and I think the risk of  
30 the standardisation is really, AGL would then have one document, the fact sheet being very, very different to the rest of the documentation. It's something we tried to avoid and I agree with most of what people are saying, is we do need some kind of standardisation. I think that we can all be very much clearer, but the risk of full standardisation will come at some cost, and that is one of those costs, is we just  
35 won't have consistency with the rest of our documentation.

MS PROUDFOOT: Thank you .....

MR EVANS: It's interesting because ..... different examples of how it's used. I can  
40 tell you on our website, our hit rate for prices fact sheets is next to nothing because no one ..... but I can guarantee you that from government websites people are getting them and reading them because that's where a lot of our business was driven, especially in Victoria. Now I only know that because I was watching all of that happen, but that doesn't necessarily mean that it's working because a lot of the types  
45 of customers we're getting are not your stock standard customers. These are sophisticated people. These are people who know the industry quite well.



So I don't believe that the general population is using price fact sheets, but I do believe that they work for the conversation with sales rep at the door or the sales person who's – or the person who's taking the call saying, "Let me send you out some information," bang, there's a fact sheet. I think that's where it works the best, so I again – I agree we do standardise all of our terms, because I do all of that. I standardise all the terms we put in our fact sheets to align to the contracts to make sure that they are consistent with our office summaries and written disclosure statements, welcome letters, all of it, and you go to all that effort and then you sort of hear that the standardised term doesn't work, doesn't sit, doesn't work for people, or people are questioning whether – the value of them. So, I don't – again, like I said, I watched that happen over the last year and I didn't see anything dramatically exciting, other than our sales reps said, "Yes, it actually kind of works for us."

MS PROUDFOOT: Okay. Potentially a dangerous question. What then are peoples' views on only using fact sheets generated by Energy Made Easy?

MR MAIR: My marketers will – will be standing outside with burning pitch forks. No, I mean I just – I don't think – I think we're – we've all got brands ..... market and having our price fact sheets being generated by your system, apart from all of the logistics of getting them into our systems easily and in a timely way, is again – it then puts us – we can't – you know, it then puts – links up into Energy Made Easy and all the dramas that has, further into the process of trying to get a price change done and ..... everything out, and so that's one of the concerns ..... at the moment. I mean, if we can get everyone to get the price fact sheets done and dusted and on the website, where they need to be, you know, in parallel with doing the Energy Made Easy process.

So I am very concerned about that. I'm also concerned about the templates. I think you could have a process of – you know, if the retailer establishes a template, have a process where that can be reviewed by you guys if it's outside. If it's not – if you're not going to do that, something that I did do a long time ago with our particular price fact sheets were that – you know, it was given a bit of a tick by the regulator to make sure that it ..... and gets released. And it does also, you know, have a little flexibility around some of the other things that happened. For instance, where you fit in, you know, cash-back offers and all those sorts of things that come up and – come in and come out. Don't affect the price at all; it's just when the customers – to get a customer over the line, you know, that's just the thing that needs to be considered as well.

I mean, there are some standard ways those – I mean, I've got a standard way of doing it on the website ..... as your stamp of approval to know that we're not - I think there's ways we can work with you guys to get there as well. Guidelines are great for getting us probably, you know, 90 per cent of the way there, but I think, you know, there's a point where working with you as well on establishing a template for

your organisation could be that other ..... in having a stock-standard template which, you know, has just been .....

MS PROUDFOOT: Okay. Yes, Deanna.

5

MS FOONG: I think the benefit of using the Energy Made Easy fact sheet as a template is comparability. When a customer looks at the Energy Made Easy fact sheet and then calls a retailer, and the retailer's fact sheet is the same, in the same style and the same format; it makes it easier for the customer. So that's the benefit.

10 Whereas right now, when I look at the Energy Made Easy fact sheets and I look at the retailers' fact sheets it's very difficult to actually compare. There should be a fact sheet for each individual offer. CUAC looked at a whole stack of offers from different retailers and some of these fact sheets had various offers on them, and we found it very confusing. So if we find it confusing, we think, well, consumers out there would also struggle with this. So we think that there is merit in having one fact sheet for one offer.

15

MR MAIR: Yes. What's an offer?

20 MR EVANS: That's – yes, that's going to be .....

MR MAIR: Because we've got one offer that applies to every meter configuration. The difference is the pricing that applies to that. So we do only have one offer, one price fact sheet, but it has a series of different rates that apply, or tariffs that apply to the metering configuration. So, you know, define what's an offer.

25

MR EVANS: So we - I can go - - -

MR REID: And you've got to remember a product has elements and – prices and elements.

30

MR MAIR: Yes. Yes.

MR REID: And other additional elements around discounting, or whether it's green or solar, so – I don't know why we try to turn the tariff into the offer.

35

MR EVANS: It's not.

MR MAIR: No.

40

MR REID: It's the product we're trying to sell.

MS FOONG: I think the main offers in that sort of thing could be an add-on, sort of thing. But for most of the cases, I think it would be helpful to have the one fact sheet for one offer - - -

45

DR SIMON: But there is. That's the point we're making.

MS FOONG: - - - for comparing .....

5 DR SIMON: There is one fact sheet for one offer, and then the complexity is then  
within that fact sheet, depending on the metering configuration and other things that  
might be specific to that customer. And so what we're talking about as an alternative  
then is one price fact sheet for each sub-element, or each version of that offer, which  
then means that – so what you note now as a confusing outcome would now be an  
10 alternatively confusing outcome of someone saying, “Look, here's 30 price fact  
sheets on a website.” Which one is - - -

MS RAYNER: I think this is a really difficult situation because the reality is that  
the current situation isn't working for consumers because it is very complex. But the  
15 other hand is we do not want to flood the market with offers - - -

DR SIMON: Well, what's the evidence it isn't working, if we don't even know  
whether people – I mean, because I would like to hear what evidence we have that  
particularly the consumers that we're concerned about, that they are accessing the  
20 price fact sheets. So - - -

MR REID: I would like to see the stats.

25 MR REID: Where's the research?

DR SIMON: And maybe if it's an access issue, or whether it's just a care factor  
issue. If it's - - -

30 MS RAYNER: Well, I think the research or the indication is that if you ask  
consumers what they're on or how they're – they understood their offer, they don't  
really know.

DR SIMON: But that doesn't necessarily say the answer is the price fact sheet  
35 wasn't right.

MS RAYNER: That's the only information they're getting from you guys, if you're  
getting the – sending that at the point of sale, and that – then, they've looked at - - -

40 MR MAIR: No. Point of sale, I think it's at the point of sale ..... market contract  
summary disclosure document, which has a lot more information into it.

MS RAYNER: We've talked about that as well .....

45 MR MAIR: Yes. And I think there's a lot of stuff in that that - you know, too, as  
well. It doesn't – it is not simple. All right. And someone has to write those things

and keep them up to speed, but they're not simple. And the price fact sheets are meant to be a distillation of the offer - - -

5 MS RAYNER: But it's not. If it's confusing consumers even if they're at that initial point of - - -

DR SIMON: I'm just wondering, Janine, I'm not saying - - -

10 MR MAIR: But I think there's some little room here. I agree. I think if you looked across all of them now, with the variations in the tariff language, that in itself – in and of itself is confusing, and I think that can be reasonably easily fixed on a national level. But I don't think – I think an offer is an offer. It's an offer for us. If you change your metering configuration, and especially when we get to more and more customers with inflexible – who use their flexible offers, the offers won't change.  
15 The tariff will.

MR EVANS: Can we just – I – one thing I – I've had to actually distil this down for our business, because when we first went into this, nobody really understood what it meant. When we say an offer, do – are we clear on what an offer is? Are we clear  
20 on what that offer is versus the different iterations that occur because of different tariffs and how that actual tree of information is built up? Because I – just listening to that then, I don't think we do.

25 MR MAIR: But can I also ..... - - -

MS BOURKE: I think there's a disconnect between - - -

MR EVANS: You guys do.

30 MS BOURKE: I think there's a disconnect between how retailers perceive an offer and how consumers perceive an offer.

MR EVANS: Yes.

35 MS BOURKE: So retailers see one offer, which will have multiple elements to it.

MR EVANS: Yes.

40 MS BOURKE: Whereas me, as a consumer, I don't have gas. I have controlled load hot water service and peak.

MR EVANS: Yes.

45 MS BOURKE: So for me, when I'm shopping around, I only want to see what your peak and controlled load offers are.

MR EVANS: Yes.

MS BOURKE: So to me, that is the offer. That is the price I will be charged for buying electricity from you guys. I don't need to look at the single rate. I don't need to look at time of use. I don't need to look at flexible pricing.

5 MR EVANS: True. But when we refer to an offer, we have one offer. It has six iterations for the different type of products.

MS BOURKE: Yes. But - - -

10 DR SIMON: That's all we're saying.

MS BOURKE: But my point is that this is a tool - - -

MR MAIR: ..... saw that - - -

15

MR EVANS: Yes.

MS BOURKE: - - - to help – this is a tool to help consumers compare products in the market.

20

MR EVANS: But this just proves that the language we're talking as retailers versus what's in the guidelines, versus what consumers are understanding is inconsistent. That point there is quite clear because we've got a product that has different iterations for different elements, and exists across different tariff types. We can overload them in different ways. We can structure them in different way. But to us, that's one offer. The way we describe that offer is the way we want to promote that offer, but that doesn't necessarily mean that we won't use that offer for peak and off-peak – a combination of peak to another combination. It's – like you said, you guys will understand it because you've seen the design of it, but will the consumer understand it the same way?

25

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MS PROUDFOOT: Sorry. Fiona is next, and then Andrew.

DR SIMON: Coming back to – so the exchange that we were just having then, Janine. What I'm interested to explore and what is causing me some concern is that we're saying customers are confused, and we – and I'm not going to question that. I'm not going to agree with it or question it. But okay, customers are – I think there's a whole range of questions under that.

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40 MS RAYNER: Uniformed and confused, I think is the - - -

DR SIMON: Okay. So then, there's a range of questions under that, of which customers are uninformed in what way, confused in what way, by what, etcetera, etcetera. And then – now, we're looking at a very specific element of an overall suite of information, and we're talking about adding a great deal of what could be perceived as complexity to that, and I'm seeing a disconnect between this issue of there is confusion, and this notion that we can close the gap in some material sense –

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because I hope it would be material if we were going to make fundamental changes to websites for people to search and find things for each of our websites. And that's what concerns me.

5 If we don't have actually any evidence here, if no one can come up and say, well, actually the consumers who are the ones who are uninformed and confused would like to use a price fact sheet, but they can't and you say, "All right, so it's an accessibility issue." You say, "All right, 'well, hang on, even the ones that have accessed it, they don't know what the – you know, they can't understand it.'" Okay.  
10 Well, that's – it's a language issue. But if we don't actually even know whether anyone would ever use them under any circumstances ever, then maybe the price fact sheet is just a distraction, and we should be talking about other things. And, you know, again we can talk about that broader notion of what is an offer, etcetera, etcetera.

15 But as a retailer to small business and large business customers, contemplating the sorts of changes we're talking about here, when I'm not hearing any connection between 'customers are confused' and 'let's change the price fact sheet' to make it infinitely more complex for retailers and possibly for consumers, I'm concerned.

20 MS PROUDFOOT: Andrew.

MR MAIR: Yes. Could I also – I think we've also got to take – we've got to think about what the smart metering or, you know, ..... brings to this, because if you've got  
25 a smart meter, then you've actually then got a choice of which particular metering configuration you want to choose potentially. You can go potentially with the flat. You can go with a – people quite often go with a multi-step with a free hour here or there. All those things within the same offer. So again, you know, the – where technology is moving is going to dictate the information that's available. Because if  
30 you – the customer just says, single rate, but if they've got those other options available to them, because in the media it says ..... property, then, you know, we're back to the point where, you know, it's really about you need to give them all that information so that they can best make an informed decision about the what they've got.

35 And can I also just say, but on a slightly different topic, we've also got the Victorian situation where we do have an offer ..... which is specific in what it has, and is more about what the customer has told you versus what was the pricing information statement which was about a general, you know, quick guide to work out which  
40 retailer you're going to talk to. And that's where I think price the fact sheet in the National context, there's no offer documents anywhere. But – and ..... will confirm this - I'm pretty sure in Victoria you can ask for somebody to go on the website to define certain elements of their - - -

45 MS [UNIDENTIFIED SPEAKER]: No. No, you can't.

MR MAIR: - - - postcode, so again, now we're talking two websites needing price facts sheets, etcetera, ..... so again we'll go back to, I think, it's got to be pretty straight-forward. The postcode gets you price information which helps you make a decision about who you want to talk to about your specific situation which, at that  
5 point, we can give a lot more detail that's specific to the customer. We know they're living – or we know the address. We know the metering configuration, and we can talk to them about whether flexible pricing is even available to them or not. But that first conversation needs to happen, boiled down as standardised as much as possible to remove the confusion. It might come with a glossy little insert that – explaining,  
10 you know, your – you know, your – it can explain the marketplace with the terms – the standard terms, and things to look out for. Those things can be ..... through.

MR EVANS: But I think the point – the ticker there is that, when you go back to Fiona's point, the prices fact sheet should just be about that quick glance mainly.  
15 That is what - it should say this is what you should expect to get. It is a number, and that's as simple as we're going to get it. All the terms only come into play when you're looking at negotiating an offer, or you're going to do more research about the particular product that you've chosen.

20 DR SIMON: And is it even used by consumers?

MS BOURKE: Well, to pick up that point, Fiona, we wrote out to all retailers and asked how do you use your fact sheets? How many times they're accessed on your websites? We've also asked the AEMC to include a range of questions in their  
25 competition review consumer research about how – have consumers seen price fact sheets? What information do they use when they're shopping around? What do they rely on? What the key features? So we are doing that to build an evidence base.

DR SIMON: But at this stage, we don't necessarily know. Is that where we are  
30 right now? Because I mean - - -

MS BOURKE: Well, this isn't - - -

DR SIMON: Yes.  
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MS BOURKE: - - - the first time that AEMC has done that. So if you've looked at their last competition review, the research they did to inform that, as well as the blueprint before that was hardly a glowing endorsement of how easy consumers find it to shop around and understand .....  
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DR SIMON: But again, easy for consumers to shop around. It's a really big issue. It's a really big question. This notion of what does the price fact sheet have to do, has a whole lot of stuff that needs to come before it. If someone knew it existed, would they use it? Once they used it, would – what would they need in order to be  
45 able to use it at its optimal level? And I don't know that we've answered those questions, so it would be good to see that research. Because for me, the notion

of the net cost of the sorts of changes we're making without actually understanding what the benefit is, is a problem.

5 MS RAYNER: We need – I think we agree that we need a starting point for consumers to be able to compare things, and it sounds like then, the price fact sheet is that starting point.

DR SIMON: And that – and it exists.

10 MS RAYNER: Yes. But not effectively.

DR SIMON: We don't know how ineffective it is, because no one is coming forward. Everyone is just saying there's confusion. So what are the points of its being ineffective, and therefore what do we do to fix them? And I'm not saying there aren't – there's nothing. I'm not coming as the sort of retailer view saying we must not change it.

MS RAYNER: Okay. The – I think the evidence is the unengaged consumer. Consumers are unengaged because it's too hard - - -

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DR SIMON: But are they disengaged because the price fact sheet use language - - -

MS RAYNER: That's a good question. I think that's probably a component of it, and I think whether this is perhaps a starting point for that to roll out into other aspects of the way the products are marketed or that retailers work with their consumers, I don't know, but I think there has got to be a starting point just to try and eradicate the level of confusion based upon the differentiation of each product, the way they're described, misleading characteristics of some of these products, and then hopefully this brings up the bar for this information is accessible. It's simple. I understand what the options are for me in the market. I'm more engaged in the market. I can influence the market.

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DR SIMON: There is a starting point, but I'm questioning the degree to which the price fact sheet is necessarily where we should be focussing - - -

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MS RAYNER: What's the alternative, Fiona?

DR SIMON: - - - if no one has any evidence will use it?

40 MS RAYNER: Well, what's the alternative? Where's the other - - -

DR SIMON: Well, I think the talk about the language generally is a useful thing, and coming down to you must have a price fact sheet that looks precisely like this with estimated electricity use, I think is a concerning distraction. And the notion of language more generally is something we should be unpicking. The notion of - as I said before, the – sort of the Venn diagram of what are the things that we think we

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could standardise? What are the things which could never? And then, it's more than the price fact sheet. It's the suite of information.

MR RAYNER: With marketing campaigns, it's the entire - - -

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DR SIMON: And then we talk, in a realistic and honest manner about the degree to which retailers should be expected to change everything based on one term that, in fact, their own research shows doesn't work with consumers. Or maybe it's the opposite and we can say, "You know what; we're all okay with this term being used and we will then, in the next year, roll it out across everything we do." But that's so much more than the fact sheet, and that's at the heart of everything and we say everyone is confused. Well, let's not sit here talking about a price fact sheet that has all sorts of information that we have no idea whether anyone would use it, but what we do know is it's going to potentially be confusing and an awful lot of cost to retailers' systems.

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MS BOURKE: Well, can I ask if retailers have information or research they've done with their consumers which show that terms are preferable and understood? Can they share that with us? So we can use it to inform this work.

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MR EVANS: Send me an email. I will respond. But now, one of the points I would like to make is from our experiences coming into the market very fresh, we've had a better response to information on websites from Victoria than we have from South Australia. And the reason for that is because it's a very quick, sharp, "Here is the product. Here is the price that you've chosen as your type of meter." And it's very simplistic information. That's not even with a price fact sheet. That has nothing to do with a price fact sheet. It's a list of products and offerings on the website. And that has given us a better response.

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MS RAYNER: Just – I think it just depends on how the retailer uses it, because it sounds like Origin uses it to form a basis of most of their internal transactions and therefore in a – external transactions, but I think – I mean, that's the difference. So I don't know the role of enterprise - - -

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MR EVANS: But that's an external view of the customers coming to us. That's the source of the information coming to us. How we've used it - - -

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MS RAYNER: What's their take home though? I mean, do they email themselves something that they can think about later on, or - - -

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MR EVANS: I don't see those statistics.

MR MAIR: I think that is – I think one of the things is they – one of the reasons the price fact sheets are used the way they are internally is because they are useful as a snapshot of the offer and the pricing - - -

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MR EVANS: Yes. Yes.

MR MAIR: - - - that is available in the distribution area, which varies between distribution areas and States. So, you know, you've still got to deal with - you know, if you've got gas and electricity in five States, you've got like 19 different offers. That's just the marketing offers. That's the other thing we haven't really talked  
5 about here. In all this is the standard offer that's available in there which does provide that alternative - potentially - product which is standardised pretty much - well, it is standardised in most respects across all retailers. Anyway that product is - it is there and it is part of that look up search. So that - you know, that's one other area that helps - you know, can help define what is the - you know - - -

10 MR EVANS: Yes. See, what - - -

MR MAIR: - - - the standard offer versus the market offer which has all of the bells and whistles and the marketing bits. So - - -

15 MR EVANS: But we're also - - -

MS PROUDFOOT: Can we go to Sydney, please?

20 MR MOFFITT: Sorry. We've got a couple of comments in Sydney, if you don't mind - - -

MS PROUDFOOT: Yes.

25 MR MOFFITT: - - - if you could just see me.

MS PROUDFOOT: Well, done, Shannon. Thank you.

30 MS VAN DEN EYNDEN: No, I was just - I just wanted to build further on something that Fiona said in terms of the confusion. If the confusion is indeed with the small, uninformed customers, would it be worthwhile - also from - for our own benefit then, from where the inquiry is coming from, looking at this guideline and limiting it to that group of customers only, and then any changes and any improvements you make to it then focus on that group. So customers like Fiona's  
35 customers and our customers, we wouldn't have to make any system changes or any additional changes in order to solve a problem that lies with a different group of customers.

40 So I just thought - yes, and I also wanted to answer - I think it was Sarah initially asked the question also. How would you feel about these price fact sheets coming out of the Energy Made Easy website or are sort of generated out of that? Well, that - for us, that would be a real concern because as I made that point earlier, we do not want to be on the radar for any kind of offers that we actually don't really want put out there. So making it more visible on our website or prescribing how it needs to be  
45 searched around. It is on our website, but we obviously deliberately put it in a spot where it's not in everyone's face. So therefore for us, it would be a real concern if

we were to make it much more visible and/or it would be easily searchable via other internet tools. So – yes.

MS PROUDFOOT: Thank you. Other comments from Sydney?

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MS LEUNG: Sorry. Did you want to comment on that? Okay. I might go on. Jane from the Ombudsman. I just wanted to touch on the discussion about what use of the pricing fact sheet and what information should go on it. To my mind, it sort of reminds me of the product disclosure statements that you find with financial products. So a simple one page summary of all the key terms and conditions allows customers to just - you know, from reading that one page, they can make a decision about whether the product is right for them and being able to compare different offers just from looking at the different price fact sheets from the different retailers of different products. I think that might simplify things a little bit. And certainly, I just wondered, from one who has an experience looking at financial products, the product disclosure statements seem to work. And there is less confusion around all the other bits of information that comes from the marketing material.

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MS PROUDFOOT: Thank you, Jane. Were there any other comments from Sydney? No? Okay.

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MR MOFFITT: Doesn't look like it, Sarah.

MS PROUDFOOT: Okay. Thanks, Shannon. Brisbane or Hobart?

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MS NORRIS: Nothing more from Brisbane, thanks.

MS PROUDFOOT: Thank you. Hobart?

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MR HERMANIS: Nothing more from Hobart too, thanks.

MS PROUDFOOT: Okay. Thank you. I think, Ross, were we back with you?

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MR EVANS: Well, no. Well, I was just going to reiterate my point, but, sorry, just going back to one of the comments from Brisbane before about concessions and rebates and so on. That's an interesting point that I would like to see teased out more throughout this consultation. In, say, South Australia where the concession arrangements are quite simple and easy to describe and there's only one, not a problem. In Victoria, I'm not even going to attempt that because there are so many iterations. The priority in which they can be done is too complex to put on a single page. So how – I want to see that issue teased out a little bit more.

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MS BOURKE: I think the ERAA have a working group on that point, don't they? Yes? Yes.

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MR EVANS: Does it capture Victoria though?

MR MAIR: And if people ask, you can't – if you put – it's Andrew Mair from M2. If you put – try to put the concession stuff in any sort of detail on the price fact sheet, you're referring to page 3 and 4 depending on what it is, and it doesn't apply. So I think, you know, there's a way of saying – there's ways of - - -

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MR EVANS: Yes.

MR MAIR: - - - encapsulating that. Perhaps concessions are applied before discounts, if applicable. You know what I mean, it can be on there and that's about it. But that's – and that's probably all the customer needs before they make the specific inquiries with the retailer, and they can ask those specific questions when they've chosen someone, “Okay. I want to go to M2,” or someone, you know, to ..... and then ask a bit more specifically. Because in Victoria, even within the concession, some apply, or some - most apply after. If they do this, they don't do that.

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MR EVANS: Yes. But then also - - -

MR MAIR: And it's more than this, it's sort of – yada, yada, yada.

MR EVANS: Then we enter into the rebates, and do the rebates that occur before GST, after GST. Like there has got to be – that needs to be teased out. I don't know if we've got the answers at all, but it's a really good point and I think it needs to be teased out more. But again, I think the simplest way to do it is what is the minimum amount of information that people need to make a decision on where they want to go to seek an offer? And I think that can be simply captured on a website, and then if somebody wants more information, download a fact sheet, or a disclosure statement, or something that goes along with it. Then you will have an effective solution.

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But I think if we – we've gone past the point where the customers are doing research, to the information that we're presenting to them as part of the research. If somebody is doing research and they're on the website, they're looking at price, they're looking at basic features that are there as it is. They're not looking for, you know, the detailed application of times between peak and off peak or, you know, controlled load 1 versus controlled load 2. They're looking for a general, what is the product that's going to suit my needs. So – and that's why I think simplicity is going to work better than standardisation of terms for a price fact sheet, and that's a secondary thought to what somebody is looking for.

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MS RAYNER: It's not just for the fact sheet though. That was the plan.

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MR EVANS: But the website is much more condensed on the search function. And as I say, if you look at the search results and the way in which AMS presents information, it is simplistic. It doesn't get complicated until you get to a fact sheet. So what's driving the confusion: is it the fact sheet, or is it the website, or is the fact that what's on the fact sheet is confusing what's on the website?

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MS BOURKE: People are telling us the results – the current results page on Energy Made Easy is too complex.

MR EVANS: Really?

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MS PROUDFOOT: Yes.

MS BOURKE: So the redevelopment work will simplify it even further.

10 MR EVANS: Yes. I know they're working on one, and I appreciate that. I think it's fine, but like I said, our experience is that as they switch on, presented customers with enough information for them to make a quick decision, and that is - in our experience, has worked better than having a fact sheet because they don't have the fact sheet there. They don't have the fact sheet until they come to us. So - - -

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MS PROUDFOOT: All right. I think - - -

MR EVANS: Yes.

20 MS PROUDFOOT: - - - what we might do is open up now just to comments on things that we perhaps haven't already covered. I think, as Fiona has pointed out and a few other people, we're still in very greenfields space, I guess, and so I think we've got a fairly clear view on where people are standing around issues of generation of fact sheet, what should be on a fact sheet, how many fact sheets there should be. So  
25 really just open up now to other thoughts or comments, things you would like us to keep in mind, again reiterating Angela's point around the sharing of information and any research you had. I understand you've probably spent a lot of money on it. It's probably very commercially in confidence, but anything you can give us that's sort of a – I guess, that arm's length perspective would be really, really helpful as we're  
30 moving forward. So I'm going to go up to Brisbane.

MS.NORRIS.: We've lost Robyn now, so – but we haven't got any other comments at this stage. Thanks.

35 MS PROUDFOOT: Okay. Thank you. Hobart?

MR [UNIDENTIFIED SPEAKER]: No further comments either from Hobart. Thanks.

40 MS PROUDFOOT: Okay. Thank you. Sydney?

MS LEUNG: Yes. Jane from the Ombudsman. I just wanted to bring up a couple of issues. The first is the charging of the disconnection fee when customers move out. The rate is disclosed to customers in the price facts sheets under the pricing  
45 outlays. So I'm talking about where the customer tells the retailer they want to move out, and some retailers charge the customer a disconnection fee because they're ..... unauthorised usage at the property once the customer has moved out. It's a fairly significant fee. It's about \$99 now, and it's – this is the issue that's generated

complaints ..... over a number of years. And customers – the issue is about when the fee is charged and whether there was adequate disclosure of the fee in the contract and in the fact sheet.

- 5 And I guess part of it is because customers usually associate this commercial fee with production. They rarely would understand that retailers can charge for this commercial fee when they're ringing up to close their accounts, and the pricing guidelines specify that any fees relating to a disconnection must be called  
10 disconnection fees. And I think it's – the wording is too generic. It doesn't really specify to the customer what situations the fee can be charged, and I think there needs to be clearer disclosure of when – the fact that it's charged when customers move out. That might clear up the confusion a bit. And maybe if we look at the disclosure statement that's required of discounts.
- 15 So under the guidelines the – each discount must be accurately named and described. So maybe if the same standard was applied to the disconnection fee, it would help customers understand that they might be charged a very significant fee when they move out. So that's the first comment. The second comment is in relation to  
20 Evergreen contracts. We spoke about earlier - about, you know, possible research and all that. I just wanted to provide some feedback based on the behaviour that was found again last year when this type of contract became more prominent. I think customers are still getting used to the concept of Evergreen, and the comments that we've had from customers are that they don't know whether they're off contract or on contract, whether they're attracting early termination fees if they switch ..... best  
25 rate of return and if they attract it again, during the second ..... term and so on. So I think the information around early termination fees impact that – this – the consumer contracts and then they expire. That could be clarified in the way it's presented on the price fact sheets. Thank you.

30 MS PROUDFOOT: Thanks, Jane. Other comments from Sydney?

MR MOFFITT: Doesn't look like there are any more comments here, Sarah.

35 MS PROUDFOOT: Okay. Thank you. So we're back in Melbourne. Anyone who hasn't spoken who would like a chance? No?

MS HERON: All right. I will say a few things from ESCV's point of view. I think – I don't know if it's Victorian specific, but there's a lot of naming conventions for the different gas distributions. Honestly they are quite confusing for customers. So I  
40 don't think that helps when you're looking at like Energy Made Easy or My Power Plan or Your Choice, and then you look at the fact sheet and you think, "Well, I don't really know which one I am." I don't think it's particularly bad to show the single rate to the flexible price rate on the one sheet, if it's your zone. I think, particularly in Victoria, because you can choose a flexible amount, it's good to have  
45 both.

So they might see which one is better for them. Encouraging them to use the website so they can compare offers and structures is always appropriate. And, yes, that – there was one other

thing I – just, yes, dual fuel is another sort of issue that I think needs to be clearly stated, and what that means. So dual fuel in the technical sense that you have one bill, but dual fuel when there's customers, probably means that they have to have an electricity account to have a gas account.

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MS PROUDFOOT: And one .....

MS HERON: So if – but I think it should be simple. I think Origin's, you know, PPIS layout – most retailers lay it out quite simply when separating it. I think you encourage that block of prices and then clearly titling all type of exit fees, etcetera, etcetera, makes it a lot easier for our customer to peruse quickly what they want to see. Yes.

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MS PROUDFOOT: Thanks, Kerri. Do we have other comments? Go, Ross.

MR EVANS: Look, I could pull this apart for hours because I think ..... years, but I suppose it does – the comments from New South Wales about the description of exit fees and disconnection fees. I mean, in New South Wales, that has been a nightmare for years. I don't think they've ever got it right, but it does speak back to the glossary – or a simple glossary of those types of terms. That might just solve some of this problem if that is what is the problem. I mean, describing a disconnection fee that was for non-payment as well as a move out fee, I remember having that debate at a former retailer, and the one before that. And that's going back six years.

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The description of a termination fee: well, okay, you can have a termination fee. You can describe what it is, but you've got limited space to do so. Is that space sufficient and are we, by having the limited spaces or limited character numbers, causing ourselves to actually provide less information about what is relevant really just what is the information that, I suppose, covers us legally. I mean, that's – we may be missing the mark on what it is that we've describing because we have these limitations, and that's causing some of the confusion. Again, I don't know the answer, but to some extent a simple glossary of some basic terms that are consistent might solve some of our problem.

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MR MAIR: Can I also just say I think that – Andrew Mair from M2 – that, you know, we can solve things like moving without fees. Everybody moves in and out of their properties. They're fees that should be disclosed, but most people don't get disconnected for non-payment, and that's probably going to get rarer, from the way things are going around here. But do those fees need to be really on a price fact sheet – on the price fact sheet? They need to be disclosed at some point. Are they better off being disclosed on the warning notices perhaps, more than they are perhaps now? As I said, I think – and that's the other thing. With all the other fees that are associated with – you know, with configuring your meters and all those sorts of things, again a level of detail that probably doesn't need to be in the pricing fact sheets, but are adequately covered off in your additional retail charges documentation, and how that is then supplied, as part of that final contract.

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MR EVANS: But the other point to make there is if you've got an offer that you're disclosing that's for 24 months, it's reasonable to assume that a disconnection fee or a reconnection fee or a – whatever the fee is, is going to change within that period of time.

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MR MAIR: Yes.

MR EVANS: If you disclose it today, in six months' time, it may not be true. So what is the result of that, and is it more important to say that the fee could be changed, and that it would be disclosed at the time the connection is being taken or being requested? And you're right, put it on a notice. Have it as part of your script for moving in or moving out? I mean, there's other ways to solve some of this information gap and make it more pointed at the moment in time that it is relevant.

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15 MS PROUDFOOT: Can I ask, Fiona, without putting you on the spot, the glossary idea, is that something the ERAA working group is exploring, or is that something that - - -

DR SIMON: I say that only because I heard - - -

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MS PROUDFOOT: A spot of genius, as you would.

DR SIMON: No. No. It was not my genius. I actually heard Joe mention it when we came to speak to you a couple of days ago. He's chairing a working group. One of the now five working groups that is looking at language and bill and what needs to be on the bill, and he mentioned glossary. But as we know, three of the five working groups are very much focussed on language.

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MS PROUDFOOT: Yes.

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DR SIMON: So I wouldn't want to pre-empt the outcome, because those are working groups that are comprised of people from across the sectors who have deep experience and they may decide that there's another way of doing things. But it's just – it was just worth throwing out there - - -

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MS PROUDFOOT: Yes.

DR SIMON: - - - having heard Joe mention it previously.

40 MS PROUDFOOT: All right. Does anyone have any final thoughts before we wrap up? It sounds like someone does.

MS NORRIS: So Brisbane here. We just need to excuse ourselves. We have another meeting to go at the office, so Brisbane will sign off, if that's all right.  
45 Thanks, everyone.



MS PROUDFOOT: Thank you very much for coming.

MS NORRIS: Cheers.

5 MR [UNIDENTIFIED SPEAKER]: Thank you.

MS PROUDFOOT: All right. Sydney, any final thoughts or comments?

10 MR MOFFITT: Nothing from Sydney, thank you.

MS PROUDFOOT: Okay. Thank you. Hobart?

MR. ORR: Nothing further from Hobart, thanks.

15 MS PROUDFOOT: All right. Melbourne, any last pearls of wisdom? No? All  
right. Well, look, thank you, everyone, very much for your time today. You've  
certainly given us a lot to think about. The transcript, we will send around in a  
couple of days, and if you could just have a look at that and sort of make sure it  
20 reflects what you were saying. And that will go up on the website, and then we will  
do a bit more thinking around our next steps also, and be in touch with you all to let  
you know what those are. So thank you very much.

25 **FORUM ENDED at 11.49 am**