# Retail Electricity Pricing Inquiry: guide for consumers and small businesses

The Australian Competition and Consumer Commission (ACCC) is undertaking an inquiry into the supply and pricing of retail electricity in Queensland, New South Wales, Victoria, South Australia, Tasmania and the Australian Capital Territory.

This information sheet explains what we will consider, and what we cannot deal with, as part of the inquiry. You can read more about the issues that we will consider in the <u>issues paper</u>.

# About the inquiry and submissions

## Why the ACCC is undertaking an inquiry into electricity prices

The Federal Treasurer has directed the ACCC to hold an inquiry into retail electricity pricing. This direction sets out a number of matters that we must consider. These matters include:

- costs contributing to retail electricity bills and how these have changed over time
- factors affecting competition in the retail electricity markets
- impediments to consumers making choices about their electricity service, including a lack of clear information about offers
- how electricity retailers interact with different types of customers.

## Why Western Australia and Northern Territory are not covered by the inquiry

This is an inquiry into the retail supply of electricity in the National Electricity Market (NEM) which covers Queensland, New South Wales, Victoria, South Australia, Tasmania and the Australian Capital Territory. As both Western Australia (WA) and Northern Territory (NT) are not connected to the NEM they are not included in this inquiry.

Electricity prices for small use customers in WA are regulated by the WA Government and are available from <u>WA Department of Finance website</u>. Complaints regarding an electricity retailer could be referred to the <u>WA Energy and Water Ombudsman</u>.

Similarly for NT, the retail electricity tariffs and charges are regulated by the NT Government and are available from NT Utilities Commission website. Complaints in relation to electricity pricing could be referred to the Ombudsman NT.

#### **ACCC** report dates

We are required to provide a preliminary report to the Treasurer by 27 September 2017 and a final report by 30 June 2018.

#### The ACCC wants to hear from customers

We are keen to hear from all interested parties and are particularly interested in feedback from electricity customers about:

- difficulties in comparing retail electricity offers, e.g. the different ways that they are presented, inconsistent terminology and the number of offers available
- the structure and content of retail electricity bills
- the importance of price and other contract terms, e.g. the ability to bundle electricity with other services or the level of customer service offered by the retailer

- understanding of time-limited discount offers, e.g. a pay on time bonus that lasts for a specified period of time, and what happens when these offers expire
- why customers do not consider switching electricity retailers or choose to stay with their existing electricity retailer
- any misleading or deceptive conduct or other unfair trading practices that occur in the retail electricity markets
- awareness and use of electricity price comparison tools
- particular issues that vulnerable customers face in dealing with electricity retailers
- how customer experiences could be improved.

Customers are also welcome to provide feedback on other matters that they consider are important for the ACCC to look at as part of the inquiry.

## How you can give feedback on the terms of reference

We will hold forums throughout Australia to speak directly to interested parties. We will publish details on these forums on <u>our website</u> when they are finalised.

If you would like to provide feedback directly to the ACCC, we prefer it if you write to us at retailelectricityinguiry@accc.gov.au.

A list of ACCC contacts is available on the ACCC website.

#### Confidentiality

The inquiry is a public process and written feedback will generally be posted on our website. However, businesses are entitled to make claims for confidentiality if they consider that the disclosure of information would damage their competitive position.

If you have concerns about the disclosure of your information, we invite you to discuss confidentiality issues with us before providing written feedback.

# What the ACCC can and cannot do in this Inquiry

#### What the ACCC can do about retail electricity issues it identifies

If the ACCC identifies any issue that may breach the *Competition and Consumer Act 2010*, including the Australian Consumer Law (**ACL**), the ACCC may investigate these. Our investigations can lead to a range of outcomes including litigation or administrative resolutions in order to bring about change in the way that retailers operate.

If the ACCC identifies issues that are unlikely to breach the Act or the ACL, but are leading to higher prices or poor service quality for customers, the ACCC may make recommendations to the Australian Government. The ACCC may also work with Australian, state and territory governments and industry to develop solutions to address these issues.

#### The ACCC cannot help individual customers with bill issues

We are not able to provide advice on or become involved in disputes between electricity retailers and their customers as part of this inquiry.

If you have concerns with your retail electricity bill you should contact your retailer to explain the problem and the outcome you want. If you are unable to resolve your issue by speaking with them, put your complaint in writing – that way the retailer is clearly aware of the problem

and what you want, and you have a record of your contact. We have a <u>template complaint</u> email to get you started.

If you are unable to resolve your dispute with the retailer, you can contact the energy ombudsman in your area. Detail on the energy ombudsman schemes operating around Australia is available on the <u>Australian Energy Regulator website</u>.

## This inquiry does not look at retail gas

This inquiry only covers retail electricity prices and does not include retail gas in its terms of reference. However, the ACCC is undertaking an inquiry into Australian gas markets and market transparency. More information on that inquiry is available on the <u>ACCC gas inquiry</u> webpage.

# **Price comparison websites**

The Australian Energy Regulator operates the <u>Energy Made Easy website</u>, which compares retail electricity offers for customers in Queensland, NSW, South Australia, Tasmania and the ACT. <u>Energy Made Easy</u> also has a number of fact sheets to help you to understand electricity offers.

The <u>Victorian Energy Compare</u> website compares electricity offers for customers in Victoria.