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Dear Retailer

## Displaying standing offer prices

The purpose of this letter is to:

- draw your attention to recent enforcement action taken by the Australian Energy Regulator (**AER**) against a retailer in relation to displaying standing offer prices on its website; and
- remind you of your obligations relating to standing offer prices.

## Recent enforcement outcome

In June 2023 retailer CovaU Pty Ltd (**CovaU**) paid a [\\$67,800 penalty](#) in response to an infringement notice issued by the AER, after the company allegedly failed to present standing offer prices on its website for a period of 19 months in breach of section 23(1) of the National Energy Retail Law (**Retail Law**). The AER alleged this undermined CovaU's customers' ability to access and compare all of the offers available to them, and ensure they are on the best offer for their circumstances.

In addition to payment of the infringement penalty, the AER accepted a court enforceable undertaking from CovaU which includes a commitment by CovaU to appoint a third-party compliance expert to identify improvements to its Retail Law and National Energy Retail Rules (**Retail Rules**) compliance systems, and for a separate independent expert to complete a post-implementation review of the effectiveness of those improvements. The court enforceable undertaking includes an admission by CovaU that it breached its obligations under the Retail Law.

## Retailer obligations

All energy retailers, big or small, have an obligation and responsibility to comply with the standing offer requirements in the Retail Law.

Section 23(1) of the Retail Law provides that a retailer must publish its standing offer prices on its website, and the standing offer prices so published remain in force until varied in accordance with section 23(2)-(6). Section 2 of the Retail Law defines standing offer prices as all of the tariffs and charges that a retailer charges a small customer for or in connection with, the sale and supply of energy to a small customer under a standard retail contract.

Section 24(1) of the Retail Law provides that a retailer must:

- (a) present its standing offer prices (including any variation of those prices) in accordance with the [AER Retail Pricing Information Guidelines](#); and
- (b) without limitation, present those prices in accordance with those guidelines when publishing, advertising or notifying the AER of those prices or any variation.

Section 24(2) of the Retail Law provides that a retailer must present its standing offer prices (including any variation of those prices) prominently on its website and in any other relevant material provided by the retailer in accordance with those guidelines.

*AER guidance*

We consider it good practice for retailers to label their standing offer prices on their website as “standing offer prices”. This will aid customer comprehension and assist in comparison across retailers.

We consider that a retailer’s standing offer prices should be on the part of the website a customer would expect to find them – in the retailer’s available plan section.

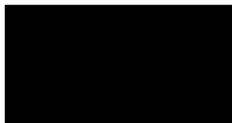
We do not consider standing offer prices are prominently displayed on a retailer’s website if they are only linked in small text in the footer of a webpage or if they only appear on a webpage separate to a retailer’s list of available plans for a customer.

We encourage all retailers to review their websites to ensure compliance. We also encourage retailers to review the joint AER and Australian Competition and Consumer Commission [compliance bulletin](#) on communicating pricing changes to customers, given the current environment of elevated prices.

The AER will continue to monitor retailers’ compliance with their obligations and will consider taking further action where warranted.

Should you wish to discuss any of the above or have concerns about your compliance, please contact Georgiana Copeland at [REDACTED].

Yours sincerely



Joanna Gall  
A/General Manager – Compliance and Enforcement  
Australian Energy Regulator