

28 June 2024

23 Marcus Clarke St Canberra ACT 2601 GPO Box 3131 Canberra ACT 2601 tel: (03) 9290 1800 www.aer.gov.au

### Dear Retailer

## **AER expectations on providing energy plan information for Energy Made Easy**

The purpose of this letter is to:

- outline concerns with retailers providing plan information that is not consistent with the AER's Retail Pricing Information Guideline (**RPIG**) and which may be in contravention of the National Energy Retail Law (**Retail Law**), and
- provide guidance on how retailers should convey any metering requirements for plans as part of their data portal submissions.

The AER has concerns about the accuracy and disclosure of metering requirements provided by retailers for plans to be displayed on the AER's Energy Made Easy (**EME**) website and other third-party marketing services.

A current AER Compliance and Enforcement priority is to make it easier for consumers to understand their energy plans and engage in the market. Ensuring accurate plan information is a crucial area of this important priority. This letter follows <u>recent correspondence</u> to retailers outlining our expectations for compliance with tariff notification obligations under the National Energy Retail Rules.

## Requirements to provide accurate plan information – plan availability

We have observed that some retailer submissions for plans with flat-rate tariffs specify that a plan is available to all meter types, however, on further enquiry with the retailer, the plan is not available due to the customer's network tariff or metering arrangement.

Misleading or inaccurate information has real potential to cause inconvenience to customers and undermine the integrity of retail offerings on EME, which may discourage customers from engaging with EME to access lower cost energy plans. It also negatively impacts customer trust in the energy market more generally.

The information provided to the AER for EME should accurately represent the retailer's available plans and be consistent with marketing materials and agent representations. This ensures customers can make informed choices when choosing an energy plan.

The following obligations are relevant to a retailer's plan availability submissions:

 Section 63 of the Retail Law, a tier 2 civil penalty provision, sets out the AER's information gathering powers for pricing guidelines and EME. It requires retailers to submit information and data relating to the presentation of standing offer prices and market offer prices that are generally available to small customers.

- Clause 25 of the RPIG requires retailers to ensure the data and information published on EME and retailer websites is accurate and up to date. The EME Portal application I Energy plan data standard (Data standard), available from within the portal, provides further guidance on how retailers should submit this data.
- Of particular note, clause 60 of the RPIG requires retailers to specify if the plan's availability is subject to the customer's property having a particular metering system or configuration.
  - Section 2.10 of the Data standard explains this requirement of specifying plan availability, asking retailers to specify the applicable metering installations for the contract using values that represent a meter type or combination of meter types.

It is non-compliant to list an applicable metering system installation type for a plan if customers with that meter type cannot access the plan. For example, listing a smart meter against a flat-rate tariff plan when that plan is not available to customers with a smart meter. Retailers must clearly state if a flat-rate tariff plan is only available to customers with a basic meter and should not list other should not list other metering types.

# Guidance on eligibility conditions and metering types

We also want to clarify how retailers should input eligibility restrictions when submitting plan information. Clause 51 of the RPIG requires retailers to provide details of any eligibility restrictions that would prevent a customer accessing a plan that is generally available.

Additionally, section 2.14 of the Data standard outlines common eligibility restrictions, which allows the retailer to disclose if a basic meter is required to access the plan. Plans with any section 2.14 eligibility restrictions are not shown within default EME search results. This filtration means that customers might not see a plan in their comparison search, even if the only restriction relates to metering requirements.

To ensure customers can make comprehensive comparisons of available plans, we ask retailers not to use the metering restrictions within section 2.14 of the Data standard to disclose metering requirements. Instead, this section should be reserved for other types of eligibility conditions, such as those listed as examples under clause 51 of the RPIG. Metering restrictions should be disclosed in section 2.10, as indicated above. We will also consider amendments to our Data standard, as part of any future review, to factor in this guidance.

### Next steps

We ask that you:

- review your plan information currently displayed on EME and by third party marketing services to determine whether details are up to date and accurate, including the plan availability condition (3.10 of the Data standard),
- where you identify out of date or inaccurate submissions in your review, rectify them immediately by updating the relevant information, or removing the displayed plan, and
- review your internal policies and processes for providing plan information to the AER
  and third-party marketing services to ensure that future submissions are up to date
  and accurate, taking into account our request not to list metering restrictions when
  outlining plan eligibility restrictions (3.14 of the Data standard).

We will continue to monitor the plan information provided by retailers for EME, and intel from other sources, to ensure that information is up to date and accurate. In particular, we will be monitoring plan availability submissions for flat-rate tariff plans. We may conduct spot checks of retailer submissions and seek retailers to verify the details of particular plans.

Should we identify any instances of non-compliance, we will consider whether further action is appropriate in accordance with our <u>Compliance and Enforcement policy</u>.

Please contact if you wish to discuss any of the matters raised in this letter.

Yours sincerely



Rowena Park General Manager Compliance and Enforcement