



**Unilateral Price Variations in  
Market Retail Contracts**

**Andrew Reeves, Chair**

# Today's forum

**GOAL:** Informed, confident consumers who can participate in and are well served by the retail energy market

**ISSUES:** Market complexity (pricing, jargon and range of offers) can result in customer confusion and lower levels of participation and engagement

**What is the best way to address these issues?**

# Proposed retail rule change

Prohibition on fixed term variable price contracts



# Energy Price Fact Sheets

**Energy Price Fact Sheet**

Energy in action | AGL Sales Pty Limited  
 Advantage 7% New South Wales residential electricity market offer - AGD6634MR

Customer type	Fuel type(s)	Distributor	Tariff type	Offer type	Release date
Residential	Electricity	Ausgrid	Single rate	Market offer	16/07/2013

**Electricity tariff rates**

Electricity charges	Price (exc. GST)	Price (inc. GST)
Peak consumption		
Consumption for first 1000kWh per quarter	24.900000 cents per kWh	27.390000 cents per kWh
Consumption for next 1000kWh per quarter	26.380000 cents per kWh	29.018000 cents per kWh
Remaining consumption per quarter	28.480000 cents per kWh	31.328000 cents per kWh
Daily supply charge	71.000000 cents per day	78.100000 cents per day

**Daily supply charge:** a charge that applies for supplying electricity to your premises for each day of the billing period, regardless of how much electricity you use.  
 kWh: a 'kWh' stands for kilowatt hour and is the unit of measurement for your electricity bill.

**Electricity offer details**

Fees	Details
Early termination fee	Year 1 - \$75.00 inc. GST
Early termination fee	Year 2 - \$50.00 inc. GST
Account establishment fee	Flat rate - \$0.00 inc. GST
Late payment fee	Flat rate - \$14.00 inc. GST
Payment processing fee	The amount is GST inclusive and applies to payments made by debit and credit cards. Percentage of bill - 0.60%
Cheque dishonour payment fee	Flat rate - \$16.50 inc. GST
Direct debit dishonour payment fee	Flat rate - \$8.00 inc. GST
Additional information	Additional fees and charges may apply. Please see the AGL market contract fee schedule at agl.com.au

**Non-conditional discount**

Discount	Details
7% guaranteed discount	The guaranteed discount only applies to market rate energy usage charges calculated using AGL's market rates, and will appear as a separate credit (GST exclusive) on bills.

**Incentive**

Incentive	Details
\$70 Smarter Living voucher	The voucher may be used for AGL Smarter Living in store and in home appliances and services, and is not redeemable for products purchased from the AGL Smarter Living online store. See voucher for terms and conditions.

**GreenPower options**

Option	Details
10%	For \$1.10 / week inc. GST we ensure energy equal to 10% of your consumption will be fed into the grid from Accredited GreenPower generators.
20%	For \$1.80 / week inc. GST we ensure energy equal to 20% of your consumption will be fed into the grid from Accredited GreenPower generators.
100%	For 5.5c / kWh inc. GST we ensure energy equal to 100% of your consumption will be fed into the grid from Accredited GreenPower generators.

**Solar feed-in tariff options**

Tariff type	Price (exc. GST)
Solar bonus scheme pre 27 October 2010 60 cent scheme	60.000000 cents per kWh exported
Solar bonus scheme pre 29 April 2011 20 cent scheme	20.000000 cents per kWh exported
AGL Retailer Feed-in Tariff	8.000000 cents per kWh exported

**Term of contract**

Term of contract	Contract expiry details
2 year fixed term	At the end of the fixed term if you do not enter into another energy plan, you will be placed on AGL's standard retail contract at standing offer rates.

**Cooling-off period**  
 You have a 10 business day cooling off period under the National Energy Retail Law

**Eligibility**  
 This energy offer applies to residential customers in New South Wales within the Ausgrid electricity distribution area. For solar feed-in tariff eligibility criteria visit [aglsolarenergy.com.au/solar-power/solar-power-feed-in-tariffs](http://aglsolarenergy.com.au/solar-power/solar-power-feed-in-tariffs)

**Price changes**  
 The energy rates are market rates which may be varied at any time by giving you written notice (which may consist of a statement on your bill).

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## Agreement Details

**Agreement length** The agreement continues until terminated by you or us. The Energy Plan period (fixed term benefit period) is 24 months. At the end of your Energy Plan period the benefits of your plan will end.

**Charges may vary** During the Energy Plan Period we will not vary the energy rate or supply/service to property components of the Charges, but may vary all other components of the Charges by notice to you. After the Energy Plan Period we may vary all components of the Charges by notice to you. This includes varying the amount, nature and structure of any of the charges. The notice may take the form of a message contained in your next bill and will specify the effective date of the variation.

**Cooling off period** You may cancel this agreement at any time during the 10 business day cooling off period.

**Terms and conditions** Eligibility and availability criteria and terms and conditions apply. For full terms and conditions, visit <http://www.originenenergy.com.au/46/Electricity-and-natural-gas>.

## Pay by due date discount

3% off your usage charges on each bill that you pay by the due date. The discount excludes overdue amounts, reconnection or disconnection fees, or any charges passed on by your distributor. Any promotional discount will be applied as above for the duration of the promotion.

## Benefit Term

The Benefit Term for this plan is for 1 year. We will provide you with notice of your options prior to the end of the Benefit Term. Your contract will continue until it is ended by either party. We also reserve the right to review the continuation of any promotional discounts (in addition to those shown on this sheet) 12 months after they are applied to your account; and charge an additional exit fee (if applicable) to recover the cost of the value of any campaign rewards you may have received as part of this plan if you leave within 12 months of the start of your Benefit Term.

# Energy Made Easy – improvements

## Refine your search

### ▼ Fees and discounts ?

- No exit fees
- Include pay on time discounts
- Include direct debit discounts

### ▼ Contract length ?

- No fixed term
- 1 year fixed term
- 2 year fixed term
- 3 or more years fixed term
- Evergreen with fixed benefit period
- Other

Clear filter

### ▼ Options ?



At least (%)

Percentage amount

Compare selected offers

Find your current offer

Results per page: 25

Prev | 1 | 2 | 3 | Next

Compare up to three	Retailer	Contract name	Solar	Green Power	Exit Fees	Estimated Bill	Estimated Bill with all discounts	Find out more
CURRENT OFFER	<input checked="" type="checkbox"/>	<b>ActewAGL</b> Home Saver electricity Offer ID ACT 4098MR			Yes	\$1,876	\$1,534	More info
	<input type="checkbox"/>	 Bundle and save up to 25% Offer ID OR 4098MR			Yes	\$2,345	\$2,124	More info
COMPARE OFFER	<input checked="" type="checkbox"/>	 Home Saver+ electricity plan Offer ID OR 7392TI			Yes	\$1,000	\$935	More info
COMPARE OFFER	<input checked="" type="checkbox"/>	<b>ActewAGL</b> Standing Offer (Domestic Single Lorem Rate 2) Offer ID OR 4098SD			Yes	\$2,321	\$2,158	More info
	<input type="checkbox"/>	<b>ActewAGL</b> Home Saver electricity Offer ID ACT 4098MR			Yes	\$1,989	\$1,710	More info
	<input type="checkbox"/>	 Bundle and save up to 25% Offer ID OR 4098MR			Yes	\$2,345	\$2,124	More info

SAMPLE

# What would assist customers?

Better information on EPFS:

- *Your price won't change before...*
- *How we will tell you about price changes...*

Leave fixed term contracts without exit fee on notice of price changes

Prohibit fixed term, variable price contracts?

Less regulation ..... More regulation

More user-friendly Energy Made Easy

More standardised layout and language on EPFS

Advance notice on price changes, separate to bill