

MEDIA RELEASE

New code makes it easier for ACT consumers to save money on their electricity bills

The ACT's economic regulator has made a new industry code—the Retail Electricity (Transparency and Comparability) Code—that will make it easier for ACT households and small businesses to compare electricity offers and find an offer that helps them reduce their bills.

“Many ACT households and small businesses are concerned about high electricity bills and want more help to find an offer that will save them money,” Senior Commissioner Joe Dimasi said.

“Under the new code, retailers will have to calculate and advertise discounts off a benchmark reference price to make it faster and simpler for consumers to compare offers. Retailers will also have to tell their customers when they might have a better offer and help them choose the offer that’s right for them.”

The new code will start on 1 October 2021, the same day that the ACT Government’s reference price comes into effect. Retailers will have to use the reference price when comparing offers.

Retailers will have around 12 months to change their billing systems and processes to do bill checks for all their customers and add a message to customer bills to tell them if the retailer has an offer that could save the customer money. Until then, transitional arrangements will require retailers to do a better offer check when a customer contacts them to ask for advice on finding a better offer.

“We decided to delay the full implementation of the better offer check so that retailers will have the time needed to change their billing systems and processes without incurring large costs, which would be passed onto consumers,” Mr Dimasi said. “The transitional arrangements will ensure that consumers can contact their retailer and ask for a better offer check and advice to find if the retailer has a better plan for them.”

Under the new code, retailers will also have to regularly remind their customers to visit the Australian Government’s Energy Made Easy website to check whether another retailer could have an even better offer available.

The ICRC thanks all stakeholders, including ACT electricity consumers, electricity retailers, and community groups, for their valuable contributions during the process of developing the new code.

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Contact

A copy of the code and final report is available on our website www.icrc.act.gov.au.

For media queries, please contact us on:

Tel: 02 6205 0799

Email: icrc@act.gov.au

Background

On 22 February 2021, the Minister for Water, Energy and Emissions Reduction directed us to make a new industry code under the *Utilities Act 2000*. The code requires electricity retailers to:

- compare the annual price of their offers to a reference price
- regularly tell their customers if they have a better offer
- ask customers to contact them for information
- give clear advice to their customers.

In 2020, we consulted with consumers and surveyed more than 1000 ACT households on their experiences in comparing electricity offers. Most ACT consumers wanted more help to find the best offer for their circumstances. Comparing offers is difficult because of the large number of plans, different terms and conditions in plans, not enough clear information about how discounts are calculated, and the complexity of comparing the bill impacts of different tariff types.

Details of the ACT Government's reference price are in the *Utilities (Representative Consumption and Reference Price) Determination 2021*. The determination is on the ACT Legislation Register (www.legislation.act.gov.au).

ACT consumers can compare retail electricity offers by using the Australian government's comparison website, Energy Made Easy, at www.energymadeeasy.gov.au/

Consumers experiencing financial difficulties in paying their electricity bills should ask their retailer about payment plans and hardship assistance.

Households and businesses in the ACT may be eligible for discounts and assistance to reduce their electricity bills through ACT Government-supported programs. More information is at www.act.gov.au/assistance and www.actsmart.act.gov.au/energy-saving/rebatessubsidies