

Mr Joe Dimasi
Senior Commissioner
Independent Competition and Regulatory Commission
PO Box 161
Civic Square ACT 2608

Via email: icrc@act.gov.au

Dear Senior Commissioner Dimasi,

Submission: Draft Retail Electricity (Transparency and Comparability) Code

The ACT Council of Social Service (ACTCOSS) welcomes the opportunity to respond to the Independent Competition and Regulatory Commission's (ICRC) [Draft Retail Electricity \(Transparency and Comparability\) Code](#) (the Draft Code).

ACTCOSS represents not-for-profit community organisations and advocates for social justice in the ACT. In partnership with Care Financial Counselling Service, ACTCOSS leads the ACT Energised Consumers Project which is co-funded by Energy Consumers Australia (ECA) and the ACT Government. Through this project ACTCOSS advocates for residential, not-for-profit, and small business energy consumers in the ACT.

As per our [submission](#) (as a partner in the ACT Energised Consumers Project) to the Draft Report of the [ICRC's Retail Electricity Price Investigation 2020-24](#), ACTCOSS supports the three key elements of the Draft Code:

- All retailers' prices are to be compared to the same reference price
- A better offer notification is to be included on customers' bills and bill summaries
- Customers will be entitled to clear advice so they can make an informed choice before signing up to a new electricity contract.

We support these measures as we believe they will assist in improving the transparency and comparability of retail electricity offers in the ACT. We believe these measures will assist small energy customers in navigating the retail electricity market to access more affordable electricity as an essential service. As

such, ACTCOSS broadly supports the Draft Code prepared by the ICRC.

These measures relieve some of the burden on energy consumers by appropriately increasing the responsibility and accountability of electricity retailers to ensure their customers are not paying any more than they need to for their electricity.

While we welcome these measures, ACTCOSS is keen to ensure that they do not themselves result in an additional cost for consumers that outweighs their benefit. We want to ensure there is not a perverse outcome where any costs of compliance with the Draft Code are passed on from electricity retailers to their customers in a way that negates any customer benefit derived from the measures.

One area where the Draft Code could assist in providing greater clarity for small energy consumers is in relation to different types of tariffs – i.e., single rate, time-of-use, controlled load, and demand tariffs. This is particularly important for those tariffs that often require customers to adjust their pattern of electricity usage to reduce their bills – alternatively, these can result in much higher bills if a household's electricity usage is not or cannot be shifted to the lowest cost (off-peak) times.

This is addressed to a certain extent by subclause 4.3(1)(e) which requires retailers to communicate to the customer in a readily understandable manner information about:

if switching to the retail electricity contract involves moving the small customer to a new tariff structure, the cost impact that the new tariff structure may have for the small customer.

ACTCOSS recommends that the Draft Code state explicitly that retailers must provide readily understandable information about if and/or how the timing of energy usage will determine whether the customer would be likely to pay more or less for their electricity under the new tariff structure. It would also be useful to include tariff – including the key tariff types – under the Draft Code definitions.

We thank the ICRC for its ongoing engagement with ACTCOSS on issues impacting on residential, not-for-profit, and small business energy consumers in the ACT – especially those on low incomes or experiencing disadvantage.

If you would like to discuss anything in relation to this submission, please contact [REDACTED], Senior Policy Officer on [REDACTED] or via [REDACTED]

Yours sincerely,

[REDACTED]

[REDACTED]

CEO

Email: ceo@actcoss.org.au

16 April 2021