

# Guideline on the ACT Retail Electricity (Transparency and Comparability) Code: Summary of submissions and our response

On 26 July 2021, the commission published a draft guideline on the ACT Retail Electricity (Transparency and Comparability) Code for stakeholder comments. The submissions we received are on our website. This summary outlines the issues raised in submissions and how we have addressed the issues.

Our final guideline was published on our website on 3 September 2021.

## Issues addressed in the revised guideline

### Multi-site customers

AGL Energy considered the draft guideline should be clearer about whether the better offer check requirement applies where there is a multi-site agreement with separate bills for each site.

We have revised the guideline to state that multi-site agreements that are compliant with rule 5 of the National Energy Retail Rules are deemed 'large customers' and thus exempt from the Code.

### Exemptions to transitional arrangements

AGL Energy asked whether the transitional arrangements for an obligation apply if the NERL retailer is exempt from the final implementation of that obligation.

We have revised the guideline to provide additional clarity that if a NERL retailer is exempt from an obligation, it is also not required to implement the transitional arrangements for that obligation.

### Billing delays and the better offer message

AGL Energy raised concerns about the consequence of the better offer message frequency and presentation requirements in the Code where there are billing delays outside a retailer's control.

The guideline now provides that a NERL retailer must contact us if it anticipates an imminent non-compliance, including in circumstances beyond its control. The guideline requires that the NERL retailer should provide a summary of the cause of the non-compliance and what it intends to do to rectify the problem.

### Presentation of the comparison percentage

ActewAGL submitted that the comparison percentage should be calculated to two percentage places and rounded to the nearest full percentage point for presentation in advertisements and other communications with customers.

We have revised the guideline to adopt this approach, which is the approach used in the ACCC's Retail Electricity Code Guideline.

### **Types of customers covered – embedded networks**

NERL retailers requested more clarity on how the reference price and clear advice obligations in the Code apply to small customers and consumers in an embedded network. Submissions also stated that the guideline was not sufficiently clear on the application of the Code to large customers of embedded networks.

We have revised the guideline to make clearer that the reference price and clear advice obligations apply to the small customers of embedded networks only and that large customers are exempt from the Code. As noted in the guideline, we have determined that the better offer obligation will not apply to embedded network customers—this is done in the Utilities (NERL retailers – Application of Industry Codes) Determination 2021, accessed at <https://www.legislation.act.gov.au/di/2021-228/>.

### **Types of communications covered – service and account maintenance messages**

AGL Energy asked for greater clarity on how the Code applies to service and account maintenance messages.

We have revised the Code to clarify that it does not apply to messages facilitating the continuing service and maintenance of the account unless the message is also advertising other tariffs or offers.

### **Bundled offers**

ACTCOSS asked that the guideline include an example of an advertisement for an electricity and gas bundled offer that would comply with the ACT Code.

The guideline gives an example of how to advertise bundled offers, using an electricity and internet bundle as an example. We consider this is sufficient advice to a NERL retailer on how to advertise bundled offers including those that may combine gas and electricity.

## **Comments that are outside the scope of the guideline**

### **Green charges**

ACTCOSS recommended that the guideline include a requirement that where electricity retailers offer green (renewable) energy as an optional extra cost to customers, they should be required to advise that ACT residential and small customer electricity bills already include the cost of achieving the ACT's 100% renewable electricity target through the large-scale Feed-in Tariff Scheme.

### **Expansion of the Code**

ACTCOSS asked that the commission and/or the ACT Government explain why certain types of customers are not covered by the Code. ACTCOSS also suggested that the Code be expanded to include gas customers.

### **Transitional better offer arrangements**

AGL Energy submitted that the transitional arrangements divert limited resources from implementing the Code, increasing costs unnecessarily. It recommended that the transitional arrangements be removed from the guideline.

### **Our response**

The scope of the Code cannot be changed through the guideline. The purpose of the guideline is to provide additional explanation on how to implement the Code, which we made after extensive public and targeted consultation. We have noted these comments and will consider them in any future consultation on varying the Code.

