

ENERGY RETAIL CODE OF PRACTICE (ENERGY CONSUMER REFORMS) AMENDMENT 2025

Amendments made by the Essential Services Commission on 30/09/2025

1 Nature and commencement of this instrument

This instrument amends the Energy Retail Code of Practice.

Schedule 1 of this instrument comes into operation on 30 September 2025.

Schedule 2 of this instrument comes into operation on 1 February 2026.

Schedule 3 of this instrument comes into operation on 1 July 2026.

Schedule 4 of this instrument comes into operation on 1 October 2026.

2 Schedule 1 – Table of Amendments

Clause 2 – Commencement

In clause 2, omit 'This code of practice came into effect on 1 October 2022 and was last amended on 1 October 2024.' and substitute:

This code of practice came into effect on 1 March 2022 and was last amended on 30 September 2025.

Clause 3 – Definitions

In clause 3, delete definition of '*Electricity Customer Transfer Code*'.

In clause 3, delete definition of '*Electricity Metering Code*'.

In clause 3, omit definition of '*exempt distributor*' and substitute:

exempt distributor means a person who is exempt from holding a licence under section 16 of the *Electricity Industry Act* to engage in certain activities as set out in clauses 6 and 7 of the *General Exemption Order* (deemed exemption of distributors and exemption of registered distributors) or a person who is exempt from holding a licence under section 22 of the *Gas Industry Act* to provide services by means of a distribution pipeline as set out in clause 4 of the *Gas Embedded Networks General Exemption Order* (exemption of distributors).

In clause 3, omit definition of ‘*feed-in tariff change*’ and substitute:

feed-in tariff change means a change to the rate a *retailer* pays a *small customer* for electricity from a *small renewable energy generation facility*, being a rate published by a *retailer* under section 40G of the *Electricity Industry Act*, for the purposes of section 40FBA of the *Electricity Industry Act*.

In clause 3, insert the following:

Gas Embedded Networks General Exemption Order means the Order in Council made under section 24 of the *Gas Industry Act* and published in Gazette 69 on 25 February 2025;

In clause 3, omit definition of ‘*General Exemption Order*’ and substitute:

General Exemption Order means the Order in Council made under section 17 of the *Electricity Industry Act* and published in Gazette 39 on 29 September 2022;

In clause 3, delete subclauses (i) and (j) from the definition of ‘*restricted plan*’.

Clause 63 – Contents of bills (SRC, MRC and EPA)

Delete the note under subclause 63(1). Substitute the following:

Note: Additional obligations in relation to the provision of metering information to *small customers* are contained in the *Gas Distribution Code of Practice* and the *National Electricity Rules*.

Clause 69 – Billing disputes (SRC, MRC and EPA)

Delete the note under subclause 69(5). Substitute the following:

Note: Additional obligations in relation to *meter* testing are contained in the *Gas Distribution Code of Practice* and the *National Electricity Rules*.

Clause 107 – Minimum standards – Notice of feed-in tariff change to be given (MRC)

Delete subclause 107(3)(e) in its entirety. Substitute the following:

- (e) the following words, “the feed-in tariff rate set by [insert retailer name] is” immediately followed by the rate published by a *retailer* under section 40G of the *Electricity Industry Act*, for the purposes of section 40FBA of the *Electricity Industry Act*; and

Clause 115 – Notice to small customers where transfer delayed

Delete the note under subclause 115(1)(c) in its entirety.

Schedule 2 – Model terms and conditions for standard retail contracts

Delete the Note for Victorian customers after subclause 12.3(b) ‘Reviewing your bill’.

Delete the Note for Victorian customers after the definition of a RoLR event within the ‘Simplified explanation of terms’ section following clause 23.2 ‘Amending this contract’.

Schedule 5 – Tables of categories of activities for exempt persons under the General Exemption Order 2017

Delete the heading of Schedule 5 in its entirety. Substitute the following:

Schedule 5 Tables of categories of activities for exempt persons under the General Exemption Order 2022

Add the following retail activity deemed exemption category below VD7:

VD8	A person selling metered or unmetered electricity that is used by the customer to charge an electric vehicle.
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Schedule 6 – Definition of explicit informed consent and clause 9 of the General Exemption Order 2017

Delete the heading of Schedule 6 in its entirety. Substitute the following:

Schedule 6 Definition of explicit informed consent and clause 9 of the General Exemption Order 2022

Delete two references to 'March 2022'. Substitute the following:
30 September 2025

3 Schedule 2 – Table of Amendments

Clause 2 – Commencement

In clause 2, omit 'This code of practice came into effect on 1 March 2022 and was last amended on 30 September 2025.' and substitute:

This code of practice came into effect on 1 March 2022 and was last amended on 1 February 2026.

Clause 63 – Contents of bills (SRC, MRC and EPA)

After subclause 63(1)(v), insert the following:

- (v1) subject to subclause (6), on the front page of the bill, the *energy ombudsman's* name as the "Energy and Water Ombudsman (Victoria)" and its telephone number;

After subclause 63(5), insert the following:

- (6) A *retailer* is not required to comply with subclause 63(1)(v1) where:
 - (a) the relevant *customer retail contract* to which the bill relates is in respect of more than one premises;
 - (b) the *customer* is or would be a *small customer* in relation to at least one of the relevant premises; and

- (c) the aggregate of the actual or estimated annual consumption level of the relevant premises is higher than:
 - (i) in the case of electricity, the upper consumption threshold provided for in an Order made under section 35(5) of the *Electricity Industry Act*; or
 - (ii) in the case of gas, the upper consumption threshold provided for in an Order made under section 42(5) of the *Gas Industry Act*.

4 Schedule 3 – Table of Amendments

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After Part 5, Division 7, insert:

Division 8 Protections for customers on older contracts

Clause 2 – Commencement

In clause 2, omit ‘This code of practice came into effect on 1 March 2022 and was last amended on 1 February 2026.’ and substitute:

This code of practice came into effect on 1 March 2022 and was last amended on 1 July 2026.

Clause 3 – Definitions

In clause 3, omit definition of ‘*conditional discount*’ and substitute:

conditional discount means a reduction to the price or tariff for the sale and supply of *energy* that applies only if a *small customer* satisfies certain requirements, a *payment condition* or other conditions, and:

- (a) subject to subclause (b), includes a conditional rebate or a conditional credit; and
- (b) does not include a discount, rebate or credit if all the conditions on it relate to the circumstances in which a *customer* enters into a *customer retail contract* (for example, a one-off sign-up credit).

In clause 3, insert in alphabetical order:

payment condition means a provision of a *customer retail contract* that relates to the timing or method of payment of a bill;

Clause 16A – Customer energy concession eligibility information

After clause 16, insert the following:

- (1) A *retailer* must determine if a *residential customer* is eligible for an *energy concession* by seeking information from a *residential customer* at all times when it is reasonable to do so, considering the *residential customer’s* circumstances, and always:
 - (a) when entering into a *customer retail contract* with a *residential customer*;

- (b) when a *residential customer* requests a switch to a new *customer retail contract* with the *retailer*,
- (c) when a *residential customer* initially contacts the *retailer* requesting standard or *tailored assistance* under Part 6; and
- (d) as soon as practicable if a *residential customer* is an *affected customer*.

Note: *Retailers* are required to take reasonable steps to identify a safe method of communication with an *affected customer* and use this method of communication under clauses 150(4) and 150(5).

- (2) When a *retailer* becomes aware that a *residential customer* holds or is eligible for an *energy* concession in accordance with subclause 16A(1), it must take all reasonable steps to ensure that the *residential customer* receives the *energy* concession;
- (3) When a *retailer* becomes aware that a *residential customer* is no longer eligible for an *energy* concession the *retailer* must:
 - (a) contact the *residential customer* as soon as practicable to inform the *residential customer*:
 - (i) that they will no longer have an *energy* concession applied to their bills; and
 - (ii) how to update their *energy* concession eligibility information with the *retailer*.

Clause 26 – Pre-contractual duty of retailers

In subclause 26(4), omit ‘A *retailer* must obtain the *explicit informed consent* of a *small* customer for the entry by the small customer into a market retail contract with the retailer.’ And substitute:

Subject to subclause (4A), a *retailer* must obtain the *explicit informed consent* of a *small customer* for the entry by the *small customer* into a *market retail contract* with the *retailer*.

After subclause 26(4), insert the following:

- (4A) Subclause (4) does not apply for the purposes of Division 8 of Part 5 and of Division 2A of Part 6 of this code of practice.

Clause 56 – Simplified outline

In clause 56, after the description of Division 7, insert the following:

Division 8 sets out protections for *small customers* on *older customer retail contracts*.

Clause 77A – Conditional discounts, including pay-on-time discounts (SRC, MRC and EPA)

After clause 77, insert:

77A Conditional discounts, including pay-on-time discounts (SRC, MRC and EPA)

- (1) A *retailer* must not include a *conditional discount* in a *customer retail contract* unless:
- (a) the amount of the *conditional discount* does not exceed a reasonable estimate of the costs incurred, or likely to be incurred, by the *retailer* resulting from the *small customer's* failure to satisfy a relevant requirement, *payment condition*, or other condition; and
 - (b) where the *small customer's* failure to satisfy a relevant requirement, *payment condition*, or other condition results in:
 - (i) that *small customer* no longer being entitled to more than one *conditional discount*;
 - (ii) that *customer* being liable to pay more than one *additional retail charge*; or
 - (iii) that *customer* no longer being entitled to one or more *conditional discounts* and being liable to pay one or more *additional retail charge*,
- the aggregate amount of the *conditional discount* (or discounts) and *additional retail charge* (or charges) (as applicable) does not exceed a reasonable estimate of the costs incurred, or to be incurred, by the *retailer* resulting from the *small customer's* failure to satisfy the relevant requirements, *payment condition*, or other conditions.
- (2) For the purpose of calculating the reasonable estimate of costs under subclause (1), including of costs incurred, or likely to be incurred, by the *retailer* resulting from a *small customer's* failure to satisfy the *payment condition* of a *pay-on-time discount*, a *retailer* must take into consideration the matters set out in any relevant guideline published by the *Commission*.
- (3) Where a term or condition of a *customer retail contract*:
- (a) provides for the payment of a *conditional discount*; and
 - (b) such term or condition is inconsistent with subclause (1),
- a *retailer* must apply the *conditional discount* to each payment under the *customer retail contract* notwithstanding the *customer's* failure to satisfy the relevant *payment condition*.
- (4) Application of this clause to standard retail contracts
- This clause applies in relation to *standard retail contracts*.
- (5) Application of this clause to market retail contracts
- This clause applies in relation to *market retail contracts*.
- (6) Application of this clause to exempt persons
- This clause applies to *exempt persons* in the following *categories*:

VD1, VD2, VD7, VR1, VR2, VR3 and VR4.

Note: This clause applies to all contracts, whether entered into before or after 1 July 2020.

Clause 95 – Pay-on-time discounts to be capped (MRC)

Delete clause 95 in its entirety. Insert '[Deleted]'

Clause 96 – Fixed benefit period to apply for duration of market retail contract (MRC)

After subclause 96(1), insert the following:

- (1A) If a *market retail contract* entered into prior to 1 July 2020 provides for a discount, rebate or credit (including a *conditional discount*) to be made available to the *small customer* for a *fixed benefit period* and the *fixed benefit period* has not expired, the *retailer*:
 - (a) must continue to make that discount, rebate or credit available; and
 - (b) must not change the amount of that discount, rebate or credit, throughout the term of that contract.

Division 8 – Protections for customers on older contracts

After clause 120, insert the following:

Division 8 Protections for customers on older contracts

120A Objective

- (1) The objective of this Division is to ensure that a *small customer* on an *older customer retail contract* pays a *reasonable price* for their *energy* and is not unfairly disadvantaged in relation to the *price* they are paying in comparison to the *price* being paid by other *customers* of the same *retailer*.

120B Small customers on contracts four years or older must pay a reasonable price

- (1) A *retailer* must ensure that a *small customer* on an *older customer retail contract* is paying a *reasonable price* for their *energy*.
- (2) A *retailer* must review the tariffs of a *small customer* on an *older customer retail contract* at least once every 12 months.
- (3) If a *retailer* identifies that a *small customer* on an *older customer retail contract* is not paying a *reasonable price* for their *energy* (through a review undertaken in accordance with subclause (2)), the *retailer* must, within 20 *business days* of identification:
 - (a) reduce the tariffs paid by the *small customer* under the *older customer retail contract*; or
 - (b) switch the *small customer* to a cheaper plan based on the *retailer's* knowledge of the *small customer's* pattern of *energy* use and payment history

so that the *small customer* is paying a *reasonable price* for their *energy*.

- (4) In this Division:

older customer retail contract means a *customer retail contract* that is four years or older from the date of entry by the *small customer* into the *customer retail contract*; and

- (a) the *price(s)* in the *customer retail contract* have not been varied other than in accordance with clause 94 of this code of practice; and
- (b) the structure and nature of the tariff(s) payable under the *customer retail contract* since the date of entry have not been varied in accordance with clause 93(1) of this code of practice.

reasonable price means a *price* determined by a *retailer* having regard to:

- (a) the lowest cost *generally available plan* available to new *customers* of the *retailer*;
 - (b) the median *price* paid by *customers* of the *retailer*;
 - (c) the median *price* of gas market offers available in that gas distribution zone;
 - (d) the *price* of the *Victorian default offer* for electricity or the *retailer's standing offers* for gas;
 - (e) the value of benefits available to the *customer* under their *customer retail contract*, including an additional service, a discount, rebate or credit (including a *conditional discount*); and
 - (f) any other matters specified in a guideline published by the *Commission* under section 13 of the *Essential Services Commission Act 2001*.
- (5) For the purpose of this clause, if the *price* that a *small customer* pays for electricity is at or below the *price* of the *Victorian default offer* then that *price* is deemed to be a *reasonable price*.

120C Switching customers on older contracts to a cheaper plan

- (1) Prior to switching a *small customer*, the *retailer* must issue a notice to the *small customer* of the *retailer's* intention to switch the *small customer* to a plan that the *retailer* considers would be at a *reasonable price*.
- (2) The notice must be given to the *small customer*:
 - (a) in writing;
 - (b) written in plain English; and
 - (c) using the *small customer's* preferred method of communication (if nominated, for example by post or by email to a specified address).
- (3) The notice must include information in relation to:
 - (a) the *small customer's* current plan name and associated tariffs;

- (b) the details of the applicable *customer retail contract* the *retailer* intends to switch the *small customer* to, including all applicable tariffs, charges, *conditional discounts*, billing and payment arrangements, a description of any benefits provided under the *small customer's* current plan that would be lost with the switch (if applicable) and how any of these matters may be changed;
 - (c) an explanation of how the *retailer* determined the applicable contract will provide a *reasonable price* and why the *retailer* intends to switch the *small customer* to the applicable contract;
 - (d) the commencement date and duration of the applicable contract, the availability of extensions, and the termination of the contract if the *small customer* moves out during the term of the contract;
 - (e) if any requirement is to be or may be complied with by an electronic transaction—how the transaction is to operate and, as appropriate, an indication that the *small customer* will be bound by the electronic transaction or will be recognised as having received the information contained in the electronic transaction;
 - (f) the *small customer's* right to complain to the *retailer* in respect of any *energy marketing activity* of the *retail marketer* conducted on behalf of the *retailer* and, if the complaint is not satisfactorily resolved by the *retailer*, of the *small customer's* right to complain to the *energy ombudsman*;
 - (g) a prominent opt-out message which includes:
 - (i) a clear statement that the *small customer* must opt out if they do not want to be switched from their current plan;
 - (ii) clear instructions on how the *small customer* can opt out of the switch;
 - (iii) the date by which the *small customer* needs to opt out of the switch in accordance with subclause (5).
- (4) The information required in (3) must include or be accompanied by a copy of the applicable *customer retail contract*.
 - (5) The *small customer* may opt out of the switch by informing the *retailer* orally or in writing of the *small customer's* intention to opt out of the applicable *customer retail contract*.
 - (6) The *retailer* must provide the *small customer* a period of 10 *business days* to opt out of the switch commencing from the date the *small customer* receives the notice under subclause (1).
 - (7) The opt out requirements under this clause replace the requirements in clause 97 for the purposes of this Division.
 - (8) The *retailer* must switch a *small customer* to the applicable *customer retail contract* if the *small customer* has not exercised their right to opt out of the switch outlined in subclause (5) and the *retailer* has complied with the requirements under subclause (1), (2), (3), (4) and (6).

- (9) For the purposes of this Division, a *retailer*
- (a) must not charge the *small customer* for the switch to the applicable *customer retail contract* or any early termination charge or other penalty for the early termination of the *small customer's* previous *customer retail contract*; and
 - (b) must ensure that if a *small customer* who is receiving a concession or rebate provided by government in relation to the supply or use of *energy* is switched to the applicable *customer retail contract*, the *small customer* continues to receive the concession or rebate;
 - (c) is not required to comply with this Division where:
 - (i) the *older customer retail contract* relates to more than one premises;
 - (ii) the *customer* is or would be a *small customer* in relation to at least one of the relevant premises; and
 - (iii) the aggregate of the actual or estimated annual consumption level of the relevant premises is higher than:
 - (A) in the case of electricity, the upper consumption threshold provided for in an Order made under section 35(5) of the *Electricity Industry Act*;
 - (B) in the case of gas, the upper consumption threshold provided for in an Order made under section 42(5) of the *Gas Industry Act*.

120D Record keeping

- (1) A *retailer* must maintain records, including records of the data inputs used to assess a *reasonable price*, that are sufficient to evidence its compliance with this Division.
- (2) The *retailer* must ensure that the records required to be maintained pursuant to subclause (1) are retained for:
 - (a) at least two years; and
 - (b) where a *small customer* has within that period made a complaint or referred a dispute to the *energy ombudsman* in relation to being switched to a new plan or opt-out protections, including in relation to the notices that must be provided — for the period the complaint or dispute remains unresolved.

Schedule 1 – Civil Penalty Requirements

In Schedule 1, Part 5: Rights and obligations once a contract is entered into, omit the following:

95(1)

In Schedule 1, Part 2: Retailer's general obligations, insert the following in numerical order:

16A(1); 16A(2), 16A(3).

In Schedule 1, Part 5: Rights and obligations once a contract is entered into, insert the following in numerical order:

77A(1); 77A(3); 96(1A); 120B(1); 120B(2); 120B(3); 120C(1); 120C(2); 120C(3); 120C(4); 120C(6); 120C(8); 120C(9)(a); 120C(9)(b); 120D(1); 120D(2).

5 Schedule 4 – Table of Amendments

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After Part 6, Division 2, insert:

Division 2A Automatic best offer

Clause 2 – Commencement

In clause 2, omit 'This code of practice came into effect on 1 March 2022 and was last amended on 1 July 2026.' and substitute:

This code of practice came into effect on 1 March 2022 and was last amended on 1 October 2026.

Clause 72 – Payment methods for retailers (SRC and MRC)

After subclause 72(2), insert the following:

- (2A) A *retailer* must offer a *small customer* at least one payment method which is commonly used and accessible, and for which no charges are imposed (whether by the *retailer* or payment service provider).

Delete subclause 72(6) in its entirety. Substitute the following:

- (6) Application of this clause to standard retail contracts

This clause applies in relation to *standard retail contracts*.

Delete subclause 72(7) in its entirety. Substitute the following:

- (7) Application of this clause to market retail contracts

This clause applies in relation to *market retail contracts*. However, subclauses (1) and (2A) only apply to *market retail contracts* entered into on or after 1 October 2026.

Clause 73 – Payment methods for exempt persons (EPA)

After subclause 73(2), insert the following:

- (2A) An *exempt person* must offer a *small customer* at least one payment method, which is commonly used and accessible, and for which no charges are imposed (whether by the *exempt person* or payment service provider).

Clause 109 – Deemed best offer check (SRC and MRC)

In subclause 109(2), omit '\$22' and substitute '\$50'.

In subclause 109(3), omit '\$22' and substitute '\$50'.

Clause 111A – Processes for switching to deemed best offer

After clause 111, insert the following:

111A Processes for switching to deemed best offer

- (1) A *retailer* must have effective processes for a *small customer* to switch to the *deemed best offer*.

Note: Clause 111A does not apply to contracts exempt from *deemed best offer* requirements.

- (2) For the purpose of subclause (1), a *retailer's* processes for a *small customer* to switch to the *deemed best offer* is not effective unless it is *simple* and *accessible*.
- (3) In this clause:
- (a) ***simple*** means the process is easy for a *small customer* to understand and to complete in a reasonable time period.
 - (b) ***accessible*** means the process is, so far as reasonably practical, adaptable to the needs of the *retailer's small customers* having regard to whether their access to information is impeded due to matters that include but are not limited to age, language, education, vulnerability and technical aptitude.
- (4) A *retailer* must:
- (a) provide on its website clear and simple instructions on how a *small customer* can switch to the *deemed best offer*;
 - (b) at a minimum, have a process through its website and a process by telephone for a *small customer* to identify and switch to the *deemed best offer*.

Clause 120 – Tailored assistance to customers on an exempt market retail contract

Delete clause 120 in its entirety. Substitute the following: Insert '[Deleted]'

Clause 123 – Simplified outline

In clause 123, after the description of Division 2, insert the following:

Division 2A sets out a *retailer's* obligation to switch *residential customers* who meet certain eligibility criteria to the *retailer's deemed best offer*.

Clause 125 – Standard assistance (SRC, MRC and EPA)

After subclause 125(4), insert the following:

Note: This includes *exempt market retail contracts*.

Clause 128 – Minimum assistance (SRC, MRC and EPA)

After subclause 128(1)(a), insert the following:

- (a1) being automatically switched to the *deemed best offer* in accordance with Division 2A of this Part;

Delete subclause 128(1)(f)(i) in its entirety. Substitute the following:

- (i) if the *residential customer* is on a plan with a physical energy asset in accordance with clause 132E of Division 2A or the *residential customer* does not receive a *deemed best offer message* under subclause 106(9), the tariff that is most likely to minimise the *residential customer's* energy costs, based on the *retailer's* knowledge of the *residential customer's* pattern of energy use and payment history;

Delete subclause 128(2) in its entirety. Substitute the following:

- (2) A *residential customer* is entitled, at the very least, to the assistance set out in subclauses (1)(a) to (d), including subclause (a1), while continuing to pay the full cost of their on-going *energy* use.

Delete subclause 128(3) in its entirety. Substitute the following:

- (3) A *residential customer* is entitled, at the very least, to the assistance set out in subclauses (a1) and (1)(c) to (g), if they cannot pay the full cost of their on-going *energy* use.

After subclause 128(7), insert the following:

Note: This includes *exempt market retail contracts*.

Division 2A – Automatic best offer

After clause 132, insert the following:

Division 2A Automatic best offer

132A Objective

- (1) The objective of this Division is to ensure *residential customers* experiencing payment difficulty are switched to a *retailer's deemed best offer*.

132B Eligibility

- (1) A *retailer* must comply with the requirements in this Division when a *residential customer* who is in arrears is an *eligible customer*.

- (2) In this Division:

eligible customer means a *residential customer* who:

- (a) is receiving *tailored assistance*; or
- (b) has been in arrears for three months or more and has accumulated arrears that are equal to or more than the amounts per fuel specified in a

guideline published under section 13 of the *Essential Services Commission Act 2001*, or under subclause (3).

- (3) If an amount has not been published in a guideline in accordance with subclause (2)(b), the accumulated arrears amounts for the purposes of that subclause are \$1,000 for electricity and \$1,000 for gas.
- (4) A *retailer* must check the eligibility of all *residential customers* in arrears at least once every six months to see if they meet the definition of *eligible customer* outlined in 132B(2)(b).

132C Deemed best offer check for automatic best offer

- (1) A *retailer* must carry out a *deemed best offer check* for the purposes of this Division:
 - (a) no later than 10 *business days* from the date that:
 - (i) a *residential customer* becomes an *eligible customer* in accordance with clause 132B(2)(a); or
 - (ii) a *retailer* becomes aware that a *residential customer* is an *eligible customer* in accordance with clauses 132B(2)(b) and 132B(4); and
 - (b) for as long as a *residential customer* remains an *eligible customer*, at least once in the applicable period specified in (b)(i) or (b)(ii), calculated from the date of the *deemed best offer check* required by clause 132C(a):
 - (i) 12 months, where a *residential customer* opts out in accordance with 132D(5) and 132D(6);
 - (ii) 6 months, in any other case.
- (2) If the *deemed best offer check result* is negative, as defined in clause 109(3), the *retailer* must follow the requirements outlined in clauses 132D to 132F.

Note: If the deemed best offer check result carried out for this Division is positive, there is no obligation to take any further step in connection with that check. Clause 132(B)(1)(c) will require another check within 6 months and best offer obligations outlined in Part 5 Division 5 will apply as usual.

132D Notice of intention to switch and opt-out protections

- (1) The *retailer* must issue a notice to the *residential customer* of the *retailer's* intention to switch the *residential customer* to their *deemed best offer* no later than 5 *business days* after the *retailer* has performed the *deemed best offer check* under clause 132C and found a negative result.
- (2) The notice must be given to the *residential customer*:
 - (a) in writing;
 - (b) written in plain English; and
 - (c) using the *residential customer's* preferred method of communication (if nominated, for example by post or by email to a specified address).

- (3) The notice must include information in relation to:
- (a) the details of the *residential customer's deemed best offer*, including all applicable tariffs, charges, *conditional discounts*, billing and payment arrangements and how any of these matters may be changed;
 - (b) a description of any benefits provided under the *residential customer's* current plan that would be lost with the switch (if applicable);
 - (c) an explanation of why the *retailer* intends to switch the *residential customer* to the *deemed best offer*;
 - (d) the commencement date and duration of the applicable *customer retail contract*, the availability of extensions, and the termination of the contract if the *residential customer* moves out during the term of the contract;
 - (e) if any requirement is to be or may be complied with by an electronic transaction—how the transaction is to operate and, as appropriate, an indication that the *residential customer* will be bound by the electronic transaction or will be recognised as having received the information contained in the electronic transaction;
 - (f) the *residential customer's* right to complain to the *retailer* in respect of any *energy marketing activity* of the *retail marketer* conducted on behalf of the *retailer* and, if the complaint is not satisfactorily resolved by the *retailer*, of the *small customer's* right to complain to the *energy ombudsman*;
 - (g) a prominent opt-out message which includes:
 - (i) a clear statement that the *residential customer* may opt out if they do not want to be switched from their current plan;
 - (ii) clear instructions on how the *residential customer* can opt out of the switch in accordance with subclause (4);
 - (iii) the date by which the *residential customer* needs to opt out of the switch in accordance with subclause (5);
 - (iv) the duration of this opt out as outlined in subclause (6).
- (4) The information required in (3) must include or be accompanied by a copy of the applicable *market retail contract*.
- (5) The *residential customer* may opt out of the switch to the *deemed best offer* by informing the *retailer* orally or in writing of the *residential customer's* intention to opt out of the switch.
- (6) The *retailer* must provide the *residential customer* a period of 10 *business days* to opt out of the switch commencing from the date the *residential customer* receives the notice under subclause (1).
- (7) The opt out requirements under this clause replace the requirements in clause 97 for the purposes of this Division.

- (8) The *retailer* must switch the *residential customer* to the *deemed best offer* if the *residential customer* has not exercised their right to opt out of the switch outlined in subclause (5) and the *retailer* has complied with the requirements under subclauses (1), (2), (3), (4), and (6).
- (9) For the purposes of this Division, a retailer:
 - (a) must not charge the *residential customer* for the switch to an applicable *customer retail contract* or any early termination charge or other penalty for the early termination of the *residential customer's* previous *customer retail contract*; and
 - (b) must ensure that if a *residential customer* who is receiving a concession or rebate provided by government in relation to the supply or use of *energy* is switched to an applicable *customer retail contract*, the *residential customer* continues to receive the concession or rebate.

132E Application to plans with physical energy asset included

- (1) This Division does not apply to a *residential customer* who is on a plan that:
 - (a) includes a physical energy-related asset that the *residential customer* is paying off or leasing through their current plan, or
 - (b) includes membership to a virtual power plant where the *retailer* can actively control the *residential customer's* physical energy-related asset.

132F Consideration of risk of harm to affected customers

- (1) A *retailer* is not required to comply with clause 132D in relation to an *affected customer*, in circumstances where the *retailer* reasonably believes that issuing a notice or completing the switch to the *deemed best offer* under clause 132D may cause significant risk of harm to that *affected customer*.

Note: *Retailers* are required to take reasonable steps to identify a safe method of communication with an *affected customer* and use this method of communication under clauses 150(4) and 150(5). If a *retailer* decides not to send a notice under clause 132D because of clause 132F, and where the *affected customer* remains an *eligible customer*, the *retailer* will need to conduct future *deemed best offer checks* in accordance with the timeframes in clause 132C.

132G Record keeping

- (1) A *retailer* must maintain records, including records of the data inputs used to perform *deemed best offer checks*, that are sufficient to evidence its compliance with this Division.
- (2) The *retailer* must ensure that the records required to be maintained pursuant to subclause (1) are retained for:
 - (a) at least two years; and
 - (b) where a *residential customer* has within that period made a complaint or referred a dispute to the *energy ombudsman* in relation to the automatic switch to the *deemed best offer* or opt-out protections, including in relation to the notices that must be provided — for the period the complaint or dispute remains unresolved.

Clause 187 – Residential customer only to be disconnected as a last resort for non-payment

After subclause 187(1), insert the following:

- (2) For the purposes of section 40SM(1)(b)(i) of the *Electricity Industry Act* and section 48DO(1)(b)(i) of the *Gas Industry Act*, a *retailer* or *exempt electricity seller* must not arrange for *disconnection* of the premises where the total amount of the *customer's* arrears is less than \$1,000 (inclusive of GST).

Schedule 1 – Civil Penalty Requirements

In Schedule 1, Part 5: Rights and obligations once a contract is entered into, omit the following:

120(1).

In Schedule 1, Part 5: Rights and obligations once a contract is entered into, insert the following in numerical order:

72(2A); 111A(1); 111A(4).

In Schedule 1, Part 6: Assistance for residential customers anticipating or facing payment difficulties, insert the following in numerical order:

132B(1); 132B(4); 132C(1); 132D(1); 132D(2); 132D(3); 132D(4); 132D(6); 132D(8); 132D(9); 132G(1); 132G(2).

In Schedule 1, Part 9: Termination, insert the following in numerical order:

187(2).