

Making energy contracts clear and fair

Following confirmation of a [default price for electricity commencing 1 July](#), the state's energy regulator has released a paper focused on ways to make energy contracts fairer.

The Essential Services Commission has released [an issues paper](#) canvassing implementation options for the next round of reforms arising from an [independent review of electricity and gas retail markets](#).

Making energy retailers fix contract prices for a minimum of 12 months is among the proposed changes being considered.

The commission's energy director Sarah McDowell says the proposed changes are focused on making sure customers know what they're getting when they sign a new energy deal.

"Prices going up shortly after signing a new energy deal is just one of the issues we will address with this latest review of the energy rules," she said.

One of the recommendations being considered is making energy companies advertise discounts in dollar terms instead of percentages.

"One of the biggest challenges for customers is comparing energy offers [when a large discount from one retailer and a small discount from another retailer](#) can result in the same price," Ms McDowell said.*

The issues paper covers recommendations from the [independent review](#) aimed at helping customers navigate the energy market including:

- Requiring energy companies to fix any prices they are offering for a minimum of 12 months
- Letting customers know the length of time any offered prices will be available without change
- Rolling customers onto the nearest matching, available offer at the end of a contract
- Ensuring customers do not lose discounts or other benefits when a contract ends

The proposed changes are outlined in an issues paper which anyone can comment on by sending a submission to retailenergyreview@esc.vic.gov.au by 5pm on Tuesday 2 July 2019.

*[Victorian energy market update January to March 2018](#) p.6

**For further information call: Michelle Bryne, Senior Manager, Strategic Communication,
9032 1324 or 0437 677 385**