# Appendix B: Final Energy Retail Code amendments

**Ensuring customers can easily compare offers (recommendation 3A) and including information about the Victorian Default Offer on bills**

**AMENDMENTS TO THE ENERGY RETAIL CODE: VICTORIAN DEFAULT OFFER TARIFFS TO BE REFERENCE TARIFFS FOR DISCOUNTS**

**FEBRUARY 2020**

**Amendments made by the Essential Services Commission on 28/02/2020**

**1 Nature and commencement of this instrument**

(1) This instrument amends the *Energy Retail Code*.

(2) This instrument comes into operation on 1 July 2020.

**2 Table of amendments**

**(1)** **Insert the following definitions in clause 3 in the appropriate alphabetical positions:**

***advertisement****—*see clause 64E;

***annual reference consumption****—*see clause 64E;

***conditional discount*** meansa reduction to the price or tariff for the supply of *energy* that applies only if a *customer* satisfies certain requirements or conditions, and:

(a) subject to paragraph (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);

***conditional price****—*see clause 64E;

***demand tariff*** means a tariff for supplying electricity if working out the amount a *customer* is charged for the supply of electricity during a period at prices that include that tariff requires identifying, from among particular sub-periods of the period, the sub-period during which the *customer*’s demand for the supply of electricity is the highest;

***distribution zone*** means the area in which a distributor is licensed to distribute and supply electricity under the *Electricity Industry Act*;

***lowest possible price****—*see clause 64E;

***offered prices*** has the meaning given in clause 64F(1);

***price*** *—* see clause 64E;

***proportional conditional discount****—*see clause 64E;

***regulatory period***means a period during which a *VDO price determination* applies;

***representative customer****—*see clause 64E;

***type****—*see clause 64E;

***unconditional price****—*see clause 64E;

***VDO price****—*see clause 64E;

**(2) Replace the definition of *energy marketing activity* in clause 3 with the following:**

***energy marketing activity*** means an activity that is carried on to market, advertise or

promote:

(a) *customer connection services*; or

(b) *customer retail services*; or

(c) a supplier or prospective supplier of *customer connection services* or *customer retail services*,

to a *customer*;

**(3)** **After clause 25(1)(z) insert:**

(za)for electricity bills only,clear and simple information expressed in plain language on how to access the *Victorian default offer* from the *retailer*, displayed in a conspicuous manner on the front page of the bill with the following text: “The Victorian Default Offer is a reasonably priced electricity offer set by Victoria’s independent regulator. Contact us on [phone number] to discuss the suitability of this plan for you”.

**(4) In Division 10 Energy Marketing, replace the heading for Subdivision 1 Preliminary with the following:**

**Subdivision 1 Operation of this Division**

**(5) After clause 60 insert:**

**60A Requirement**

A *retail marketer* is required to perform its obligations under this Division in a way that promotes the objectives of this Division and each Subdivision.

**60B Objective**

The objective of this Division is to ensure that *retail marketers* carrying out *energy marketing activities* disclose to *customers* information regarding their plans in a clear and easily understood manner so as to assist *customers* to assess the suitability of, and select, a plan.

**60C Duty of retailer to ensure compliance**

A *retailer* must ensure that a *retail marketer* who is an *associate* of the *retailer* complies with this Division.

**Subdivision 1A Provisions from Australian Consumer Law**

**60D Misleading or deceptive conduct**

A *retail marketer* must not engage in misleading or deceptive conduct (within the meaning of sections 18(1) and 34 of schedule 2 of the *Competition and Consumer Act* 2010, modified by section 4 of the *Competition and Consumer Act* 2010) in connection with the supply or possible supply of goods or services or in connection with the promotion by any means of the supply or use of goods or services.

**60E False or misleading representations**

A *retail marketer* must not make a false or misleading representation (within the meaning of section 29(1) of schedule 2 of the *Competition and Consumer Act* 2010) in connection with the supply or possible supply of goods or services or in connection with the promotion by any means of the supply or use of goods or services.

**(6) After clause 64 insert:**

**Subdivision 2A Advertising conditional discounts to small customers**

**64A Objective**

The objective of this Subdivision is to ensure that *retail marketers* carrying out *energy marketing activities* refer to *conditional discounts* in a clear and easily understood manner so as to assist *customers* to assess the suitability of, and select, a plan.

**64B** **Manner of advertising conditional discounts**

(1) Subject to subclause (2), a *retail marketer* must state the conditions of the *conditional discount* clearly and conspicuously in any marketing, advertisement or promotion of prices or tariffsfor supplying *energy* to *small customers*.

(2) The *conditional discount* must not be the price-related matter that is mentioned most prominently in the marketing, advertisement or promotion.

**Subdivision 2B Advertising electricity prices**

**64C Objective**

The objective of this Subdivision is to ensure *retail marketers* carrying out *energy marketing activities* inrelation to the sale and supply of electricity refer to discounts in a consistent way to assist *customers* to compare plans.

**64D Application of Subdivision**

This Subdivision applies to *retail marketers* carrying out *energy marketing activities* inrelation to the sale and supply of electricity.

**64E Definitions**

In this Subdivision—

***advertisement:***

(a) subject to paragraph (b), means any mass-marketing communication (whether oral or in writing) that is published or transmitted by or on behalf of a *retail marketer* to publicise a *retailer*’s *offered prices* to *customers*;

(b) does not include any communication by a *retail marketer* directly with an individual *customer* regarding the *retailer*’s *offered prices*, provided that the *retail marketer* makes that communication in accordance with Part 2A of this Code;

***annual reference consumption*** for a *regulatory period*, in relation to supplying electricity in a *distribution zone* to a *customer* of a particular *type*, means the matters determined under clause 15(5) of the *VDO Order* for the *regulatory period* in relation to the supply;

**Note:**

See the note to clause 64F.

***conditional price*** for a *proportional conditional discount* means the total annual amount a *representative customer* would be charged for the supply of electricity in the *regulatory period* at the *offered prices*, assuming the conditions on the discount were met and disregarding any other *conditional discounts*;

***lowest possible price*** means the total annual amount a *representative customer* would be charged for the supply of electricity in the *regulatory period* at the *offered prices*, assuming the conditions on all *conditional discounts* (if any) mentioned in the *advertisement* were met.

**Note:**

If the *advertisement* does not mention any *conditional discounts*, the *lowest possible price* is the *unconditional price*.

***offered prices*** has the meaning given in clause 64F(1);

***price:***

(a) subject to paragraph (b) and (c), includes a tariff or charge of any description, including a recurring fee (for example, an annual membership fee);

(b) does not include any of the following:

(i) a one-off fee (for example, a connection fee or reconnection fee or an account establishment fee);

(ii) a fee for making, or failing to make, a payment in particular circumstances (for example, a credit card transaction fee or a direct debit dishonour fee);

(iii) a fee for a service provided on request on an ad-hoc basis (for example, a fee for a meter read requested by a *customer*); and

(c) does not include a *demand tariff*;

***proportional conditional discount*** means a *conditional discount* that is calculated as a proportion of all or part of the amount a *customer* is charged for the supply of electricity at the *offered prices*;

***representative customer***, in relation to supplying electricity in a *distribution zone* in a *regulatory period* to a *customer* of a particular *type*, means a *customer* of that *type* who is supplied with electricity in that *distribution zone* in the *regulatory period* in accordance with the *annual reference consumption* for that *regulatory period* in relation to the supply;

***type***means a type of *customer* in respect of which an *annual reference consumption* is determined under clause 15(5)(b)(i) of the *VDO Order*;

***unconditional price*** means the total annual amount a *representative customer* would be charged for the supply of electricity in the *regulatory period* at the *offered prices*, disregarding any *conditional discounts*;

***VDO price*** for a *regulatory period* in relation to supplying electricity in a *distribution zone* to a *customer* of a particular *type* means the estimated annual cost of the *Victorian default offer* determined under clause 15(4)(a) of the *VDO Order* for the *regulatory period* in relation to the supply.

**Note:**

See the note to clause 64F.

**64F Advertisements etc. must compare retailer’s prices with the VDO price**

(1) A *retail marketer* must not advertise *prices* for the supply of electricity (the ***offered prices***) unless the *advertisement* meets the requirements of subsections (2), (3) and (4).

(2) The *retail marketer* must state in an *advertisement* the following matters, making it clear that the matters relate to a *representative customer*:

(a) the difference between:

(i) the *VDO price*; and

(ii) the *unconditional price*;

expressed as a percentage of the *VDO price*;

(b) for each *proportional conditional discount* mentioned in the *advertisement*—the difference between:

(i) the *unconditional price*; and

(ii) the *conditional price* for the discount;

expressed as a percentage of the *VDO price*;

(c) the *lowest possible price*.

(3) The *retail marketer* must also state in an *advertisement*:

(a) the *distribution zone*; and

(b) the *type* of *customer*,

to which the *offered prices* relate.

(4) The *retail marketer* must state in an *advertisement* the matters required by subclauses (2) and (3) clearly and conspicuously.

**Note:**

The insertion of this clause does not provide for the matters provided for in subclauses 15(4) and 15(5) of the *VDO Order*. By the proviso to subclause 15(1) of the *VDO Order*, subclauses 15(4) and 15(5) of the *VDO Order* continue to apply.

**(7) Delete clause 67, and substitute it with:**

**67 [Not used]**

**Fixing market contract prices (recommendation 4A)**

**AMENDMENTS TO THE ENERGY RETAIL CODE: PRICE CERTAINTY AND EXEMPT MARKET RETAIL CONTRACTS**

**FEBRUARY 2020**

**Amendments made by the Essential Services Commission on 28/02/2020**

**1 Nature and commencement of this instrument**

(1) This instrument amends the *Energy Retail Code*.

(2) This instrument comes into operation on 1 July 2020.

**2 Table of amendments**

**(1) Insert the following definitions in clause 3 in the appropriate alphabetical positions:**

***applicable access arrangement*** has the meaning given in the *NGL*;

***network tariff change date*** means the date one calendar month after:

(a) in respect ofa*market retail contract* for electricity, the date on which the relevant *distributor’s* approved pricing proposal takes effect under clause 6.18.8(d) of the *NER*; and

(b) in respect of a *market retail contract* for gas, the date on which the relevant *distributor’s* reference tariff variation occurs under the terms of the *applicable access arrangement* for that *distributor*;

**Note:**

The Australian Energy Regulator approves annual pricing proposals for electricity distributors and reference tariff variations for gas distributors, and publishes details of those approved proposals and variations on its website.

***exempt market retail contract*** —see clause 52C;

***fixed price period***—see clause 45A;

***fixed price period contract***—see clause 45A;

***fixed term retail contract***—see clause 45A;

***VDO Order*** means the Order in Council made under s 13 of the *Electricity Industry Act* published in Special Gazette No. S 208, on Thursday 30 May 2019 and as amended from time to time;

***VDO price determination*** means a price determination by the *Commission* pursuant to the *VDO Order*;

**(2) Replace the definition of *Victorian default offer* in clause 3 with the following:**

***Victorian default offer*** means any offer to supply or sell electricity that is subject to a regulated price pursuant to the *VDO Order*;

**(3) Below clause 16(4) insert:**

**Note:**

Additional *explicit informed consent* requirements are imposed under clause 52D for the entry by a *small customer* into an *exempt market retail contract*.

**(4) Replace the heading for Division 7 after clause 45(5) with the following:**

**Division 7 Key requirements for market retail contracts and exempt person arrangements**

**(5) After clause 45AA(3) insert:**

**Subdivision 1: General**

**(6) In clause 45A, after the heading Definitions, delete the words “In this Division:” and insert:**

In this Subdivision:

***fixed price period*** means an initial fixed period during which a *retailer* is prohibited from increasing tariffs under the terms of a *market retail contract*;

***fixed price period contract*** means a *market retail contract* that provides that the *retailer* will not increase tariffs during a *fixed price period* of not less than 12 months;

**(7) In clause 45A, after the definition of *fixed term retail contract*, insert:**

**Note:**

Clause 47AB of this Code provides that the length of a *fixed term retail contract* must be not less than 12 months.

**(8) After clause 46A insert:**

**46AA Price certainty: Price increases may only be made on a network tariff change date or annually after a fixed price period**

(1) **Requirement of this clause**

A *retailer* is required to perform its obligations under this clause in a way that promotes the objective of this clause.

(2) **Objective of this clause**

The objective of this clause is to provide *small customers* with certainty that tariffs payable under a *market retail contract* (other than an *exempt market retail contract*) can be increased by a *retailer* only on a *network tariff change date* or as otherwise permitted by this clause.

(3) Subject to subclauses (4), (6), (7) and (8), a *retailer* must not increase any of the tariffs payable by a *small customer* under a *market retail contract* except with effect from a *network tariff change date*.

(4) Subclause (3) does not permit a *retailer* to increase any tariffs payable by a *small customer* under a *market retail contract* with effect from a *network tariff change date* if:

(a) the contract is a *fixed price period contract*; or

(b) the *retailer* is otherwise prohibited from doing so under the terms and conditions of the *market retail contract.*

(5) Subject to subclauses (6), (7) and (8), a *retailer* must not increase any of the tariffs payable by a *small customer* under a *fixed price period contract* except with effect from:

(a) the date on which the *fixed price period* expires; and

(b) each anniversary of that date*.*

(6) Subclauses (3) and (5) do not apply to tariffs payable by a *small customer* under an *exempt market retail**contract* provided that, for an *exempt market retail**contract* entered into on or after 1 July 2020, the *retailer* has complied with its obligations under clauses 16(4) and 52D of this Code to obtain the *customer’s explicit informed consent* to enter into that *exempt market retail**contract*.

**Note**:

*Exempt market retail contract* is defined in clause 52C of this Code.

(7) In the event that a *VDO price determination* is varied on account of an event that was uncertain or unforeseen by the *Commission*, subclauses (3) and (5) do not prevent a *retailer* from increasing any tariffs charged under a *market retail contract* with effect from the date one month after the date on which the variation to the *VDO price determination* takes effect.

**Note:**

Clause 13(3)(a) of the VDO Order permits the Commission to vary a VDO price determination if an uncertain or unforeseen event has occurred or will occur.

 (8) Subclauses (3) and (5) do not prevent a *retailer* from increasing any tariffs charged under a *market retail contract* at any time where:

(a) the increase to the tariff is a direct result of, and does no more than to give effect to, a tariff reassignment by the *distributor*; or

(b) the *market retail contract* is in respect of more than one premises and:

(i) the *customer* is or would be a *small customer* in relation to at least one of those premises; and

(ii) 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*.

**Notes:**

As to the upper consumption thresholds for *small customers*, *s*ee the notes under the definition of “*small customer*” in clause 3.

This clause does not apply in relation to changes to any feed-in tariffs payable to *small customers*.

This clause does not prevent a *retailer* from changing the tariffs of plans that it offers, advertises or markets to *customers* at any time*.*

**(9) After clause 47A insert:**

**47AB Duration of fixed term retail contracts**

(1) A *fixed term retail contract* must provide for a contract length of not less than 12 months.

(2) This clause is a minimum requirement that is to apply in relation to *small customer*s who purchase *energy* under a *market retail contract*.

**(10) After clause 52 insert:**

**Subdivision 2 Price certainty: Exempt market retail contracts**

**52A Requirement**

A *retailer* is required to perform its obligations under this Subdivision in a way that promotes the objectives of this Subdivision.

**52B Objectives**

The objectives of this Subdivision are to:

(a) identify what kinds of *market retail contracts* are *exempt market retail contracts* for the purposes of clause 46AA and this Subdivision;

(b) allow for retail product innovation through clause 52C; and

(c) provide for additional consumer protections for *small customers* who are party to *exempt market retail contracts*.

**52C Definition of exempt market retail contract**

In clause 46AA and this Subdivision, ***exempt market retail contract*** means a *market retail contract*:

(a) that includes a tariff that continually varies in relation to the prevailing spot price of *energy*; or

(b) under which a *small customer* pre-purchases a specified quantity of *energy*; or

(c) on terms and conditions in respect of which the *Commission* has granted an exemption.

**Note:**

The Commission has published a guideline regarding applications for and granting of exemptions for the purposes of clause 52C(c).

**52D Explicit informed consent—exempt market retail contracts**

(1) For the purposes of clause 3C(1)(a), the matters relevant to obtaining a *small* *customer’s* *explicit informed consent* to enter into an *exempt market retail**contract* include, but are not limited to:

(a) the fact that the tariffs may change more than once per year;

(b) the basis for the changes to tariffs;

(c) the estimated frequency of changes to tariffs;

(d) the fact that the *retailer* offers one or more other contracts (including, in relation to electricity, the *Victorian default offer*) under which tariffs will change only with effect from a *network tariff change date* or as otherwise permitted under clause 46AA of this Code.

**Note:**

Under clause 3C(1)(a), the matters above must be clearly, fully and adequately disclosed to the customer in plain English.

(2) The matters specified in subclause (1) must be displayed prominently in any document or electronic communication by which they are disclosed to the *customer*.

(3) This clause does not affect the application of Part 2A of this Code to an *exempt market retail**contract*.

**52DA Notice and reporting requirements—exempt market retail contracts**

(1) A *retail marketer* must not:

(a) supply or offer to supply energy; or

(b) advertise or market the supply of *energy,*

under an *exempt market retail contract* unless the *retailer* has complied with its obligations under this clause.

(2) A *retailer* must notify the *Commission* if, as at 1 July 2020, the *retailer* (or a *retail marketer* on its behalf) is:

(a) supplying or offering to supply *energy*; or

(b) advertising, marketing or promoting the supply of *energy*,

under any retail product that is an *exempt market retail contract*.

(3) A *retailer* must notify the *Commission* if the *retailer* (or a *retailer marketer* on its behalf) will, on or after 1 July 2020:

(a) supply or offer to supply *energy*; or

(b) advertise, market or promote the supply of *energy*,

under a retail product that would be an *exempt market retail contract.*

(4) A *retailer* who supplies or offers to supply *energy* under an *exempt market retail contract* must report to the *Commission* regarding that retail product*.*

(5) A *retailer* who notifies or reports to the *Commission* under any of subclauses (2), (3) and (4) must do so in the manner and form provided for by any guidelines published by the *Commission* under section 13 of the *Energy Services Commission Act 2001* (Vic).

**Note**:

The Commission has published a guideline regarding the manner and form in which retailers are required to give notice and report to the Commission under this clause.

(6) A *retailer* must ensure that a *retail marketer* who is an *associate* of the *retailer* complies with this clause.

**52E Tailored assistance to customers on an exempt market retail contract**

(1) If a *residential customer* who has entered into *an exempt market retail contract* becomes entitled to receive tailored assistance under Part 3, Division 3 of this Code, the *retailer* must:

(a) carry out a review to identify whether transferring the *customer* to a different plan would be likely to minimise the *customer’s energy* costs, and the review must be based on the *retailer’s* knowledge of the *customer’s* pattern of *energy* use and payment history;

(b) inform the *customer* of the outcome of the review; and

(c) if the *retailer* identifies a different plan that would be likely to minimise the *customer’s energy* costs, the *retailer* must:

(i) inform the *customer* of the plan that is likely to minimise the *customer’s energy* costs;

(ii) seek the *customer’s* *explicit informed consent* to transfer the *customer* to that other plan; and

(iii) provided that the *customer* gives *explicit informed consent*, enter into a *customer retail contract* in respect of that plan.

**Note:**

In relation to the supply of electricity, the plan to which a *customer* is transferred under subclause (1)(c) may be a contract under a *Victorian default offer*.

(2) This clause is in addition to, and does not derogate from, the operation of Part 3 of this Code in relation to a *residential customer* who is party to an *exempt market retail contract*.

**(11) After clause 79(6) insert:**

**Note:**

Additional tailored assistance obligations are imposed under clause 52E in relation to *residential customers* who are party to *exempt market retail contracts.*

**(12) In Schedule 3, after paragraph 4, insert:**

**5. Price certainty and exempt market retail contracts**

(1) Clause 46AA and Division 7, Subdivision 2 apply to *market retail contracts* entered into before, on or after 1 July 2020.

(2) Clause 47AB:

(a) applies to *market retail contracts* entered into on or after 1 July 2020; and

(b) does not apply to *market retail contracts* entered into before 1 July 2020.

**Protecting customers at the end of benefit and contract periods (recommendation 4D)**

**AMENDMENTS TO THE ENERGY RETAIL CODE: FIXED BENEFIT PERIOD UNDER MARKET RETAIL CONTRACTS TO APPLY FOR DURATION OF CONTRACT**

**FEBRUARY 2020**

**Amendments made by the Essential Services Commission on 28/02/2020**

**1 Nature and commencement of this instrument**

(1) This instrument amends the *Energy Retail Code*.

(2) This instrument comes into operation on 1 July 2020.

**2 Table of amendments**

**(1) Replace the definition of *fixed benefit period* in clause 3 with the following:**

***fixed benefit period*** means a period of a *market retail contract* (where the end date of that period is specified or ascertainable at the beginning of that period) during which a discount, rebate or credit (including a *conditional discount*) is available to the *customer*. For the purposes of this definition, the following are not discounts, rebates or credits:

(a) a concession or rebate provided by government in relation to the supply or use of *energy*;

(b) a feed-in tariff; or

(c) a contractual limitation on a *retailer’s* ability to vary a tariff or charge payable under a *market retail contract*;

**Note:**

A one-off rebate or credit (such as a one-off sign-on benefit) does not give rise to a *fixed benefit period*.

**(2) After clause 46AB, insert:**

**46B Fixed benefit period to apply for duration of market retail contract**

If a *market retail contract* provides for a discount, rebate or credit (including a *conditional discount*) to be made available to the *customer* for a *fixed benefit period*, 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*.*

**Note:**

By the operation of clause 15(2), this clause requires a *retailer* to continue any *fixed benefit period* for the full duration of the contract.

**(3) In Schedule 3, after paragraph 5, insert:**

**6. Fixed benefit period under market retail contracts**

Clause 46B applies to *market retail contracts* entered into on or after 1 July 2020.

**Regulating conditional discounts (recommendation 4E)**

**AMENDMENTS TO THE ENERGY RETAIL CODE:
CAPPING PAY-ON-TIME DISCOUNTS, AND
HONOURING PAY-ON-TIME DISCOUNTS FOR CUSTOMERS RECEIVING TAILORED ASSISTANCE**

**FEBRUARY 2020**

**Amendments made by the Essential Services Commission on 28/02/2020**

**1 Nature and commencement of this instrument**

(1) This instrument amends the *Energy Retail Code*.

(2) This instrument comes into operation on 1 July 2020.

**2 Table of amendments**

**(1) Insert the following definitions in clause 3 in the appropriate alphabetical positions:**

***pay-on-time discount*** means a *conditional discount* that is conditional upon the *customer* paying a bill on or before the *pay-by date*;

**(2) After Clause 46AA insert:**

**46AB Pay-on-time discounts to be capped (MRC)**

Any *pay-on-time discount* in a *market retail contract* must not exceed the amount that the *Commission* specifies in a guideline published under section 13 of the *Essential Services Commission Act 2001* that is in effect at the time that the contract or arrangement is entered into.

**(3)** **After Clause 83 insert:**

**Division 3A Pay-on-time discounts to be honoured**

**83A Objective**

The objective of this Division is to require *retailers* to honour *pay-on-time discounts* to *residential customers* who are in arrears and who are receiving tailored assistance.

**83B Application of this Division**

This Division applies to all *residential customers* who are in arrears under *market retail contracts*. Where a clause states it applies to *exempt person*s in one or more *categories* it applies to people who purchase electricity principally for personal, household or domestic use from an *exempt person* in the relevant *category* and who are in arrears under their *exempt person arrangement*.

**83C Pay-on-time discounts to be honoured**

(1) If a *residential customer* fails to pay a bill by its *pay-by date*, or by any extended *pay-by date* that the *retailer* has offered as standard assistance, and receives tailored assistance under this Division in respect of that bill, and:

(a) the *residential customer* later clears the arrears in respect of that bill; or

(b) the *retailer* later becomes entitled to withdraw tailored assistance to the *residential customer* under clause 83(1),

the *retailer* must not subsequently recover the amount of any *pay-on-time discount* in respect of that bill or any other bill whose *pay-by date* occurred while the *customer* was continuing to receive tailored assistance.

**Note:**

Clause 92(1) prohibits a *retailer* from commencing or continuing with proceedings for the recovery of arrears from a *residential customer* who is receiving standard assistance or tailored assistance under this Part.

(2) **Application of this clause to exempt persons**

This clause applies to *exempt person*s in the following *categories*:

VD2, VR2, VR3 and VR4.

**(4) In Schedule 3, after paragraph 6, insert:**

**7. Pay-on-time discounts**

(a) Section 46AB:

(i) applies to *market retail contracts* entered into on or after 1 July 2020; and

(ii) does not apply to *market retail contracts* entered into before 1 July 2020.

(b) Part 3, Division 3A applies to *market retail contracts* and *exempt person arrangements* entered into before, on or after 1 July 2020.

**Technical amendment**

**AMENDMENTS TO THE ENERGY RETAIL CODE: TECHNICAL AMENDMENT TO RETAILER OBLIGATIONS RELATING TO CUSTOMER TRANSFER**

**FEBRUARY 2020**

**Amendments made by the Essential Services Commission on 28/02/2020**

**1 Nature and commencement of this instrument**

(1) This instrument amends the *Energy Retail Code*.

(2) This instrument comes into operation on 1 July 2020.

**2 Table of amendments**

**(1) In clause 57, replace subclause (1):**

(1) A *retailer* must not submit a request for a transfer under the relevant *Retail Market Procedures* unless:

(a) the *retailer* has obtained *explicit informed consent* from the *customer* to enter into the *relevant customer retail contract*; and

(b) the *retailer* has a *customer retail contract* in place to enable the sale of *energy* to the *customer* at their premises.