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Essential Services Commission of Victoria Level 37, 2 Lonsdale Street Melbourne VIC 3000

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Onsite Energy Solutions Pty Ltd – submission due 5th February 2019 Helping customers engage confidently in the retail energy market

To Whom It May Concern,

Please find attached OES's submission in relation to the ESC's draft decision on helping customers engage confidently in the retail energy market.

Please do not hesitate to contact me should you require any further information or clarification.

Yours faithfully,

Ronald (Bryn) Dellar Chief Executive Officer / Executive Chairman Onsite Energy Solutions Pty Ltd



Attachment:

OES' submission: Helping customers engage confidently in the retail energy market

Context for OES submission:

As a new market entrant, OES currently operates with a restricted licence to service a limited number of small-scale customers in Victoria.

Draft decision 1: A new Victorian energy fact sheet

OES supports the Commission's decision to implement a Victorian energy fact sheet to provide transparency and consistency to customers to help assess and compare energy plans offered by retailers. However, the Commission should be careful to ensure that its regulations do not inadvertently curtail tariff innovation.

Draft decision 2: Form and content of new Victorian energy fact sheet

OES supports the Commission's decision to ensure consistency for customers and improve market efficiency by basing the form and content of the Victorian energy fact sheet on the Australian Energy Regulators' (AER) energy fact sheet.

Draft decision 3: Victorian energy fact sheet to include a comparison mechanism

OES supports the Commission's decision to require a comparison tool that uses typical customer usage profiles to estimate annual costs under the plan to help consumers compare alternatives. However, this requirement should only apply to (traditional) tariff plans for residential type customers where there is a cost uncertainty to customers (e.g. tariff plans based on cents per of future actual kWh energy consumption by the customer).

For tariff plans that offer a fixed monthly price (such as OES), regardless of the customer's future energy consumption, comparisons to a variety of "typical" customer usage profiles to estimate annual costs would be meaningless and potentially confusing for customers.

Draft decision 4: Incorporation of typical customer usage profiles that align with AER methodology

Where the provision of typical customer usage profile is appropriate and meaningful to customers, OES supports the Commission's decision to align with the AER methodology.



Draft decision 5: Making the Victorian energy fact sheet available to customers & Draft decision 6: Standardised format for referencing fact sheets in marketing material

The Commission should limit the obligation regarding the provisioning and referencing to a Victorian energy fact sheet at the marketing stage to generally available retail electricity plans.

OES' tariff offers will be specifically and uniquely developed for individual customer sites and tailored to the specific circumstances of that customer and their need(s), therefore, it will not be possible for OES to publish a generic energy fact sheet plan as part of general marketing activities (prior to developing a unique tariff offer for a customer).

For the avoidance of doubt, OES supports a requirement for a Victorian Energy fact sheet in the standardised format to be provided after/when a tailored or unique electricity tariff offer is made to a customer.

Draft decision 7: Consultation on technical matters

OES looks forward to making a further submission to the Commission when it releases its Consultation on technical matters in relation to draft decisions 2, 5 and 6, and the development of the methodology for the usage profiles in draft decision 4.

Noting our response to draft decision 3, OES generally supports the methodology to develop usage profiles as outlined by ACIL Allen Consulting at the ESC's workshop held on Tuesday 22nd January 2019.

Draft decision 8: Meter read provisions

OES supports the Commission's decision align the Energy Retail Code with the AEMC's final rule on estimated meter reads for customers with accumulation meters.