

The objective of the comparison site is to demystify the gas and electricity industry for the consumer, making the process of comparing available offers easy, fast and as accurate as possible.

For comparison sites to be 100% accurate we would need the following information:

- Meter type per household
- Usage (annual and seasonal)
- Accurate meter reading by retailer
- Distribution zone

At present the comparison sites are unable to be 100% accurate in their comparison as meter information is not available to comparison sites, therefore we are unable to identify the exact meter type of every householder in Australia. Should this information be available however, there would still be the issue of understanding each individual's usage and the times, peak, off peak, dates etc of this usage in order to understand the accurate measure of c/kwh per household.

We do not believe it is necessary for retailers to publish 'designated tariff types' on market offer bills as this would cause further confusion and still not providing 100% accuracy to the consumer. The consumer would be required to find and supply the following;

- Tariff type from bill
- Seasonal usage ie 4 bills
- Variety of usage figures ie off-peak, peak

The user would potentially get a slightly more accurate figure but this process would become cumbersome, time consuming, confusing and wide open to human error.

Solution

By providing comparison offers based on *most likely tariff rate* – all offers are compared on same measure – 'apples with apples'. As long as the product disclosure statement is provided with all pricing included, the customer is able to work out an accurate saving based on their current and new offers and the pricing for their postcode. Whatever their tariff, the saving will be reflected in the product disclosure statement.

The above solution is the most accurate to date as well as providing 'ease of use', optimal time and effort spent by consumers.

There is also the issue of identifying the distribution zone. Retailers charge different tariff rates based on a number of factors including the cost of distributing to your address. One consumer address may fall within two different distribution zones.

It is therefore essential for comparison sites to house clear Retailer Product Disclosure statements showing all tariff rates available for the selected offer, in order for consumers, once they have selected an offer to be able to identify all possible tariffs applicable to them.

Source

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