



AGL Energy Limited

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Mr James Clinch
Essential Services Commission
Level 37, 2 Lonsdale Street
Melbourne Victoria 3000

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Dear James

AGL Energy (AGL) welcomes the opportunity to provide feedback to the Essential Services Commission of Victoria (the Commission) on the proposed changes to the Energy Retail Code (the Code) around fixed benefit periods.

AGL is one of Australia's leading integrated energy companies and largest ASX listed owner, operator and developer of renewable generation. Our diverse power generation portfolio includes base, peaking and intermediate generation plants, spread across traditional thermal generation as well as renewable sources. AGL is also a significant retailer of energy, providing energy solutions to over 3.6 million customers accounts throughout eastern Australia.

AGL is a customer-focussed business and we endeavour to provide customers with products and services that best meet their diverse wants and needs. We have undertaken extensive consultation and research to obtain feedback on the ways in which we can better serve our customers. For example, AGL is developing solutions to help customers better manage their energy usage in their homes and business. Our Energy Insights initiative, part of a \$300 million program of digitally transforming how customers interact and engage with us, educates customers about the drivers of their own energy consumption and how to save on it. Other innovative offerings include our Self-Service Meter Read, our Prepaid Product and One Minute Move.

The price, product and service benefits that flow to customers from competitive energy retail markets are predicated on the ability of customers to participate effectively in those markets. AGL supports policy and regulatory reforms that remove barriers to consumer participation.

Prior to the Prime Minister commitment and subsequent Australian Energy Market Commission (AEMC) National Energy Retail Rules end of benefit change being made, AGL's approach for customers' whose end of benefit period had expired was to either continue the benefit for another benefit period (i.e., the discount does not change) or send a letter which informed the customer that they will be automatically rolled over onto a new discounted benefit period if they take no action. In either scenario, the customer continued to receive an ongoing discount and not placed on a Standing Offer.

Therefore, AGL supports the Commission's proposed amendment to the Code to mirror the amendments made by the AEMC in relation to retailers being required to provide a simple set of information to be communicated to customers prior to the expiry of the end of the benefit.

To complement the proposed end of benefit period Rule, the Prime Minister's commitments contain several other measures to simplify and improve the transparency of information and therefore make it easier for consumers to access and compare energy offers. AGL has already taken the initiative by implementing a simplification program of our retail tariffs that allows our customers to make easier comparisons across the AGL suite of products.



AGL is also playing an active role in the process of designing and testing solutions with customers on an industry wide Comparator metric. AGL has socialised a proposed price comparator with consumer and community groups and the Australian Energy Regulator (AER) and will continue to work with industry participants to ensure a meaningful and simple industry comparator is developed. AGL is also undertaking consumer testing of the Energy Price Fact Sheet for the AER as part of their Customer Price Information Review.

AGL would welcome the opportunity to share our work on simplifying and improving consumer information and participation with the Commission. Should you have any questions in relation to this submission please contact me

Yours sincerely,

(signed for electronic transmission)

Con Hristodoulidis
Senior Manager Regulatory Strategy