



GUIDELINE NO. 19

ENERGY PRODUCT DISCLOSURE

Issue 2

December 2005

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Amendment Record

Issue No.	Date	Nature of Amendment
2	7 Dec 2005	Insert new section 3 in relation to Offer Summaries and consequential amendments

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1. BACKGROUND

1.1 Purpose

This guideline has been issued to implement the obligation created by section 36A of the *Electricity Industry Act 2000* (Vic) and section 43A of the *Gas Industry Act 2001* (Vic). Those provisions create a statutory obligation to publish tariffs and terms and conditions of sale on the internet. *Orders in Council* define to whom those obligations apply (see definition of *specified retailer*) and this guideline sets out the detail of the statutory obligations, as required by the legislation.

This guideline therefore specifies the minimum requirements in relation to:

- (a) the process to be established by a *specified retailer* to enable *customers* to access relevant published information; and
- (b) the details and format for publication of energy *product information statements*.

This guideline also creates similar obligations for certain written information to be provided by *retailers* to *small retail customers*.

1.2 Legislative intent and context

The *Commission* understands the intention in creating the obligation to publish was to facilitate the growth and effectiveness of competition in the retail energy markets, by making comparison of market offers easier for *customers*, including by enabling use of the *Commission's* Energy Comparator tool.

In particular, where a *retailer* is a *specified retailer* with respect to a class of *small retail customers*, a customer within that class should be able to identify at least one indicative tariff applicable to their circumstances.

1.3 Authority

This guideline is prepared and issued under section 36A of the *Electricity Industry Act 2000* and section 43A of the *Gas Industry Act 2001* in relation to publication of information on the internet. Those sections of the Acts create a deemed condition in the licence of *specified retailers* requiring compliance with this guideline insofar as it requires or regulates *product information statements*.

The parts of this guideline concerned with *offer summaries* are prepared and issued under section 13 of the *Essential Services Commission Act 2001* (Vic). Each *retailer* must comply with those parts of this guideline under its retail licence.

1.4 Application date

The *product information statement* parts of this guideline have effect from 1 October 2005. The *offer summary* parts commence on 1 March 2006.

1.5 Copies of this guideline

Each *specified retailer* must publish and retain a copy of this guideline on its website.

2. PRODUCT INFORMATION STATEMENT

2.1 Process to access published details

A *specified retailer* must provide a link on the home page of the *specified retailer's* internet site so that a customer can easily access the *retailer's product information statements*.

A *specified retailer* must establish an online process by which a customer can easily identify the most relevant *product information statement* to their circumstances, by making a limited number of selections or answering a limited number of questions.

The *specified retailer* must not:

- (a) require¹ the customer to provide technical information, such as the customer's *meter type*, consumption, retail tariff, network tariff, distribution area, national metering identifier or meter installation registration number; or
- (b) request personal information about the customer, such as driver's licence number, address or date of birth;

before providing the *product information statement*.

2.2 No tariff applicable

Where the *specified retailer* determines, based on the information gathered about the customer, that there is no tariff available to the customer to which the obligation to publish applies, the *specified retailer* must electronically communicate this to the customer. This communication may include information about how the customer can obtain applicable tariff information.

2.3 More than one tariff applicable

Where the *specified retailer* is unable to determine, based on the information gathered about the customer, which of more than one *product information statement* applies, the *specified retailer* must either:

- (a) present a *product information statement* for one of the potentially applicable tariffs; or

¹ This clause is not intended to prevent retailers from asking questions about these characteristics. However, it cannot be mandatory that the customer provide the information in order to proceed through the online process and obtain a product information statement.

- (b) present a *product information statement* for each of the potentially applicable tariffs.

In doing so, the *specified retailer* must electronically communicate to the customer that it is not clear, based on the information gathered about the customer, which of more than one *product information statement* applies.

2.4 Information requirements

Each *product information statement* must at least include:

- (a) all fees and charges separately disclosed, including the tariff and early termination fees, if applicable;
- (b) the term of the contract and the termination notification required;
- (c) an explanation of how the tariff and other fees and charges can change, if applicable;
- (d) a complete description of all of the characteristics relevant to determining whether the tariff or term or condition is applicable to a customer ('eligibility criteria');
- (e) the following statement:

“Disclaimer - The costs and other information presented in this product information statement are based on the information provided by you and are indicative only. Please note that the estimates presented also do not include any network tariff rebate which may be applicable or any concession to which you may be entitled.”

- (f) the following statement:

“About this document

This product information statement is presented in accordance with the requirements of the Essential Services Commission (ESC) - the independent regulator of the retail energy industry in Victoria.

For information about the ESC’s product information requirements, choosing an energy retailer, or to compare this information with your current circumstances using the ESC’s Energy Comparator, visit www.esc.vic.gov.au.”

The *product information statement* must also include details of, if applicable:

- (g) rebates, other than government-funded rebates;
- (h) non-price incentives;
- (i) bill smoothing arrangements;
- (j) dual fuel arrangements;

- (k) where a different tariff is applicable at different times, when the different tariffs apply; and
- (l) where the *specified retailer* intends to make the tariff or any other element of the published details available only for a fixed period, the availability end date.

2.5 Format requirements

- (a) The *specified retailer* must title and refer to the published information as “Product Information Statement”;
- (b) The *specified retailer* must specifically identify each *product information statement* with a unique name or reference code or both;
- (c) All monetary amounts must be shown on both a GST-exclusive and GST-inclusive basis;
- (d) Variable fees and charges that relate to energy consumed must be expressed as cents per kilowatt hour or megajoule, as appropriate; and
- (e) Any fixed fees or charges relating to the supply of energy must be expressed as cents per day.

An example *product information statement* is set out in Schedule A for guidance purposes only. Published information may take different forms, provided that all of the requirements of this guideline are met.

2.6 Timing of updates

A *product information statement* must be updated within five *business days* of any change to the information presented in the statement. *Specified retailers* must maintain adequate records to substantiate compliance with this requirement.

2.7 Statement to be provided in writing

On request, a *specified retailer* must provide any published *product information statement* in writing.

3. OFFER SUMMARY

3.1 Offer summary to be provided

A *retailer* must provide an *offer summary* in writing to a *small retail customer*:

- (a) on request by the customer; and
- (b) when providing the customer the terms or information about the terms of a new retail contract.

3.2 Information requirements

Each *offer summary* must include at least:

- (a) the information set out in clauses 2.4(a) to (c) and (g) to (l);
- (b) In relation to any fixed fees or charges relating to the supply of energy, the number of days in the period to which the charge relates;
- (c) the following statement:
- “to compare this information with your current circumstances using the Essential Services Commission’s Energy Comparator, visit www.esc.vic.gov.au”

For the purpose of avoiding any confusion:

- the *offer summary* must be a separate document to the full contractual terms and conditions; and
- may include other information.

3.3 Format requirements

All monetary amounts presented on the *offer summary* must be shown on both a GST-exclusive and GST-inclusive basis.

4. OTHER REQUIREMENTS

All information in a *product information statement* or *offer summary* must be written in plain English and be designed to be readily understandable by *customers*. Additional information included in a *product information statement* or *offer summary*, beyond the requirements specified in this guideline, should be appropriate and not excessive.

In presenting a *product information statement* or *offer summary*, a *retailer* must comply with all applicable legislative and regulatory requirements, including, but not limited to, the *Privacy Act 1988* (Cth), *Trade Practices Act 1974* (Cth), *Fair Trading Act 1999* (Vic), and the *Code of Conduct for Marketing Retail Energy in Victoria*.

5. DEFINITIONS & INTERPRETATION

5.1 Definitions

In this guideline:

business day means any day other than a Saturday, Sunday or day appointed a public holiday under the *Public Holidays Act 1993* (Vic);

Commission means the Essential Services Commission established under the *Essential Services Commission Act 2001*;

customer has the meaning given under the *Energy Retail Code*;

offer summary means a statement prepared by a **retailer** pursuant to its obligations under clause 3 of this guideline;

Order in Council means the Order in Council made under section 7AA of the *Electricity Industry Act 2000* or made on under section 7A of the *Gas Industry Act 2001*, as appropriate;

meter type has the meaning given under the **Order in Council**;

product information statement means a statement prepared by a **specified retailer** pursuant to its obligations under section 36A of the *Electricity Industry Act 2000* and under section 43A of the *Gas Industry Act 2001*;

retailer has the meaning given under section 3 of the *Electricity Industry Act 2000* and under section 14 of the *Gas Industry Act 2001*.

small retail customer has the meaning given under section 3 of the *Electricity Industry Act 2000* and under section 14 of the *Gas Industry Act 2001*;

specified retailer has the meaning given under section 36A of the *Electricity Industry Act 2000* and under section 43A of the *Gas Industry Act 2001*;

5.2 Interpretation

In this guideline:

- (a) headings and footnotes are for convenience only and do not affect the interpretation of this guideline;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include any gender;
- (d) an expression importing a natural person includes any company, partnership, trust, joint venture, association, corporation or other body corporate and any governmental agency;
- (e) a reference to a clause is to a clause of this guideline;
- (f) a reference to any statute including an Act, regulation, proclamation, order in council, ordinance or by-law, includes all statutes, regulations, proclamations, orders in council, ordinances or by-laws varying, consolidating, re-enacting, extending or replacing them and a reference to a statute includes all regulations, proclamations, orders in council, ordinances, by-laws and determinations issued under that statute;
- (g) a reference to a document or a provision of a document includes an amendment or supplement to, or replacement or novation of, that document or that provision of that document;

- (h) a reference to a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns;
- (i) other parts of speech and grammatical forms of a word or phrase defined in this guideline have a corresponding meaning.

SCHEDULE A

Retailer Name

(Branding Banner)

Product Information Statement

This information statement presents a summary of the tariff and terms and conditions applicable to this offer. If you would like further information or are interested in taking up this offer, call [retailer contact details] for a specific quote.

Disclaimer - the costs and other information presented in this product information statement are based on the information provided by you and are indicative only. Please note that the estimates presented also do not include any network tariff rebate which may be applicable or concession to which you may be entitled.

Product Name and / or Code

PRODUCT DETAILS

[insert applicable details, such as, closing date, term and termination notification required, details of how tariffs can change, rebates, non-price incentives, bill smoothing and/or dual fuel arrangements]

ELECTRICITY

	Excluding GST	Including GST
Electricity Tariff Rates (Peak)		
[insert applicable details] (c/kWh)	XX.xxx	XX.xxx
Electricity Tariff Rates (Off-Peak)	XX.xxx	XX.xxx
Supply Charge (c/Day)	XX.xxx	XX.xxx

GAS

	Excluding GST	Including GST
Gas Tariffs		
Winter rate (c/MJ) (from 1 June to 30 September inclusive)	XX.xxx	XX.xxx
Non-Winter rate (c/MJ) (from 1 October to 31 May)	XX.xxx	XX.xxx
Supply Charge (c/Day)	XX.xxx	XX.xxx

ELIGIBILITY

The details presented in this Product Information Statement are for a [residential] customer located in the [insert] distribution area with a [insert meter type] and [insert any other eligibility criteria].

About this document

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