Switching energy retailers



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About EWON

The Energy & Water Ombudsman NSW (EWON) provides an independent way of resolving customer complaints about all electricity and gas suppliers in New South Wales and some water suppliers. Our service is free, fair and independent.

Contact EWON

FREECALL 1800 246 545*

Mon-Fri, 9am-5pm

FREEFAX 1800 812 291

FREEPOST Reply Paid 86550

Sydney South NSW 1234

INTERPRETER 131 450

TTY/VOICE 133 677

EMAIL omb@ewon.com.au
WEBSITE www.ewon.com.au

*If you are calling from a mobile phone, let us know and we will call you back.

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Choosing an energy retailer

You can buy electricity and gas from the standard retailer in your area, or you can take up a market contract with any other authorised retailer.

With a market contract, a retailer may offer you a special deal or discount if you agree to switch to them. When you agree, you enter into a market contract with the retailer.

Finding a retailer

To find a retailer or compare prices, visit www.energymadeeasy.gov.au or phone 1300 585 165. You can approach any of the retailers to find out what they offer. However, they don't have to offer you a contract.

What changes?

When you take up a contract, the terms and conditions under which you're supplied energy will change. The distributor that owns the network and reads your meter will stay the same. The quality of your supply won't change – your energy will come through the same poles, wires and pipes as before.

Take your time, shop around

Shop around to find an offer that suits your situation and budget.

Take your time – read all the terms and conditions before you agree to anything.

If you're not sure about the offer, ask someone you trust to check it for you. You can also contact EWON if you have questions about the contract.

① Make sure you ask your current retailer if they will charge you any fees for closing your account

Switching services and brokers

There are commercial companies that offer switching services. They act as brokers between you and the retailer. Typically these agents receive a commission from the retailer.

These companies may not represent all retailers and all the products on offer. This means they can't guarantee that you'll be offered the cheapest or the best product available. Check their terms and conditions before using their service to switch retailers.

Complaints we receive about switching:

"They said the rate was fixed, I thought this meant the price wouldn't go up "

"The marketer said it wouldn't cost anything to switch, but my old retailer charged me a termination fee"

"They didn't tell me the retailer could increase the price at anytime"

"They said it would be cheaper, but even with the discount I'm paying more"

"I agreed to receive information, I didn't agree to transfer my account"

"I signed the form to get rid of the marketer, but I forgot to cancel in the cooling off period"

"They didn't tell me that my rates would change if I installed solar panels"

Types of offers

Standing offer

All retailers must offer you a standard contract at 'standing offer prices'. These prices are set by the retailer and can be changed at any time. Details of a retailer's standing offer are published on their website.

Market offer

When you take up a special offer or deal, you enter into a market contract with the retailer. These contracts vary between retailers and contain various terms and conditions such as the duration of the contract and fees that may apply

The retailer sets the price and usually reserves the right to change it at any time

All market contracts have a ten day cooling off period. Within this period, you can cancel the contract by phone or in writing without penalty.

If you are opening a new account or you want to switch retailers, take your time to shop around and compare prices.

Don't assume that bundling your electricity and gas will be cheaper.

Comparing energy offers

Use the checklist below to compare offers.

- Price: Compare the rate with what you are currently paying. Check both the usage charge and the fixed service availability charge. If you have a time of use or smart meter, compare the off peak, shoulder and peak rates.
- Additional fees: Retailers can charge customers on market contracts a range of fees that may not apply to standard contracts. These include termination fees as well as fees to disconnect if you move out or use particular payment methods. Ask the retailer to detail all the fees, including network charges.
- Discount: If a discount is being offered, ask the retailer how and when it will be applied. Don't assume the discount applies to all the charges that make up your bill.
- Payment options: Make sure the retailer offers your preferred payment method. Ask them if they charge for using that payment method. Some retailers will charge you a fee if you pay by credit card, or if you don't pay by direct debit.
- Billing: Check how often you will receive a bill. This can vary between retailers and affect your budget.

- Green energy options: Your offer may include renewable or 'green' energy options. Usually it will cost you more to choose this option. If you're not sure what green energy is, ask the marketer to explain the option. Check that the green energy product is accredited under the GreenPower scheme. For information visit www.greenpower.gov.au.
- Contract roll over: Ask the retailer to explain what happens when the contract expires. Your retailer must advise you in good time before the contract ends so that you can make an informed decision about whether you'd like another contract with them or with another retailer. If you fail to contact your retailer, you may be charged a higher rate.
- Early termination fees: You may have to pay a fee if you end your contract early. The marketer must tell you about this fee before you agree to an offer. The fee must also be clearly stated in the terms and conditions.
- Moving house: Ask if you can transfer the contract and if they charge a fee for this. Some retailers charge a disconnection fee when a customer moves out of a property. Also, ask the retailer whether a new contract term starts if you move.





Energy marketers

Energy marketers who represent retailers must abide by the National Energy Retail Rules and the Australian Consumer Law.

They may make you an energy offer in person or by phone, email or internet. If you feel pressured, don't sign or agree to anything. Ask the marketer to come back or call you at another time. In order to make you an energy offer, a marketer will ask you how much you usually spend on electricity or gas. They will ask if you have a recent bill available, which will state your National Metering Identifier (NMI) for electricity or your Delivery Point Identifier (DPI) for gas.

You don't need to provide them with this information unless you are genuinely interested in an offer.

① You don't have to let a marketer into your home. Contact the retailer if you're not happy with a marketer's approach

When they approach you

A marketer must identify themselves and tell you the reason for their contact.

When they make you an offer

The marketer must fully explain the terms and conditions to you. They must tell you about:

- any fees or charges, including early termination fees
- the start date and duration of the contract
- your right to withdraw during the cooling off period
- your right to complain to the retailer and to EWON.

The marketer must obtain your informed consent before the contract is valid.

When you agree to an offer

The marketer must tell you about the ten day cooling off period. They must also provide you with a copy of your contract.

If you receive an energy rebate, you need to advise the marketer or the retailer so it is applied to your new account. Check your first bill to make sure the rebate has been applied.

Be aware that you are entering into a contract when you agree over the phone to establish or switch an energy account.

What marketers must not do

- Remain on your property after you have asked them to leave
- Engage in misleading or deceptive conduct
- Contact you outside the hours of 9am to 6pm weekdays, 9am to 5pm on Saturdays, or anytime on a Sunday or public holiday
- Contact you again within 30 days of you declining an offer
- Contact you again for two years if you ask them to remove your name from their marketing list

Misleading marketing

Beware of false and misleading statements from marketers such as:

"You must sign this to receive your energy rebate"

"Your supplier is going out of business. You need to sign with us or your power will be disconnected"

"I've been sent by the Government" $\,$

"You must show me your bills"

"Sign here to confirm I've spoken to you"

"The retailer I represent and your current supplier are the same company"

Complaining about a marketer

If a marketer pressures or misleads you in any way, contact the retailer they represent to complain. You can also contact EWON. We will take up the issue with the retailer. EWON reports these issues to the regulator.

Marketing to non-account holders

If someone else in your household agrees to a contract, your existing account may be closed.

If this happens without your consent you can ask for the contract to be cancelled. If you have problems with this, contact EWON for help.

Advocates and Powers of Attorney

Even if you are responsible for managing someone else's affairs, a marketer may set up a contract with that person, if they consent.

If this happens, contact the retailer and explain the situation. If the retailer refuses to cancel the contract, contact EWON for help.

How to avoid marketing

To avoid telemarketing calls, you can put your name on the Do Not Call Register. Phone 1300 792 958 or visit www.donotcall.gov.au.

To avoid door to door marketers, clearly display a sign saying 'No Marketers' (see sample below). According to the Marketing Code of Conduct, marketers must abide by these signs. If you have a sign displayed and a marketer visits your home, contact the retailer immediately or make a complaint to EWON.

SAMPLE SIGN



About the transfer process

When you agree to a contract, the transfer should happen after the next scheduled meter read. This means it can take a few months for the switch to go through. If there is a delay in the transfer, the retailer must notify you and advise you of the new expected transfer date.

Once the transfer is complete, you should receive a final bill from your old retailer.

If you believe your transfer is taking too long, contact your new retailer and ask why. If they can't explain the delay or you're not happy with their response, contact EWON.

Unrequested transfers

Sometimes customers are transferred or disconnected in error. Contact your retailer if you receive:

- a letter from another retailer advising that you are now their customer
- an unrequested 'final account' from your usual retailer.

If you are unable to resolve the unwanted transfer, contact EWON.

How can EWON help?

EWON can help with a range of marketing and transfer related problems. Contact EWON if:

- you are unable to find out who your retailer is
- your account has been transferred without your consent
- you are having trouble switching back to your old retailer
- you have been misled or pressured by an energy marketer
- your request to cancel a contract is not actioned.

Contact EWON on **1800 246 545** or visit **www.ewon.com.au**. If you are calling from a mobile phone, let us know and we'll call you back.

ASK BEFORE YOU SWITCH

To make an informed decision about whether an offer is better for you, you need to know the answers to these questions:

- How do the service access charges and energy usage rate(s) compare?
- ☐ What other fees and charges apply?
- Which part of the rate is fixed and which is subject to change?
- What components of the bill is any promised discount applied to?
- Does the new retailer charge a fee for early termination or to transfer the account if you move premises?
- Will your current retailer charge an early termination fee if you switch?
- What is the billing frequency and what payment options are available?
- If you are entitled to a rebate, will it be paid quarterly, six-monthly or annually?
- What is the contract length and does it rollover? If so, what rate is charged?



Thinking of switching retailers? Compare prices online at:

www.energymadeeasy.gov.au

A free electricity and gas price comparison website for energy customers, managed by the Australian Energy Regulator. For more information or for help using the site, phone the Australian Energy Regulator on 1300 585 165.

Tips for resolving complaints



If the call centre staff can't help you, ask to speak to a supervisor.

If the problem isn't fixed, contact EWON on freecall 1800 246 545 or visit www.ewon.com.au to make a complaint.

