



CHANGING ENERGY RETAILER

Information for residential and business energy customers

This information will help you if you're thinking of changing your energy (electricity or natural gas) company, or if you're contacted by an energy sales representative.

All Victorians can choose their energy (electricity and natural gas) companies.

Energy companies sell different products and services to attract customers. By shopping around you may save money or gain extra services. Some companies sell both electricity and natural gas—some sell electricity only. You can sign with the same company for electricity and natural gas, or with two different companies—it's up to you.

Types of contracts

You can choose a **Market Retail Contract** or a **Standing Retail Contract**. Read the contract terms and conditions carefully before agreeing to it.

A **Market Retail Contract** is one where you negotiate the terms—and give your explicit informed consent to those terms with your signature or a recording of your agreement if it's by phone. These usually have a 'contract term' (e.g. two years) and early termination or 'exit' fees if you cancel early.

A **Standard Retail Contract** is one where you just arrange for the electricity or natural gas connection on the company's standing terms.

You can ask for offers

Many people change energy company because a sales representative knocks on their door or phones and makes them an offer. Unless you're ready to make a decision, say clearly that you just want information. Ask for it to be put in writing so you can compare offers more easily—also ask for the 'offer summary'.

Comparing offers

The Victorian Government's *Victorian Energy Compare* website provides an independent **electricity (including solar) and gas price** comparison service: compare.switchon.vic.gov.au.

Check the offer details carefully

When changing energy companies find out if discounts offered apply to usage as well as Service to Property (STP) charges – many only apply discounts to energy usage. Also, STPs may be different for each energy retailer. An STP charge is a flat fee for each property - it is charged for accessing and maintaining the electricity and gas network. It isn't based on how much electricity or gas is used at the property and will be shown on the bill separately.

If you agree to change

Under sections 79 and 82 of the [Australian Consumer Law](#), when you enter a contract the company must give you certain information as soon as it can – make sure you understand what you're agreeing to.

Billing

If you say 'yes' to a sales representative from a different company, you will get a final bill from your old company and ongoing bills from your new company.

The change isn't immediate

Changing energy company can take several months—a transfer usually takes place on the date of the next scheduled meter read (electricity meters are usually read every three months, gas meters every two months).

Cooling-off period

You have up to 10 business days from agreeing to the contract to change your mind and cancel the contract without penalty. The 10-business day period starts the day after you receive the contract. If the contract is for a completely new connection, the cooling-off period is five business days.

Your distributor

Energy retailers sell electricity or natural gas while distributors control and maintain the poles, wires, pipes and meters. If you stay at the same property, your distributor will be the same no matter which retailer you choose.



Check your contract

Check that you're satisfied with:

- how and when you'll receive bills
- how you'll need to pay
- the prices and charges and how they may change, including during the contract term
- any charges for cancelling the contract before the end of the contract term (early termination fee)
- what happens if you change address.



Checklist

Don't know where to start? This checklist may help.

Things you can do:

- How and when do you use electricity/gas?** Does your energy usage change from bill to bill? Do you use more at peak times with everyone else, or off-peak? Are you planning changes that will affect your usage (e.g. new appliances, more people at home?)
- What kind of Market Retail Contract are you on now?** If you're already on a market contract, check whether your current company will charge you an exit fee – also called an early termination or cancellation fee.
- Are you being asked to sign for a fixed period of time?** Some market contracts are for fixed-terms—with an exit fee if you end the contract early. Watch out for this if you're likely to move before the contract term ends.
- Do you have off-peak electric appliances for hot water or heating?** If you do, ask the retailer whether you'll still get a cheaper off-peak electricity tariff to run these. Some retailers may not offer off-peak tariffs.
- Do you want to pay monthly or quarterly?** Some energy retailers offer monthly billing and plans which 'smooth' your payments out over the year—if you're on monthly billing your usage will be estimated and reconciled against the quarterly/bi-monthly reading of your meter.

- Do you owe your current electricity and/or gas retailer money?** If you owe your electricity company over \$200 or your gas company over \$100 for more than 40 business days, the company may block the transfer of your account.
- Will switching make energy cheaper?** You can use an independent **electricity (including solar) and gas** price comparator, Victorian Energy Compare, by visiting the Victorian Government's website at: compare.switchon.vic.gov.au. This price comparator will help you compare the various offers companies have available to you.
- Remember:** Companies don't have to act in your best interests—it's your responsibility to check and decide on what's offered.

Talking to your company:

- If you experienced aggressive, misleading, deceptive or pressure selling, advise the energy company of the marketer's details and when the marketing occurred. The company should investigate this conduct and take appropriate action.
- If you signed a contract under pressure ask for it to be cancelled.
- If you did not consent to the new contract or a transfer, ask the retailer to assist in a transfer back to your previous and preferred company. Don't forget to ask that any exit fees are waived.
- Also contact your preferred company and re-confirm your account details to make sure your transfer back to it goes ahead.
- If you do not want to be contacted by a particular company again, ask for your details to be put on its internal '**no-contact list**'.

Contacting EWOV:

- If you can't sort out the problem directly with your electricity or gas company, contact EWOV.
- Have **all your details ready**, including contracts, bills and your own notes.

More Information

If you'd like more information about energy marketing, EWOV's [Fact Sheet 14: Energy Marketing](#) has some helpful information, including how to register your phone number/s and property to avoid marketing. There is also an online video about energy marketing at ewov.com.au.