



11 December 2012

Dr Richard Chadwick
General Manager
Adjudication Branch
Australian Competition and Consumer Commission
GPO Box 3131
CANBERRA ACT 2601

By email: adjudication@accc.gov.au

Dear Dr Chadwick

Re: Application for minor variation to Energy Assured Limited Authorisation A91258 and A91259

Thank you for the opportunity to comment on Energy Assured Limited (EAL)'s application to the Australian Competition and Consumer Commission (ACCC) to vary its authorisation to include in the EAL scheme, door-to-door energy marketers that provide a comparator service (comparators).

The Energy and Water Ombudsman (Victoria) (EWOV) is an industry-based external dispute resolution scheme that helps Victorian energy and water customers by resolving complaints they have with their energy and water company.

EWOV supports the inclusion of comparators in the EAL scheme. This type of sales practice should meet the same standards and be subject to the same oversight as other door-to-door energy marketing methods.

The key public benefit of including comparators in the EAL scheme would be the disciplining and potential de-registration of individual door-to-door marketers who are found to have engaged in conduct prohibited under the *EAL Code of Conduct*¹. This includes sanctions for misleading marketing conduct, transferring customers without their explicit informed consent and ignoring no canvassing signs.

¹ See http://energyassured.com.au/newsite/wp-content/uploads/EAL_Code_Conduct.pdf.

Under the *EAL Code of Conduct*, door-to-door marketers who are de-registered cannot work for any energy retailer that is a member of the EAL scheme for a period of five years². They may however find work with a non-member. This is a limitation of the EAL scheme, as it allows de-registered marketers to work for a comparator and potentially continue with misleading and deceptive door-to-door conduct.

Comparators may also mislead customers because they do not provide an objective and accurate comparison between all available energy contracts³. They preference select energy retailers that provide them a commission, so accordingly only provide customers with limited choice. Some customers may not understand this relationship and believe that the offer presented to them is objective and the best available. The inclusion of comparators in the EAL scheme may mitigate this risk.

Further, as members of the EAL scheme, the EAL would offer comparators its experience in marketer recruitment, training and accreditation. This will encourage consistency in energy marketing standards and improve the customer door-to-door sales experience.

We trust that these comments are useful. Should you require further information or have any queries, please contact Justin Stokes, Senior Research and Communications Advisor on (03) 8672 4272.

Yours sincerely



Cynthia Gebert
Energy and Water Ombudsman (Victoria)

² See Clause 22 of the *EAL Code of Conduct* - http://energyassured.com.au/newsite/wp-content/uploads/EAL_Code_Conduct.pdf.

³ The Consumer Utilities Advocacy Centre produced a paper titled *Energy Switching Websites – A policy briefing paper* on recent CUAC initiated research into the performance of online energy market switching websites (May 2011). See http://www.cuac.org.au/index.php?Itemid=30&option=com_docman&limitstart=5.