

# Switching energy retailers and plans

## Information for Victorian electricity and gas customers

→ All Victorians can choose their energy (electricity and natural gas) retailer. Thinking of switching? This fact sheet will help you understand the various contracts and tariffs available.

### Types of contracts

#### Market Offers – electricity and gas

These are contracts offered by energy retailers who set the price of electricity and gas.

- They may have a contract term (e.g. two years) and early termination or 'exit fees' if you cancel early.
- They may include discounts if you meet certain conditions such as paying on time – **check the details carefully!** Some discounts may only apply to usage and not service charges.
- Contract prices can change at any time. You will be notified a minimum of 5 days before a change occurs.

If you are on a market contract it can be worthwhile to 'shop around' for the best deal available.

#### Victorian Default Offer (VDO)

– electricity only

This is an unconditional contract where the price of electricity (usage and supply) is set and regulated by the Essential Services Commission, based on where you live. The VDO is designed to be a 'fair and reasonable' price that will be reviewed annually from 1 Jan 2020.

Energy retailers must make the VDO available to all customers.

If you were on a Standard Contract prior to 1 July 2019, you would have been transferred automatically to the VDO.

**Note:** the VDO is not available for gas. Gas customers will remain on standing offer contracts.

### Comparing plans

#### How can I compare offers?

- See the Victorian Government's Energy Compare Website: [compare.energy.vic.gov.au](http://compare.energy.vic.gov.au) for help in choosing the right retailer for you.
- Ask the retailer to provide you with a standard fact sheet for each different plan they offer. This can help you compare different plans from the same retailer, or plans between retailers.

#### Best Offer notification

From 1 July 2019 onwards, your energy retailer will be required to compare its plans for you, and include a 'best offer' notification on your bill. This must happen at least once every three months for electricity and once every four months for gas, and will appear in a box next to the amount due on your bill. For more information see our fact sheet – 'What is a Best Offer? '.

### Common questions

#### What happens when I enter into a new contract?

**Clear advice:** Your new retailer must ensure that you understand the conditions of the contract you are entering into.

**Billing:** If you sign up with a new retailer, you will get a final bill from your old retailer and ongoing bills from your new retailer.

**Timeframe:** Changing energy retailers can take several months, depending on where you are in your billing cycle. A transfer usually takes place on the date of the next 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 without penalty. If the contract is for a new connection, you have 5 business days.

## What happens when my contract ends?

Your energy retailer must notify you at least **20 days** before the end date of your contract so that you can choose a new offer or change retailers. If you do not opt for another offer in time, you will be automatically rolled onto the Victorian Default Offer.

## What happens when my price changes or discount ends?

Your energy retailer must let you know at least **five business days** before the change takes effect.

## Charges on energy bills

*It helps to compare charges when choosing your energy retailer and selecting an offer.*

**Note:** all charges on your bill will be GST inclusive.

**Usage charge:** This charge is for the amount of energy you use. It is calculated as cents per kilowatt hour (for electricity) or cents per megajoule (for gas).

**Service charge:** This is a daily charge that accounts for the cost of supplying energy to your property. This will usually be calculated in cents per day, or may appear on your bill as a total amount for the billing period.

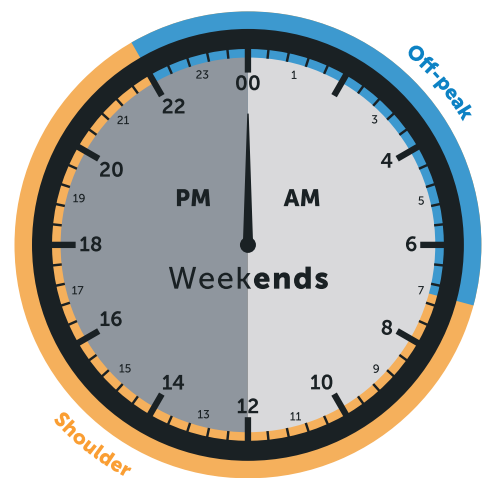
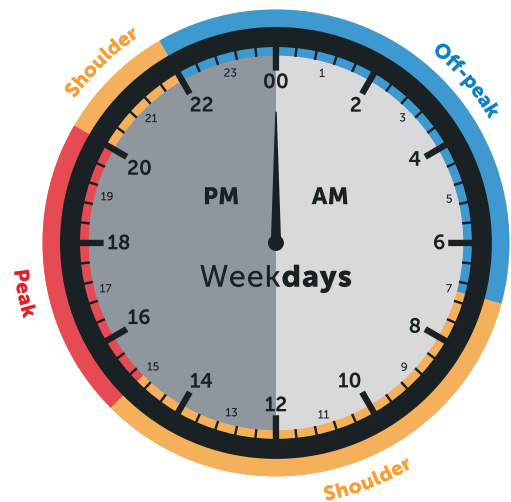
**Controlled load charge (if applicable):** Part of your electricity consumption may be metered separately (such as off-peak electric hot water, a heat-bank or underfloor heating), and charged at a different rate per kilowatt hour to your 'normal' usage charge.

**Time of use tariffs (if applicable):** Some market contracts may offer flexible energy pricing for the energy used at different times of the day. While each retailer sets the price and specific timeframes that apply, the day will usually be broken down into:

- **Peak:** when electricity costs the most (usually during the afternoon and early evening)
- **Off-peak:** when electricity is the cheapest (generally applies overnight)
- **Shoulder:** when electricity is less than peak but more than off peak (the time between the two tariffs)

You will need a remotely-read smart meter to be eligible for time of use tariffs. Most Victorian households have these.

*Flexible pricing is not for everyone* – while this could save you money on your bill, flexible pricing may only be effective if you consume the most electricity during the off-peak time and vice versa. If you have high electricity consumption at peak times of the day, flexible pricing may not be for you.



## Door to door and telemarketing sales

Door to door salespeople and telemarketers may try to sell you an energy plan. If you experience aggressive, misleading, deceptive or pressure selling, note the name of the marketing company and notify the energy retailer.

For more information, see our fact sheet – '[Energy Marketing](#)'.

- If you signed a contract under pressure, ask for it to be cancelled. Remember you are legally entitled to a 10-day cooling off period. You may cancel during the cooling off period for any reason whatsoever, without penalty.
- If you did not consent to a new contract or transfer, ask the new retailer to assist in a transfer back to your original energy retailer – and ask that exit fees are waived. Also contact your original retailer and re-confirm your account.

If your energy retailer can't resolve the issue, contact us!

## FOR FURTHER INFORMATION:

**Online:** ewov.com.au  
**Freecall:** 1800 500 509  
**Email:** ewovinfo@ewov.com.au

**Post:** GPO Box 469, Melbourne, Victoria 3001  
**Translating and Interpreting Service:** 131 450  
**National Relay Service:** 133 677