



Benchmark

Customer Charter

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1 Choice of retailer

Choice of retailer has been introduced for Victorian electricity customers.

Currently, most customers buy their electricity from a single designated company in their area. This company not only operates the “poles and wires” outside your property (distribution) but also sells you the electrical energy (retailing).

Starting from early 2002, all electricity customers will be able to choose the retailer they buy their electrical energy from.

If you consume more than 40 megawatt hours (MWh) per year (or spend more than around \$5,000 a year) you are already able to enter into a contract with your retailer of choice. If you consume less than 40 MWh per year you will have choice of retailer from early 2002.

2 The Customer Charter

Your retailer will be providing you with a Customer Charter, which is a summary of your rights and obligations under your contract with your retailer.

Your retailer will provide you with a copy of the charter in large print if you request it.

If retailers have a significant number of non-English speakers as customers, they will have Charters in relevant languages. You should contact your retailer for further information.

You will be provided with a copy of the Charter:

- *when you are connected at a new supply address or transfer to a new retailer;*
- *when you request, with a copy to be handed to you or posted within 48 hours of your request; and*
- *if you have not entered into a contract, as soon as practicable after 1 January 2001.*

This benchmark customer charter describes your basic rights and obligations in your relationship with your retailer. Your retailer's charter will reflect these basic rights and obligations, and may provide additional information. If you have any questions, or there appears to be information missing, ask your retailer.

3 Contractual arrangements

Historically, electricity customers have been supplied by electricity providers through contracts deemed to apply through legislation. Now, in the competitive market, customers can leave these deemed contracts and choose to enter individual contracts with any of the electricity retailers licensed in Victoria.

Deemed contract prices, terms and conditions are published, and your retailer will provide you with a copy of the contract on request.

If you explicitly enter into a contract with retailer, you are no longer a deemed customer. You may choose to enter a standing contract or a market contract with a retailer.

Standing contracts are contracts that the local “host” retailers (that is, AGL, CitiPower, Origin Energy, TXU and Pulse) are obliged to offer to their customers. The prices, terms and conditions of standing contracts are published.

Market contracts can be offered by any licensed retailer. Prices, terms and conditions of market contracts are not required to be published.

All contracts must not be inconsistent with the minimum standards determined by the Office and set out in the Victorian electricity Retail Code. The Retail Code is on the Office’s web site at <http://www.reggen.vic.gov.au/> and copies can be obtained from the Office and from your electricity retailer.

See page 7 for a diagram of the customer contract types and how the benchmark charter applies. You should be aware that in most circumstances you will not be able to return to a deemed contract once you have moved to a standing or market contract.

4 General

4.1 Purpose of the Customer Charter

When you read your charter, you should be able to understand:

- *its purpose;*
- *which contract - deemed, standing or market - applies to you, and where you can obtain a copy of the terms and conditions for that contract; and*
- *the relationship the contract has with the terms and conditions set by the Office (as set within the Retail Code), and where to obtain a copy of the Retail Code, as well as relevant guidelines referred to in the Retail Code.*

4.2 Distribution and retail functions

Whilst retail competition will allow you to change your electricity retailer, your current distributor will continue to operate the poles and wires in your area, and continue to be responsible for the reliability and quality of your electricity supply. Retail competition will not adversely affect the reliability and quality of your electricity supply.

Your charter will show clearly the difference between distribution and retail functions, and will help you to understand that distribution and retail business are different and independent functions.

4.3 Contact details

You should be able to easily locate the contact details (name, address, telephone and web site, where relevant) of:

- *your retailer;*
- *the Office of the Regulator-General; and*
- *the Energy and Water Ombudsman, Victoria.*

If the contact details of your distributor are not in the charter, your retailer will advise that it will assist you in providing these details on request.

5 Your basic rights and obligations under a deemed contract

Charters for customers who are on deemed contracts will state the following basic customer rights and obligations...

5.1 Your rights

You have a right to:

- be billed at least every three months, unless you agree otherwise and give explicit informed consent;
- receive a bill that conforms to your contract with the retailer, including that the bill will show the distribution charge if this is directly passed through to you;
- have each bill based on an actual meter reading (where your retailer has access to your meter) unless you agree otherwise and give explicit informed consent;
- a graph on each bill and a general summary of the information that will appear on each bill;
- a brief explanation as to the significance of the National Metering Identifier;
- request a review of a bill and to have adjustments to the bill if overcharging or undercharging occurs;
- a minimum of 12 business days to pay each bill, with disconnection action not starting until your retailer has provided you with adequate opportunity to pay your bills, including the provision of advice on financial assistance;
- reconnection if the reason for disconnection is resolved within 10 business days;
- pay in person, by mail and by direct debit;
- pay in advance;
- have a refundable advance returned within 10 business days if, as a domestic customer, you pay a year's bills by their pay by dates, or as a business customer, if you pay two years' bills by their pay by dates; or if you cease to take supply;
- request disconnection;
- receive the following information on request:
 - further information about the charges comprised in the amount payable under your bill;
 - a copy of the customer charter, and in large print on request;
 - a copy of the Retail Code, and in large print on request (some charges may apply);
 - advice on available tariffs;
 - your historical billing information, where you can obtain the previous two years' billing information free of charge once a year - charges may apply for further requests for information, and information that extends beyond the previous two years;
 - advice about the availability of financial counselling;
 - information on all concessions that apply to domestic customers;
 - energy efficiency advice;
- have your personal information kept confidential, unless otherwise allowed through guidelines set by the Office or other regulations; and
- make complaints to your retailer, and if not resolved, then contact the Energy and Water Ombudsman, Victoria.

If you are a domestic customer, you also have the right to:

- receive an instalment plan on request;
- ask for assistance when in hardship;
- not be disconnected for insufficient income unless you have not accepted an offer of an instalment plan from the retailer within 5 business days of the offer;
- have your financial circumstances taken into account when negotiating instalment plans or payment arrangements when in hardship; and
- receive a written summary of how your retailer assessed your financial circumstances and payment capacity, on request.

If you are a business customer, your retailer is not obliged to provide you with an instalment plan, but you may request your retailer to consider providing you with an instalment plan.

5.2 Your obligations

You must:

- provide necessary information to connect your supply;
- comply with the Distribution Code;¹
- pay by the pay-by date on the bill;
- give 3 business days notice of date of vacation of address, and a forwarding address;
- pay a refundable advance if required, where the advance should not be more than approximately 1.5 times the amount you are billed in a quarter - contact your retailer for any information you may require;
- contact your retailer on or before the due date if you are unable to pay your bill;
- provide safe, convenient and unhindered access to your premises; and
- advise a change to your contact details.

6 Reflecting your opportunity to vary your basic rights and obligations

Your retailer will explain to you how you have the right to vary your arrangements as a deemed customer and access standing and market contracts.

Your charter will make clear the two types of variations:

- Variations which necessitate a new contract, where you must enter into a new contract in order to obtain the benefits of the variations. If you do this you are no longer covered by the deemed contract.
- Variations which do not necessitate a new contract. For this type of variation you remain a deemed customer. These variations are only allowed when you agree to estimated meter readings, or negotiate a different billing cycle with your retailer.

If you agree to a variation of your basic rights and obligations, you must give your retailer your explicit informed consent.

7 Your basic rights and obligations under a standing or market contract

Standing contract and market contract charters will also show your basic rights and obligations from section 5, and the varied terms as they apply to the contract/s.

¹ The Distribution Code is on the Office's web site at <http://www.reggen.vic.gov.au> and copies can be obtained from the Office, or ask your retailer how a copy can be obtained.

7.1 Standing contracts

Your retailer will show in the charter how you may vary terms and conditions and access other standing or market contracts.

7.2 Market contracts

Market contract charters will state your rights and obligations as agreed in your contract. Retailers are not required to describe deemed or standing contracts in market contract charters.

Before you enter into a contract, it is recommended that you compare the terms of a contract offer made to you with the terms of supply under your existing arrangements and other contracts available to you.

8 Pricing Information

Your charter will clearly show how you can access the following information:

- your retailer's range of published prices;
- your retailer's additional retail charges, as allowed under the Retail Code;
- the network tariffs applicable to you; and
- how to obtain information about the retailer's market contract prices.

9 Credit checks

Your retailer must adhere to guidelines set by the Office when carrying out credit checks on customers.

The guidelines set out the rules around retailers' use and disclosure of customer credit information.

Your charter will advise you that your retailer may seek to carry out a credit check on you through a credit reporting agency. Before your information can be disclosed to a credit reporting agency, your retailer must have informed you that it might disclose your information for this purpose.

10 Termination of the contract

If you are on a market contract, your charter will advise you of your right to terminate your contract, any obligation you may have to provide notice to your retailer, and any penalties that may apply if you seek to terminate the contract before the contractual period has elapsed.

It is important that you keep your charter in a safe place so you can easily refer to it. When you are able to choose your electricity retailer, you should be aware of your rights and obligations so you can better compare the offers made to you.

Contract types from 2001 and the role of the benchmark customer charter



