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Essential Services Commission
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Melbourne, Victoria 3000

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Making an Energy Retail Code of Practice Consultation Paper

Meridian Energy Australia Pty Ltd and Powershop Australia Pty Ltd (**MEA Group or Powershop**) thanks the Essential Services Commission (**ESC**) for the opportunity to provide comments on the ESC's Making an Energy Retail Code of Practice Consultation Paper (the **Paper**).

Background on the MEA Group

The MEA Group is a vertically integrated generator and retailer focused entirely on renewable generation. Through our investment in new generation, we have continued to support Australia's transition to renewable energy.

Powershop is an innovative retailer committed to providing lower prices for customers and recognises the benefits to customers in transitioning to a more distributed and renewable-based energy system. Powershop has introduced numerous new, innovative, and customer-centric initiatives into the market.

Response

Powershop understands administrative changes are required to align the current Energy Retail Code (**ERC**) obligations into the new Code of Practice (**CoP**). We agree that duplication should be removed with this process but more importantly compliance activities should become more efficient for retailers to implement.

Powershop believes the ESC need to confirm the status of the various guidance notes relevant to the current ERC and advise if they are to be reviewed for consistency with the new CoP. Powershop also believes a start date of 1 July 2022 for the CoP will allow the ESC to provide retailers with the appropriate time for any potentially significant system and process changes.

Compliance and reporting system changes for regulatory change rarely have a minimal impact on a business, especially on obligations for life support and disconnection notices, with process and system changes at the operational level of the of the business requiring further consideration.

Finally, Powershop believes further formal reviews should be prioritised before and after both the draft decision and the final decision to this Paper, to ensure stakeholders are satisfied all instruments to deliver the Energy Fairness Plan are correct and consistent. For ease of implementation, this start date can also be applied to the ESC's Compliance and Performance Reporting Guideline review, alongside the 2022/23 Victorian Default Offer (**VDO**).

Please find below our responses to the two broad questions raised in the Paper.

1. Can you identify any issues with implementing the proposed Energy Retail Code of Practice, that we should consider?

The below responses refer to specific items from the CoP Powershop believe require further review with retailers to ensure they can be delivered without significant disruption by 1 July 2022.

Clause changes from current Energy Retail Code V21 to new Retail Code of Practice

Old Clause 25A of the ERC Greenhouse Gas Disclosures - Powershop wants the ESC to clarify why a requirement in the current Guideline 13 that refers to “customers that are not small customers”, but a new amended Guideline 13 now applies to “all customers”¹. This is a significant extension that goes beyond an administrative change and the scope of the Paper. Powershop believes further discussion is required with retailers, that should include an informed cost and benefit assessment before making this change.

Marketing Code of Conduct (Appendix C of the Paper)

Powershop supports the changes made to the CoP and the revocation of the Marketing Code of Conduct (**MCC**). Powershop agrees that No Contact Lists will only apply to small business customers consistent with the banning of cold calls and door to door sales for small customers under the EFP. Powershop also supports the removal of those clauses of the MCC and agrees these items are now adequately covered in the CoP with existing retail code and Australian Consumer Law requirements also relevant to avoid duplication.

Changes that incur costs for Powershop should be compensated in the next available VDO for 1 July 2022.

Powershop believes that with the Energy Security Board Post 2025 projects, Consumer Data Rights and 5 Minute Settlement impacting retail businesses, allowing adequate time for further reviews of the CoP will be crucial for accuracy and changes to compliance systems / reporting systems to take effect (e.g. new numbering requirements). Further time will also allow the ESC to consult on updating their guidance notes for accuracy, relevance and to also ensure consistency with the new numbering requirements, allowing time to consult on those guidance notes planned to be utilised in accordance with the EFP.

If you have any queries or would like to discuss any aspect of this submission, please do not hesitate to contact me.

Yours sincerely,



Powershop Australia Pty Ltd
Meridian Energy Australia

¹ Essential Services Commission Victoria, Making an Energy Retail Code of Practice, September 2021, Page 12