

# National Energy Retail Rules

## Version 10

### **Status Information**

This is the latest electronically available version of the National Energy Retail Rules as at 1 December 2017.

This consolidated version of the National Energy Retail Rules was last updated on 1 December 2017 as a result of the commencement of the following amendments:

Schedules 1 and 2 of National Energy Retail Amendment (Expanding competition in metering and related services) Rule 2015 No. 1

### **Application of the National Energy Customer Framework related Rule**

On 27 June 2012, the South Australian Minister introduced the National Energy Retail Rules under section 238 of the National Energy Retail Law (NERL) set out in the Schedule to the National Energy Retail Law (South Australia) Act 2011. These Rules commenced operation as a law of Tasmania, the Australian Capital Territory and the Commonwealth on 1 July 2012; South Australia on 1 February 2013, New South Wales on 1 July 2013 and Queensland on 1 July 2015.

These Rules do not apply in Victoria, Western Australia or the Northern Territory until the NERL is implemented as a law in that jurisdiction.

These Rules can also be found on the Australian Energy Market Commission's website under the 'National Energy Retail Rules', 'Rules made by the SA Ministers' tabs.

### **Provisions in force**

All provisions displayed in this consolidated version of the Rules have commenced. As at the date of this consolidation the Australian Energy Market Commission has made the following Rules under the National Energy Retail Law that have not yet commenced:

Schedule 1 of the National Energy Retail Amendment (Notification of end of fixed benefit period) Rule 2017 No. 2 commences operation on 1 February 2018.



**TABLE OF CONTENTS**

**Part 1 Preliminary ..... 1**

**Division 1 Introduction and definitions ..... 1**

1 Citation..... 1

2 Commencement ..... 1

3 Definitions..... 1

3A Savings and Transitional Rules..... 4

**Division 2 Consumption threshold matters ..... 4**

4 Business premises—separate application of upper and lower consumption thresholds ..... 4

5 Business premises—aggregated application of upper consumption thresholds by agreement ..... 5

**Division 3 Classification of customers..... 6**

6 Classification..... 6

7 Retailer initial classification of customers..... 6

8 Retailer reclassification of customers ..... 6

9 Distributor initial classification of business customers ..... 7

10 Distributor reclassification of business customers..... 7

11 Distributor classification and reclassification—requirements ..... 8

**Part 2 Customer retail contracts..... 9**

**Division 1 Standard retail contracts—terms and conditions generally ..... 9**

12 Model terms and conditions for standard retail contracts ..... 9

13 Application of provisions of these Rules to standard retail contracts..... 9

**Division 2 Market retail contracts—terms and conditions generally ..... 9**

14 Terms and conditions of market retail contracts..... 9

15 Application of provisions of these Rules to market retail contracts ..... 9

**Division 3 Customer retail contracts—pre-contractual procedures ..... 10**

16 Pre-contractual duty of retailers..... 10

17 Pre-contractual duty of distributors ..... 10

18 Pre-contractual request to designated retailer for sale of energy (SRC)..... 11

19 Responsibilities of designated retailer in response to request for sale of energy (SRC) ..... 12

**Division 4 Customer retail contracts—billing..... 13**

20 Basis for bills (SRC and MRC) ..... 13

21 Estimation as basis for bills (SRC and MRC) ..... 14

22 Proportionate billing (SRC and MRC) ..... 15

23 Bill smoothing (SRC) ..... 15

24 Frequency of bills (SRC) ..... 16

25 Contents of bills (SRC and MRC) ..... 17

26 Pay-by date (SRC) ..... 18

27 Apportionment (SRC) ..... 19

28 Historical billing information (SRC and MRC)..... 19

29 Billing disputes (SRC and MRC) ..... 20

30 Undercharging (SRC and MRC)..... 21

31 Overcharging (SRC and MRC)..... 22

32 Payment methods (SRC and MRC) ..... 23

33 Payment difficulties (SRC and MRC) ..... 24

34 Shortened collection cycles (SRC and MRC)..... 25

35 Request for final bill (SRC) ..... 27

**Division 5 Tariff changes..... 27**

36 Obligations on retailers (SRC)..... 27

37 Customer request for change of tariff (SRC)..... 28

38 Change in use (SRC)..... 28

**Division 6 Customer retail contracts—security deposits ..... 29**

39 Consideration of credit history..... 29

40 Requirement for security deposit (SRC and MRC) ..... 30

41 Payment of security deposit (SRC)..... 32

42 Amount of security deposit (SRC)..... 33

43 Interest on security deposit (SRC and MRC) ..... 33

44 Use of security deposit (SRC)..... 34

45 Obligation to return security deposit (SRC) ..... 35

**Division 7 Market retail contracts—particular requirements..... 36**

45A Definitions..... 36

46 Tariffs and charges..... 36

46A Explicit Informed Consent – Variation of tariffs, charges or benefits to the customer..... 36

47 Cooling off period and right of withdrawal—market retail contracts ..... 37

48 Retailer notice of end of fixed term retail contract ..... 38

49 Termination of market retail contract ..... 38

49A Early termination charges ..... 39

50 Small customer complaints and dispute resolution information..... 40

51 Liabilities and immunities..... 41

52 Indemnities..... 41

**Division 8 Deemed customer retail arrangements ..... 41**

53 Obligations of retailers..... 41

54 Formation of standard retail contract on incomplete request..... 42

**Division 9 Other retailer obligations ..... 42**

55 Referral to interpreter services ..... 42

56 Provision of information to customers..... 42

56A Energy consumption information - supply of electricity only ..... 43

56B Historical billing and energy consumption information - supply of electricity only ..... 43

57 Retailer obligations in relation to customer transfer ..... 44

57A Retailer obligations in relation to correction of transfers without consent .. 44

58 Notice to small customers on transfer..... 46

59 Notice to small customers where transfer delayed ..... 46

59A Notice to small customers on deployment of new electricity meters (SRC and MRC)..... 46

**Division 9A Retailer interruption to supply - electricity ..... 48**

59B Definitions..... 48

59C Retailer interruption to supply – electricity (SRC and MRC) ..... 49

**Division 10 Energy marketing ..... 50**

**Subdivision 1 Preliminary ..... 50**

60 Application of Division..... 50

**Subdivision 2 Providing information to small customers ..... 50**

61 Overview of this Subdivision..... 50

62 Requirement for and timing of disclosure to small customers ..... 50

63 Form of disclosure to small customers ..... 50

64 Required information ..... 51

**Subdivision 3 Energy marketing activities ..... 51**

65 No contact lists..... 51

66 No canvassing or advertising signs..... 52

67 Duty of retailer to ensure compliance ..... 52

68 Record keeping ..... 52

**Division 11 Miscellaneous..... 53**

69 Compliance by small customer who is not owner of premises..... 53

70 Termination of standard retail contract (SRC)..... 53

**Part 3 Customer hardship ..... 55**

71 Obligation of retailer to communicate customer hardship policy..... 55

72 Payment plans ..... 55

73 Waiver of late payment fee for hardship customer ..... 56

74 Payment by Centrepay (SRC and MRC) ..... 56

75 Hardship program indicators..... 56

76 Waiver of debt for hardship customer ..... 57

**Part 4 Relationship between distributors and customers..... 58**

**Division 1 Preliminary ..... 58**

77 Application of this Part ..... 58

78 Variation or exclusion of provisions of this Part by deemed AER approved standard connection contracts ..... 58

**Division 2 Customer connection services ..... 58**

79 Application for customer connection services ..... 58

80 Provision of information to customers..... 59

**Division 3 Deemed standard connection contracts ..... 60**

81 Model terms and conditions for deemed standard connection contracts ..... 60

**Division 4 Negotiated connection contracts ..... 60**

82 Small customer complaints and dispute resolution information..... 60

83 Liabilities and immunities..... 61

**Division 5 Distributor obligations to customers ..... 61**

84 Distributor service standards and GSL schemes..... 61

85 Fault reporting and correction..... 61

86A Provision of information - supply of electricity..... 61

86B Provision of information - supply of gas ..... 62

87 Referral to interpreter services..... 62

**Division 6 Distributor interruption to supply ..... 62**

88 Definitions..... 62

89 Distributor’s right to interrupt supply ..... 63

90 Distributor planned interruptions ..... 63

91 Unplanned interruptions..... 64

91A Metering coordinator and distributor to assist and cooperate - electricity... 64

**Division 7 Miscellaneous..... 65**

92 Compliance by small customer who is not owner of premises..... 65

**Part 5 Relationship between distributors and retailers—retail support obligations ..... 66**

**Division 1 Preliminary ..... 66**

93 Application of this Part ..... 66

**Division 2 Assistance and cooperation ..... 66**

94 Assistance and cooperation ..... 66

**Division 3 Information requirements..... 66**

95 Information about applicable tariffs, connection related information and other information ..... 66

96 Requirements for information..... 67

97 Distributor and retailer contact details ..... 67

98 Contact details for customers ..... 67

99 Information on distributor planned interruptions..... 67

99A Information on retailer planned interruptions – electricity ..... 68

100 Information on unplanned interruptions ..... 68

**Division 4 Shared customer enquiries and complaints..... 69**

101 Enquiries or complaints relating to the retailer..... 69

102 Enquiries or complaints relating to the distributor ..... 70

**Division 5 De-energisation and re-energisation of shared customer’s premises ..... 70**

103 De-energisation of premises by the distributor ..... 70

104 Notification of de-energisation ..... 70

105 Liability for ongoing charges..... 71

106 Re-energisation - gas..... 71

106A Re-energisation - electricity ..... 71

**Part 6 De-energisation (or disconnection) of premises—small customers ..... 73**

**Division 1 Preliminary ..... 73**

107 Application of this Part ..... 73

108 Definitions..... 73

109 Reminder notices—retailers..... 74

110 Disconnection warning notices—retailers and distributors ..... 74

**Division 2 Retailer-initiated de-energisation of premises..... 75**

111 De-energisation for not paying bill ..... 75

112 De-energisation for not paying security deposit ..... 77

113	De-energisation for denying access to meter .....	77
114	De-energisation for illegally using energy.....	78
115	De-energisation for non-notification by move-in or carry-over customers .	79
116	When retailer must not arrange de-energisation .....	79
117	Timing of de-energisation where dual fuel contract .....	81
118	Request for de-energisation .....	81
<b>Division 3</b>	<b>Distributor de-energisation of premises.....</b>	<b>82</b>
119	Grounds for de-energisation .....	82
120	When distributor must not de-energise premises.....	83
<b>Division 4</b>	<b>Re-energisation of premises .....</b>	<b>84</b>
121	Obligation on retailer to arrange re-energisation of premises .....	84
122	Obligation on distributor to re-energise premises.....	85
<b>Part 7</b>	<b>Life support equipment .....</b>	<b>86</b>
123	Application of this Part .....	86
124	Retailer obligations .....	86
124A	Registration details kept by retailer .....	87
125	Distributor obligations .....	87
126	Registration details kept by distributor .....	88
<b>Part 8</b>	<b>Prepayment meter systems .....</b>	<b>89</b>
127	Definitions.....	89
128	Disclosure requirements at energy marketing stage .....	89
129	System requirements .....	90
130	Trial period.....	91
131	Operating instructions to be provided.....	92
132	Consumption information to be provided .....	93
133	Limitation on recovery of debt .....	93
134	Credit retrieval .....	94
135	System testing .....	94
136	Overcharging.....	95
137	Undercharging.....	96
138	Illegal energy use .....	97
139	Life support equipment .....	97
140	Customer enquiries and complaints .....	97
141	Payment difficulties and hardship.....	98



142 Payment towards prepayment meter system account ..... 99

143 Tariffs and charges..... 99

144 Billing for other goods and services ..... 100

145 Customer termination of contract or request for removal..... 101

146 Different retailer..... 101

147 Deemed customer retail arrangements..... 102

**Part 9 Exempt selling regime ..... 105**

**Division 1 Preliminary ..... 105**

148 Definitions..... 105

**Division 2 AER power to exempt..... 105**

149 Individual exemptions..... 105

150 Deemed exemptions..... 105

151 Registrable exemptions and registered exemptions ..... 105

152 Conditions generally ..... 106

153 Conditions for deemed exemptions and registered exemptions ..... 106

**Division 3 AER Exempt Selling Guidelines ..... 107**

154 AER Exempt Selling Guidelines ..... 107

**Division 4 Provisions relating to individual exemptions ..... 108**

155 Application for individual exemption or variation of individual exemption 108

156 Public notice and submissions ..... 108

157 Deciding application ..... 109

158 Conditions for individual exemptions..... 109

159 Form of energy to be specified ..... 109

160 Notice of decision to grant application ..... 110

161 Deemed refusal ..... 110

162 Issue and public notice of individual exemption ..... 110

163 Notice of refusal..... 111

**Division 5 Public Register of Authorised Retailers and Exempt Sellers..... 111**

164 Public Register of Authorised Retailers and Exempt Sellers..... 111

**Part 10 Retail market performance reports ..... 112**

165 Purpose of this Part ..... 112

166 Contents of retail market performance report—retail market overview.... 112

167 Contents of retail market performance report—retail market activities report 112

**Part 11 Customer retail contracts—electricity consumption benchmarks ..... 114**

168 Purpose of this Part ..... 114

169 AER administration of electricity consumption benchmarks ..... 114

170 Retailer obligations—electricity consumption benchmarks ..... 115

171 Distributor obligations—electricity consumption information..... 115

**Part 12 National energy retail consultation ..... 116**

172 Customer Consultative Group..... 116

173 Retail consultation procedure ..... 116

**Schedule 1 Model terms and conditions for standard retail contracts..... 118**

**Schedule 2 Model terms and conditions for deemed standard connection contracts ..... 136**

**Schedule 3 Savings and Transitional Rules ..... 153**

**Part 1 Transitional Rules—NSW gas distributors ..... 153**

**Division 1 Application and definitions ..... 153**

1 Application..... 153

2 Definitions..... 153

**Division 2 Interim deemed standard connection contract ..... 154**

3 Required Alterations ..... 154

4 Inconsistency with access arrangements and reference services agreements 154

5 Retailer interface ..... 155

**Division 3 Deemed and existing contractual arrangements with customers and NSW gas distributors ..... 155**

6 Formation of interim deemed standard connection connect contracts on start date ..... 155

7 Existing contracts with large customers ..... 155

**Division 4 Transitional arrangements after the expiry date ..... 156**

8 Deemed standard connection contract to replace interim contract ..... 156

**Part 2 Transitional Rules —ACT gas distributor ..... 156**

**Division 1 Application and definitions ..... 156**

1 Application..... 156

2 Definitions..... 156

- Division 2**      **Interim deemed standard connection contract ..... 157**
- 3                  Required Alterations ..... 157
- 4                  Retailer interface ..... 157
- Division 3**      **Deemed and existing contractual arrangements with customers  
and ACT gas distributors ..... 158**
- 5                  Formation of interim deemed standard connection connect contracts on start  
date ..... 158
- 6                  Existing contracts with large customers ..... 158
- Division 4**      **Transitional arrangements after the expiry date ..... 158**
- 7                  Deemed standard connection contract to replace interim contract ..... 158
- Part 3**            **Billing-related transitional rules ..... 158**
- 1                  Definitions ..... 158
- 2                  Bill smoothing arrangement (Rule 23 NERR) ..... 159
- 3                  Bill frequency (Rule 24) ..... 159
- 4                  Undercharging (Rule 30) ..... 159
- 5                  Overcharging (Rule 31 NERR) ..... 160
- 6                  Payment methods (Rule 32 NERR) ..... 160
- 7                  Shortened collection cycles (Rule 34 NERR) ..... 160
- 8                  Enforcement of payment ..... 161
- Part 4**            **Miscellaneous transitional rules—initial NERR ..... 161**
- 1                  Definitions ..... 161
- 2                  Life support arrangements ..... 161
- 3                  Classification of customers ..... 162
- 4                  Existing aggregation arrangements (Rule 5 NERR) ..... 162
- 5                  Energy consumption benchmarks ..... 162
- 6                  Electricity consumption benchmarks not to apply in NSW ..... 162
- 7                  Interim bill benchmarks where legacy billing arrangements ..... 162
- 8                  Application of start and end meter reads on small customer bills ..... 163
- Part 5**            **Rules consequential on the making of National Energy Retail  
Amendment (Customer access to information about their  
consumption) Rule 2014 ..... 163**
- 1                  Definitions ..... 163
- 2                  Variation date ..... 163
- 3                  Effective date ..... 163
- Part 6**            **Rules consequential on the making of the National Energy  
Retail Amendment (Expanding competition in metering and  
related services) Rule 2015 ..... 164**

1 Definitions..... 164

2 Variation Date ..... 164

**Part 7 Rules consequential on the making of the National Energy  
Retail Amendment (Improving the accuracy of customer  
transfers) Rule 2017 ..... 164**

1 Definitions..... 164

2 Retail Market Procedures ..... 164

**Part 8 Rules consequential on the making of the National Energy  
Retail Amendment (Notification of end of fixed benefit period)  
Rule 2017..... 165**

1 Definitions..... 165

2 Benefit change notice guidelines ..... 165

3 Benefit change notice requirements..... 165