

# Introduction of Full Retail Competition

## OBJECTIVES

The Government wants all Tasmanian electricity customers to be able to choose their electricity retailer.

Full retail competition (FRC), giving choice of retailer to customers, will be introduced for all households and small businesses as part of the Government's broader energy reform program.

## FEATURES

Transferring customers from Aurora Energy to private sector retailers and opening the electricity retail market to full competition will involve significant change for Tasmanian electricity customers.

The reform process will need to be carefully managed and implemented in a sensible, staged manner that will ensure that customers understand their rights through the process.

Due to the way the National Energy Market works, the move from Aurora Energy to a market where multiple retailers can compete, is technically complex. It will take some time to establish all the necessary market processes and administrative arrangements for customers to be able to switch freely from one retailer to another.

The Government is putting in place a staged approach to the introduction of competition. There will be four stages to the transition and customers will be given more choices about their electricity retailer and product offerings at each stage.

## STAGE 1

From 1 January 2014, private sector retailers will commence selling electricity to households. Aurora Energy will cease retailing and Aurora's customers will be assigned to new retailers.

For the first three months of FRC (1 January 2014 to 30 March 2014), you will remain with your assigned retailer. You can either choose to stay on a regulated standard retail contract on the same terms and conditions as when you were with Aurora, or you can take up a new 'market offer' from your new retailer.

## STAGE 2

Between 1 April 2014 and 30 June 2014, you will have some additional choices. You will be able to remain with your assigned retailer on either their standard retail contract or on a market retail contract. Alternatively, you can move to the other initial retailer on either their standard retail contract or on a market retail contract.

While you will be able to switch between the two new retailers during this period, technical constraints will limit the number of customers that can be transferred in a month to 1 000. If this limit has been reached and you apply to switch retailers, you will be put on a waiting list and transferred as soon as it is technically possible.

## STAGE 3

From 1 July 2014 to 31 December 2014, you will be free to choose any type of contract with any retailer that is offering retail services in Tasmania, and not just the two initial. However, the 1 000 customer per month transfer limit will remain in place during this time.

## STAGE 4

From 1 January 2015 onwards, the limit on the number of transfers that can occur in any given month will be removed and you will be able to choose any product offering from any retailer operating in Tasmania.

For more information visit our website at: [www.electricity.tas.gov.au](http://www.electricity.tas.gov.au)