

## **BE AN INFORMED CONSUMER IF YOU ARE ENTERING INTO A MARKET CONTRACT FOR ELECTRICITY OR GAS**

### **EMBARGOED UNTIL FRIDAY 24 JUNE 2011 10.30AM**

IPART today advised NSW consumers to ask the right questions before entering into a 'market contract' for electricity or gas.

IPART recently approved increases in the regulated price of electricity and gas for small residential and business customers, which will apply from 1 July 2011. These increases apply to customers who are on regulated or 'standard contracts' with their energy retailer.

Retailers also offer 'market contracts' for electricity and gas, and the prices paid by customers on these contracts are often discounted compared to the regulated prices. Customers may be able to get a better deal by entering into a market contract.

However, before signing any market contract, we strongly recommend that consumers take a few steps to understand the deal being offered. We suggest you ask the energy retailer:

- ▼ What actual prices will I be paying, and how do these compare to the regulated prices in my area?
- ▼ When can these prices change under the contract?
- ▼ If the prices under the market contract can change on 1 July every year (as is often the case), what actual prices will I be paying after 1 July 2011? And how do these compare to the regulated prices after this date?
- ▼ How long do any discounts last?
- ▼ Is the contract for a fixed period?
- ▼ What happens if I want to end the contract before this fixed period is over? Is there an early termination fee?
- ▼ What happens when the fixed period ends?

IPART's CEO, Mr Jim Cox, said: "It is also a good idea for customers to compare the prices and charges being offered under a market contract with those of other energy retailers. IPART's myenergyoffers website ([www.myenergyoffers.nsw.gov.au](http://www.myenergyoffers.nsw.gov.au)) is an independent source of this information, which allows you to easily compare all the generally available gas and electricity offers in your area."

"We also recommend that you read the terms and conditions of the offer, and consider whether they suit your situation. For example, the terms and conditions will tell you what payment options are available, what will happen if you pay a bill late, whether you have to pay a security deposit and whether you will have to pay a penalty if you move house during the contract period" he said.

“Once you do sign a contract, there is a 10-day cooling off period. If you change your mind within this period, you can contact your retailer and withdraw from the contract without penalty.”

For further information, contact: James Cox PSM, Chief Executive Officer and Full Time Member  
T (02) 9290 8429