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I have connected to an energy company, what do I need to know?



## Energy contract

Once you choose a company to buy your energy from, you enter into a contract to pay for the energy they provide to your home.

The contract sets out:

- the prices you will pay for energy
- how long your contract is for
- whether you have to pay an exit fee to leave during the contract period
- how often you will get your bill and how you can pay (direct debit, BPay, Post Office).

## Energy bills

You can get monthly or quarterly bills for electricity and bimonthly bills for gas. There is important information on your bill. For tips on how to read your bill – see our [Bill Reading Factsheet](#). Everyone worries about their energy bills from time to time. The Victorian Government has rules to help anyone struggling to pay their bills. For more information see our [Payment Difficulty Factsheet](#).

## End of contract

If you do not do anything at the end of your contract, you will automatically be put on the Victorian Default Offer – the government's price for electricity or your companies best offer for gas. Alternatively, you can go on Victorian Energy Compare to see if there is an even cheaper energy plan for you.

[compare.energy.vic.gov.au](http://compare.energy.vic.gov.au)

## Frequently asked questions

### What are pay on time discounts?

Some energy plans have pay on time discounts, which reduce the total cost of the bill when you pay your bill by the due date. Discounts do not always mean you will get the cheapest bill. Some of the cheapest energy plans do not have pay on time discounts – they just start with cheap energy prices.

Only choose energy plans with a pay on time discount if you think you'll always be able to pay by the due date. If not, choose an energy plan that does not have discounts.

### How will I know if energy prices change?

Energy companies can only increase your energy prices once per year. The energy company must tell you about any price changes, at least five days before they change your prices. If you're unhappy with the new prices, shop around for something cheaper.

## Understanding energy



# 1

There are different companies that make, move and sell energy



Generators



Distributors



Retailers



The quality and reliability of our energy depends on the companies who make and move energy. You **cannot** decide which companies make or move the energy to use.

You **can** choose which company to buy your energy from. In Victoria, there are over 20 energy retailers to choose from.

# 2

You have a right to choose the best energy plan for you



Each company has a range of different prices for providing energy to your home – these are called energy plans. You pay for every unit of energy you use plus a daily fee to bring energy to your home.

It is important to choose the right energy plan and energy company, as the difference in costs between energy companies and energy plans can be hundreds of dollars. You have the right to choose the best energy plan for your home.



### Good to know

- Your energy plan does not affect the quality and reliability of the energy you get – all households access the same electricity and gas.
- Every company has many different energy plans. You and your neighbour can be with the same company but pay different prices for energy if you are on a different energy plan.
- Energy prices change over time, so you need to regularly check that you are on the right plan for your household.
- The Victorian Government has rules to make sure that your energy will stay connected even if your energy company stops operating. If this happens, your account will automatically be moved to another company.

# 3

Changing energy companies or energy plans



Changing energy plans is easy. It is not like mobile phone contracts - you do not have to pay out your contract. Just call the energy company you want to switch to and they will help you.



### Good to know

It is usually free to change energy companies and plans. At the most, you may have to pay \$20 to change companies.

Government rules mean that:

- Your energy stays connected when changing company.
- Your new company will take care of moving your energy bill to them.
- You only pay for the energy you are using with one company at a time (you will not get double charged).

# 4

Three options to find an energy plan for your home



### Best offer

Government laws mean that your energy company must tell you if you could save money on another plan with your energy company. Look for a box on the front of your energy bill every three months that says **'could you save money on another plan'**. If it says that you can save money, call your energy company and ask to be put on the Best Offer. This is the cheapest energy plan for your household with your energy company. Every energy company has an interpreter service. The telephone number can be found on your bill.

### Victorian Energy Compare

Victorian Energy Compare is a government website that compares all energy plans across all energy companies. By answering a few questions on the website, it will find the energy plans that are the cheapest for your home. The website is in English only so you may need someone to help you. Just go to [compare.energy.vic.gov.au](http://compare.energy.vic.gov.au)

If these sound difficult, ask for the Victorian Default Offer.



### Victorian Default Offer (VDO)

If you don't want to choose an energy plan, you can call your energy company and ask to be put on the Victorian Default Offer – the government's price for electricity.

This may not be the cheapest energy plan for your home but it's a fair price for electricity set by the Victorian Government. This price is the same across all energy companies.