

## Finder submission to the ACCC Inquiry into Electricity Supply in Australia

Thank you for the opportunity to provide input to the ACCC inquiry into electricity supply in Australia.

[Finder.com.au](https://finder.com.au) (“Finder”, “we”) is [Australia's most visited comparison site](#) with more than three million visits to the site per month. Finder compares over 50 product categories, including credit cards, home loans, savings accounts, personal loans and insurance products. Pertinent to this inquiry, we also compare energy contracts for both residential and business customers. Our free service is independently owned by two Australians: Fred Schebesta and Frank Restuccia.

Our response focuses predominantly on the end-user perspective as this is our primary audience, but we have also provided specific responses to question 3 and question 20 from the discussion paper document.

### **Broad consumer perspective:**

It is clear that there are several issues with the retail market for energy in Australia from a consumer perspective. We can break this down into a number of key themes:

- **Most Australians believe their energy bills are too high.**  
Finder research from April 2017 found that for 61% of Australians, the top complaint about their energy bills is that they are too expensive. Another survey in January 2018 found that 70% of Australians are actively taking measures to fight the rise in energy prices.
- **Many Australians find their energy bills too complicated.**  
Finder research from April 2017 showed that for 1 in 5 Australians, their main complaint is that the calculations on their bill are too complicated.
- **Most Australians do not shop around for a better deal on energy.**  
Finder research from May 2018 found that 27% of Australians have only ever been with one energy provider. This figure rises to over 57% if you add in Australians who have not changed to a new provider in the last two years.
- **Discounts can be an unhelpful distraction to many retail customers.**  
Finder research from July 2018 revealed that over half (55%) of Australian consumers choose their energy plan based on the actual rates an energy retailer offered compared to just 15% who choose their plan because of the advertised discount.

**Response to Questions 3: Which retail price data collected and reported on in REPI (as set out above) was insightful and should be produced on an ongoing basis as part of the monitoring function?**

Energy pricing information in Australia is highly opaque. Getting a clear picture of how much a given service will cost a residential or business consumer remains extremely difficult at best, and this creates a major barrier to switching to better deals.

As such, continuing to collect and publish actual pricing data, a task performed for the REPI analysis, would help create and sustain a more informed market.

Ideally, such data would be produced more frequently than twice a year, as the current reporting structure requires. Regardless, it should also be made available in a format such as a spreadsheet, CSV or an automated data feed that can be effectively used and analysed by third parties, rather than being trapped in a static report.

Lack of transparency is a major problem for consumers and has led to a number of the issues highlighted above in our consumer insights. We can see that consumers have very little information to guide effective switching decisions, and the information they do have is often unhelpful. The complex interactions between wholesale and retail pricing (highlighted in the ACCC research) exacerbate this problem.

Another key consideration is to ensure that data reflects the experience of all Australians. The ABS's energy price data, for instance, only covers capital cities. While this covers a large proportion of the population, it's important to ensure that rural and regional markets, which often have fewer providers and higher prices, are also considered.

**Response to Question 20: For information that needs to be requested from market participants, whether any information can be effectively captured via voluntary requests.**

Electricity retailers are generally reluctant to share pricing information that reflects what consumers actually pay, except in contexts where they are obliged to do so (such as the Energy Made Easy site). As such, voluntary requests seem unlikely to produce the required level of detail.