



Speech by

## Hon. Geoff Wilson

MEMBER FOR FERNY GROVE

Hansard Wednesday, 7 March 2007

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### MINISTERIAL STATEMENT

#### Energy Industry

**Hon. GJ WILSON** (Ferny Grove—ALP) (Minister for Mines and Energy) (10.09 am): As we move towards full retail competition in Queensland's energy market on 1 July this year, there will be significant marketing activity from energy retailers competing for new customers. Competition is a good thing. It creates new service and price offerings and more choice for consumers, but there must be a clear set of rules about marketing conduct. Retailers need and expect a level playing field with clear boundaries, and consumers need to have confidence in the market by knowing they have rights and protections as well.

To ensure that consumers get the best out of the new competitive energy market, the Queensland government has drafted the Electricity Industry Retail Marketing Conduct Rules which commenced on 19 January this year. These rules outline when retailers can telephone or visit potential customers and how they must identify themselves, and they provide fair and accurate comparisons and easy to understand information and contracts. Most importantly, these rules also outline a standard cooling-off period of 10 days for any customer contract. While no contract can legally take effect until FRC starts on 1 July, electricity retailers can approach potential customers with offers and contracts right now.

The experience of FRC in other states tells us that most retailers and their marketing contractors will behave responsibly, but there may be a minority that do the wrong thing. Even so, the rules are also designed to prevent misleading and deceptive marketing, pressure tactics or harassment of potential customers. Consumers can make complaints about marketing behaviour to the Energy Consumer Protection Office of my department or, from 1 July, to the new Energy Ombudsman for investigation. Penalties for breaches of the conduct rules are severe—up to \$100,000 for individuals and \$500,000 for corporations. Both the Queensland Competition Authority and the Energy Ombudsman have consumer consultative groups to ensure that the interests of everyday Queenslanders are looked after. These rules are an important safeguard for domestic and small business customers in the new retail environment in Queensland. They deliver certainty for retailers and customers alike.