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Introduction

- The NSW government requires that standard energy retailers offer green energy to customers opening new accounts. When opening a new energy account, a customer is now faced with a choice of taking up a green energy offer.
- Green energy options plus the wide range of energy contracts/offers/discounts have been confusing for many customers. Customers may not be sure what they are buying when they go green (eg. *what are certificates? how do I know the company will honour their commitment? who checks to see if the company is doing the right thing?*).

Complaints received by EWON

- EWON has received complaints from consumers
 - who have been pressured by a marketer to ‘do the right thing’ and take up a contract with a green energy component
 - who have been told by a marketer that they won’t be paying more to ‘go green’, but then receive a higher bill than before
 - who want to go green but will have to pay a termination fee to cancel their existing non-green contract
 - who have signed for offers such as energy saving globes then found they also signed a contract and their account is transferred without their consent
- Some people who have signed contracts with a green energy component have complained about problems also experienced by consumers on non-green energy contracts, for example
 - transfer between retailers (can take months)
 - billing methods (nominated monthly payments then reconciliation and a big bill)
 - payment methods (direct debit not post office or other convenient methods)
 - special offers (discounts are conditional)

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Tips for consumers

- **You don't have to take up the option of green energy.**
Green energy is worth supporting however it may not be an affordable option for you at the moment. If you don't take up a green energy option, you'll still get electricity supplied.
- **If you want to go green, you don't have to sign a market contract.**
Check with your standard retailer to see what green energy options they offer as part of your standard contract. If you do take up a green option what you purchase are Renewable Energy Certificates
- **Consider the extra cost and what you can afford.**
Energy price increases come into effect 1 July each year. Some customers in financial difficulty may find the additional cost of green energy too much.
- **Look for GreenPower accredited products.**
These products are audited by NSW government and the reports are available at www.greenpower.gov.au Non-accredited 'green' tariffs are not audited by the GreenPower Accreditation Program, and their claims to 'greenness' are therefore untested.
- **Research the green options provided by retailers.**
To compare green products visit: www.greenelectricitywatch.org.au (an independent website set up by environment groups) or www.choice.com.au (a not-for-profit organisation which researches and campaigns on behalf of consumers).
- **Want to know more about green energy or energy suppliers?**
Phone the Department of Water and Energy on (02) 8281 7777 or visit www.dwe.nsw.gov.au

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Green options for consumers

1. Standard supplier options – no contract

- All NSW standard suppliers offer their in-area customers GreenPower tariffs.
- Tariffs generally range from 10% to 100% GreenPower, but vary depending on the supplier.

2. Take up a market contract

- A number of retailers offer GreenPower tariffs, generally under fixed-term contracts

3. GreenPower credits

- Customers can stay with their existing electricity supplier but purchase GreenPower credits from an accredited provider (consumers choose the amount). Visit www.greenpower.nsw.gov.au for an up-to-date list of providers.
- By purchasing GreenPower credits consumers can neutralise carbon production associated with their use of electricity.

4. Sustainability, demand side reduction and greenhouse gas abatement schemes

- Companies that give away, or offer to install energy efficiency fittings such as compact fluorescent lights (CFLs) or water-saving showerheads, ask householders to nominate them as the ‘abater’ for the supply address by completing a form. They then use this authority to obtain NSW Greenhouse Abatement Certificates, which they can then trade on the market.
- These companies are registered under the NSW Greenhouse Gas Reduction Scheme (GGAS).
- Some licensed energy retailers may set up stalls at shopping centres and give away these products. At the same time they may try to sign up new customers to a negotiated energy supply contract. Be careful and take the time to read the form so you know what you are signing.
- Customers concerned about the activities of a company giving away or installing such products should contact the regulator IPART (Independent Pricing and Regulatory Tribunal) or visit www.ipart.nsw.gov.au for more information.

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General information

What is green energy?

- Energy from renewable resources – wind, solar, hydro, waste.

What is GreenPower?

- The GreenPower accreditation program began in New South Wales in 1997 and is now a national scheme managed by the NSW government.
- Accredited GreenPower electricity has to be sourced from new generators (commissioned or first sold after 1 January 1997).

What are consumers paying for?

- When purchasing a GreenPower product the customer is contributing to the development and ongoing viability of renewable energy generation.
- Green energy tariffs usually cost the consumer more because they are supporting the development of new renewable energy facilities. The cost increases according to the component of green energy (eg. 100% green energy is more expensive than 10%).

How does it work?

- The customer purchases a GreenPower product with a green energy component.
- The electricity retailer purchases an amount of Renewable Energy Certificates sufficient to match the green energy component.
- The GreenPower Accreditation Program audits retailers annually to check they have purchased the correct amount of green energy.
- The customer does not directly buy green energy or receive a different kind of electricity supply. The electricity supplied to their home remains the same.

About EWON

- The Energy & Water Ombudsman NSW (EWON) provides an independent way of resolving customer complaints about all electricity and gas suppliers in New South Wales and some water suppliers.
- The Ombudsman is independent and able to make decisions without any interference, based on what is fair and reasonable.
- EWON's service is free for consumers.
- For more information or make a complaint online visit our website www.ewon.com.au or contact EWON on
 - Freecall 1800 246 545
 - Freefax 1800 812 291
 - Freepost Reply Paid K1343, Haymarket 1239
 - Email omb@ewon.com.au