



The Hon Chris Hartcher

Minister for Resources and Energy

Special Minister of State

Minister for the Central Coast

MEDIA RELEASE

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NSW FAMILIES TO BE PROTECTED FROM EARLY TERMINATION FEES

The NSW Government will ban electricity retailers from charging an early termination or exit fee to households and small customers wanting to exit their electricity contract due to a change in the contract terms and conditions.

Energy Minister Chris Hartcher today announced that the ban would be introduced under the National Energy Customer Framework and would give NSW consumers additional protections from an increase in electricity charges above the notified price.

“The intended changes will provide ongoing protection for small and residential electricity customers from unjustified price increases and will give customers the right to switch retailers without paying fees if the terms of contract are amended,” Mr Hartcher said.

The changes will apply to any small customer where the retailer has notified the customer in writing of a change to the terms and conditions of their contract and the customer terminates that contract within 28 days of receiving notification from the retailer.

The NSW Government is working with NSW energy retailers to ensure they are able to meet their obligations under the national framework, following the passage of the legislation earlier this year.

“The NSW Government was one of the first to enact the national legislation, which will be effective once proclaimed,” Mr Hartcher said.

“But we first want to ensure that there are adequate consumer protection measures in place and we believe that there are a number of additional measures that should be included.

“The NSW Government is working to make sure that customers are covered by the protections under the national framework as well as other additional measures - including the banning of termination fees - so that NSW customers will have the strongest protections possible.

“The NSW Government is continuing to work with Federal Energy Minister Martin Ferguson to achieve these improvements in a manner that complements the national framework and is aiming for a start date of 1 July 2013.”