



# Methodology

## Gas: Value Rank

### 2019

### What does the Canstar Blue gas comparison tool compare?

Canstar Blue's gas comparison tool, allows consumers to compare the estimated cost of a plan against its included features, by providing an estimated annual cost, and feature score (out of 10) for each of these three main categories:

- **Customer Service and Support** – application channels, website and mobile usability, online help and support, call centre, and other support services.
- **Billing and Payments** – payment frequencies, statement and billing options.
- **Plan Flexibility** – fees and charges, contract specific terms, solar options, and additional services.

Canstar Blue considers most plan features relevant to consumers in the calculation of Value Rank. However, not every feature is included in the Value Rank, nor every feature that is relevant to you.

### What are the types of plans compared on the gas comparison tool?

Canstar Blue's gas comparison tool compares single rate plans. The following eligibility criteria are applied for single rate gas plans.

Plan Type	Description	Eligibility Criteria
<b>Single Rate</b>	<p>Standard residential retail single rate gas tariff for general residential mains gas supply.</p> <p>Consumers pay the same price for each Mega-Joule (MJ) used, or, a flat usage rate is charged for 'blocks' of gas consumed and could be limited amount per day, month, quarter, which may include a second block with a different usage rate applied, or, season.</p>	<p>Plan must be available under a single rate tariff which may be called:</p> <ul style="list-style-type: none"><li>• Seasonal tariff</li><li>• Tariff block</li></ul>

## How are gas usage estimates determined?

Canstar Blue's gas comparison tool allows consumers to enter in actual bill details to estimate annual gas usage; if a bill is not available, an estimated annual gas usage is determined via questionnaire, which queries certain variables which contribute to gas usage, and is based on the Australian Energy Regulator (AER) [electricity and gas bill benchmarks for residential customers 2017](#).

Canstar Blue takes into account a number of variables which determine the estimated amount of usage for a particular household. A combination of variables, such as location (i.e. state/territory), household size, and gas heater, produce 60 different consumer usage profiles with varied estimated annual usage. The following combination of variables determines the estimated usage for each profile:

State/Territory	Household Size	Loading Variables
ACT		
NSW	1	Gas Heater
QLD	2	
SA	3	or
TAS	4	<u>No</u> Gas Heater
VIC	5+	
WA		

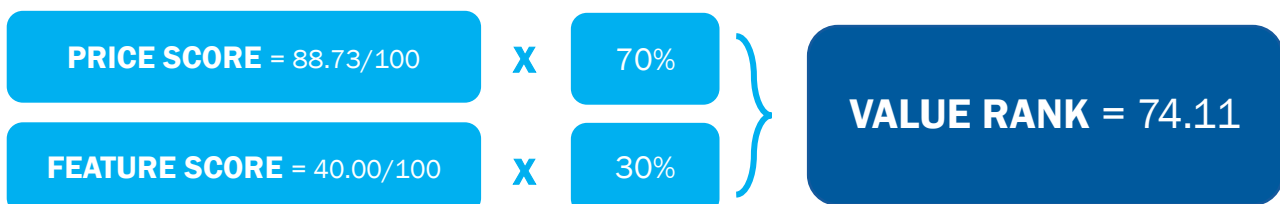
## How does it work? How is the display order determined?

The plan's Value Rank, or display order, is determined by the Price Score and the Feature Score. Canstar ranks gas plans based on value-for-money. Whereby, the Value Rank takes into account a plans' estimated cost and features offered as compared to the market. The plans that are lower in cost and have higher features will be ranked higher than plans which have higher cost and less features.



## TOTAL SCORE = PRICE SCORE + FEATURE SCORE

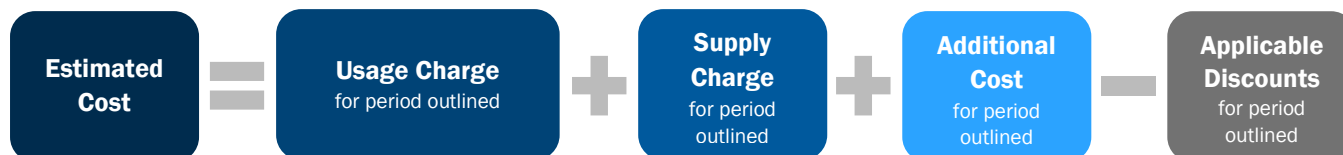
The plans are ordered by Value Rank (i.e. total score), which incorporates a price score weighted at 70% and a feature score of 30%. Below is an example of how the Value Rank score is derived, using the raw weighted figures from the price score and feature score.



## Price Score

The Price Score is based on the estimated cost of the plan for the period of the actual bill entered, or, for a 365-day, 12-month period. The estimated cost includes usage charges, supply charges, additional upfront and/or ongoing cost of the plan, and any discounts included in the plan. The lowest cost plan will receive the top score with all other plans receiving a score relative to the lowest cost plan.

The following is a general representation for calculating the estimated annual cost of a plan:



The following assumptions are applied in the calculation of the estimated cost:

Estimated Cost is based on the following:	
<b>Period</b>	Based on actual bill period, or, 365 days.
<b>Usage</b>	Based on either actual bill details or on postcode usage assumptions. Usage assumptions are based on data from the AER <a href="#">electricity and gas bill benchmarks for residential customers, December 2017</a> .
<b>Supply Charges</b>	Applied against the period outlined.
<b>Usage Charges</b>	Applied against the period and usage outlined with consideration to (where applicable): <ul style="list-style-type: none"> <li>• Single/Standard/All Usage Rate Pricing.</li> <li>• Usage Tiering (e.g. first 0 to a kWh is charged at x cents/kWh, second a to b kWh is charged at y cents/kWh, etc.).</li> <li>• Seasonal Usage (e.g. summer and winter pricing).</li> </ul>
<b>Additional Cost</b>	Additional cost of plan within the estimated cost of the period outlined which include: account establishment fees, connection fee, annual fees, and subscription fees.
<b>Discounts</b>	Guaranteed discounts are applied against the appropriate charges to the full period considered. Conditional discounts, such as direct debit, on-time payment, electronic statement and other conditional discounts are applied against the appropriate charges for a specified proportion of the period considered and is based on the condition applied. <i>Please see below for more details on discount scenarios.</i>

### Conditional Discount Scenarios

Canstar Blue’s price score considers the conditions, or, the restrictions placed on consumers on receiving a discount. The below scenarios weight the perceived difficulty of conditions applied to the discount received and the price score is the weighted average of the estimated cost with discount and estimated cost with no discount applied.

Discount Condition	Description	Price Score	
		incl. Discount	excl. Discount
<b>Unconditional Discount</b> (Guaranteed)	Discount is guaranteed and applied to usage, supply, or, whole bill for a specified benefit period, or, an ongoing benefit period.	100%	-
<b>Conditional Discounts:</b> Direct Debit, Pay on Time, Prepayment, and/or Email billing	Discount is conditional on payment through direct debit, on-time payment, prepayment, and/or receiving bill through email.	75%	25%

## Feature Score

Canstar Blue's gas feature scores use a unique methodology that compares the functionality and flexibility of energy providers and their plans. Over 100 features are captured on each plan and grouped into three categories as outlined below:

- **Customer Service and Support** – application channels, website and mobile usability, online help and support, call centre, and other support services.
- **Billing and Payments** – payment frequencies, statement and billing options.
- **Plan Flexibility** – contract specific terms, and additional inclusions.

The plan with the highest feature score is allocated the maximum score, with all remaining plans within the profile scored against it. Canstar Blue considers most plan features relevant to consumers in the feature score. However, not every feature is included in the feature score, nor every feature that is relevant to you.

Description	Weight	Examples of Features Captured
<b>Customer Service and Support</b>	<b>40%</b>	
Enquires	35%	Availability of call centre, store, online support, and other support services such as hearing impaired, vision impaired, and interpreter services.
Self Service	35%	Accessibility for customers to manage account online; accessibility of bill statements (including historical), and usage insights.
Customer Service Satisfaction	20%	Raw customer service score from Canstar Blue's customer satisfaction rating (if no rating, then weighted average).
Research, Tools & Education	10%	Accessibility to educational material, tools and calculators, FAQs, and community forums.
<b>Billing and Payments</b>	<b>30%</b>	
Payments	60%	Payment options, payment and account fees and charges.
Billing	40%	Billing options, frequency, alerts and notification.
<b>Plan Flexibility</b>	<b>30%</b>	
Contract Terms	70%	Conditions applied to discounts; contract and fixed-price periods; subscription plan energy allowance rollover/rebate.
Additional Inclusions	30%	Rewards programs, and bonus sign-up incentives.

The feature categories are displayed on Canstar Blue's comparison tool as a rounded number between 1 & 10. The raw weighted scores of the feature categories are used for this display purpose.



e.g. 1: A score of 85.00 for the category of 'Billing & Payments' is rounded to display as a '9'.

e.g. 2: A score of 67.35 for the category of 'Customer Service & Support' is rounded to display as a '7'.

e.g. 3: A score of 51.23 for the category of 'Plan Flexibility' is rounded to display as a '5'.

## Does Canstar rate all products in the market?

We endeavour to include the majority of product providers in the market and to compare the product features most relevant to consumers in our ratings. However, this process is not always possible and it may be that not every product in the market is included in the rating nor every feature compared that is relevant to you.

## How often are plans reviewed for the gas comparison tool?

Canstar monitors changes on an ongoing basis; the Value Rank, Pricing Score, and Feature Scores of each plan are calculated every day.

## How are the plans ordered?

Canstar ranks gas plans based on value-for-money. Whereby, the Value Rank takes into account a plans' estimated annual cost and features offered as compared to the market. The plans that are lower in cost and have higher features will be ranked higher than plans which have higher cost and less features.



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