

Electricity Value Rank

2022



What does the Canstar Blue electricity comparison tool compare?

Canstar Blue’s electricity comparison tool, allows consumers to compare the estimated annual price of a plan against its included features for each of these three main categories:

- Plan Flexibility – renewable and green energy offering, contract terms, and additional services and initiatives
- Billing and Payments – statement and billing options, payment options and payment frequencies
- Customer Service and Support – enquiries, self service, customer satisfaction, and research, tools & education

What are the types of plans compared on the electricity comparison tool?

Canstar Blue’s electricity comparison tool compares single rate and single rate with controlled load plans. The following eligibility criteria are applied for electricity plans.

Tariff Type	Description	Eligibility Criteria
Single Rate	<p>Standard residential retail electricity tariff for general residential electricity supply.</p> <p>Consumers pay the same price for each kilowatt-hour (kWh) used, or pay a stepped usage rate for ‘blocks’ of electricity consumed.</p>	<p>Plan must be available under a single rate tariff which may be called:</p> <ul style="list-style-type: none"> • Anytime rate • Flat rate • Peak rate • Standard rate • Tariff 11 <p>Does not include:</p> <ul style="list-style-type: none"> • Demand tariffs • Solar feed-in tariffs • Specific Controlled load plans • Tariff 12 • Time of Use tariffs
Single Rate with Controlled Load	<p>Residential electricity tariff dedicated to large, high energy-usage appliances that are often metered separately to the rest of the property and run on off-peak times (usually overnight).</p> <p>Controlled load tariffs may be used for hardwired appliances, such as, but not limited to, hot water systems, pool pumps, or, underfloor heating.</p>	<p>Plan must be eligible under single rate tariff (as above) with the availability of a controlled load tariff, or, plans must be a controlled load specific plan, which may be called:</p> <ul style="list-style-type: none"> • Controlled Load 1 • Controlled Load 2 • Off-peak • Tariff 31 • Tariff 33 • Two-rate tariff <p>Does not include:</p> <ul style="list-style-type: none"> • Tariff 35

How are electricity usage estimates determined?

New South Wales, South-East Queensland, and South Australia

Canstar Blue's electricity comparison tool is based on an estimated annual electricity usage from the Australian Energy Regulator's (AER) Default Market Offer (DMO) Price Determination for residential customers. Usage is split out per distributor region and tariff type.

State / Territory	Distributor region	Annual Usage Assumptions (in kWh)*		
		Single Rate	Single Rate + Controlled Load	
NSW	Ausgrid	3,900 kWh	4,800 kWh single rate	2,000 kWh controlled load
	Endeavour Energy	4,900 kWh	5,200 kWh single rate	2,200 kWh controlled load
	Essential Energy	4,600 kWh	4,600 kWh single rate	2,000 kWh controlled load
QLD	Energex	4,600 kWh	4,400 kWh single rate	1,900 kWh controlled load
SA	SA Power Networks	4,000 kWh	4,200 kWh single rate	1,800 kWh controlled load

source: Australian Energy Regulator - Default Market Offer - Final Determination - May 2022.

Victoria

Canstar Blue's electricity comparison tool is based on an estimated annual electricity usage from the Essential Services Commission's (ESC) Victorian Default Offer (VDO) Price Determination for residential customers. Usage is split out per distributor region and tariff type.

State / Territory	Distributor region	Annual Usage Assumptions (in kWh)*		
		Single Rate	Single Rate + Controlled Load	
VIC	AusNet Services	4,000 kWh	4,000 kWh single rate	2,000 kWh controlled load
	CitiPower			
	Jemena			
	Powercor			
	United Energy			

source: Essential Services Commission - Victorian Default Offer - May 2022.

Australian Capital Territory

Canstar Blue's electricity comparison tool is based on an estimated annual electricity usage from the Independent Competition and Regulatory Commission's Utilities (Representative Consumption) Determination. Usage is split out per tariff type.

State / Territory	Distributor region	Annual Usage Assumptions (in kWh)*		
		Single Rate	Single Rate + Controlled Load	
ACT	Evoenergy	6,100 kWh	6,300 kWh single rate	2,500 kWh controlled load

source: Independent Competition and Regulatory Commission - Notifiable instrument NI2022-311, Utilities (Representative Consumption) Determination 2022 - June 2022.

Tasmania

Canstar Blue's electricity comparison tool is based on an estimated annual electricity usage from the Australian Energy Regulator's (AER) Electricity and Gas consumption benchmarks for residential customers 2020. A household size of 3 people is assumed. Usage is split out for each climate zone and tariff type. For the Single Rate + Controlled Load assumptions, the single rate component uses the same figure from the Single Rate only assumptions. The controlled load component is then determined as 30% of the total usage.

State / Territory	Distributor region	Annual Usage Assumptions (in kWh)*			Climate Zone*
		Single Rate	Single Rate + Controlled Load		
TAS	TasNetworks	9,474.61 kWh	9,474.61 kWh	4,060.55 kWh	7
			single rate	controlled load	8

source: Australian Energy Regulator - Electricity and Gas consumption benchmarks for residential customers 2020 - June 2020.

*Postcodes are mapped to climate zones as per the Australian Building Codes Board.

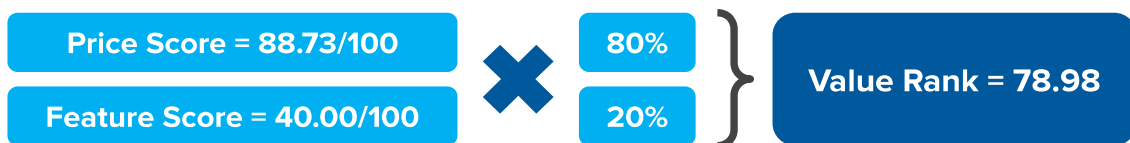
How does it work? How is the display order determined?

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



$$\text{VALUE SCORE} = \text{PRICE SCORE} + \text{FEATURE SCORE}$$

The Value Rank incorporates a Price Score weighted at 80% and a Feature Score weighted at 20%. Below is an example of how the Value Rank score is derived, using the figures from the Price Score and Feature Score.



Price Score

The Price Score is based on the estimated annual price of a plan. The estimated annual price includes usage charges, supply charges, 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 price of a plan:

$$\text{Annual Cost} = \text{Usage Charge (365 days)} + \text{Supply Charge (365 days)} + \text{Additional Cost} - \text{Discounts}$$

The following assumptions are applied in the calculation of estimated annual price:

Annual Cost (Estimate) is based on the following:	
Period	365 Days.
Usage	Based on distributor or postcode usage assumptions. Usage assumptions are based on: <ul style="list-style-type: none"> The Australian Energy Regulator's (AER) Default Market Offer (DMO) for QLD, NSW, and SA The Victorian Government's Victorian Default Offer (VDO) for VIC The Independent Competition and Regulatory Commission's Utilities (Representative Consumption) Determination for ACT The Australian Energy Regulator (AER) Electricity and Gas consumption benchmarks for residential customers 2020 for TAS.
Supply Charges	Considered over 365 days.
Usage Charges	Applied against the usage outlined with consideration to (where applicable): <ul style="list-style-type: none"> Single/Standard/All Usage Rate Pricing. Usage Tiering (e.g. first 0 to 10 kWh is charged at x cents/kWh, next 10 to 20 kWh is charged at y cents/kWh, etc.). Seasonal Usage (e.g. summer and winter pricing).
Controlled Load	Based on usage assumptions (as above), controlled load tariffs, and supply charges are applied.
Discounts	Where a discount is applicable they are applied against the appropriate (supply, usage or whole bill) charges. 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 and are assumed to be met 80% of the time.
Additional Costs	Additional cost of plan within the annual cost period which includes any annual fees, monthly fees or membership fees. Does not consider connection fees or account establishment fees.

Feature Score

Canstar Blue’s Energy Feature Scores use a unique methodology that compares the functionality and flexibility of electricity providers and their plans. Over 100 features are captured on each plan and grouped into three categories as outlined below:

- Plan Flexibility – renewable and green energy offering, contract terms, and additional services and initiatives
- Billing and Payments – statement and billing options, payment options and payment frequencies
- Customer Service and Support – enquiries, self service, customer satisfaction, and research, tools & education

The plan with the highest Feature Score is allocated the maximum score, with all remaining products within the profile scored against it.

Description	Weight	Examples of Features Captured
Plan Flexibility	40%	
Renewable and Green Energy Offering	50%	The presence of renewable initiatives such as solar and green offerings.
Contract Terms	40%	Contract and fixed-price period.
Additional Inclusions and Initiatives	10%	Rewards programs and bonus sign-up incentives.
Billing and Payments	30%	
Billing	40%	Billing options, frequency, alerts and notifications.
Payments	60%	Payment options, payment and account fees and charges.
Customer Service and Support	30%	
Enquiries	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 their account online; accessibility of bill statements (including historical), and usage insights.
Research, Tools & Education	10%	Accessibility to educational material, tools and calculators, FAQs, and community forums.
Customer Satisfaction	20%	Raw customer service score from Canstar Blue’s customer satisfaction rating (if no rating, then median score).

The feature categories are displayed on Canstar Blue’s comparison tool as a rounded number between 1 & 10. The unweighted 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 electricity comparison tool?

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

How are the plans ordered?

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



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