

Mozo Experts Choice Awards

RESIDENTIAL ELECTRICITY

Research Report
September 2016



as amended 5 October 2016

Mozo Experts Choice Awards

The Mozo Experts Choice Awards are an initiative that recognises Australia's best value products and helps Australians to save money by choosing better products.

The Mozo Experts Choice Awards are designed to recognise products that provide consumers with value for money. Mozo maintains an extensive database of products covering the majority of providers in each of the markets we service. We use this data to calculate the cost or benefit to the consumer of the key pricing elements in a product, after grouping products into categories so that we are comparing products of similar type. Experts Choice awards are given to those products that represent the best value in their category.

Within each category, awards are typically given to the top 10% of products based on the calculated value to the customer. All winning products are deemed worthy of consideration as a good value product in that category; we do not publish a ranking of products within the winners list.

Additional awards may also be given to recognise a product provider who has won more product awards than any other.

This report explains the methodology in detail.

This report has been amended twice since it was first released:

- on 30 September, to clarify the dates at which prices were gathered in Victoria, and
- on 5 October, to remove Alinta's Fair Deal 20 product from the Solar-friendly Electricity awards in NSW and SA, after Alinta advised that they did not offer solar rebate on that specific product at the relevant date. In their place, those awards were given to the next products in the rankings: Powershop Online Saver in NSW and Origin Energy Maximiser in SA.

Electricity

- what products do we consider?

Mozo considered all residential electricity plans available to the general public where energy price fact sheets were published on the retailer website. Electricity prices that require the consumer to also sign up to a gas plan were excluded, as were products not aimed at the general public, such as those only available to households with a swimming pool or those in a limited area.

We considered products in NSW, Victoria, South Australia, the ACT and in the contestable market in SE Queensland covered by the Energex electricity distribution network.

We grouped products into three categories for the awards:

- Electricity - all residential electricity plans are eligible;
- Solar-friendly electricity - only residential electricity plans that are compatible with existing roof-top solar panels are eligible;
- Greenpower - only residential electricity plans that allow the additional purchase of 100% Greenpower are eligible.

In carrying out the Mozo Experts Choice Residential Electricity research we analysed 266 different products from 26 different electricity providers, based on data contained in Mozo's product database as at 14 June 2016 and 14 September 2016 (except VIC where we used 14 December 2015 and 14 September 2016)

Mozo Experts Choice winners 2016

Electricity (NSW)

1) ELECTRICITY

Provider	Product
Alinta Energy	Fair Deal 20
Dodo Power & Gas	Market Offer
Simply Energy	Simply Plus

2) SOLAR-FRIENDLY ELECTRICITY

Provider	Product
Dodo Power & Gas	Market Offer
Powershop	Online Saver

3) GREENPOWER

Provider	Product
Red Energy	Easy Saver

Mozo Experts Choice winners 2016

Electricity (VIC)

1) ELECTRICITY

Provider	Product
Powershop	Online Saver
Simply Energy	Simply Plus
Sumo Power	36% Pre-pay Monthly

2) SOLAR-FRIENDLY ELECTRICITY

Provider	Product
GloBird Energy	GloSave
Powershop	Online Saver

3) GREENPOWER

Provider	Product
Red Energy	Living Energy Saver Green

Mozo Experts Choice winners 2016

Electricity (QLD - Southeast)

1) ELECTRICITY

Provider	Product
Dodo Power & Gas	Market Offer

2) SOLAR-FRIENDLY ELECTRICITY

Provider	Product
Dodo Power & Gas	Market Offer

3) GREENPOWER

Provider	Product
Diamond Energy	Retail Supply Offer

Mozo Experts Choice winners 2016

Electricity (SA)

1) ELECTRICITY

Provider	Product
Alinta Energy	Fair Deal 20
Powerdirect	Market Offer

2) SOLAR-FRIENDLY ELECTRICITY

Provider	Product
Origin Energy	Maximiser

3) GREENPOWER

Provider	Product
Diamond Energy	Retail Supply Offer

Mozo Experts Choice winners 2016

Electricity (ACT)

1) ELECTRICITY

Provider	Product
ActewAGL	Home Saver

2) SOLAR-FRIENDLY ELECTRICITY

Provider	Product
ActewAGL	Home Saver

3) GREENPOWER

No products were eligible for this award.

Electricity

- how are the winners determined?

Mozo Experts Choice Awards for Electricity are awarded in the following categories and based on the following methodology:

ELECTRICITY

Aim:

To identify the electricity products for residential customers that have represented the best value to consumers, over the recent past and across different customer scenarios.

Method:

We determined the value of a product by calculating the annual cost for a number of different scenarios, and then taking the average.

Within each State or Territory, our scenarios covered each combination of:

- each electricity distributor area;
- households with Low, Medium and High electricity usage;
- prices at 14 June 2016 and prices at 14 September 2016 (except VIC where we used 14 December 2015 and 14 September 2016).

Household usage estimates were based on Statewide usage benchmarks for each State or Territory as published by the Australian Energy Regulator. Refer to Appendix 2 for details.

Cost calculations were based on single rate tariffs, guaranteed discounts and any conditional discounts for paying on time, direct debit, paying online or in advance, or e-billing. Discounts for combining gas and electricity plans were not included.

Upfront one-off credits or incentives were not included in the cost calculations.

Upfront one-off joining fees were included fully in the annual cost.

The judges felt that their usual practice of awarding the top 10% in each category would result in too many awards relative to the number of providers and market offers. As a result, they restricted the winners list to 3 awards in each of NSW and VIC, two awards in SA and one award in each of QLD and the ACT.

SOLAR-FRIENDLY ELECTRICITY

Aim:

To identify the electricity products for residential customers that have represented the best value to consumers, over the recent past and across different customer scenarios, and that are available to homes with existing rooftop solar panels.

Method:

Calculations in this category consisted of two parts:

- The cost of electricity drawn from the grid. This calculation followed the same approach as the Electricity category, except:
 - Only Medium and High energy use households were considered.
 - The energy usage assumptions were reduced to reflect that some of the household's needs would be met by solar-generated power.
- The feed-in rebate earned by selling unused solar power back to the grid. We assumed no eligibility for any Government bonus schemes.

To enable these calculations, we had to make assumptions about the amount of power generated by solar panels, and the percentage of this power that the household used.

- To estimate the power generated from solar panels, we sourced data from a calculator published by the U.S. National Renewable Energy Laboratory. This calculator factors in location, to get accurate readings on hours and angle of sunlight, and so the figures are appropriate for Australian conditions. See Appendix 2 for details.
- We assumed that 50% of the solar-generated energy was used by the household, the rest sold to the grid and none stored. This percentage will vary greatly from household to household, as it depends on the time of day that energy is used relative to when it is generated. We were unable to find published data to support this assumption. However, we did run scenarios with higher and lower percentages and we found that the average of a range of scenarios gave results very similar to a single scenario using the mid point of the percentages. Therefore, we consider the 50% assumption to be a reasonable proxy for the average of a range of different household behaviours.

The judges felt that their usual practice of awarding the top 10% in each category would result in too many awards relative to the number of providers and market offers. As a result, they restricted the winners list to 2 awards in each of NSW and VIC, and one award in each of QLD, SA and the ACT.

GREENPOWER

Aim:

To identify electricity products for residential customers that have represented the best value to consumers, over the recent past and across different customer scenarios, and that actively support renewable energy development via Greenpower and don't support coal-fired electricity generation.

Method:

Calculations in this category followed the same approach as the Electricity category, except with the additional cost of 100% Greenpower.

Products were excluded if offered by a retailer that owns coal-fired electricity generation assets, either directly or via their parent company, as reported by the Greenpeace / TEC Green Electricity Guide 2015. See Appendix 2 for details.

The judges felt that their usual practice of awarding the top 10% in each category would result in too many awards relative to the number of providers and market offers. As a result, they restricted the winners list to 1 award per State. No products in the ACT met the eligibility criteria.

Mozo Experts Choice Awards

- how we manage conflicts of interest

Mozo Experts Choice awards are based on objective verifiable facts and analysis wherever possible, and any assumptions made are set out in this report. Mozo's research team analyses product data and determines the winners in each Mozo Experts Choice category without reference to Mozo's sales or commercial functions. Our internal structures help to avoid conflicts of interest arising between our research team and other areas of the business in the generation of our research reports.

A provider can participate in the Mozo Experts Choice Awards free of charge.

Mozo charges a licence fee to providers should they wish to use the Mozo Experts Choice Awards badges in their own marketing activities. Mozo may also offer promotional packages that may be purchased.

A product provider may also choose to list its products on the Mozo website in a way that may generate revenue for Mozo.

Mozo Experts Choice awards are awarded irrespective of a product provider's commercial relationship with Mozo.

DISCLAIMER:

Any statement in this document is general in nature and does not take into account your situation or needs. Before choosing an energy product, you should consider whether it's appropriate to you and you should read the Energy Price Fact Sheet available from the energy retailer.

Who is Mozo?

Mozo Pty Ltd ("Mozo") provides a comparison service that was launched in 2008 by a team of passionate financial services enthusiasts with the goal of creating an online service that helped consumers to make their own financial decisions and save money. Mozo offers consumers a comprehensive product comparison service that covers the retail banking market, general insurance, life insurance, business banking, and in 2015 Mozo expanded into comparison of residential energy plans.

Hundreds of thousands of Australians a month use Mozo's comparison service. Mozo's comparison technology and expertise has been used by some of Australia's largest online publishers.

Mozo holds an Australian Financial Services Licence and an Australian Credit Licence. Mozo's management team have experience in consumer credit and financial services in a variety of roles from executive management, marketing, actuarial services and technology. Mozo's team are often called upon to provide expert media commentary in relation to the product areas they cover.

Our Experts Choice Awards analysis is carried out by our Director of Comparison Data Services and our Product Data Manager, who between them have over 50 years of experience in financial services and 21 years in online financial services comparison.

Andrew Duncanson is our Director of Comparison Data Services. Andrew has worked in financial services and product comparison for over 25 years in Australia and the UK and is a qualified actuary. Andrew is a Responsible Manager for Mozo's Australian Financial Services Licence.

Peter Marshall is our Product Data Manager. He has over 30 years' experience in finance, including managing product data at other financial comparison sites before Mozo. Peter is also a Responsible Manager for Mozo's Australian Financial Services Licence.

Appendix 1

List of all retailers and products considered in the awards. Products in this list were included in our calculations provided they were in the market at both dates we considered, and provided tariff information was publicly available.

AUSTRALIAN CAPITAL TERRITORY

ActewAGL Energy Rewards 12% Home
ActewAGL Energy Rewards 12% Home Saver
ActewAGL Energy Rewards 12% Home Saver+
ActewAGL Standing Offer Home
ActewAGL Standing Offer Home Saver
ActewAGL Standing Offer Home Saver+
EnergyAustralia Anytime Saver
EnergyAustralia Basic
EnergyAustralia Flexi Saver
Origin Energy Maximiser
Origin Energy Predictable Plan (tariffs not available)
Origin Energy Saver
Origin Energy Standing Offer
Origin Energy Supply
Powerdirect Standing Offer
Simply Energy Standard Offer

NEW SOUTH WALES

1st Energy Saver
1st Energy Standing Offer
ActewAGL Energy Rewards 20%
ActewAGL Standing Offer
AGL Fixed
AGL Savers
AGL Set and Forget
AGL Standing Offer
Alinta Energy Fair Deal 20
Alinta Energy Standing Offer

Click Energy Connect
Click Energy Easy
Click Energy Elite
Click Energy Natural
Click Energy Platinum
Click Energy Shine
Click Energy Shine Saver
Click Energy Standing
Click Energy Superior
Commander Power & Gas Market Offer
Commander Power & Gas Standing Offer
CovaU Rate Saver
CovaU Standing Offer
Diamond Energy Retail Supply Offer
Diamond Energy Standing Offer
Dodo Power & Gas Market Offer
Dodo Power & Gas Standing Offer
EnergyAustralia Anytime Saver
EnergyAustralia Basic
EnergyAustralia Flexi Saver
EnergyAustralia Rate Fix
Mojo Power Basic EnergyPass
Mojo Power Basic EnergyPass (with upfront annual subscription fee)
Mojo Power Energy without Benefits
Mojo Power Plus+ EnergyPass
Mojo Power Plus+ EnergyPass (with upfront annual subscription fee)
Mojo Power Premium EnergyPass
Mojo Power Premium EnergyPass (with upfront annual subscription fee)
Momentum Energy SmilePower
Momentum Energy SmilePower Plus
Momentum Energy Standing Offer
Origin Energy Maximiser
Origin Energy Predictable Plan (tariffs not available)
Origin Energy Rate Freeze
Origin Energy Saver
Origin Energy Standing Offer
Origin Energy Supply
Powerdirect Market Offer

Powerdirect Market Offer (Solar)
Powerdirect Standing Offer
Powershop Online Saver
Powershop Standard Power
QEnergy Home Your Way
Red Energy Easy Saver
Red Energy Living Energy Saver
Red Energy Standing Offer
Sanctuary Energy Standing Offer
Simply Energy Simply Save
Simply Energy Simply Save (Solar)
Simply Energy Standing Offer
Simply Energy Standing Offer (Solar)
Urth Energy FIT10 Market Offer
Urth Energy FIT20 Market Offer
Urth Energy Standing Offer

QUEENSLAND

AGL Fixed
AGL Savers
AGL Savers (Solar)
AGL Set and Forget
AGL Standing Offer
AGL Standing Offer (Solar)
Click Energy Connect
Click Energy Easy
Click Energy Elite
Click Energy Natural
Click Energy People Power
Click Energy Shine
Click Energy Shine Budget
Click Energy Shine Reward
Click Energy Standing
Diamond Energy Retail Supply Offer
Diamond Energy Standing Offer
Dodo Power & Gas Market Offer

Dodo Power & Gas Standing Offer
EnergyAustralia Anytime Saver
EnergyAustralia Basic
EnergyAustralia Flexi Saver
EnergyAustralia Rate Fix
Lumo Energy Lumo Advantage
Lumo Energy Lumo Life 10
Lumo Energy Lumo Options
Lumo Energy Lumo Velocity
Mojo Power Basic EnergyPass
Mojo Power Basic EnergyPass (Solar)
Mojo Power Basic EnergyPass (with upfront annual subscription fee)
Mojo Power Basic EnergyPass (with upfront annual subscription fee) (Solar)
Mojo Power Energy without Benefits
Mojo Power Energy without Benefits (Solar)
Mojo Power Plus+ EnergyPass
Mojo Power Plus+ EnergyPass (Solar)
Mojo Power Plus+ EnergyPass (with upfront annual subscription fee)
Mojo Power Plus+ EnergyPass (with upfront annual subscription fee) (Solar)
Mojo Power Premium EnergyPass
Mojo Power Premium EnergyPass (Solar)
Mojo Power Premium EnergyPass (with upfront annual subscription fee)
Mojo Power Premium EnergyPass (with upfront annual subscription fee) (Solar)
Momentum Energy Standing Offer
Origin Energy Maximiser
Origin Energy Maximiser (Solar)
Origin Energy Predictable Plan (tariffs not available)
Origin Energy Saver
Origin Energy Saver (Solar)
Origin Energy Standing Offer
Origin Energy Standing Offer (Solar)
Origin Energy Supply
Origin Energy Supply (Solar)
Powerdirect Market Offer
Powerdirect Market Offer (Solar)
Powerdirect Standing Offer
Powerdirect Standing Offer (Solar)
QEnergy Standing Offer

Sanctuary Energy Standing Offer
Simply Energy Simply No Term Fee
Simply Energy Simply No Term Fee (Solar)
Simply Energy Standing Offer
Simply Energy Standing Offer (Solar)
Urth Energy FIT10 Market Offer
Urth Energy FIT20 Market Offer
Urth Energy Standing Offer

SOUTH AUSTRALIA

AGL Savers
AGL Set and Forget
AGL Standing Offer
Alinta Energy Fair Deal 20
Alinta Energy Standing Offer
Click Energy Connect
Click Energy Jade
Click Energy Natural
Click Energy Shine Essential
Click Energy Shine Plus
Click Energy Standing
Commander Power & Gas Market Offer
Commander Power & Gas Standing Offer
Diamond Energy Retail Supply Offer
Diamond Energy Standing Offer
Dodo Power & Gas Market Offer
Dodo Power & Gas Standing Offer
EnergyAustralia Anytime Saver
EnergyAustralia Basic
EnergyAustralia Flexi Saver
EnergyAustralia Power Plan
EnergyAustralia Rate Fix
Lumo Energy Lumo Advantage
Lumo Energy Lumo Life 10
Lumo Energy Lumo Movers
Lumo Energy Lumo Options

Lumo Energy Lumo Velocity
Momentum Energy SmilePower
Momentum Energy SmilePower Flexi
Momentum Energy SmilePower Plus
Momentum Energy Standing Offer
Origin Energy Maximiser
Origin Energy Predictable Plan (tariffs not available)
Origin Energy Rate Freeze
Origin Energy Saver
Origin Energy Standing Offer
Origin Energy Supply
Pacific Hydro Home Flex
Powerdirect Market Offer
Powerdirect Standing Offer
QEnergy Home Your Way
Red Energy Living Energy Saver
Red Energy No Exit Fee Saver
Red Energy Standing Offer
Sanctuary Energy Standing Offer
Simply Energy Simply Flexi
Simply Energy Simply Green 10
Simply Energy Simply Save
Simply Energy Standing Offer
Urth Energy FIT10 Market Offer
Urth Energy FIT20 Market Offer
Urth Energy Standing Offer

VICTORIA

1st Energy Saver
1st Energy Standing Offer
AGL Fixed
AGL Savers
AGL Set and Forget
AGL Standing Offer
Alinta Energy Fair Deal 35
Alinta Energy Standing Offer

Click Energy Connect
Click Energy Natural
Click Energy Platinum
Click Energy Ruby
Click Energy Shine
Click Energy Standing
Click Energy Superior
Commander Power & Gas Market Offer
Commander Power & Gas Standing Offer
CovaU Smart Saver (12 Month Contract)
CovaU Standing Offer
Diamond Energy Retail Supply Offer
Diamond Energy Standing Offer
Dodo Power & Gas Market Offer
Dodo Power & Gas Standing Offer
EnergyAustralia Anytime Saver
EnergyAustralia Basic
EnergyAustralia Flexi Saver
EnergyAustralia Rate Fix
GloBird Energy Boost
GloBird Energy EasySave
GloBird Energy GloSave
GloBird Energy Standing Offer
Lumo Energy Lumo Advantage
Lumo Energy Lumo Advantage Premium Package
Lumo Energy Lumo Life 10
Lumo Energy Lumo Movers
Lumo Energy Lumo Options
Lumo Energy Lumo Velocity
Momentum Energy SmilePower
Momentum Energy SmilePower Plus
Momentum Energy Standing Offer
Online Power & Gas Contract Saver
Online Power & Gas Fixed Saver
Online Power & Gas Fixed Saver 35
Online Power & Gas Flexi Saver
Online Power & Gas Standing Offer
Origin Energy Maximiser

Origin Energy Predictable Plan (tariffs not available)
Origin Energy Rate Freeze
Origin Energy Saver
Origin Energy Standing Offer
Origin Energy Supply
Pacific Hydro Vic Home Flex
People Energy On-Time Saver
People Energy Standing Offer
People Energy Total Saver
Powerdirect Market Offer
Powerdirect Standing Offer
Powershop Online Saver
Powershop Standard Power
QEnergy Home Your Way
Red Energy Living Energy Saver
Red Energy Living Energy Saver Green
Red Energy Standing Offer
Simply Energy Simply Plus
Simply Energy Simply Save
Simply Energy Standing Offer
Sumo Power 32% Pay on Time
Sumo Power 36% Pre-pay Monthly
Sumo Power All You Can Eat Plan (tariffs not available)
Sumo Power Standing Offer

Appendix 2

1. Household electricity usage benchmarks used in our calculations:

We sourced figures from the Australian Energy Regulator's Electricity Bill Benchmarks for Residential Customers. We used the Statewide average benchmarks for households without a swimming pool and including households with or without mains gas. We chose the averages for a 1, 3 and 5 person household and then adjusted them to cover a wider range of usage levels, as shown in this table.

Household energy usage scenarios (kWh/year)	Low usage = average 1 person home	Medium usage = average 3 person home	High usage = 150% of average 5 person home
NSW	3,347	6,530	13,330
VIC	3,152	4,993	9,696
QLD	3,231	5,731	11,172
SA	3,326	6,107	8,256
ACT	4,315	7,855	15,091

2. Solar panel power generation assumptions used in our calculations:

We sourced figures from the U.S. National Renewable Energy Laboratories PVWatts® calculator, assuming:

- a 3 kW system with default tilt and loss assumptions
- roof-mounted, North-facing
- located in the relevant Australian State or Territory capital

Solar energy scenarios	Solar generated kWh / year
NSW	4,186
VIC	4,116
QLD	4,561
SA	4,527
ACT	4,663

3. Retailers who were excluded from the Greenpower award due to ownership of coal-fired electricity generation assets, as reported by the Greenpeace / TEC Green Electricity Guide 2015:

- AGL
- ActewAGL
- Alinta
- EnergyAustralia
- Origin
- Powerdirect
- Simply Energy