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Mr Paul Kelly
Executive Director
Licensing, Monitoring and Customer Protection
Economic Regulation Authority
Level 6, Governor Stirling Tower
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Dear Paul

DRAFT GAS CUSTOMER CODE

The Economic Regulation Authority (**ERA**) released for public comment on 30 May 2008 the *Draft Customer Service Code (Code)* for public consultation.

Synergy was granted a gas trading licence on 26 June 2007. However, Synergy is currently restricted from supplying gas to small use customers who consume < 180 GJ by way of Ministerial direction.

Synergy welcomes the opportunity to provide comment on the draft Code. Please find attached our submission in that regard.

If you have any queries regarding the attached submission please do not hesitate to contact me on 6212 1433.

Yours sincerely,

SIMON THACKRAY
MANAGER REGULATORY RETAIL AND COMPLIANCE

**DRAFT GAS CUSTOMER SERVICE CODE
COMMENTS**

As an overarching comment Synergy supports consolidation and consistency of service standards applicable to the supply of gas and electricity to small use customers. In that regard, Synergy strongly recommends the creation of a single Western Australian energy code.¹

Part 1 Preliminary

1. Clause 1.3 - Commencement. Synergy advocates a 6 month period from the date in which the Governing body approves the Code to the date in which industry is obliged to comply with the Code. This period is necessary to enable industry to transition to the new arrangements i.e. amend standard form contracts, customer service charters, initiate changes to operational policies, practices, procedures and undertake staff education and training.
2. Definition of meter. The Authority should ensure the definition of meter within the Code is consistent with the definition of meter within the REMCo Retail Market Rules.
3. Definition of small retailer. Synergy considers a reasonable customer threshold to define a small retailer is less than 1,000 customer connections in total.

With respect to consideration by the ERA to what extent a small retailer should be exempt from the Code, precedence exists with respect to the Code of Conduct for the Supply of Electricity to Small Use Customers 2008².

4. Definition of verifiable consent. Verifiable consent should also include consent provided by electronic means.
5. Clause 1.7 Purpose. Synergy queries how the Code can regulate and control the activities of gas marketing agents.
6. Clause 1.8 - Objectives. The stated objectives should include consistency of service standards applicable to the supply of gas and electricity to small use customers.

Part 2 Marketing

7. Clause 2.2(2) - Entering into contracts. Reference to "internet" should be replaced with "electronic means" to provide customers with greater means to enter into a non-standard contract.

¹ Synergy recognises legislative amendment is required to facilitate this and recommends the Authority engage the State Government on the matter.

² Refer clause 11 of the *Electricity Industry Exemption Order 2005*.

8. Clause 2.4 – Information to be given at time of or after entering into a contract. Clause 2.4(2)(b)-(j) requires a retailer to provide a range of specific information to a customer no later than the customer's first bill. Synergy complies with this requirement through the provision of its customer service charter. Situations exist whereby a customer may move premises multiple times in any one year thereby entering multiple supply contracts at different premises.

In this situation a retailer is obliged to provide the same information to same customer multiple times which is not cost effective and may not be acceptable to customers who are environmentally conscious. Synergy considers it appropriate that this information be provided to customers at least once a year. However, where a customer has already received the information within a 12 month period, Synergy considers it reasonable for subsequent information "to be made available" to the customer.

9. Clause 2.10 – Presumption of Authority. Synergy queries how this provision can be effected.

Part 4 Billing

10. Clause 4.1 - Billing cycle. If a billing period is for 3 months, then the obligation cannot be complied with. The provision needs to recognise the lag between the end of the billing period and when the bill is issued.
11. Clause 4.7 – Frequency of meter readings. A retailer does not own, operate nor maintain meter infrastructure - this is the responsibility of the distributor. It is unreasonable for the retailer to be subject of potential licence breaches for events or non-action outside of its control. Clause 4.7 should be redrafted to impose the obligation upon the distributor to use best endeavours to provide metering data to a retailer for the purpose of a retailer preparing a customer's bill.

Part 10 Information and communication

12. Clause 10.4(c) – energy efficiency advice. This provision should be limited to a request by a residential customer. Synergy is not currently permitted to supply residential customers however, clause 10.4 as drafted obliges Synergy to provide information relating to domestic appliance gas usage to any customer.

Other

13. Service standard payment. Synergy does not agree that gas small use customers should be denied service standard payments for poor retailer or distributor performance, when small use electricity customers have the benefit of such rights. There should be no distinction between the treatment of gas and electricity small use customers on this matter.
14. The Code does not indicate how gas licensees will be required to comply with the new arrangements. Synergy assumes the respective licences will be amended in that regard. However, clarity by the Authority would be useful.