

Decision on the replacement of Alinta Sales Pty Ltd's gas Standard Form Contract and electricity Standard Form Contract

7 August 2012

Economic Regulation Authority

WESTERN AUSTRALIA

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DECISION

1. Pursuant to section 11WF in conjunction with section 11WH of the *Energy Coordination Act 1994* (**Gas Act**) and section 51 in conjunction with section 52 of the *Electricity Industry Act 2004* (**Electricity Act**), the Economic Regulation Authority (**Authority**) approves the replacement standard form contracts for the supply of gas and electricity to small use customers as submitted by Alinta Sales Pty Ltd (**Alinta Sales**).

REASONS

2. On 18 June 2012, Alinta Sales submitted replacement standard form contracts for the Authority's approval.
3. Alinta Sales has recently changed its trading name to Alinta Energy. The replacement standard form contracts take account of this name change and any corresponding changes to Alinta Sales' contact details.
4. In addition, Alinta Sales has removed from the replacement standard form contracts those provisions that related to unsolicited consumer agreements. Under the *Australian Consumer Law*, a contract must meet specified requirements if the contract is offered on an unsolicited basis. Alinta Sales has advised that it "does not sell or offer standard form contracts unsolicited. The signature block and associated notices concerning unsolicited consumer agreements were viewed as unnecessary and removed".
5. The Authority has received legal advice that, if a licensee does not offer a standard form contract unsolicited, the contract does not have to meet the *Australian Consumer Law* requirements regarding unsolicited consumer agreements. However, if at a later time Alinta Sales intends to offer its standard form contract unsolicited, Alinta Sales will have to amend the contract accordingly.
6. The Authority further notes that both replacement standard form contracts still contain provisions relating to door to door marketing and cooling-off periods. These provisions must be retained to meet the requirements of the *Energy Coordination (Customer Contracts) Regulations 2004* and the *Electricity Industry (Customer Contracts) Regulations 2005*.
7. Under the Authority's *Public Consultation Guidelines – For Electricity, Gas & Water Licences and Electricity & Gas Standard Form Contracts (July 2006)*, the Authority will undertake public consultation on a standard form contract unless the proposed amendment is so minor that it will be unnecessary for the Authority to undertake the public consultation process.
8. The Authority has considered the proposed replacement standard form contracts and has concluded that no public consultation is required. As specified in the Guidelines, amendments relating to a licensee's name change are generally considered minor. In addition, the amendments relating to unsolicited consumer agreements will not affect customers as the replacement contracts will not be offered unsolicited.
9. Under the Gas Act and the Electricity Act, the Authority must not approve a standard form contract if it considers that the contract will not meet the requirements of the regulations in respect of such contracts, or will be inconsistent with the Act or any

other written law, or will be inconsistent with any term, condition or provision of the licence concerned.

10. The Authority has considered Alinta Sales' replacement gas Standard Form Contract and electricity Standard Form Contract and is satisfied that the contracts meet the requirements of the Gas Act and the Electricity Act.