



Notice

17 June 2016

New Code of Conduct for the Supply of Electricity to Small Use Customers 2016

The Economic Regulation Authority (**ERA**) has approved a new *Code of Conduct for the Supply of Electricity to Small Use Customers 2016* (**Code**) to come into effect on 1 July 2016.

The new Code replaces the 2014 version of the Code. The majority of Code amendments were made to clarify the intent of the relevant clause. Some substantive amendments were also made including:

- increasing the minimum time frame for sending out reminder notices and disconnection warnings (to take account of Australia Post's new delivery timeframe);
- allowing retailers to arrange disconnection of a customer's supply address if access to the meter has been denied for more than nine months (previously 12 months); and
- no longer requiring distributors to provide life support equipment customers with three business days' notice of a planned interruption if the reason for the interruption is to reconnect supply.

Background

The Code is made under the *Electricity Industry Act 2004* (**Act**) and its objective is to:

...regulate and control the conduct of electricity retail, distribution and integrated regional licensees and electricity marketing agents with the object of defining standards of conduct in the supply and marketing of electricity to customers, providing for compensation payments to be made to customers when standards of conduct are not met and protecting customers from undesirable marketing conduct.

The Electricity Code Consultative Committee (**ECCC**) is an independent statutory committee that reviews and provides advice to the ERA on the Code. Under the Act, the ECCC must carry out a review of the Code every two years. Further information regarding the ECCC can be found on the ERA website.

The ECCC commenced its fifth review of the Code in August 2015. As part of the review, the ECCC sought public comment on its Draft Review Report. Following this consultation, as required under the Act, the ECCC provided its Final Review Report to the ERA in December 2015. Copies of the Draft Review Report, Final Review Report and the submissions received are available on the ERA website (the submissions are attachments to the Final Review Report).

The ERA considered the Final Review Report and released a Draft Decision on 4 February 2016. As required by the Act, the ERA referred its Draft Decision to the ECCC for further advice.

The ECCC sought public comment on the Code amendments proposed by the ERA in its Draft Decision. Upon consideration of the submissions received, the ECCC provided its Final Advice to the ERA on 11 April 2016. A copy of the ECCC's Final Advice, as well as the ERA's Draft Decision, is available on the ERA website (submissions to the ECCC regarding the Draft Decision are attachments to the ECCC's Final Advice).

Amended Draft Decision

The ERA agreed with the ECCC's Final Advice and published an Amended Draft Decision on the amendments to the Code on 26 April 2016. The Amended Draft Decision proposed four additional amendments, consistent with the ECCC's Final Advice.

The ERA referred one of the four amendments (the insertion of new clause 7.7(4A)) to the ECCC for its advice. This was because the ERA considered the amendment to be a material amendment to the Code that had not been previously consulted on. The intention of the proposal to insert new clause 7.7(4A) was to remove the requirement on distributors to give a life support equipment customer three business days' notice of a planned interruption if the reason for the interruption is to reconnect supply. This generally occurs when, following an emergency or fault, a distributor must disconnect temporary generators in order to reconnect customers to the permanent network. A copy of the Amended Draft Decision is available on the ERA website.

Final Decision

The ECCC undertook consultation with interested parties regarding the proposal to insert clause 7.7(4) into the Code. One submission was received from Western Power. In its submission, Western Power proposed the following, minor change to new clause 7.7(4A):

7.7(4A)

Notwithstanding clause 7.7(4)(b):

- (a) an **interruption**, planned or otherwise, to restore supply to a **supply address** that **requires is registered as a life support equipment address** is not subject to the notice requirements in clause 7.7(4)(b); however
- (b) a **distributor** must use best endeavours to contact the **customer**, or someone residing at the **supply address**, prior to an interruption to restore supply to a **supply address** that **requires is registered as a life support equipment address**.

The change aimed to align the new clause with the terminology currently used in the Code and ensures clause 7.7(4A) will only relate to those customers who have been registered with the retailer and distributor as requiring life support equipment.

Taking into account Western Power's submission, the ECCC provided its Further Final Advice to the ERA on 19 May 2016. A copy of the ECCC's Further Final Advice is available on the ERA website.

The ERA agrees with the ECCC's Further Final Advice to make a minor drafting change to clause 7.7(4A), as set out above, and today issues its Final Decision on the amendments to the Code. A copy of the Final Decision is available on the ERA [website](#).

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