



Our ref: D204112
Contact: Paul Kelly

30 July 2019

Nicola Cusworth
Chair
Economic Regulation Authority
Level 4, Albert Facey House
469-489 Wellington Street
PERTH WA 6000

Sent by email to records@erawa.com.au

Dear Ms Cusworth

Advice on ERA proposed amendments to the *Gas Marketing Code of Conduct*

Thank you for your letter dated 30 May 2019 requesting advice on the amendments to the *Gas Marketing Code of Conduct* proposed by the Economic Regulation Authority.

In accordance with section 11ZPV of the *Energy Coordination Act 1994*, the Gas Marketing Code Consultative Committee (GMCCC) has undertaken consultation with interested persons regarding the ERA's proposed changes to the Code.

The GMCCC provided a public consultation period from 10 June to 1 July 2019. The GMCCC received four submissions, from AGL, Alinta, Synergy and Origin Energy. A copy of the submissions is provided at Attachment 1. The issues raised in the submissions are set out below.

Verifiable confirmation

The submissions from Alinta and AGL recommended clause 2.3(4) be amended as follows:

(4) ~~Subject to subclause (3), a~~ [A](#) retailer or gas marketing agent must obtain the customer's verifiable confirmation that the information referred to in subclause (2) has been given.

The subclause 3 referred to in clause 2.3(4) relates to the information set out in the new clause 2.3(2A). Recommendation 8 of the ERA's Draft Decision recommended that the customer's verifiable confirmation no longer be required for the information in clause 2.3(2A). This means that clause 2.3(4) no longer needs to be 'subject to subclause 3'. The GMCCC recommends the ERA amend clause 2.3(4) as set out above.

Concessions

Origin's submission states that there are no concessions available to customers who are only being supplied with natural gas only and that the requirement to provide information about concessions should be limited to customers on dual fuel contracts or electricity only contracts.

The GMCCC does not support this recommendation. The Code defines a concession as “a concession, rebate, subsidy or grant related to the supply of gas, which is available to residential customers only”. Under this definition, there are concessions that apply to the supply of gas. The Energy Assistance Payment applies to both electricity and gas, even though it is administered through electricity accounts. Gas customers are also entitled to access the Hardship Utility Grant Scheme.

Interpreter information

The ERA’s Draft Decision proposed amending the Code to require retailers to provide customers with certain information before or at the time of giving the customer their first bill. One of the information requirements is to provide the telephone number for interpreter services, identified by the National Interpreter Symbol and the words “Interpreter Services”.

Origin’s submission recommended removing the requirement to include the text “Interpreter Services”. Origin considers this requirement is too specific and could lead to increased compliance costs.

The National Energy Retail Rules do not specify the text to be included next to the interpreter symbol. Rule 25(1)(w) of the Rules requires a retailer to include contact details of interpreter services in community languages on a customer’s bill. The Rules do not specify the wording that must be used.

The GMCCC recommends the ERA amend clauses 2.2(2)(g) and 2.2(2A)(g) to remove the requirement to include the text “interpreter services” next to the interpreter symbol. This amendment will provide retailers with the flexibility to determine wording to suit their customers.

If you have any queries, please contact me on 08 6557 7900.

Yours sincerely

Paul Kelly
GMCCC Chairman

Attachment 1: Submissions received

Attachment 1 - Submissions received



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Mr Paul Kelly
Chairman GMCCC
Economic Regulation Authority
PO Box 8469
Perth BC WA 6849

1 July 2019

Dear Paul

We refer to the Economic Regulation Authority's Draft Decision on the proposed amendments to the Gas Marketing Code of Conduct 2017 (the **Code**) dated 30 May 2019 (**Draft Decision**) and welcome the opportunity to respond to the proposed changes to the Code.

Draft Decision

AGL Energy supports and agrees with the recommendations of the GMCCC as set out in item 12 of the Draft Decision, namely Recommendation 1 through to Recommendation 5, and has no further comment on these recommendations.

In relation to the three additional amendments to the Code proposed by the ERA, AGL offers the following comments:

Recommendation 6

AGL supports and agrees with the recommendation to amend the wording of s2.3(1)(a) to reflect that the customer's verifiable consent must be obtained prior to entering into the contract, not subsequently, as the current drafting could be considered unclear.

Recommendation 7

AGL supports introducing the concept of verifiable confirmation that certain information has been provided to the customer prior to entering into a non-standard contract.

Recommendation 8

AGL supports the recommendation to only require a customer's verifiable confirmation that the information in s2.3(2)(a) - (c) has been provided to the customer, not the information set out in the new s2.3(2A). However, AGL suggests the wording in s2.3(4), '*Subject to subclause (3),*' be deleted as this relates to the information now set out in the new s2.3(2A).



If you would like to discuss our comments further, please contact Sarah Silbert, Senior Network Relationship and Regulation Advisor, on SSilbert@agl.com.au or 0400813300.

Yours sincerely,

Rebecca Brigham
Manager, Customer Markets Regulatory and Compliance



19 June 2019

Paul Kelly
Chairman GMCCC
Economic Regulation Authority
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Perth BC WA 6849

publicsubmissions@erawa.com.au

Dear Paul

Draft Decision – Proposed amendments to the Gas Marketing Code of Conduct 2017

Alinta Sales Pty Ltd (**Alinta Energy**) is pleased to provide comment on the amendments proposed in the *Draft Decision – Proposed amendments to the Gas Marketing Code of Conduct 2017 (Draft Decision)*.

Alinta Energy agrees with the recommendations in the Draft Decision and suggests one further amendment to clause 2.3, subclause(4) as marked up below:

(4) ~~Subject to subclause (3), a~~ Δ retailer or gas marketing agent must obtain the customer's verifiable confirmation that the information referred to in subclause (2) has been given.

Verifiable confirmation to receiving the information specified in subclause (2) should always be obtained and should not be subject to subclause (3).

If you have any questions concerning this submission, please contact me on 9486 3191 or catherine.rousch@alintaenergy.com.au.

Yours sincerely

Catherine Rousch
Manager Regulatory Compliance
Alinta Energy



28 June 2019

Mr Paul Kelly
Chairman ECCC
Economic Regulation Authority
Perth BC, PO Box 8469
PERTH WA 6849

Dear Mr Kelly

Proposed Amendments to the Gas Marketing Code of Conduct 2017 – Draft Report

Origin Energy (Origin) appreciates the opportunity to provide feedback on the proposed amendments to the Gas Marketing Code of Conduct released by the Economic Regulation Authority (ERA).

Origin supports in principal the Economic Regulation Authority's proposed recommendations contained in the Draft Report. We believe they provide retailers clarity as to the intent of the requirements and also how best to operationally comply with the Code's requirements. However, we provide comments on two of the recommendations for further consideration by the ERA.

Recommendation 4 – Inform Customers of Available Concessions

Clause 2.2 (2A)(e) requires a retailer to inform a residential customer that they may be eligible to receive concessions and how the customer may find out about their eligibility for those concessions.

This is a natural gas specific requirement. However, there are no concessions that are available to customers who are only being supplied natural gas.

The existing concessions framework is administered by Synergy and Horizon Energy via an "Energy Concession" which is only applicable to electricity supply.

On the basis that no concessions apply to gas, Origin suggests that the requirement to notify customers of concessions should be limited to dual fuel contracts or electricity only contracts. This will ensure the information is targeted to those who are able to access the concessions.

Recommendation 5 – Interpreter Services

Clause 2.2(2)(g) requires retailers to give residential customers information on how to access interpreter services. This includes the requirement to include the National Interpreter Symbol next to the telephone number and the amendment to include a specific title – "Interpreter Services"

Origin requests that the requirement to include a specific title heading of "Interpreter Services" when providing this information be removed from clause 2.2(2A)(g). This would align with the requirements set out in the National Energy Retail Rules which requires that retailers provide details of interpreter services without specifying the exact wording requirements.

Origin already includes interpreter services details nationally on all bills issued to customers. The heading included on these national bills refer to "Need an interpreter?" and a similar heading is included in other communication material. Including specific wording requirements in the Gas Marketing Code in Western Australia will limit the means in which the requirements can be satisfied and could lead to increased costs of complying.

Closing

Should you have any questions or wish to discuss this submission further, please contact Caroline Brumby on (07) 3867 0863.

Yours sincerely

Sean Greenup
Group Manager Regulatory Policy
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1 July 2019

Mr Paul Kelly
Chairman GMCCC
Economic Regulation Authority
PO Box 8469
PERTH BC WA 6849

Dear Paul

2018 review of the Gas Marketing Code of Conduct - consultation on ERA proposed amendments

Thank you for the opportunity to provide a submission on the above.

Synergy's has no objection to the eight recommendations.

Yours sincerely

SIMON THACKRAY
MANAGER REGULATION AND COMPLIANCE