

Our ref: 35446783

Contact: Rebecca Cant

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Dear Stewart Lee

Gas Marketing Code Consultative Committee Draft Review Report – Gas Marketing Code of Conduct 2024 Review

Synergy welcomes the opportunity to provide feedback to the Economic Regulation Authority (**ERA**) in relation to the Gas Marketing Code Consultative Committee (**GMCCC**) draft review report of the Gas Marketing Code of Conduct 2022 (**Code**).

The Gas Marketing Code regulates and controls the conduct of gas trading licensees and gas marketing agents, with the objective of protecting customers from undesirable marketing conduct and defining standards of conduct in the marketing of gas to customers. The GMCCC is a statutory committee appointed by the ERA to advise it on matters related to the Code. Under the Energy Coordination Act 1994, the GMCCC reviews the code every two years and provides a report with recommendations to the ERA.

GMCCC draft review report recommendations

Synergy has reviewed the three recommendations proposed in the draft review report:

Recommendation 1 – Alignment with electricity code

Synergy supports recommendation 1 and the proposal to make minor amendments and align Code clauses 6(2), 6(3)(e), 8(1), 8(2)(a)(iii), 8(2)(b)(ii) and (vi) and 8(3).

Recommendation 2 – Requirements for telemarketers

Synergy supports the proposal to simplify marketing identification requirements by merging existing Code clauses 8(1) and 8(2) and considers that the merging of both clauses is unlikely to create any additional regulatory burden.

Recommendation 3 - Comparative gas marketing claims

Recommendation 3 proposes that a new Code subclause 7(3) is created requiring retailers or marketing agents to provide the basis for any claims of efficiency or lower emissions.

Synergy supports that retailers need to consider the kind of claims that can be made and notes that the Compendium of Gas Customer Licence Obligations (**the Compendium**) also requires retailers to provide energy efficiency advice for consumers, including cost-effective ways to run gas and the typical running costs of major domestic gas appliances¹. However, it

¹ Compendium Clause 49(1)(b)(i) and (ii)

is unclear to Synergy, in the draft review report, what evidence of misleading or deceptive behaviour by retailers has been provided that requires additional obligations in the Code.

Synergy notes the GMCCC review was unable to identify any clauses explicitly duplicating the Australian Consumer Law (**ACL**). Synergy considers the clauses in the Code may not be identical to the ACL, but the effect of the proposed Code provision will have the effect of duplicating the matters regulated by the ACL given the ACL covers:

- Misleading and deceptive conduct
- False or misleading representations
- Unconscionable conduct.

Synergy does not support regulatory intervention without reasonable evidence that such intervention is required and existing laws are not fit for purpose as the cost of regulation is ultimately borne by customers.

Please contact Rebecca Cant, Senior Regulatory Analyst on [REDACTED] should you have any queries in relation to this submission.

Yours sincerely

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