



Submission to the Economic Regulation Authority on

Gas Marketing Code of Conduct 2024 Draft Decision

20 January 2025

The Western Australian Council of Social Service Inc. (WACOSS) and the Financial Counsellors Association of Western Australia (FCAWA) welcome the opportunity to make a joint submission to the Economic Regulation Authority on the Gas Marketing Code of Conduct 2024 Draft Decision.

WACOSS is the peak body for the community services sector in Western Australia and works to create an inclusive, just and equitable society. We advocate for social and economic change to improve the wellbeing of Western Australians, and to strengthen the community services sector that supports them. WACOSS is part of a network consisting of National, State and Territory Councils of Social Service, who advance the interests of people on low incomes and those made vulnerable by the systems that have been put in place.

The FCAWA is the peak body for financial counsellors and financial capability workers across Western Australia supporting and ensuring best practice by providing access to professional development, information, resources, and relevant casework support.

Regulating Comparative Gas and Electricity Marketing

WACOSS and FCAWA strongly support the proposed changes to regulate comparative gas and electricity marketing. As outlined in our previous submission, it is important West Australians are equipped with correct and contextualised information. This enables them to make responsible informed choices about their energy products and reduce their energy bills as much as possible. This is particularly true for low-income households who often dedicate a greater portion of their income to energy bills and have little or no alternative options or financial flexibility to manage increasing costs.

WACOSS and FCAWA are pleased to see the inclusion of environmental health, sustainability and greenhouse gas emissions as key areas of comparison to be regulated, alongside cost effectiveness and energy efficiency. Consumers, while concerned with reducing their bills, are also driven to reduce their impact on the environment.¹ Additionally, the requirement to specify the combustion gases/products present during and after cooking when making comparative claims about cooking is welcomed. We further **recommend** the Code require retailers, when making comparative claims about cooking, to include a simple statement of fact about the link between gas cooking and asthma. This is a health-risk that customers should be made aware of when comparing gas and electric cooking options.

To support consumer understanding of efficiency comparisons, WACOSS and FCAWA **recommend** that the ERA develop public educational resources on the efficiency measurements and terms used, including 'coefficient of performance', 'average efficiency' and 'output ratio'. We recommend that

¹ The Insight Centre, <u>Energy Consumers Australia – Talking to consumers about energy bill reduction</u> (March 2024).





the ERA collaborates with culturally and linguistically diverse communities, Aboriginal communities and people with disability to ensure the materials are accessible across the WA community. Community service organisations will be able to assist the ERA in sharing the educational resources with the public.

Basic Plan Information Documents

WACOSS and FCAWA support the introduction of the Basic Plan Information Document (BPID) which will make it easier for customers to compare gas plans. While the information required in the BPID includes charges, discounts and conditional discounts and incentives, and is a good step, it does not require retailers to provide an estimated total cost to customers. This makes it more difficult for customers to compare the various deals and make an informed decision.

We **recommend** including a requirement in the Code for retailers to provide estimated costs for consistent modelled households in the BPIDs, for example, for 1 person, 2-3 person and 4+ person households. This would offer customers a simple way to compare the total cost of each plan. We recognise that every household has differing gas needs and estimates will not always align with a customer's gas use. Price estimates should be accompanied with a clear disclaimer that this information is an estimate for comparison purposes only.

Contact Details

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