

Our Reference: DMS #3023339V1
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25 September 2006

Mr Russell Dumas
Chairman GMCCC
Economic Regulation Authority
Level 6 Governor Stirling Tower
197 St Georges Terrace
PERTH WA 6000

RECEIVED	
Economic Regulation Authority	
FILE No:	1323/05
<input checked="" type="checkbox"/> CHAIRMAN	28 SEP 2006
<input checked="" type="checkbox"/> GM	
<input checked="" type="checkbox"/> IND.ACC.	
<input checked="" type="checkbox"/> RUSSELL	
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ACTION: MICHAEL S.	

Dear Russell

DRAFT REPORT ON THE REVIEW OF THE GAS MARKETING CODE OF CONDUCT 2004

Thank you for the opportunity to comment on the above.

Synergy supports the outcome of the Code review to remove overlap and duplication with existing law.

With respect to the specific Report recommendations:

Recommendation 1

Supported.

Recommendation 2

Recommendation 2 provides for the Authority to determine a new regulatory instrument to incorporate the remnants of the former *Gas Marketing Code of Conduct 2004*.

It would have been beneficial for the GMCCC's draft Report to contain the proposed instrument so that stakeholders could comment on its appropriateness.

As a prospective gas trader, Synergy cannot support the proposed instrument until it has considered its form and content. Accordingly, Synergy requests the Authority's confirmation that it will have the opportunity to review the proposed instrument prior to it taking effect.

Recommendation 3

Supported.

Recommendation 4

Supported.

Recommendation 5

Synergy supports the creation of a single energy code.

It does not however, support the recommendation that this work commence at the end of the current review of the *Code of Conduct for the Supply of Electricity to Small Use Customers 2004* (**Electricity Code**).

Synergy notes that the ERA estimates that the review of the Electricity Code could be concluded by either June 2007 or December 2007. On this basis it is difficult to see the Energy Code being established prior to the end of 2008 or later, if enabling legislation is required.

Consequently, Synergy is of the view that the creation of an Energy Code of Conduct should be undertaken in parallel with the current review of the Electricity Code. Such an approach would avoid duplication in terms of stakeholder time and effort.

Yours sincerely



SIMON THACKRAY
REGULATORY MANAGER