

NOTICE

Proposed Synergy Gas Standard Form Contract

PUBLIC CONSULTATION

The Economic Regulation Authority today released for public consultation the Standard Form Contract proposed by Synergy as part of its application for a Gas Trading Licence.

Synergy has indicated that it intends to apply for a Gas Trading licence to sell gas to small use customers when a moratorium, which was applied by the State Government in October 2002, is lifted.

The moratorium was applied to the former Western Power Corporation to stop it from supplying gas to customers who consume less than 1 terajoule a year. When Western Power was disaggregated in April 2006 the moratorium continued to apply to Synergy and Verve.

In August 2006, the Minister for Energy announced that the moratorium would be amended to reduce the threshold at which Synergy could supply gas to customers from 1 terajoule to 0.18 terajoules a year. This amendment, which is expected to come into effect from 1 July, would allow Synergy and Verve to apply for licences to supply gas to small use customers.

The *Energy Coordination Act 1994* (Act) provides that a person must not sell to small use customers gas transported through a distribution system except under the authority of a trading licence granted by the Authority.

Under the Act, the Authority can only grant a trading licence if it has approved the Standard Form Contract under which the applicant will supply gas. Therefore, Synergy is seeking approval of its proposed Standard Form Contract before submitting its licence application.

The Authority recognises that under the existing moratorium Synergy is prohibited from selling gas to small use customers. However, as the Minister has announced that the moratorium will be amended, the Authority will begin the process of considering Synergy's proposed Standard Form Contract but a decision will be conditional on the moratorium being amended.

A copy of Synergy's proposed Gas Standard Form Contract is available on the Authority's [web site](#).

In July 2006 the Authority released its *Public Consultation Guidelines – For Electricity, Gas & Water Licences and Electricity & Gas Standard Form Contracts* and a copy is available on the Authority's [web site](#). In accordance with these guidelines the Authority is providing a public consultation period of at least 15 business days.

Written submissions regarding this matter should be addressed to:

Mr Paul Kelly
Executive Director
Licensing, Monitoring & Customer Protection
Economic Regulation Authority
PO Box 8469
PERTH BC WA 6849

Submissions must be received no later than 5pm on 30th March 2007.

For further information contact:

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