



# **ELECTRICITY CODE CONSULTATIVE COMMITTEE (ECCC)**

## **OPPORTUNITY FOR PUBLIC COMMENT**

The *Electricity Industry Act 2004* allows the Economic Regulation Authority to approve or amend a code to regulate and control conduct of electricity licensees and electricity marketing agents in relation to customers consuming less than 160MWh per annum.

The Authority has agreed to accept the recommendations of the Electricity Code Consultative Committee (ECCC) in its Final Review Report (May 2007) regarding its review of the *Code of Conduct for the Supply of Electricity to Small Use Customers* with the exception of recommendations 2, 33 and 34.

A copy of the ECCC Final Review Report (May 2007) and the Authority's Decision are available on the Authority's web site at [www.era.wa.gov.au/html/eccc](http://www.era.wa.gov.au/html/eccc).

The Authority proposes two alternative amendments as outlined below and is seeking advice from the ECCC as required under the *Electricity Industry Act 2004*. The Act requires that the Committee, in accordance with s89, give any interested person an opportunity to offer comments on the amendment.

### **Amendment of Clause 1.3**

The Code comes into effect upon the day it is published in the Government Gazette. Whilst this date is determined by the Authority, clause 1.3 of the Code allows for staggering of implementation dates for clauses where more time is required.

For this reason the Authority proposes an amendment to the Code as follows:

Clause 1.3 be amended by deleting subclauses (2) to (6) and adding a new subclause (2) which states:

Notwithstanding sub-clause (1) clause 8.3(2) will come into operation on 1 January 2009.

### **Proposed new clause regarding Bill Smoothing**

The Authority proposes an amendment to Part 4 of the Code to prescribe arrangements regarding bill smoothing as follows:

#### **Bill smoothing**

- (1) Despite clause 4.1, in respect of any 12 month period, on receipt of a request by a customer, a retailer may provide a customer with estimated bills under a bill smoothing arrangement.
- (2) If a retailer provides a customer with estimated bills under a bill smoothing arrangement pursuant to subclause (1) the retailer must ensure:

- (a) the amount payable under each bill is initially the same and is set out on the basis of the retailer's initial estimate of the amount of electricity the customer will consume over the 12 month period;
- (b) that initial estimate is based on the customer's historical billing data or, where the retailer does not have that data, average consumption at the relevant tariff calculated over the 12 month period;
- (c) in the six month:
  - (i) the retailer re-estimates the amount of electricity the customer will consume over the 12 month period, taking into account any meter readings and relevant seasonal factors; and
  - (ii) if there is a difference between the initial estimate and the re-estimate of greater than 10%, the amount payable under each of the remaining bills in the 12 month period is to be re-set to reflect that difference; and
- (d) at the end of the 12 month period, the meter is read and any undercharging or overcharging is adjusted for under clause 4.14; and
- (e) the retailer has obtained the customer's explicit informed consent to the retailer billing on that basis.

The ECCC seeks written comment regarding these amendments to:

Mr Paul Kelly  
ECCC Chairman  
c/o Level 6, 197 St Georges Terrace, PERTH WA 6000

By no later than 5pm on Monday 30<sup>th</sup> July 2007.

For further information please contact Mr Paul Kelly on 08 9213 1900.