

Level 6, Governor Stirling Tower 197 St Georges Terrace Perth Western Australia 6000

GPO Box 8469 Perth Business Centre Western Australia 6849

 Telephone
 61 8 9213 1900

 Facsimile
 61 8 9213 1999

 Website
 www.era.wa.gov.au

Promoting fair prices, quality services and choice.

NOTICE

Invitation for Public Submissions on Clear Energy's Draft Standard Form Contract

Under the *Electricity Industry Act 2004*, any retailer which supplies electricity to small use customers (residential customers and small business customers consuming less than 160 MWh of electricity per year) must have a standard form contract that is approved by the Economic Regulation Authority.

The Authority will only approve a standard form contract if it considers the contract meets relevant legal and regulatory requirements required under the Act.

The Authority is seeking further public comment on a second version of Clear Energy's Draft Standard Form Contract.

Clear Energy applied for a retail licence to supply electricity on 6 August 2009. The Authority cannot grant a licence without approving a standard form contract.

The Authority released a copy of Clear Energy's Draft Standard Form Contract for public consultation on 6 November 2009 and received four submissions which are available on the Authority's web site.

Interested parties raised several concerns, many of which have been addressed in the second version of Clear Energy's Draft Standard Form Contract. A copy of the second version of Clear Energy's Draft Standard Form Contract is available on the Authority's web site.

Concerns raised in submissions that are still to be resolved are:

- the absence of comprehensive pricing information;
- a requirement that the customer purchases all electricity generated by Clear Energy's equipment;
- concerns that eligibility criteria for schemes paying money to customers for excess electricity fed into the grid may change over time; and
- the contractual ramifications for a customer when moving house.

The contract regulations do not require that these matters be addressed in a standard form contract.

The Authority will consider whether some of these concerns would be more appropriately addressed by way of licence conditions that would ensure disclosure of the relevant information to the customer before any contract is entered into.

Decisions to impose additional licence conditions on Clear Energy will be made as part of the Authority's consideration of the applicant's licence application and will happen after the standard form contract has been considered.

A copy of the Authority's Public Consultation Guidelines for Licences and Standard Form Contracts is available on the Authority's <u>web site</u>.

Interested parties are invited to make submissions in printed and electronic form on Clear Energy's revised Draft Standard Form Contract by 4:00 pm (WST) on Monday, 15 March 2010.

Submissions should be marked to the attention of Mr Paul Kelly, Executive Director.

Postal address: PO Box 8469, PERTH BC WA 6849

Office address: Level 6, 197 St Georges Terrace, PERTH WA 6849

Email address: publicsubmissions@era.wa.gov.au

Confidentiality

In general, all submissions from interested parties will be treated as being in the public domain and placed on the Authority's web site. Where an interested party wishes to make a submission in confidence, it should clearly indicate the parts of the submission for which confidentiality is claimed, and specify in reasonable detail the basis for the claim.

The publication of a submission on the Authority's web site shall not be taken as indicating that the Authority has knowledge either actual or constructive of the contents of a particular submission and, in particular, whether the submission in whole or part contains information of a confidential nature and no duty of confidence will arise for the Authority.

For further information contact:

General Enquiries

Paul Kellv

Executive Director

Licensing, Monitoring & Customer Protection

Ph: 61 8 9213 1900

Fax: 61 8 9213 1999

Media Enquiries

The Communications Branch Pty Ltd

Ph: 61 8 9472 4411

Mb: 0424 196 771 (Sue McKenna)

0408 878 817 (Joanne Fowler)

LYNDON ROWE CHAIRMAN

19 February 2010