

Decision on amendment of Alinta Sales Pty Ltd's Gas Trading Licence No. 9 (GTL9)

23 April 2013

Economic Regulation Authority

WESTERN AUSTRALIA

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DECISION

1. In accordance with section 11VA of the *Energy Coordination Act 1994 (Act)*, the Economic Regulation Authority (**Authority**) has approved an amendment to Gas Trading Licence 9 (**GTL9**) held by Alinta Sales Pty Ltd (t/a **Alinta Energy**).
2. The amendment to GTL9 is to insert a new clause 5 in Schedule 3 of GTL9 to amend the record keeping and reporting requirements of Schedule 2 (Compendium of Gas Customer Licence Obligations (the **Compendium**)) to require Alinta Energy to keep records of and report on the number and percentage of bills issued to customer accounts, outside of the maximum billing interval of 110 days:

5 Record Keeping and Reporting

- 5.1 For the purposes of clauses 13.2(a)(i) and 13.2(b)(i) of Schedule 2 of this licence, a reference to the timeframes prescribed in clause 4.1 is a reference to the timeframes prescribed in:
 - (a) clause 4.1(a) of Schedule 2 of this licence; and
 - (b) clause 4.1 of Schedule 3 of this licence.
- 5.2 For the purposes of clause 13.2(c) of Schedule 2 of this licence, the reference to clause 4.1(b) is a reference to clause 4.1 of Schedule 3 of this licence.
- 5.3 For the purposes of clause 13.15(a) of Schedule 2 of this licence, the reference to clause 13.2 includes any variations to that clause in this Schedule 3.

REASONS

3. Pursuant to section 11VA of the Act, on 31 January 2013, Alinta Energy applied for an amendment to GTL9 to:

[R]emove the requirement to comply with clause 13.2(a)(i) and clause 13.2(b)(i) of the Compendium and to require Alinta Energy to keep a record and report only the total number of, and percentage of customer accounts that have been issued with a bill outside of the 110 day period.

4. The Authority published a notice on its website on 8 February 2013 seeking public comment on the proposed licence amendment. The due date for submissions was on 1 March 2013. The Authority received one submission from the Western Australian Council of Social Service (**WACOSS**), which is available on the Authority's [website](#):

The Council believes that in the interest of transparency that the licence obligation contained in Schedule 2 (the Compendium of Gas Customer Licence Obligations) (Compendium) clause 13.2(a)(i) and 13.2(b)(i) remain. **This will ensure that Alinta is required to keep a record and report on the total number of, and percentage of, its residential customer accounts that have been issued outside the 110 day period.**

Without this recording and reporting requirement there will be no means to verify if Alinta is carrying out its obligations under clause 4.1 of the Compendium. Consequently the public will not be informed if Alinta has any systemic billing issues. As such the Council believes that it is in the best interests of customers that this requirement remains.

(Our emphasis)

5. The Authority understands this to mean that WACOSS supports the alignment of Alinta Energy's record keeping and reporting obligations with the approved billing cycle of 110 days.

6. Pursuant to section 11VA(4) of the Act, the Authority may amend a licence if the applicant has made the application in a form approved by the Authority and paid the prescribed application fee. Alinta Energy has satisfied these requirements.
7. Section 11K(1) of the Act states that the Authority must not exercise a power conferred by Division 4 of the Act (Licence application, grant etc) unless the Authority is satisfied that it would not be contrary to the public interest to do so.
8. Section 11K(2) of the Act provides that, when determining whether the exercise of the power would not be contrary to the public interest, the Authority must, without limiting other matters that may be taken into account, take into account the matters referred to in section 11H(3) of the Act.
9. The Authority is satisfied that amending Alinta Energy's licence to include the revised record keeping and reporting requirements would not be contrary to the public interest.
10. Alinta Energy's application follows the Authority's decision on 17 September 2013 to insert clause 4 in Schedule 3 of GTL9 to align the maximum billing interval prescribed in clause 4.1(b) of the Compendium with the metering frequency in the approved access arrangement for the distributor.¹
11. The Authority agrees that it is appropriate to also align the record keeping and reporting requirement in GTL 9 with the 110 day maximum billing interval prescribed in clause 4.1(b) of Schedule 3 of the licence.
12. While Alinta Energy's licence amendment application only refers to the record keeping requirements in clauses 13.2(a)(i) and 13.2(b)(i), the Authority has formed the view that the effect of clauses 13.2(c) and 13.15(a) also needs to be amended.
13. The Authority has inserted a new clause 5 in Schedule 3 of GTL9 to align the record keeping and reporting requirements with the 110 day maximum billing interval provided for in clause 4 of Schedule 3 of GTL9.²

¹ This decision inserted clause 4 of Schedule 3.

² See paragraph 2 above.