

Final Decision

Code of Conduct for the Supply of Electricity to Small Use Customers 2016

17 June 2016

Economic Regulation Authority

WESTERN AUSTRALIA

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Final Decision

1. Following its consideration of the Electricity Code Consultative Committee's (**ECCC**) Further Final Advice, the Economic Regulation Authority (**ERA**) has decided to repeal the *Code of Conduct for the Supply of Electricity to Small Use Customers 2014* and replace it with the new *Code of Conduct for the Supply of Electricity to Small Use Customers 2016* (**Code**).
2. A copy of the new Code is attached (Appendix 1 shows track changes) (Appendix 2 is a clean copy). Appendix 3 is a table of all changes to the Code and the rationale for each change.
3. The Code will be gazetted to take effect on 1 July 2016.

Background

4. Under section 81 of the *Electricity Industry Act 2004* (**Act**), the ERA is required to establish a committee to advise it on matters relating to the Code. The committee is known as the Electricity Code Consultative Committee or ECCC.
5. Under section 88 of the Act, the ECCC must carry out a review of the Code as soon as practicable after the first anniversary of its commencement and after the expiry of each 2 yearly interval after that anniversary. The object of a review is to re-assess the suitability of the provisions of the Code for the purposes of section 79(2) of the Act. Section 79(2) provides that the Code is to

...regulate and control the conduct of electricity retail, distribution and integrated regional licensees and electricity marketing agents, with the object of defining standards of conduct in the supply and marketing of electricity to customers and providing for compensation payments to be made to customers when standards of conduct are not met; and protecting customers from undesirable marketing conduct.
6. The ECCC commenced its 2015 review of the Code in August 2015 and delivered its Final Review Report to the ERA on 16 December 2015.
7. The ERA considered the Final Review Report and subsequently proposed amendments to the Code in its Draft Decision, published on the ERA website on 4 February 2016. Consistent with section 87 of the Act, the ERA referred the proposed amendments to the ECCC for its advice.
8. The ECCC, as required by the Act, undertook consultation with interested parties. On 8 February 2016 the ECCC invited public submissions on the ERA's Draft Decision. The closing date for submissions was 26 February 2016. Five submissions were received.
9. The five submissions were received from the following parties:
 - Western Power
 - Horizon Power
 - Synergy
 - Mr Stephen Stockwell
 - Mr Stephen Tylor

10. After considering the submissions received, the ECCC provided its letter of final advice (**Final Advice**) to the ERA on 11 April 2016. Copies of the five submissions are available on the ERA's website as attachments to the ECCC's Final Advice.
11. In its Final Advice, the ECCC did not make any comments on the amendments set out in the ERA's Draft Decision, but did make four additional recommendations. After considering the ECCC's advice, the ERA agreed with the ECCC's recommendations and proposed to amend the Code in line with the four additional recommendations. This proposal was set out in the ERA's Amended Draft Decision, which was published on 26 April 2016.
12. As explained in the ERA's Amended Draft Decision, the ERA referred one of the four amendments to the ECCC for its advice. This amendment was the proposal to insert clause 7.7(4A). The ERA requested advice in relation to this proposal as the ERA considered the amendment to be a material amendment to the Code that had not been previously consulted on.
13. The ECCC, as required by the Act, undertook consultation with interested parties regarding the proposal to insert clause 7.7(4) into the Code. On 28 April 2016 the ECCC released a notice inviting public submissions on the proposal. The closing date for submissions was 11 May 2016. One submission was received from Western Power.
14. After considering the submission received, the ECCC provided its letter of further final advice (**Further Final Advice**) to the ERA on 19 May 2016. A copy of Western Power's submission is available on the ERA's website as an attachment to the ECCC's Further Final Advice.

Response to the ECCC's Further Final Advice

15. In its Further Final Advice, the ECCC made a recommendation to amend the drafting of proposed new clause 7.7(4A) as follows:
 - 7.7(4A)**
Notwithstanding clause 7.7(4)(b):
 - (a) an **interruption**, planned or otherwise, to restore supply to a **supply address** that **requires is registered as a life support equipment address** is not subject to the notice requirements in clause 7.7(4)(b); however
 - (b) a **distributor** must use best endeavours to contact the **customer**, or someone residing at the **supply address**, prior to an interruption to restore supply to a **supply address** that **requires is registered as a life support equipment address**.
16. After considering the ECCC's advice, the ERA agreed with the ECCC's recommendation regarding the drafting of proposed clause 7.7(4A) as set out above.
17. A copy of the new Code, both with tracked changes (**Appendix 1**) and without tracked changes (**Appendix 2**), is attached to this Final Decision. The new Code incorporates all of the amendments proposed by the ERA in the Draft Decision, the Amended Draft Decision¹ and this Final Decision.

¹ New clause 7.7(4A), as proposed in the Amended Draft Decision, was subsequently amended in the Final Decision.

APPENDICES

Appendix 1: New Code (with tracked changes)

Appendix 2: New Code (without tracked changes)

Appendix 3: Table of changes to the Code