

Final Decision

Amendments to the *Gas Marketing Code of Conduct*
2017

13 September 2019

Economic Regulation Authority

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Final Decision

1. The Economic Regulation Authority (ERA) has decided to update the *Gas Marketing Code of Conduct Amendment Code 2019*. This follows the ERA's consideration of the Gas Marketing Code Consultative Committee's (GMCCC) Final Review Report, and the final GMCCC advice on the ERA's proposed amendments to the *Gas Marketing Code of Conduct 2017*.
2. A copy of the Amendment Code is at Appendix 1.
3. The Amendment Code will come into operation on 1 January 2020.
4. A copy of the *Gas Marketing Code of Conduct 2017* as at 1 January 2020, both with tracked changes (Appendix 2) and without tracked changes (Appendix 3), is attached to this final decision.

Background

5. The Code regulates and controls the conduct of the holders of trading licences (gas retailers) and gas marketing agents, with the object of protecting customers from undesirable marketing conduct; and defining standards of conduct in the marketing of gas to customers.
6. Under section 11ZPO of the *Energy Coordination Act 1994*, the ERA is required to establish a committee to advise it on matters relating to the Code. This committee is known as the Gas Marketing Code Consultative Committee (GMCCC).
7. Under section 11ZPV of the Act, the GMCCC 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 11ZPM(2) of the Act.
8. The GMCCC's final review report was delivered to the ERA on 9 April 2019.
9. The ERA considered the final review report and decided to propose amendments to the Code. The proposed amendments were in the ERA's draft decision published on the ERA website on 30 May 2019.
10. The ERA referred its proposed amendments to the GMCCC for its advice, as required under section 11ZPU of the Act.
11. The Act requires that the GMCCC provide interested parties with an opportunity to comment before providing its advice to the ERA. On 10 June 2019 the GMCCC called for public submissions on the ERA's draft decision. The closing date for submissions was 1 July 2019. Four submissions were received.
12. The GMCCC provided its [final advice](#) to the ERA on 30 July 2019. A copy of the submissions received are included at Attachment 1 of the GMCCC's final advice.
13. The GMCCC's final advice recommended the ERA make two additional amendments to the Code. The GMCCC recommendations and the ERA's response to each recommendation are as follows:

Recommendation 1

Amend clause 2.3(4) as follows:

(4) ~~Subject to subclause (3), a~~ A retailer or gas marketing agent must obtain the customer's verifiable confirmation that the information referred to in subclause (2) has been given.

The ERA agrees with this recommendation.

Recommendation 2

The GMCCC recommends the ERA amend clauses 2.2(2)(g) and 2.2(2A)(g) to remove the requirement to include the text "interpreter services" next to the interpreter symbol.

The ERA agrees with this recommendation.

14. Following the ERA's consideration of the GMCCC's final advice, the ERA has decided to make the amendments to the Code as outlined in the ERA's draft decision, and the two additional amendments recommended by the GMCCC in its letter of final advice.
15. In making its decision, the ERA has considered the objectives of the Code under section 11ZPM of the Act.
16. The ERA has also considered the matters set out in section 26 of the *Economic Regulation Authority Act 2003*:
 - a. The need to promote regulatory outcomes that are in the public interest.
 - b. The long-term interests of consumers in relation to the price, quality and reliability of goods and services provided in relevant markets.
 - c. The need to encourage investment in relevant markets.
 - d. The legitimate business interests of investors and service providers in relevant markets.
 - e. The need to promote competitive and fair market conduct.
 - f. The need to prevent abuse of monopoly or market power.
 - g. The need to promote transparent decision-making processes that involve public consultation.

Appendix 1 : *Gas Marketing Code of Conduct Amendment Code 2019*

Appendix 2 : *Gas Marketing Code of Conduct 2017* as at 1 January 2020 (showing tracked changes)

Appendix 3 : *Gas Marketing Code of Conduct 2017 as at 1 January 2020 (clean)*