

NOTICE

RELEASE OF DRAFT REPORT FOR THE REVIEW OF THE GAS MARKETING CODE OF CONDUCT 2004

The Economic Regulation Authority (**Authority**) today endorsed the release of the Gas Marketing Code Consultative Committee's (**GMCCC**) Draft Report for the Review of the Gas Marketing Code of Conduct 2004 (**Code**).

Background

The Code came into operation on 31 May 2004 as part of the implementation of Gas Full Retail Contestability in Western Australia. The Code is designed to regulate and guide the conduct of gas trading licensees and gas marketers that are employed by the licensees, to avoid undesirable marketing conduct by defining standards of conduct in the marketing of gas to customers.

The Authority is responsible for administering Part 2C of the *Energy Coordination Act 1994* (Code of Conduct for the Marketing of Gas to Small Use Customers). The Act provides for the Authority to establish a committee to advise it on matters relating to the Code. Consistent with this requirement the Authority has established the GMCCC.

The GMCCC's current membership comprises:

Chairman	Russell Dumas (Authority)
Executive Officer	Michael Styles (Authority)
Members	Gary Newcombe (Department of Consumer & Employment Protection)
	Ray Wills (Chamber of Commerce & Industry of WA)
	Lisa Baker (WA Council of Social Services)
	Ray Myles (Alinta Sales Pty Ltd)
	Brendan McColl (Wesfarmers Kleenheat Gas Pty Ltd)
	Lawrence Teo (BRW Power Generation (Esperance) Pty Ltd)

Apart from advising the Authority on matters relating to the Code, one of the principal functions of the GMCCC is to review the Code at the intervals set out in the Act. The first review is required as soon as practicable after the first anniversary of the Code's commencement.

On 3 January 2006 the GMCCC released a Principles Paper detailing the basis upon which the GMCCC proposed to carry out the review of the Code including the proposed principles upon which the review would be based and the proposed review process. The submissions received supported the proposed approach for undertaking the review.

Draft Report

Following consideration of submissions on the Principles Paper, the GMCCC undertook a legal review of the Code to identify the extent of legislative overlap. Subsequent to this legal review, the GMCCC prepared the Draft Report.

The Draft Report details the approach undertaken by the GMCCC to review the Code, the submissions received on the Principles Paper and the outcome of the legal review. Five recommendations have been outlined in the Draft Report.

A copy of the GMCCC's Draft Report is available from the Authority's web site (www.era.wa.gov.au).

A copy of the Code is available from the State Law Publisher's website (www.slp.wa.gov.au).

Invitation for Submissions

The GMCCC is required to invite submissions from interested persons.

The organisations identified as interested persons by the Authority and the GMCCC for the purpose of the review of the Code are:

- Australian Competition and Consumer Commission
- Australian Direct Marketing Association
- Consumers' Association of Western Australia
- Consumer Credit Legal Service Western Australia
- Consumers' Federation of Australia
- Chamber of Minerals and Energy of Western Australia
- DBNGP (WA) Transmission Pty Ltd
- Energy Ombudsman
- Energy Retailer's Association of Australia
- Perth Energy
- Standards Australia
- Synergy
- Western Australian Sustainable Energy Association

The Chairman of the GMCCC, Mr Russell Dumas, has written to each of the above organisations inviting comment on matters covered in the Draft Report or any other matters considered relevant to the Code review. A submission period of eight weeks has been provided for such comment. The closing date for submissions is Friday 6 October 2006.

Subsequent to this eight week submission period, the GMCCC will consider the comments received in the submissions and prepare a Final Report for consideration and endorsement by the Authority. The Authority, as Code Administrator, would then implement the recommendations arising from the Final Report.

In general, all submissions from interested persons will be treated as in the public domain and placed on the Authority's website. Where an interested person makes a submission in confidence, they have been requested to clearly indicate the parts of the submission in respect of which confidentiality is claimed and specify in reasonable detail the basis upon which the claim is made.

The receipt and publication of any submission lodged for the purposes of the review of the Code 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 in these circumstances.

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LYNDON ROWE
CHAIRMAN

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