Information sheet

# Updates to Energy Customer Contract Regulations

Now open for feedback from the energy industry and consumers

October 2021

## What are the Energy Customer Contract regulations?

The Electricity and Gas Customer Contract Regulations outline **minimum information requirements** for **small use customer** contracts with energy retailers for electricity or gas supplies.

A customer contract must, for example:

- use clear, simple and concise language;
- describe situations where a retailer has the right to disconnect and reconnect supply;
- · describe prices payable under the contract;
- describe how energy bills will be prepared, issued and reviewed by the retailer;
- inform the customer that certain contract provisions can be amended without the customer's consent;
- · outline dispute resolution processes; and
- address situations where a customer and/or retailer can terminate a contract and the procedures for termination.



#### Why are the updates needed?

The regulation updates will remove outdated references to, and overlaps with, other regulatory instruments. The updates also provide greater consistency between electricity and gas customer protections.

### What improved energy customer protections are being provided by the updates?

- Customers will need to be notified before benefit periods end (e.g. a temporary price discount on consumption charges).
- Customers will need to be notified before the end of a fixed term contract (this already applies for gas customers).
- Electricity supplies will need to be offered under a standard form contract for all customers.
- Gas customer contracts must include billing and complaints handling procedures (similar to what already applies for electricity customers).
- Security deposits will be prohibited for residential customers and improved security deposit protections will be provided for other customers.
- Customer contracts will be brought into line with requirements of the Australian Consumer

The removal of redundant regulatory provisions will have no effect on energy customers.

### Additional Information for the Energy Industry

Where do the Energy Customer Contract Regulations fit in the legislative framework?

There is a primary Act for each of the delivery of electricity and gas supplies respectively that, amongst other things, establishes a retail licensing framework through which the customer contract regulations are enforced.

Customer Codes, administered by the Economic Regulation Authority (ERA), outline how energy retailers should engage with customers and expand on minimum requirements in the regulations.

More information about the Codes is available on the ERA website at: <u>Electricity Customer Code</u>, <u>Gas Marketing Code</u> and <u>Gas Compendium</u>

Further information on the review of the Energy Customer Contract Regulations is available on our website at: Review of energy customer contract regulations

Regulatory framework for residential and small business (small use) energy customer contracts

Acts	Electricity Industry Act 2004	Energy Coordination Act 1994
	A <b>small-use customer</b> consumes less than 160 megawatt hours of electricity per year	A <b>small-use customer</b> consumes less than 1 terajoule of gas per year
Acts and Regulations are administered by Minister for Energy	Electricity Industry (Customer Contracts) Regulations 2004	Energy Coordination (Customer Contacts) Regulations 2004 The Australian Gas Association Natural Gas Customer Service Code (1998) (AGA Code) is referenced in the Gas Regulations, however it is no longer current
Customer Codes are administered by the ERA	Code of Conduct for the Supply of Electricity to Small Use Customers (Electricity Customer Code)	<ul> <li>Gas Marketing Code of Conduct</li> <li>Compendium of Gas Customer Licence Obligations (Compendium) (together = Gas Customer Code)</li> </ul>



### Have your say

We invite you to provide comments on the draft updates to the Energy Customer Contract Regulations available on our website.

Feedback is due by 5:00pm 17 November 2021 and can be sent to <a href="mailto:submissions@energy.wa.gov.au">submissions@energy.wa.gov.au</a>

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