



23 December 2013

Queensland Competition Authority

GPO Box 2257

Brisbane QLD 4001

electricity@qca.org.au

Interim Consultation Notice: Requested Amendments to customer notification and consent provisions in the Queensland Electricity Industry Code

Dear Sir/Madam,

AGL Energy Limited (**AGL**) welcomes the opportunity to provide comment on the proposed amendments regarding customer notification and consent provisions in the Queensland Electricity Industry Code (**Code**), requested by the Minister for Energy and Water Supply.

AGL understands the concerns raised by the Minister and the Energy and Water Ombudsman Queensland and acknowledges that the nature of the proposed amendments aligns the level of protection afforded to Queensland consumers who enter into a fixed benefit period contract with consumers who enter into a fixed term contract. For this reason, AGL generally supports the proposal to amend the Code in the manner set out in the Queensland Competition Authority's (**QCA**) Interim Consultation Notice.

Notification of expiry of a fixed term benefit

AGL acknowledges that consumers should be informed when a fixed term benefit is due to expire and agrees with the proposed Code amendments as to timing and content of such a notification.

To the extent necessary, it is preferable that the requirements, particularly in relation to timing of the notification, should align with the existing requirements under clause 4.4.4 of the Code.

AGL suggests that the requirement to notify a customer should exist where a fixed *benefit* is due to expire, as distinct from when a fixed benefit *period* is due to expire. At the expiry of a pre-determined fixed benefit period, retailers may elect to change the benefit (e.g. discount) or to maintain the same benefit for a further fixed benefit period. Where the benefit does not change between fixed benefit periods, there need not be a requirement to notify the customer. Such a notification is unnecessary and does not add any benefit to consumers as there is no change to the customer's contract between the fixed benefit periods.

Explicit informed consent regarding benefits that apply for a fixed period

AGL agrees with the notion that retailers should gain explicit informed consent with respect to fixed term benefits, however notes that retailers are currently required to obtain explicit



informed consent from customers when they enter into a market contract and considers that this requirement sufficiently captures the Minister's concerns.

Similarly, AGL agrees with the Authority that the requirements of the written disclosure statement under the Code do require retailers to disclose any applicable fixed benefits.

While AGL supports the concept of gaining explicit informed consent regarding fixed term benefits, AGL considers that the Code currently sufficiently covers the concept.

Gas Industry Code

As gas consumers are supplied under similar terms and conditions to electricity consumers, AGL sees no reason why these amendments should not also be made to the Gas Industry Code.

If amendments are also made to the Gas Industry Code, AGL considers the amendments should be identical across the two Codes in the interests of consistency for both consumers and retailers alike.

Should you have any questions in relation to this submission please contact Rebecca Brigham, Retail Regulatory Advisor, on (03) 8633 6125 or at rbrigham@agl.com.au.

Yours sincerely,

A handwritten signature in blue ink that reads 'N Wallis'.

Nicole Wallis

Manager, Retail Markets Regulation