



New South Wales

Gas Supply (Customer Protection) Regulation 1997

under the

Gas Supply Act 1996

His Excellency the Governor, with the advice of the Executive Council, and on the recommendation of the Minister for Fair Trading, has made the following Regulation under the *Gas Supply Act 1996*.

BOB DEBUS, M.P.,

Minister for Energy

Explanatory note

The objects of this Regulation are:

- (a) to require every supplier and distributor of gas to establish, or be a member of, a customer council that acts as a forum for consultation with certain classes of customers (namely, those who use a relatively small amount of gas), and
- (b) to require every supplier and distributor to prepare and comply with a customer service code regarding the supply of gas to any such customers, and
- (c) to make provision for the matters that must be covered in any such customer service code, including:
 - the form and content of standard form contracts, and
 - standards of service, and
 - the form and content of bills rendered to customers, and
 - procedures relating to charges and metering, and
 - debt collection procedures, and
 - dispute resolution procedures, and

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Explanatory note

- (d) to set out guidelines with respect to the form and content of a customer service code.

Sections 13 and 42 of the *Gas Supply Act 1996* empower the Minister to impose a penalty (of up to \$100,000), or to cancel a supplier's authorisation or a distributor's licence, if the supplier or distributor has knowingly contravened a requirement of the regulations made under the Act.

This Regulation is made under the *Gas Supply Act 1996*, in particular section 83.

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Clause 1 Gas Supply (Customer Protection) Regulation 1997

Part 1 Preliminary

Gas Supply (Customer Protection) Regulation 1997

Part 1 Preliminary

1 Name of Regulation

This Regulation is the *Gas Supply (Customer Protection) Regulation 1997*.

2 Commencement

This Regulation commences on

3 Definitions

In this Regulation:

customer means:

- (a) a small customer, or
- (b) a tariff customer.

customer council means:

- (a) a supplier's customer council, or
- (b) a distributor's customer council, or
- (c) an industry customer council,

established under clause 7.

customer service code means a customer service code prepared under Part 3.

small customer means a customer who is supplied with gas (other than natural gas) at a rate of 100 Gigajoules per year or less.

the Act means the *Gas Supply Act 1996*.

Note. The Act defines a *tariff customer* as a person whom the regulations declare to be a tariff customer or who belongs to a class of persons so declared. The *Gas Supply (General) Regulation 1997* declares any person who is supplied with natural gas, at a rate of less than 10 terajoules per year, by means of an authorised reticulator's distribution system to be a tariff customer for the purposes of that definition.

4 Object of this Regulation: section 83 (3)

The object of this Regulation is to make provision for the matters specified in section 83 (3) of the Act. Those matters are:

- (a) standard form contracts, as referred to in section 83 (3) (a) of the Act (see clause 16),
- (b) the form and content of bills, as referred to in section 83 (3) (b) of the Act (see clause 18),
- (c) debt collection procedures, as referred to in section 83 (3) (c) of the Act (see clause 20),
- (d) standards of service, as referred to in section 83 (3) (d) of the Act (see clause 17),
- (e) the constitution and procedures of customer councils, as referred to in section 83 (3) (e) of the Act (see clauses 7–10).

5 Review of Regulation

- (1) The Minister for Energy, in consultation with the Minister for Fair Trading, is to review this Regulation to determine whether the policy objectives of the Regulation remain valid and whether the terms of the Regulation remain appropriate for securing those objectives.
- (2) The review is to be completed by 30 June 1999, but if, on that date, all tariff customers do not have access to a declared distribution system, the Minister for Energy may extend the deadline for the review by 6 months. The Minister may further extend that deadline by further 6 month periods if at the end of each period concerned all tariff customers do not have access.

6 Notes

The explanatory note, table of contents and notes in the text of this Regulation do not form part of this Regulation.

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Part 2 Customer councils

Part 2 Customer councils

7 Establishment of customer councils

- (1) A supplier who has tariff customers must either:
 - (a) establish a supplier's customer council to act as a forum for consultation between the supplier and those tariff customers, or
 - (b) be a member supplier of an industry customer council, established under this clause, to act as a forum for consultation between two or more suppliers and the tariff customers of those suppliers.
- (2) A distributor who has small customers must either:
 - (a) establish a distributor's customer council to act as a forum for consultation between the distributor and those small customers, or
 - (b) be a member distributor of an industry customer council, established under this clause, to act as a forum for consultation between two or more distributors and the small customers of those distributors.
- (3) If such a supplier is also such a distributor, the supplier need only establish one customer council or be a member of one industry customer council.
- (4) Two or more suppliers may establish an industry customer council, with members appointed by those suppliers.
- (5) Two or more distributors may establish an industry customer council, with members appointed by those distributors.
- (6) A supplier or distributor must comply with this clause within 6 months of the commencement of this Regulation, or within 6 months of the grant of, or transfer of, an authorisation or licence to the supplier or distributor, whichever occurs later.

8 Constitution of customer councils

- (1) A customer council must be representative of the customer base of the relevant supplier, distributor or industry.

- (2) A customer council must include members representative of each of the following sections of the community (but only if the relevant supplier, distributor or industry has customers who are members of that section of the community):
- (a) consumer groups,
 - (b) low-income householders,
 - (c) persons living in rural and remote areas,
 - (d) domestic customers,
 - (e) industrial and commercial customers.
- (3) A person who is a representative of more than one group referred to in this clause may be a member of a customer council.
- (4) A member of a customer council is to be appointed for 2 years and is eligible for re-appointment (if qualified) for a further term of membership.

9 Procedure of customer councils

- (1) A customer council must meet at least twice a year.
- (2) In all other respects, the procedure of:
- (a) a supplier's customer council or distributor's customer council is to be as determined by the supplier or distributor in consultation with the customer council, or
 - (b) an industry customer council is to be as determined by the members of the customer council.

10 Function of customer councils

The function of a customer council is to provide information and advice on the following matters to the supplier, distributor or industry members by which it is established:

- (a) the form and content of the supplier's or distributor's customer service code, and any amendments to that code,
- (b) any improvement in the way in which the supplier or distributor, or any supplier or distributor in the relevant industry, operates that the customer council believes would benefit customers,

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Part 2 Customer councils

- (c) any other matters relating to the supply of gas that the customer council believes have a considerable effect on customers,
- (d) such other matters as the supplier, distributor or industry members and the customer council agree should be the subject of information and advice.

Part 3 Customer service codes

Division 1 Obligation to prepare and comply with customer service code

11 Procedure for preparing customer service code

- (1) A supplier must prepare a customer service code that complies with this Part. Such a customer service code may be amended from time to time by the supplier in accordance with this Part.
- (2) A distributor must prepare a customer service code that complies with this Part. Such a customer service code may be amended from time to time by the distributor in accordance with this Part.
- (3) A supplier or distributor must consult the customer council established by the supplier or distributor, or of which the supplier or distributor is a member, and must have due regard to the council's comments, before completing the preparation of a customer service code and before amending the customer service code.

12 Adoption of national customer service code

- (1) A supplier or distributor may adopt any national customer service code approved by the Director-General of the Department of Fair Trading, and may subsequently adopt any amendment to such a code that has been so approved.
- (2) A supplier or distributor must consult the customer council established by the supplier or distributor, or of which the supplier or distributor is a member, and must have due regard to the council's comments, before adopting any such national customer service code or any amendment to such a code.

13 Implementation of customer service code

A supplier or distributor must apply and comply with the customer service code prepared, or adopted, by the supplier or distributor.

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Part 3 Customer service codes

Division 1

14 Availability of customer service code

A supplier or distributor must make copies of the customer service code prepared, or adopted, by the supplier or distributor available at any of the offices of the supplier or distributor for public inspection at no charge.

15 Time limit for compliance

A supplier or distributor must comply with this Part within 6 months of the commencement of this Regulation, or within 6 months of the grant of, or transfer of, an authorisation or licence to the supplier or distributor, whichever occurs later.

Division 2 Matters for which customer service code must provide

16 Standard form contracts

- (1) A customer service code must specify:
 - (a) that, before entering into any contract in connection with the supply of gas, a customer must be advised of his or her right to use the standard form contract or to negotiate alternative terms to those contained in the standard form contract, and
 - (b) that if the customer negotiates alternative terms, the terms in the standard form contract will not apply to the customer, and
 - (c) that if the customer does not negotiate alternative terms, the terms in the standard form contract will apply to the customer.
- (2) A customer service code must set out the form and content of the standard form contract that is to be used in connection with the supply of gas to a customer by the supplier or distributor.

17 Standards of service

A customer service code must set out the standards of service to be provided to customers by a supplier or distributor in connection with the supply of gas.

18 Form and content of bills

- (1) A customer service code must provide for the form and content Of
 - (a) any bill rendered to a customer by a supplier or distributor in connection with the supply of gas, and
 - (b) any receipt that is required to be delivered to a customer by a person collecting money from a prepayment meter, and
 - (c) any statement that is required to be delivered to a customer by a person reading a prepayment meter which automatically deducts payment from a customer's credit account or card.
- (2) A customer service code must require every such bill, receipt or statement to include a statement to the effect that, on payment of a specified fee to the supplier or distributor, a customer's meter may be tested for accuracy in accordance with the *Gas Supply (Gas Meters) Regulation 1997* and that the testing fee will be refunded if the meter favours the supplier or distributor by more than the specified amount.

19 Charges and meters

- (1) A customer service code must set out the procedures to be followed by the supplier or distributor:
 - (a) in calculating charges for gas (including calculating charges for periods in which tariff changes have occurred) to be paid by customers, and
 - (b) in reading meters and preparing and rendering bills to customers, and
 - (c) in the treatment for billing purposes of inaccurate meters.
- (2) A customer service code must provide for the adjustment of bills where gas meters are found to be inaccurate.
- (3) In particular, the code must provide for the following matters:
 - (a) the circumstances in which a meter is to be taken to be inaccurate, and

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Part 3 Customer service codes
Division 2

- (b) the time from which adjustments are to be made, and
- (c) the matters to be taken into consideration in computing adjustments, and
- (d) the manner in which bills for adjustments are to be rendered.

20 Debt collection procedures

A customer service code must set out the debt collection procedures to be observed by a supplier or distributor in relation to an amount owed by a customer in connection with the supply of gas.

21 Dispute resolution procedures

- (1) A customer service code must set out the procedures to be adopted by a supplier or distributor for the resolution of any complaint by a customer.
- (2) A code must include both:
 - (a) procedures for the internal resolution of customer complaints which must be at no cost to the customer and must either be based on *Australian Standard AS 4269-1995: Complaints Handling* or must contain procedures that impose more stringent obligations on the supplier or distributor than the procedures set out in that document, and
 - (b) an independent dispute resolution mechanism (which may be based on *Benchmarks for Industry-Based Customer Dispute Resolution Schemes*, ISBN 0 644 38330 5, Commonwealth Department of Industry, Science and Technology, August 1997, in so far as those benchmarks are relevant to the State).

22 Other matters may be included

This Part does not limit any other matter (not inconsistent with the Act or this Regulation) that may be contained in a customer service code.

23 Guidelines for customer service codes

- (1) For the purposes of this Part, Schedule 1 contains matters that may be included in a customer service code for the purposes of complying with clauses 16–22.
- (2) A customer service code that contains the matters referred to in Schedule 1 complies with this Part.
- (3) Nothing in this clause prevents a customer service code that does not contain all of the matters referred to in Schedule 1 from complying with this Part if it complies with clauses 16–22.

Schedule 1 Guidelines for customer service codes

(Clause 23)

Note. A customer service code may deal with the matters set out in this Schedule. However, a customer service code will still be valid if it does not deal with all of those matters, so long as it complies with Part 3 of this Regulation.

1 Status of standard form contract (clause 16 (1))

A statement:

- (a) that, before entering into any contract in connection with the supply of gas, a customer must be advised of his or her right to use the standard form contract or to negotiate alternative terms to those contained in the standard form contract, and
- (b) that if the customer negotiates alternative terms, the terms and conditions in the standard form contract will not apply to the customer, and
- (c) that if the customer does not negotiate alternative terms, the terms in the standard form contract will apply to the customer.

2 Standard form contract (clause 16 (2))

- (1) The form and content of the standard form contract that is to be used in connection with the supply of gas to a customer by the supplier or distributor.
- (2) Without limiting subclause (1), the contract must provide for each of the following matters:
 - (a) the names of the parties to the contract,
 - (b) the availability of the contract and associated documents,
 - (c) the procedure for amending the contract,
 - (d) the standards of service to be provided to customers,
 - (e) the rates of charges for the gas to be supplied,
 - (f) the procedure for calculating charges and preparing bills,

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- (g) the notification of any variation of charges,
 - (h) the frequency of bills, payment options for paying bills and debt collection procedures in relation to unpaid bills,
 - (i) the circumstances (if any) in which the supplier or distributor has the right to refuse or discontinue the supply of gas to a customer for failure by the customer to pay any amount due to the supplier or distributor,
 - (j) the procedure for the discontinuance of supply of gas (including the amount of notice required and the form of notice required),
 - (k) any charges for disconnection and reconnection of the supply of gas,
 - (l) the notice required from a customer who wishes to terminate a contract,
 - (m) metering (including the re-testing of meters),
 - (n) the maintenance of metering or other equipment,
 - (o) access to information concerning a customer,
 - (p) the appeals procedure to be adopted by the supplier or distributor in relation to decisions concerning disconnection,
 - (q) the procedure to be adopted by the supplier or distributor for the internal resolution of customer disputes (which must be at no cost to the customer),
 - (r) the procedure to be adopted by the supplier or distributor for the external resolution of customer disputes,
 - (s) the length of time and form of notice required for variations in charges,
 - (t) any other matter.

3 Standards of service (clause 17)

The standards of service to be provided to customers by a supplier or distributor in connection with the supply of gas, and in particular:

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- (a) gas quality, and
- (b) the reliability of supply, and
- (c) the conditions under which there will be continuity of supply, and
- (d) the response to customer enquiries (including the time taken to respond to such enquiries), and
- (e) the period within which services or work will be commenced in response to a customer enquiry, and
- (f) the period within which services or work will be commenced to remedy a disruption to supply, and
- (g) the period of notice required to be given when the supplier or distributor carries out work (other than emergency work) that will disrupt supply, and
- (h) the provision of information to customers on matters relating to service, including rates of charges, and
- (i) the remedy available to a customer if the supplier or distributor fails to meet any of the supplier's or distributor's standards of service, and
- (j) any other matter in respect of standards of service.

4 Form and content of bills (clause 18)

- (1) The form and content of any bill rendered to a customer by a supplier or distributor in connection with the supply of gas.
- (2) The bill must set out the following matters:
 - (a) the dates on which the billing period for the bill began and ended,
 - (b) particulars of any meter readings taken during the billing period,
 - (c) particulars of the quantity of gas supplied, or estimated to have been supplied, during the billing period,
 - (d) particulars of the quality (average heating value) of gas supplied during the billing period,

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- (e) if the meter was not read during the billing period, information to that effect,
 - (f) particulars of any tariff codes and rates of charges for the gas supplied, or estimated to have been supplied, during the billing period,
 - (g) the total charges to be paid for the billing period and how they were calculated,
 - (h) particulars of the average daily consumption of all gas supplied during the billing period,
 - (i) if a bill was rendered for the corresponding billing period in the previous year, particulars of average daily consumption of all gas supplied during that previous billing period,
 - (i) the date by which the bill must be paid,
 - (k) the methods by which the bill may be paid,
 - (l) information about alternative tariffs available to the customer,
 - (m) a statement to the effect that, on payment of a specified fee to the supplier or distributor, a customer's meter may be independently tested for accuracy in accordance with the *Gas Supply (Gas Meters) Regulation 1997* and that the testing fee will be refunded if the meter favours the supplier or distributor by more than the specified amount,
 - (n) information concerning the customer service code and how the customer can have access to a copy of the code,
 - (o) any other matter.
- (3) The form and content of any receipt that is required to be delivered to a customer by a person collecting money from a prepayment meter.
- (4) The receipt must set out for the following matters:
- (a) the amount of gas consumed,
 - (b) the price per megajoule of gas,
 - (c) the amount charged for the gas,

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Schedule 1 Guidelines for customer service codes

- (d) the sum collected from the meter,
 - (e) the balance, if any, in favour of the customer or gas supplier,
 - (f) alternative tariffs available to the customer,
 - (g) a Statement to the effect that, on payment of a specified fee to the supplier or distributor, a customer's meter may be independently tested for accuracy by the Department of Energy and that the testing fee will be refunded if the meter favours the supplier or distributor by more than the specified amount,
 - (h) information concerning the customer service code and how the customer can have access to a copy of the code,
 - (i) the signature of the person collecting the money,
 - (j) any other matter.
- (5) The form and content of any statement that is required to be delivered to a customer by a person reading a pre-payment meter which automatically deducts payment from a customer's credit account or card.
- (6) The statement must set out the following matters:
- (a) the amount of gas consumed,
 - (b) the price per megajoule of gas,
 - (c) the amount charged for the gas,
 - (d) the amount deducted from the credit account or card,
 - (e) the balance, if any, in favour of the customer or gas supplier,
 - (f) alternative tariffs available to the customer,
 - (g) a statement to the effect that, on payment of a specified fee to the supplier or distributor, a customer's meter may be independently tested for accuracy by the Department of Energy and that the testing fee will be refunded if the meter favours the supplier or distributor by more than the specified amount,
 - (h) information concerning the customer service code and how the customer can have access to a copy of the code,

- (i) the signature of the person delivering the statement,
- (j) any other matter.

5 Charges and meters (clause 19)

- (1) The procedures to be followed by the supplier or distributor:
 - (a) in calculating charges for gas (including calculating charges for periods in which tariff changes have occurred) to be paid by customers, and
 - (b) in reading meters and preparing and rendering bills to customers, and
 - (c) in the treatment for billing purposes of inaccurate meters.
- (2) The adjustment of bills where gas meters are found to be inaccurate, in particular:
 - (a) the circumstances in which a meter is to be taken to be inaccurate, and
 - (b) the time from which adjustments are to be made, and
 - (c) the matters to be taken into consideration in computing adjustments, and
 - (d) the manner in which bills for adjustments are to be rendered.

6 Debt collection procedures (clause 20)

The debt collection procedures to be observed by a supplier or distributor in relation to an amount owed by a customer in connection with the supply of gas.

7 Dispute resolution procedures (clause 21)

The procedures to be adopted by a supplier or distributor for the resolution of any complaint by a customer, including both:

- (a) procedures for the internal resolution of customer complaints (which may be based on *Australian Standard AS 4269-1995: Complaints Handling*) which must be at no cost to the customer, and

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Schedule 1 Guidelines for customer service codes

- (b) an independent dispute resolution mechanism (which may be based on *Benchmarks for Industry-Based Customer Dispute Resolution Schemes*, ISBN 0 644 38330 5, Commonwealth Department of Industry, Science and Technology, August 1997, in so far as those benchmarks are relevant to the State).

8 Other matters (clause 22)

Any other matter (not inconsistent with the Act or this Regulation).