



Gas Supply (Natural Gas Retail Competition) Amendment (Retail Supply) Regulation 2012

under the

Gas Supply Act 1996

Her Excellency the Governor, with the advice of the Executive Council, has made the following Regulation under the *Gas Supply Act 1996*.

PRU GOWARD, MP
for Minister for Resources and Energy

Explanatory note

The object of this Regulation is to amend the *Gas Supply (Natural Gas Retail Competition) Regulation 2001*, in line with obligations that will apply in other jurisdictions under the National Energy Retail Law, as follows:

- (a) to impose on retail suppliers of natural gas additional obligations in relation to hardship customers, including the waiving of late fees, permitting payment of bills by Centrepay and varying contract conditions to reflect provisions applicable to hardship customers,
- (b) to enable notice of variation of gas charges to be given in the next bill after the variation rather than before the variation takes effect,
- (c) to remove the automatic right of customers to be offered payment plans, if the customers have breached 2 previous plans or been convicted of an offence relating to the illegal use of energy,
- (d) to require additional information to be included in gas bills for small retail customers, including information about meter readings and estimates and other matters, and to extend to 13 business days the minimum period for payment after issue of a bill,
- (e) to reduce from 12 months to 9 months after the event the period in which a retail supplier of natural gas can recover from a small retail customer amounts for undercharging (including failure to issue a bill),
- (f) to increase from \$25 to \$50 the threshold over which separate notification of an amount of overcharging must be given to a customer by a retail supplier of natural gas and to make other amendments relating to overcharging,

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- (g) to enable estimated bills to be based on a customer's reading of a relevant meter as an alternative to the use of historical meter data,
- (h) to remove the requirement specifying the community languages in which information is to be provided by a retail supplier of natural gas,
- (i) to change requirements for gas customer supply contracts to reflect requirements under the National Energy Retail Law,
- (j) to make other minor and consequential amendments and provision of a savings and transitional nature.

This Regulation is made under the *Gas Supply Act 1996*, including sections 11 and 83 (the general regulation-making power).

Gas Supply (Natural Gas Retail Competition) Amendment (Retail Supply) Regulation 2012

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1 Name of Regulation

This Regulation is the *Gas Supply (Natural Gas Retail Competition) Amendment (Retail Supply) Regulation 2012*.

2 Commencement

This Regulation commences on 1 July 2012 and is required to be published on the NSW legislation website.

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Gas Supply (Natural Gas Retail Competition) Amendment (Retail Supply) Regulation 2012

Schedule 1 Amendment of Gas Supply (Natural Gas Retail Competition) Regulation 2001

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[1] Clause 11 Notice procedures where small retail customers change supplier or status

Omit “(including Arabic, Cantonese, Vietnamese, Italian, Greek, Spanish and any other language approved by the relevant customer council)” from clause 11 (3).

[2] Clause 13 Information given to persons who elect standard form contracts

Omit “(including Arabic, Cantonese, Vietnamese, Italian, Greek, Spanish and any other language approved by the relevant customer council)” from clause 13 (2).

[3] Clause 13AA Condition of authorisation relating to customer hardship charters

Insert “to identify customers experiencing payment difficulties due to hardship and” before “to assist” in clause 13AA (2).

[4] Clause 13AA (3) (f)

Omit “(including Arabic, Cantonese, Vietnamese, Italian, Greek and Spanish, and any other language approved by the supplier after consultation with any relevant customer consultative group)”.

[5] Clause 13AA (3) (g)

Insert at the end of clause 13AA (3):

- (g) processes to review the appropriateness of a hardship customer’s negotiated customer supply contract in accordance with the purpose of the customer hardship charter.

[6] Clause 13AA (4)

Insert after clause 13AA (3):

- (4) It is a condition of an authorisation of a supplier who supplies gas to small retail customers that the supplier must, in implementing the supplier’s customer hardship charter, do the following:
 - (a) waive any fee for late payment of a bill by a hardship customer,
 - (b) if a payment plan is agreed with a hardship customer, notify the customer of the date by which each instalment is to be paid,

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- (c) if a hardship customer requests (whether or not it is a payment option in the customer's supply contract), permit the customer to make payment by Centrepay,
 - (d) give effect to the general principle that discontinuance of supply or disconnection due to inability to pay gas bills should be a last resort option,
 - (e) ensure that the conditions of a hardship customer's negotiated customer supply contract are varied as necessary to be consistent with the implementation of the supplier's obligations under this clause.

[7] Clause 13AAA

Insert after clause 13AA:

13AAA Consistency of negotiated customer supply contract with customer hardship charter and obligations

- (1) This clause applies if a hardship customer is supplied with gas under a negotiated customer supply contract.
- (2) Any thing that is required or permitted to be done or omitted to be done by a customer or supplier under the supplier's customer hardship charter is taken to be required or permitted under the negotiated customer supply contract, despite any provision of that contract.
- (3) The negotiated customer supply contract has no effect to the extent of any inconsistency with this clause.

[8] Clause 13A Condition of authorisation relating to payment plans, disconnection and discontinuation of supply

Insert "(except as referred to in subclause (2A))" after "difficulty" in clause 13A (1) (a).

[9] Clause 13A (2A)

Insert after clause 13A (2):

- (2A) The supplier may, but is not required to, operate a payment plan under this clause for customers who:
 - (a) have had 2 payment plans cancelled due to non-payment in the previous 12 months, or
 - (b) have been convicted of an offence involving illegal use of energy in the previous 2 years.

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[10] **Clause 22 Variation of charges under a negotiated contract**

Omit clause 22 (1). Insert instead:

- (1) A supplier must give written notice to a customer of the particulars of a variation in the rates of charges for gas supplied under a negotiated customer contract to the customer.
- (1A) The notice must be given as soon as practicable, and in any event no later than the customer's next bill.

[11] **Clause 22 (2) (a)**

Omit “, being a date that is later than the date the notice is served”.

[12] **Clause 24 Contents of bills of small retail customers**

Insert “and the bill issue date” after “paid” in clause 24 (1) (f).

[13] **Clause 24 (1) (f1)–(f5)**

Insert after clause 24 (1) (f):

- (f1) whether the bill was issued as a result of a meter reading or an estimation,
- (f2) if the bill was issued as a result of a meter reading, the date of the meter reading and the values of the meter readings at the start and end of the billing period,
- (f3) if the bill was issued as a result of an estimation, the values of the estimates at the start and end of the billing period,
- (f4) the estimated date for the next scheduled meter reading (if applicable),
- (f5) particulars of the average daily consumption or estimated average daily consumption during the billing period,

[14] **Clause 24 (1) (j1) and (j2)**

Insert after clause 24 (1) (j):

- (j1) if the customer's bill covers a period other than the customer's usual billing cycle or a period during which the charges changed, the proportionate charges for the relevant periods,
- (j2) if the customer has provided a security in the form of a deposit, the amount of the deposit,

[15] Clause 24 (1) (l) and (ll)

Omit clause 24 (1) (l). Insert instead:

- (l) contact details, including a telephone number for complaints (which may be the same as that for account enquiries), the charge for which is no more than the cost of a local call,
- (ll) a separate 24 hour telephone number for fault inquiries and emergencies, the charge for which is no more than the cost of a local call, being the telephone number for the supplier,

[16] Clause 24 (1) (n)

Omit “(including Arabic, Cantonese, Vietnamese, Italian, Greek, Spanish and any other language approved by the relevant customer council)”.

[17] Clause 26 Correction where customer undercharged

Insert “or that the supplier has failed to issue a bill for all or part of a billing period” after “contract concerned” in clause 26 (1).

[18] Clause 26 (2)

Omit “12 months”. Insert instead “9 months”.

[19] Clause 26 (4)

Insert “or for which a bill was not issued” after “occurred”.

[20] Clause 27 Correction where customer overcharged

Omit “\$25” from clause 27 (1). Insert instead “\$50”.

[21] Clause 27 (1) (b)

Insert “or (in a case where the person is no longer a customer) use its best endeavours to refund the amount within 10 business days” after “issued to the customer”.

[22] Clause 27 (2) and (3)

Omit clause 27 (2). Insert instead:

- (2) If the amount overcharged and paid by the customer does not exceed \$50, the supplier must credit the amount to the customer in the next bill issued to the customer.
- (3) If an amount is overcharged as a result of a customer’s unlawful act or omission, the supplier is only required to reimburse, credit or refund the amount if it was overcharged in the 12 months

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before the supplier determined that the customer had been overcharged.

[23] Clause 30 Payment of bills by small retail customers

Omit “12 business days” from clause 30 (1). Insert instead “13 business days”.

[24] Clause 36 Estimation of gas supplied

Omit clause 36 (5). Insert instead:

- (5) The estimated bill may be based on:
 - (a) the small retail customer’s reading of the relevant meter, or
 - (b) the small retail customer’s historical meter data or, if the supplier does not have that data, the averaged daily consumption for small retail customers supplied by the supplier calculated for the period covered by the bill.

[25] Clause 71 Notice to customers

Omit “(including Arabic, Cantonese, Vietnamese, Italian, Greek, Spanish and any other language approved by the relevant customer council)” from clause 71 (2).

[26] Clause 90

Insert after clause 89:

90 Savings and transitional provisions consequent on Gas Supply (Natural Gas Retail Competition) Amendment (Retail Supply) Regulation 2012

- (1) The amendments made by the *Gas Supply (Natural Gas Retail Competition) Amendment (Retail Supply) Regulation 2012* (the ***amending Regulation***) do not extend to or in relation to the following:
 - (a) any amount payable under a bill issued before the commencement of that Regulation, or to any bill issued before that commencement,
 - (b) the recovery of an undercharged amount if the supplier determined before that commencement that the amount had been undercharged,
 - (c) the reimbursement of an overcharged amount if the supplier determined before that commencement that the amount had been overcharged,

(d) the discontinuance of the supply of gas to premises, if the right to take action to discontinue supply arose before that commencement,

(e) a security deposit paid before that commencement.

(2) This Regulation, as in force before the commencement of the amending Regulation, continues to apply in respect of a matter referred to in subclause (1) (a)–(e).

[27] Schedule 1 Requirements applicable to customer supply contracts

Omit “(including Arabic, Cantonese, Vietnamese, Italian, Greek, Spanish and any other language approved by the relevant customer council)” from clause 1 (3) (q).

[28] Schedule 1, clause 5 (2)

Insert at the end of clause 5:

(2) If the contract provides for a security, the contract must provide for the payment of the security at the time the customer first requests the sale and supply of gas and not at any later period of the contract.

[29] Schedule 1, clause 8 (2) (c)

Insert “before 8.00 am or” before “after 3.00 pm”.

[30] Schedule 1, clause 8 (2) (d)

Insert at the end of clause 8 (2) (c):

, or

(d) on the days between 20 December and 31 December (both inclusive) in any year.

[31] Schedule 1, clause 8 (3)

Insert after clause 8 (2):

(3) The contract must prohibit the supplier from discontinuing the supply of gas to the customer’s premises, or requesting supply to the customer’s premises be discontinued, on the ground of non-payment of a bill, if the amount outstanding is less than \$300 and the customer has agreed with the supplier to pay the amount.

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[32] Schedule 1, clauses 11A and 11B

Insert after clause 11:

11A Termination of standard form customer supply contracts

- (1) A standard form customer supply contract must provide for termination of the contract in the following circumstances:
 - (a) by agreement between the supplier and the customer on a date so agreed,
 - (b) if the customer commences to be supplied gas at the same premises under a different customer supply contract with the same or a different supplier,
 - (c) if a different customer commences to be supplied gas at the same premises under a customer supply contract with the same or a different supplier,
 - (d) at the end of the period of 10 business days after the supply of gas to the premises is discontinued by the supplier, if there is no contractual right to have supply continued.
- (2) A standard form customer supply contract must also provide for the termination of the contract on a date advised to the customer by the supplier if:
 - (a) the customer ceases to be classified as a small retail customer, or
 - (b) the customer gives the supplier a notice stating the customer wishes to terminate the contract (even if the customer has earlier vacated the premises).
- (3) The standard form customer supply contract must provide:
 - (a) that the date advised under subclause (2) must be at least 5 but not more than 20 days after the customer ceases to be classified as a small retail customer or the notice is given by the customer, and
 - (b) that, if the customer does not give safe access to the premises for a final meter reading (where relevant), the contract is not terminated until the date the supplier issues a final bill and the customer pays any outstanding balance.
- (4) The standard form customer supply contract must not impose a termination charge (however described) in respect of the termination of the contract.

11B Termination of negotiated customer supply contracts

- (1) A negotiated customer supply contract must provide for termination of the contract in the following circumstances:
 - (a) by agreement between the supplier and the customer on a date so agreed,
 - (b) if the customer commences to be supplied gas at the same premises under a different customer supply contract with the same or a different supplier,
 - (c) if a different customer commences to be supplied gas at the same premises under a customer supply contract with the same or a different supplier,
 - (d) at the end of the period of 10 business days after the supply of gas to the premises is discontinued by the supplier, if there is no contractual right to have supply continued.
- (2) The negotiated customer supply contract must not require the customer to give more than 20 days notice of termination of the contract.

[33] Schedule 1, clause 15

Insert after clause 15 (3) (d):

- and
- (e) must specify a telephone number to contact for the purpose of enabling the customer to discuss the matter with a person acting on behalf of the supplier, and
 - (f) must specify the arrangements that the customer will need to make for the reconnection of the premises to the distribution system, including any costs payable by the customer in relation to reconnection.

[34] Schedule 1, clauses 16 and 19

Omit the clauses.