

## Compliance and Enforcement Guidelines on Part IVBB and Competition and Consumer (Gas Market Energy Price) Order 2022

9 June 2023

#### Acknowledgment of country

The ACCC acknowledges the traditional owners and custodians of Country throughout Australia and recognises their continuing connection to the land, sea and community. We pay our respects to them and their cultures; and to their Elders past, present and future.

Australian Competition and Consumer Commission Ngunnawal

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## 1. Introduction of Part IVBB – Gas Market & Competition and Consumer (Gas Market Emergency Price) Order 2022

- 1.1 On 16 December 2022 the *Competition and Consumer Act 2010* (CCA) was amended to include, amongst other things:
  - Section 53M: conferring power upon the Minister to make a gas market emergency price order.
  - Section 53ZJ: which relevantly provides that provisions of such an order can be specified to be civil penalty provisions (section 76 of the CCA has been amended to allow the ACCC to institute pecuniary penalty proceedings in respect of contraventions of those provisions).
  - Section 53ZQ: creating a prohibition upon a person engaging in specified conduct for the purpose of avoiding the application of a civil penalty provision of a gas market emergency price order.
- 1.2 On 22 December 2022 the Minister for Finance made an order under section 53M, being the *Competition and Consumer (Gas Market Emergency Price) Order 2022* (the Order). As set out in the Explanatory Statement<sup>2</sup>, the Order is intended to apply to gas producers who transact primarily in wholesale markets and prohibit regulated gas producers<sup>3</sup> and affiliates of regulated gas producers from making certain offers on a gas trading exchange, entering into agreements to supply regulated gas, or supplying regulated gas under such agreements, at a price above a price cap of \$12 per gigajoule (GJ) for a period of 12 months. Division 2 of Part 3 of the Order contains a number of exceptions to the price cap imposed by the Order. Additionally, Division 3 of Part 3 of the Order confers a power upon the Minister, who has delegated this responsibility to the ACCC, to grant an exemption from the price cap.
- 1.3 The maximum pecuniary penalty for a contravention of the Order or section 53ZQ of the CCA is the greater of \$50 million, three times the value of the benefit obtained, or 30% of annual Australian turnover of the corporation in the preceding 12 months if the value of the benefit cannot be determined.
- 1.4 These Guidelines set out the ACCC's position on its approach to investigation and enforcement of possible contraventions of the Order and section 53ZQ. While the ACCC will make decisions on a case by case basis, having regard to all relevant facts and circumstances, these Guidelines include a number of practical examples indicating the types of conduct that the ACCC considers may be likely or unlikely to contravene the Order or section 53ZQ.

<sup>1</sup> https://www.legislation.gov.au/Details/F2022L01743.

 $<sup>\</sup>underline{\text{https://www.legislation.gov.au/Details/F2022L01743/Explanatory\%20Statement/Text.}}$ 

In accordance with subsection 5(1) of the Order a person is a regulated gas producer if the person carries on a business of producing regulated gas, as defined in subsection 4(1). While the definition of regulated gas includes that it be suitable for consumption, subsection 5(2) states that in determining who is a regulated gas producer we are to disregard the requirement in subsection 4(1) (requirement for gas to be suitable for consumption).

The ACCC considers the price cap of \$12 per GJ to be exclusive of GST.

# 2. Civil penalty prohibitions– The Order & AvoidanceScheme

#### The Order

- 2.1 The civil penalty prohibitions are contained in section 8(1)–(3) of the Order.
- 2.2 Section 8(1) and (2) prohibits a person covered by section 9 (that is, a regulated gas producer or affiliate) from:
  - entering into an agreement to supply regulated gas<sup>5</sup> where the price payable under the
    agreement for regulated gas to be supplied could exceed the price cap of \$12/GJ during the
    period of 12 months from 23 December 2022 (the Price Cap Period)
  - supplying regulated gas under an agreement at a price above the price cap of \$12/GJ during the Price Cap Period.
- 2.3 These prohibitions do not apply in relation to pre-existing agreements entered into before the Price Cap Period, but will apply to agreements, and supplies made under agreements, that are varied from 23 December 2022 and where that variation includes a provision that determines the price of regulated gas to be supplied under the agreement.
- 2.4 These provisions are limited by:
  - Section 6 which restricts the geographical application of the Order, and has the practical
    effect of excluding Western Australia from the operation of the Order because the gas
    market in Western Australia is physically separated from other markets.
  - Section 7 which restricts the scope of the Order to gas recovered from an area or block for which a relevant licence or lease was in force immediately before the commencement of the Order authorising the recovery or production of the gas. As stated in the Explanatory Statement, this is intended to ensure that the price cap applies to gas recovered from developed fields.
  - The exceptions contained in Division 2 of Part 3, where relevant to the applicable provision in section 8(1)-(3), which include:
    - agreements where the person to whom regulated gas is supplied intends to export the gas in a liquid state (section 11)
    - agreements for the storage of regulated gas (section 12);
    - subordinate contracts executed during the Price Cap Period that do not include a provision determining price (section 13)
    - agreements resulting from a gas exchange transaction that is a declared wholesale gas market or short term trading market (section 14)

<sup>5</sup> Defined in the Order at section 4(1).

- agreements on a gas trading exchange that do not result from a Pre-matched Trade or Broker Pre-matched Trade (within the meaning of AEMO's gas trading exchange agreement as set out in the National Gas Law) (subsection 15(1))
- agreements on a gas trading exchange that result from a Pre-matched Trade or Broker Pre-matched Trade and are for short term supply (subsection 15(2))
- regulated gas producers or affiliates that are retailers (section 16)
- any exemptions granted by ACCC, as the delegate of the Minister, pursuant to Division 3 of Part 3.
- 2.5 The following 6 examples relate to either or both of the prohibitions in section 8(1) and (2) of the Order:

## Example 1: Gas supply agreements where the price payable is linked to other variables Background

The ACCC has observed it is common for gas supply agreements to determine the price payable by reference to other variables. These can include, but are not limited to, the **prices of other commodities** (e.g., the Brent Crude price, the Japan/Korea LNG price, prices in other domestic or international gas markets) and **non-price variables**, for example, inflation.

Some of these variables, in particular international price variables, introduce exposure to changes in **foreign exchange rates**. For example, as the Brent Crude price is published in US dollars (USD) changes in the exchange rate between the Australian dollar (AUD) and the **USD** can also influence the price payable under a gas supply agreement.

#### **Example**

Producer A carries on a business of producing regulated gas subject to the price cap. In the Price Cap Period, Producer A enters into an agreement under which it supplies regulated gas to Customer A. The agreement does not specify a set price payable for the gas supplied. Instead, it provides that the price will be determined by reference to the Brent Crude price. Specifically, the price payable will equal 12 per cent of the Brent Crude price (\$USD) for each settlement month during the contract period. Consequently, the price payable could exceed the price cap if changes in these variables could result in the price payable under the agreement exceeding \$12.00/GJ.

In this example, Producer A risks contravening section 8(1) of the Order for entering into the agreement, and section 8(2) for supplying gas under the agreement where the price payable for that gas exceeds the price cap.

The risk of contravening these provisions could arise in relation to any agreement subject to the Order which determines the price payable by reference to one or more variables.

The inclusion of a provision in the agreement which operates to prevent the price payable from exceeding the price cap is likely to address the risk of contravening the Order.

The ACCC will, in exercising its enforcement discretion, have regard to a range of factors when deciding whether to take enforcement action in relation to gas supply agreements where the price is linked to other variables. While not all circumstances may apply in each matter, relevant circumstances include:

- whether the average price payable over the course of the Price Cap Period exceeds, or is likely to exceed, the price cap
- whether the producer had a reasonable expectation or belief before entering into the contract that the average price payable would be above or below the price cap.

Further detail on the factors the ACCC will take into account are set out in sections 3.5 – 3.6.

#### Example 2: Gas supply agreements that provide differential pricing to account for seasonal peaks in demand

#### Background

The ACCC is aware of the supply adequacy challenges facing the east coast gas market. These challenges can become more significant during periods of peak demand, which in the southern states traditionally occur during winter.

The ACCC recognises that producers may seek to offer different supply terms for gas made available to meet seasonal peak demand.

#### Example

Producer A carries on a business of producing regulated gas subject to the price cap. In the Price Cap Period, Producer A enters into an agreement under which it supplies regulated gas to Customer A.

Under the agreement, Producer A is obliged to supply a higher daily quantity of gas to Customer A, during the winter months, and Customer A is obliged to pay a higher price through fees and charges that result in a price payable that is in excess of the price cap for this additional entitlement.

Producer A risks contravening section 8(1) of the Order for entering into the agreement, and section 8(2) for supplying gas under the agreement.

The ACCC will exercise its discretion in deciding whether to take enforcement action in response to any potential contraventions of the Order.

The ACCC will, in exercising its enforcement discretion, have regard to a range of factors when deciding whether to take enforcement action in relation to gas supply agreements that provide differential pricing to account for seasonal peaks in demand. While not all circumstances may apply in each matter, relevant circumstances include:

- whether the weighted average price over the course of the price cap period exceeds the price cap
- whether the producer had a reasonable expectation or belief before entering into the contract that the weighted average price payable during the price cap period would be above or below the price cap.

Further detail on the factors the ACCC will take into account are set out in sections 3.5 – 3.6.

#### Example 3: Supply under a gas supply agreement that has been varied

Producer A carries on a business of producing regulated gas subject to the price cap. Producer A has an agreement that was entered into prior to the Price Cap Period under which it supplies regulated gas to Customer A. In the Price Cap Period, the parties enter into a variation of the agreement which includes a provision determining the price of gas supplied. The effect of this variation is that the varied contract and the provisions determining price will need to comply with the price cap during the Price Cap Period.

#### Example 4: Application of price cap to transport costs

#### **Background**

The ACCC has observed it is common for gas supply agreements to sell gas at a nominated delivery point.

Producers may enter into agreements for the supply of gas on an ex-plant basis (i.e. at the exit flange of the processing plant and the connected transmission pipeline).<sup>6</sup> Where they do so, the supply agreement should not include any costs for transportation of the gas beyond the exit flange of the processing plant.

Alternatively, producers may enter into agreements for the supply of gas to a point downstream of their processing plant (e.g. at trading locations such as Wallumbilla, Culcairn, the Short Term Trading Markets or intermediate receipt points on transmission pipelines). This may involve the use of one or more transmission pipelines to transport the gas to this point.<sup>7</sup> In this scenario, there may or may not be separate transport charges levied by the producer in addition to the price payable for the gas.

In considering whether any costs on account of transport included in a gas supply agreement are to be considered separately to the price payable for gas the ACCC will consider the nature of the transport costs sought to be added by reference to the points at which gas is supplied. To inform its assessment of the proper characterisation of the agreement, the ACCC will consider all the relevant facts and circumstances on a case by case basis.

Information that may be relevant to the ACCC's assessment includes:

- the location at which the producer has previously sold gas and the terms and conditions on which those sales have occurred, including whether the producer has separately charged customers for transportation to the supply point
- pipeline ownership, including whether the producer and/or any affiliate of the producer has:
  - an interest in any of the transmission pipelines used in the supply of gas to the supply point
  - exclusive rights to, or substantially exclusive rights to the capacity of any of the transmission pipelines used in the supply of gas to the supply point
  - the transportation options available to the customer.

Further detail on the factors the ACCC will take into account are set out in sections 3.5 – 3.6.

The following scenarios provide some examples of the ACCC's approach to considering the application of the price cap to transport costs.

There are also **gathering pipelines** (or gathering systems), which form part of the upstream producing operation and are used to take gas from the point the gas is extracted to the production facility. In a similar manner to gas processing costs, the costs associated with gathering pipelines are recovered by producers through the gas price. These costs would be expected therefore to form part of the price cap.

Transmission pipelines are used to transport gas at high pressure from production facilities to an interconnecting transmission pipeline, the entry point of a gas distribution network (city gate) or to users that are directly connected to the transmission pipeline (e.g. gas powered generators and large C&I users).

Some of the main transmission pipelines in the east coast include the South West Queensland Pipeline (SWQP), the Roma to Brisbane Pipeline (RBP), the Moomba to Sydney Pipeline (MSP), the Eastern Gas Pipeline (EGP), the Moomba to Adelaide Pipeline (MAP), the Port Campbell to Adelaide (PCA) Pipeline and the Victorian Declared Transmission System (DTS). Transmission pipelines may be supported by other infrastructure, such as compression facilities. For example, to transport gas from some locations around Wallumbilla to Moomba requires the use of the compression facilities at Wallumbilla.

#### Scenario 1

Producer A is located at Moomba (South Australia) and carries on a business of producing regulated gas subject to the price cap. Producer A has historically sold gas on an ex plant basis at Moomba.

In the Price Cap Period, Producer A commences negotiations with Customer A for the supply of regulated gas, which Customer A wants to take delivery of at the exit flange of the Moomba plant.

In this case, Producer A proposes to charge Customer A \$12/GJ for gas supplied at the exit flange of the Moomba plant. This would be unlikely to contravene the Order.

#### Scenario 2

Producer B is located in the Roma area of Queensland and carries on a business of producing regulated gas subject to the price cap. While Producer B is located in the Roma area, it has always sold its gas at Wallumbilla, with the gas transported from its processing plant to Wallumbilla using a transmission pipeline which is owned and operated by an affiliate of Producer B. It has not previously charged separately for transportation to Wallumbilla and there is no other means for transporting the gas to Wallumbilla or any other location.

In the Price Cap Period, Producer B commences negotiations with Customer B for a new agreement for the supply of regulated gas at Wallumbilla. Under their previous gas supply agreement, Producer B was supplying gas at Wallumbilla to Customer B for \$11.50/GJ.

During the Price Cap Period, Producer B offers to supply gas to Customer B at Wallumbilla for \$12/GJ plus \$1/GJ for transportation from the processing plant (a total cost of \$13/GJ at Wallumbilla).

Producer B may be contravening the Order having regard to the assessment factors set out above.

#### **Example 5: Take or Pay Arrangements**

Producer A carries on a business of producing regulated gas subject to the price cap. In the Price Cap Period, Producer A enters into a 12 month agreement for the supply of regulated gas to Customer A commencing on the first day of the Price Cap Period. The agreement includes a 'take or pay' provision which requires Customer A to pay for 80% of the contracted gas, whether or not it takes that gas. The price payable for the contracted gas is \$12.00/GJ. At the end of the 12 month contract term, Customer A has only taken 60% of the contracted quantity of gas. However, Customer A is none the less required to pay for 80% of the contracted quantity. This results in Customer A effectively paying \$16/GJ, which is in excess of the price cap.

The ACCC's approach for assessing compliance with the Order is to consider the price payable for the contracted quantities over the relevant period rather than the resulting price payable in circumstances where the customer elects not to take all the contracted quantities in that period. The ACCC considers that it will not breach the Order if the price for the contracted quantities over the relevant period does not exceed \$12 per gigajoule.

#### Example 6: Gas supply agreements that provide other types of volume flexibility

#### **Background**

In addition to variable rates of supply, seasonality and take or pay provisions discussed elsewhere in this guidance, arrangements for the supply of gas can contain a range of other terms and conditions that affect pricing. These terms often reflect the flexibility afforded to customers in the supply of gas. For example, they may relate to whether or not there are minimum delivered quantity requirements, whether and to what extent the supply is interruptible, the firmness of supply, the load factor, buyer credit risk ratings and the other terms that may be negotiated between the parties.

#### Example

Producer A enters into an agreement to supply gas to Customer A. The agreement provides a load or swing factor which specifies the extent to which a buyer can take more than the average daily contract quantity on any day throughout a contract year, subject to the buyer not exceeding the full contract quantity over the term of the contract.

An agreement may offer a load factor provision of, say,110%. Other agreements may provide provided a different load factor depending on the time of the year.

In the absence of a load factor, Customer A would only be allowed to take its average daily contract quantity on each day of the contract term and would not be able to take additional quantities on certain days or during certain periods to reflects its varying demand levels during the contract term.

As Customer A's demand is not steady throughout the contract year, the inclusion of a load factor is a beneficial feature of the agreement.

The agreement between Producer A and Customer A includes a load factor of 110%.

The \$12 price cap is for the supply of gas under the contract. The price for the supply of gas includes terms and conditions offering supply flexibility which bear upon price.

In this example, where the agreement between Producer A and Customer A is for the supply of gas subject to a load factor, the component of the total price payable which is attributable to that load factor must be included in the \$12/ GJ to comply with the price cap.

The ACCC will in exercising its enforcement discretion consider the entirety of the relevant facts and circumstances relating to the contracting arrangement, including the context of any contractual arrangements offered by the producer prior to commencement of the Order.

Further detail on the factors the ACCC will take into account are set out in sections 3.5 – 3.6.

- 2.6 Section 8(3) prohibits a regulated gas producer or affiliate from making an offer on a gas trading exchange for the supply of regulated gas at a price above the price cap of \$12/GJ. The prohibition applies if:
  - the person makes an offer on a gas trading exchange for the supply of regulated gas
  - the offer is made in the Price Cap Period, and
  - the price under the offer, for that gas, exceeds the price cap.
- 2.7 The prohibition on offers exceeding the price cap under subsection 8(3) only applies to transactions that are not Pre-matched Trades or Broker Pre-Matched Trades on a gas trading exchange due to the exception under subsection 15(4). Pre-matched Trades and Broker Pre-Matched Trades on a gas trading exchange are instead subject to the prohibitions on agreements and supply under agreements exceeding the price cap in subsection 8(1) and (2).
- 2.8 The prohibition in subsection 8(3) also does not apply to offers that are not Pre-matched Trades or Broker Pre-Matched Trades but are for short term supply in accordance with subsection 15(3), or regulated gas producers or affiliates that are retailers in accordance with section 16.
- 2.9 A gas trading exchange means a gas trading exchange established by the Australian Energy Market Operator (AEMO) under subsection 91BRK(1) of the National Gas Law. It includes AEMO's Gas Supply Hub located at Wallumbilla, Queensland; Moomba, South Australia; Wilton, New South Wales; and Culcairn, New South Wales. Certain offers to supply regulated gas, agreements to supply regulated gas, and the supply of regulated gas above the price cap resulting from transactions that occur on a gas trading exchange are captured by the Order.
- 2.10 In assessing whether section 8(3) has been contravened, AEMO (as the operator of the Gas Supply Hub) would have information on the identity of any person making offers to supply gas at a price in excess of the price cap.

#### **Example 7: Offer for supply on a gas trading exchange**

Producer A carries on a business of producing regulated gas subject to the price cap. In the Price Cap Period, Producer A submits an offer on a gas trading exchange for the supply of regulated gas. The price of the offer is below the price cap.

Customer A submits a bid on a gas trading exchange to purchase regulated gas. The price for the bid exceeds the price cap. Producer A's offer, and Customer A's bid, are matched. This results in a transaction between the two parties at the price of Customer A's bid in excess of the price cap. This is likely not a contravention of subsection (8)(3) of the Order as Producer A's offer did not exceed the price cap.

#### **Avoidance Schemes**

- 2.11 A person or corporation captured by subsections 53ZQ(1)-(3) will contravene the corresponding provision where they enter, begin to carry out, or actually carry out a scheme where it would be reasonable to conclude that the purpose of the person or corporation engaging in the conduct was to avoid the application of a civil penalty provision in a gas market instrument. Purpose is defined in section 4F.
- 2.12 If it comes to the attention of the ACCC that a person or corporation is not making gas available and there is evidence that they were planning to do so or were likely to do so in the ordinary course of business, or is offering gas on terms which are such as to constitute an effective refusal to supply, the ACCC will investigate whether there is evidence that the circumstances constitute an avoidance scheme or, alternatively, a contravention of section 46 or another provision of the CCA, which includes the Australian Consumer Law.

#### Example 8: Avoidance Scheme

The ACCC will investigate conduct pursuant to the anti-avoidance provisions in section 53ZQ where it appears reasonable to conclude that an arrangement may have been entered into for the purpose of avoiding the price cap.

#### Scenario 1

Producer A carries on a business of producing regulated gas subject to the price cap. In the Price Cap Period, Producer A commences negotiations for the supply of regulated gas to Customer A. Producer A proposes to enter into an agreement under which the price payable for regulated gas is \$12.00/GJ. Producer A seeks to impose an additional charge of \$8.00/GJ for transport of the gas. The additional charge is far in excess of the regulated rates for transporting gas between the two locations, and double the transport cost charged by Producer A to Customer A in a recently expired agreement entered into prior to the price cap.

This results in a delivered cost of gas to Customer A of \$20.00/GJ. The additional transport cost does not reflect the actual price of transport and it is reasonable to conclude that it has been imposed for the purpose of avoiding the price cap.

In these circumstances Producer A has likely engaged in an avoidance scheme for the purposes of section 53ZQ.

#### Scenario 2

Customer A explains that because of the nature of its business it requires flexibility in its contract quantity and requests a 90% take or pay provision, which is consistent with what Producer A has historically provided to Customer A. Producer A says it is now only prepared to offer 100% take or pay. Producer A deliberately offers a higher percentage than the customer's reasonable commercial supply requirements. Customer A eventually agrees to enter a 12-month supply contract which commences on the first day of the Price Cap Period.

At the end of the 12-month contract term, Customer A has only taken 90% of the contracted quantity of gas. However, Customer A is none the less required to pay for 100% of the contracted quantity.

In these circumstances, as set out in Example 5, there would not a breach of the Order if the price for the contracted quantities over the relevant period does not exceed \$12 per gigajoule. However, if Producer A deliberately requires the inclusion of a 100% take or pay provision with the purpose of avoiding the application of the price cap in the Order, this may amount to Producer A entering into or carrying out an avoidance scheme in contravention of section 53ZQ of the CCA.

Other example scenarios include:

- where it would be reasonable to conclude that a variable price arrangement has been entered into for the purpose of avoiding the price cap
- if a producer introduced new fees or charges, or if the fees or changes were significantly higher from the producer's prior fees and charges, and
- where it appears additional costs in supplying volume flexibility have been included in gas supply contracts for the purpose of avoiding the price cap.

## 3. ACCC's Role in enforcing the Order and Avoidance Schemes

- 3.1 The ACCC is responsible for investigating and enforcing the provisions of the CCA, including those contained in Part IVBB and the Order. A contravention of the Order is deemed to be a contravention of the CCA. The Minister's power to grant exemptions under Division 3 of the Order has been delegated to the ACCC. See here for further information about this role.
- 3.2 The ACCC's primary objective is to ensure compliance with the CCA. The ACCC uses a variety of tools and approaches to encourage compliance and prevent contraventions of the CCA, including industry engagement and monitoring, education initiatives and enforcement action when appropriate.
- 3.3 The CCA provides for a range of enforcement remedies. The ACCC exercises its enforcement and compliance powers independently and in the public interest. Further information is available in the ACCC's Accountability Framework for Investigations.<sup>8</sup>
- 3.4 The ACCC regularly receives reports or complaints from businesses, consumers and other interested stakeholders about conduct that may contravene the CCA. The ACCC assesses these allegations in accordance with its Compliance and Enforcement Policy and Priorities. This Policy is reviewed annually and new priority areas of focus are identified. For 2022–23, one of the ACCC's priorities is to deal with competition and consumer issues arising from the pricing and selling of essential services, with a focus on energy and telecommunications.
- 3.5 In making decisions on the appropriate compliance and enforcement response the ACCC considers the following factors:
  - conduct that is of significant public interest or concern
  - conduct resulting in substantial consumer or small business detriment
  - national conduct by larger traders
  - conduct involving a significant new or emerging market issue or where our action is likely to have an educative or deterrent effect
  - where our action will assist to clarify aspects of the law.
- 3.6 In addition to these matters, when considering its response to possible contraventions of the Order and section 53ZQ, the ACCC will have regard to:
  - the nature of the alleged conduct, including the commercial substance of what is occurring and any blatant and intentional pricing provisions that do not comply with the Order
  - the entirety of the relevant facts and circumstances relating to a contracting arrangement including the context of any previous contracts or other practices of the business and of the industry prior to the Order coming into effect
  - the extent to which the business has taken reasonable steps to ensure compliance, and the willingness of the business to take action to address the conduct
  - the extent to which the alleged conduct has caused or is likely to cause significant harm, noting the effect on supply adequacy and security of gas supply to the domestic market as well as the importance of access to reasonably priced gas for customers in Australia

<sup>8</sup> ACCC, Accountability Framework for Investigations, April 2019. Available at https://www.accc.gov.au/publications/the-acccs-accountability-framework-for-investigations.

- the likely impact of the alleged conduct on outcomes in the market.
- 3.7 The ACCC will investigate alleged contraventions of the Order or section 53ZQ in accordance with our published procedures and guidelines. This will include:
  - actively monitoring pricing in the market
  - reviewing complaints from industry participants, prioritising those which indicate blatant conduct in breach of the Order or conduct which may constitute an avoidance scheme
  - where statutory requirements are met, obtaining information, documents and evidence through the use of the ACCC's compulsory powers. Further information about this process is available in our Section 155 Guidelines<sup>9</sup> and Information Policy.<sup>10</sup>
- 3.8 Where the ACCC considers that a person has engaged in a contravention of section 53ZQ or the Order, it will consider the factors listed in 3.5 and 3.6.
- 3.9 The ACCC can pursue a range of enforcement remedies in response to any alleged contraventions, including, as appropriate:
  - resolving the matter administratively
  - accepting court enforceable undertakings (section 87B)
  - commencing legal proceedings in the Federal Court.

<sup>9</sup> ACCC, ACCC guidelines—use of s. 155 powers, June 2019. Available at <a href="https://www.accc.gov.au/publications/acccguidelines-use-of-s-155-powers">https://www.accc.gov.au/publications/acccguidelines-use-of-s-155-powers</a>.

<sup>10</sup> ACCC/AER, ACCC and AER information policy: collection and disclosure of information, June 2014. Available at https://www.accc.gov.au/publications/accc-aer-information-policy-collection-and-disclosure-of-information.



