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Your reference: C2004-349 Contact officer: Liam Stewart The Australian Gas Light Company ABN 95 052 167 405

AGL Centre 111 Pacific Highway North Sydney NSW 2060 Locked Bag 944 North Sydney NSW 2059

**Telephone** 02 9922 8288 **Facsimile** 02 9957 3659

5 August, 2004

Mr Tim Grimwade General Manager, Adjudication Australian Competition and Consumer Commission 470 Northbourne Avenue Dickson ACT 2602

Dear Mr Grimwade

## THIRD LINE FORCING NOTIFICATIONS NUMBER N91353, N91354, N91355 LODGED BY SERVCO PTY LIMITED, AGL ELECTRICITY LIMITED, AGL VICTORIA PTY LIMITED

I refer to the above notifications and to your letter of 8 April 2004 addressed to Ms Liza Carver of Gilbert & Tobin.

The ACCC granted legal immunity in respect of the above notifications on 24 February 2004 in respect of the following conduct:

- (a) ancillary services and/or energy appliances to residential customers at certain discounts, allowances, rebates or credits on the condition that customers acquire both natural gas and/or electricity from AGL Victoria Limited and/or AGL Electricity Limited, and
- (b) certain discounts, allowances, rebates or credits on the cost of ancillary services or energy appliances on the condition that customers require energy from AGL Victoria Pty Limited and/or AGL Electricity Limited.

To date, the notifications have not been revoked.

Servco Pty Limited, AGL Electricity Limited and AGL Victoria Pty Limited wish to provide ancillary services to residential customers at a discount, allowance, rebate or credit which may include a benefit of a non-monetary nature, for example, priority scheduling or extended labour warranty period, provided the customer acquires both



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natural gas and/or electricity from AGL Victoria Pty Limited and/or AGL Electricity Limited.

It is our view that such non-monetary benefits are either within the general ambit of the existing conduct granted immunity under the above notifications or such nonmonetary benefits simply reflect an improved customer service to those customers.

For the sake of certainty, we wish to draw to your attention the proposed non-monetary benefits and request that such conduct is considered to be within the general immunity granted by the ACCC in the above notifications.

If the ACCC takes a different view, please let us know.

Yours sincerely

Neil Campbell

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**Corporate Solicitor**