



Australian Competition & Consumer Commission

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Our ref: C2004/349
Contact Officer: Liam Stewart
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25 August 2004

Mr Neil Campbell
The Australian Gas Light Company
AGL Centre
Locked Bag 944
North Sydney NSW 2059

Dear Mr Campbell

**Third line forcing notifications N91353, N91354, N91355,
N91357, N91358 & N91359**

I refer to your letters to the Australian Competition and Consumer Commission (the ACCC) both dated 5 August 2004 in which you advise the ACCC that those business's who lodged the above notifications are seeking to extend the conduct to which they relate.

Notifications N91353, N91354, N91355

Notifications N91353, N91354, N91355 related to conduct involving Servco Pty Ltd, AGL Electricity Limited and AGL Victoria. The conduct was described as the offer by the notifying parties of:

- (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 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 acquire energy from AGL Victoria and/or AGL Electricity Limited.

You advise that Servco Pty Ltd (Servco), AGL Electricity Ltd (AGL Electricity) and AGL Victoria Pty Ltd (AGL Victoria) wish to provide additional ancillary services to residential customers at a discount, allowance, rebate or credit which may include a benefit of a non-monetary nature such as priority scheduling or extended labour warranty



period, provided the customer acquires both natural gas and/or electricity from AGL Victoria and AGL Electricity.

Notifications N91357, N91358, N91359

Notifications N91357, N91358, N91359 related to conduct involving Servco Pty Ltd, AGL Electricity Limited and AGL Retail Energy Limited. The conduct was described as the offer by the notifying parties of:

- (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 Retail Energy 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 acquire energy from AGL Retail Energy Limited and/or AGL Electricity Limited.

You advise that Servco Pty Ltd, AGL Electricity Ltd and AGL Retail Energy Pty Ltd (AGL Retail) wish to provide additional ancillary services to residential customers at a discount, allowance, rebate or credit which may include a benefit of a non-monetary nature such as priority scheduling or extended labour warranty period, provided the customer acquires both natural gas and/or electricity from AGL Victoria and AGL Retail.

I do not propose to make inquiries at this time in relation to the addition of further ancillary services to the notified conduct.

However, you should be aware that the notification provisions of the *Trade Practices Act 1974* do not specifically provide for amendments to notifications once lodged. Therefore, it is possible that the immunity afforded by notifications N91353, N91354, N91355, N91357, N91358 and N91359 does not extend to cover the addition of further ancillary services.

Ultimately, therefore, it is a matter for you as to whether the notifying parties need to lodge a separate notification in this regard.

A copy of this letter has been placed on the Commission's public register.

If you wish to discuss any aspect of this matter, please do not hesitate to contact Liam Stewart on (02) 6243 1275.

Yours sincerely



Tim Grimwade
General Manager
Adjudication Branch