

Blanch, Belinda

From: Howes, Neil
Sent: Wednesday, 22 June 2011 1:08 PM
To: !Adjudication Administration Team
Cc: Channing, Darrell
Subject: FW: Request for further information from the ACCC [SEC=IN-CONFIDENCE]
Security Classification: IN-CONFIDENCE

From: Howes, Neil
Sent: Friday, 17 June 2011 9:20 AM
To: 'Ramy Soussou'; rkarp@eraa.com.au
Cc: Channing, Darrell; 'coreilly@eraa.com.au'
Subject: Request for further information from the ACCC [SEC=UNCLASSIFIED]

Rebecca / Ramy,

As discussed.

Information for consumers that enter into a contract and applicable laws

In its submission Consumer Affairs Victoria (CAV) suggests the revised code 'creates confusion around what, when and how information should be provided to consumers'. It considers that 'information described in 5.1(3)(a)-(e) of the code is information that a consumer should be made aware of before entering into a contract [and therefore] the phrase used in 5.1(3) of the code "or as soon as practicable" is problematic'.

CAV suggests that 'this phrase also creates confusion when read alongside section 5.1(4) of the code which deals with documentation that must be provided to a consumer and notes that sales agents must provide any material in accordance with the legislation and that documentation may include details outlined in section 5.1(3) of the code. To be compliant with section 5.1(4) of the code and meet ACL requirements regarding the provision of documentation to consumers, agents would have to provide documentation that sets out information such as price immediately after an agreement is entered into. This creates confusion when read in conjunction with the phrase "or as soon as practicable" used in section 5.1(3).'

The ACCC notes CAV's concerns. The ACCC also notes that the term "as soon as practicable" is used in the national energy retail rules regarding the provision of information.

To avoid confusion and the ACCC suggests that the phrase 'before or as soon as practicable after the formation of a contract' in clause 5.(1)(3) be removed and replaced with 'in accordance with all applicable laws, including the ACL, regarding...'

The ACCC would appreciate any further views from EAL on this issue.

Regards,

Neil Howes

Assistant Director | Adjudication Branch
 Australian Competition & Consumer Commission
 360 Elizabeth Street Melbourne 3000 | <http://www.accc.gov.au>
 T: +61 3 9290 1416 | F: +61 3 9290 1457



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