



Australian  
Competition &  
Consumer  
Commission

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9 September 2013

Michael Hope  
Legal Counsel  
ActewAGL House  
40 Bunda Street  
Canberra ACT 2600

**By email:** [Michael.Hope@actewagl.com.au](mailto:Michael.Hope@actewagl.com.au)

Dear Mr Hope

**Third line forcing notifications N96788-N96793 lodged by ACTEW Retail Limited and AGL ACT Retail Investments Pty Limited (trading as ActewAGL Retail) and TransACT Capital Communications Pty Limited**

I refer to the above third line forcing notifications lodged with the Australian Competition and Consumer Commission (the ACCC) on 19 June 2013. The notifications have been placed on the ACCC's public register.

ACTEW Retail Limited and AGL ACT Retail Investments Pty Limited (trading as ActewAGL Retail) and TransACT Capital Communications Pty Limited (collectively the **Applicants**) propose to offer discounts and bonuses to residential customers in the ACT and Queanbeyan area of NSW on condition that they enter into separate 24-month contracts with each of the Applicants to acquire at least three—and up to eight—particular services from the Applicants in one of the nominated package combinations (a **bundle**).

Different bundles are available but each must include electricity, natural gas (where the customer has an existing connection) and TransACT fixed line telephony. The customer may also choose to include ActewAGL's Greenchoice electricity option and/or TransACT broadband internet, subscription television, mobile telephony, and ISP services in their bundle. In the case that ISP services are bundled, the customer will be required to enter into a contract with TransACT's wholly-owned ISP, Grapevine Ventures, for these services.

The discount (3-30%) will be applied to either the ActewAGL electricity component or the TransACT component of the customer's bundle bills. The total discount available to customers in any 12 month period is capped at \$500.

From time to time, the Applicants may also offer customers other special prices, packages, discounts, giveaways or products in relation to a bundle.

Legal protection conferred by the notification commenced on 3 July 2013.

On the basis of the information that you have provided it is not intended that further action be taken in this matter at this stage. As with any notification, please note that the ACCC may act to remove the legal protection provided by the notification at a later stage if it is satisfied that the likely benefit to the public from the conduct will not outweigh the likely detriment to the public from the conduct.

This assessment has been made on the basis that the Applicants will disclose all relevant terms and conditions to prospective customers.

It is important to keep in mind that the notification process provides immunity from prosecution under subsections 47 (6) and (7) from the Act. No other conduct proscribed in the Act is covered by the notification.

I would encourage ActewAGL to be careful in the way it promotes these bundled arrangements. In particular, I note that the ACCC is concerned about the potential for consumers to be misled by headline discounts on essential services, or pecuniary terms and conditions that are not transparently communicated. In a recent speech ACCC Deputy Chair, Delia Rickard, advised that the ACCC will take a firm approach where it forms the view that energy retailers are misleading consumers by their promotion of energy plans.

A media release in relation to Ms Rickard's speech may be found on the ACCC's website at <http://www.accc.gov.au/media-release/discount-off-what-energy-plan-promotions-a-concern>

A copy of this letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please contact Michael Drake on (03) 9658 6517.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Richard Chadwick', with a long horizontal stroke extending to the right.

Richard Chadwick  
General Manager  
Adjudication Branch