

"Alex Fleming"

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To <Sarah.McDowell@esc.vic.gov.au>

cc

17/09/2007 06:17 PM

Subject C/07/10545 : Draft Decision: Amendments to ERC and
ECTC

Dear Sarah

I refer to the Draft Decision: Amendments to Energy Retail Code & Electricity Customer Transfer Code – Retailer of Last Resort & Assignment to Third Party (***Draft Decision***). Thank you for the opportunity to comment. Although the invitation for submissions closed on Thursday, 13 September 2007, I request that the Commission also take into account the following.

Simply Energy generally supports the proposed amendments to the Energy Retail Code and the Transfer Code aimed at overcoming the issues identified by the RoLR Final Decision and the recent trade sale of domestic customer accounts. However, one issue of concern is the possibility that retailers, such as Simply Energy, may be obliged to inform all of its customers of the amendments under section 26.3 of the Energy Retail Code.

It is Simply Energy's view that the amendments set out in the Draft Decision are not of the kind to which section 26.3 would apply. Section 26.3 requires a retailer to inform a customer of any amendment that 'materially affects the customer's rights, entitlements and obligations'. The customers' rights are not affected in a material way because the likelihood of a RoLR event occurring is small, and the proposed amendments to the Energy Retail Code simply codify what would otherwise happen in practice if a RoLR event were to occur. In addition, the amendments are of a technical nature (and so would be difficult to explain to customers), and benefit customers (because they confirm that a termination fee or other penalty would not apply).

Simply Energy encourages the Commission to confirm that the proposed amendments would not trigger the obligation to inform in section 26.3.

Please call if you would like to discuss this further.

Kind regards

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