

**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN
CAPITAL TERRITORY**

Disallowable instrument DI2006-267

**Utilities (Consumer Protection Code)(Industry Code) Determination 2006
(No 1)**

EXPLANATORY STATEMENT

Australian Capital Territory

Utilities (Consumer Protection Code) (Industry Code) Determination 2006 (No 1)

Disallowable instrument DI2006–267

made under the

***Utilities Act 2000*, section 59**

EXPLANATORY STATEMENT

The Independent Competition and Regulatory Commission (“the Commission”) has revoked the Consumer Protection Code (the “Code”), as varied on 1 July 2005. The Commission has determined the Consumer Protection Code set out in the schedule attached to the *Utilities (Consumer Protection Code) (Industry Code) Determination 2006 (No 1)*.

Although the Commission had determined only four variations to the Code, it is remaking the whole Code so that it can be easily accessed in one single document with the variations incorporated.

The Commission has consulted interested parties on the proposed variations to the Code in accordance with section 60 of the *Utilities Act 2000*. The Commission is satisfied that the variations are not inconsistent in material respects with another industry code or a technical code and that they are appropriate.

The Code variations are discussed below:

Correction of drafting errors

The variations remedy two drafting errors. These variations are minor and technical amendments and do not materially affect the rights or responsibilities of either customers or utilities.

The first variation corrects a reference under clause 13.10(5) to clause 13.8 (4). The reference should be to clause 13.10 (4).

The second variation relates to clause 16.2(6) of the Code, which previously stated that “[... a utility is not required to provide the utility service if a customer] pays a security deposit if required by the utility under clause 20.” This has been varied to read “[... a utility is not required to provide the utility service if a customer] does not pay a security deposit ...”

Contract information

Clause 30.3(g) of the Code previously required marketers to provide the full terms of a contract to a customer prior to, or at the time of, the customer entering into the contract. The difficulty is that it is not practicable for marketers to provide this information if the contract is formed electronically. The Code has therefore been varied so that the requirement to provide a customer the full terms of a contract no longer applies if a contract is formed electronically. The relevant utility would still be required to provide the full terms of the contract to the customer within two days of the customer entering into the contract (clause 31(1)(a)).

Cooling-off period

The Code provides a 10-day cooling-off period for customers entering negotiated contracts (clause 24). The cooling-off period previously commenced from the date the contract was agreed. Given the variation to clause 30.3(g) customers may now not receive the full terms of a contract until after agreeing to the contract. The Commission has therefore determined that the cooling-off period commences on, and not less than 10 business days after, the date the contract was agreed or from when the customer received the full terms of the contract, conditions and applicable costs of the contract under clause 31(1)(a) of the Code, whichever is the later date.