



Consultation Paper

Review of the Electricity Consumer Code of Practice and the Gas Consumer Code of Practice

October 2007

Review of the Electricity Consumer Code of Practice and Gas Consumer Code of Practice

Introduction

1. The Electricity Consumer Code of Practice and the Gas Consumer Code of Practice are being reviewed. The Electricity and Gas Complaints Commission is seeking feedback on the Codes.
2. This paper has been prepared by a working group of the Electricity and Gas Complaints Commission whose role is to steer through the review process.
3. This paper provides background information on the Electricity & Gas Complaints Commissioner Scheme and sets out the process for reviewing the Codes. Please note that it is the Commission, not the Electricity and Gas Complaints Commissioner, that is undertaking the review of the Codes.
4. We are seeking comments from a wide range of people and organisations to tell us what you think about the Codes. The list of people and organisations we have invited to comment is set out in Appendix A. However, if you know of anyone else who may be interested in providing feedback on the Codes, please forward this paper to them or let us know.
5. Some questions are set out in a table below that we would like you to address. The use of the table is not compulsory and we encourage you to provide us with any comments about the Codes that you believe are relevant to the review.
6. Please note that the Electricity & Gas Complaints Commission will undertake further consultation with interested parties about amending the Codes during 2008, as a result of the review.
7. Please send your comments, preferably including answers to the specific questions set out by **5pm 26 October 2007**. Submissions received after this date may not be considered.
8. We would prefer to receive submissions in electronic format (Microsoft Word or pdf) however we are happy to receive faxed or posted submissions. Our contact details are:

f.day@egcomplaints.co.nz

Review of the Codes of Practice
Electricity and Gas Complaints Commission
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Wellington

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Please contact Fiona Day if you do not receive acknowledgement of your submission within five business days.

9. Your submission is likely to be made available to the public on the Electricity and Gas Complaints Commissioner's website. www.egcomplaints.co.nz Please contact us if there is any information that you wish to provide on a confidential basis.
10. Hardcopies of submissions are available on request.

Submissions Format

11. To assist the working group in the orderly and efficient consideration of responses, please consider using this table. This table has been emailed as a Word doc.

Question	Relevant Clause in Code	Comment Where possible, please include details about the number and source of complaints that have lead to the concern.
Q1. Do we need the Electricity and/ Gas Codes? If so, how do you see them working with guidelines that are created by the Electricity Commission and Gas Industry Company? For example, the electricity model retail contract.		
Q2. Are the Electricity and/ Gas Codes working well?		
Q3. Are there any clauses in the Codes that promise more than can reasonably be delivered?		
Q4. Are there any clauses in the Codes that are vague or ambiguous?		
Q5. Should complaints handling by the Electricity and Gas Complaints Commissioner always be free to consumers? Are there some circumstances where a charge is appropriate such as where a meter undergoes testing or voltage variation is recorded?		
Q6. Would it be useful if the Codes included an explanation of the purpose of some or all of the clauses? If so, which ones in particular?		
Q7. Are there examples of changed industry duties and practice that should be incorporated into the Electricity and/ Gas Codes?		
Q8. What other changes should be made to the Codes? Please provide reasons why you think the changes should be made.		
Q9. Are there any other matters that you wish to raise?		
Q10. Please tell us how you first became aware of the Codes and the associated issues.		
Q11. How do you think consumers usually become aware of the Codes? Do you have any specific suggestions as to how consumer awareness of the codes can be broadened?		

Definitions

12. In this paper:
- | | |
|-----------------------------------|--|
| “Board of the Council” refers to: | the Board of the Electricity and Gas Complaints Council |
| “Codes” refer to: | the Electricity Consumer Code of Practice and the Gas Consumer Code of Practice |
| “Commission” refers to: | the Electricity and Gas Complaints Commission |
| “Commissioner” refers to: | the Electricity and Gas Complaints Commissioner |
| “Constitution” refers to: | the Constitution of the Electricity and Gas Complaints Commissioner Scheme that is made up of the deed, the rules (schedule A), the terms of reference (schedule B), the codes of practice (Schedules C, CA & CB) and the dispute resolution protocols (schedules D, DA & DB). |
| “Scheme” refers to: | the Electricity and Gas Complaints Commissioner Scheme |

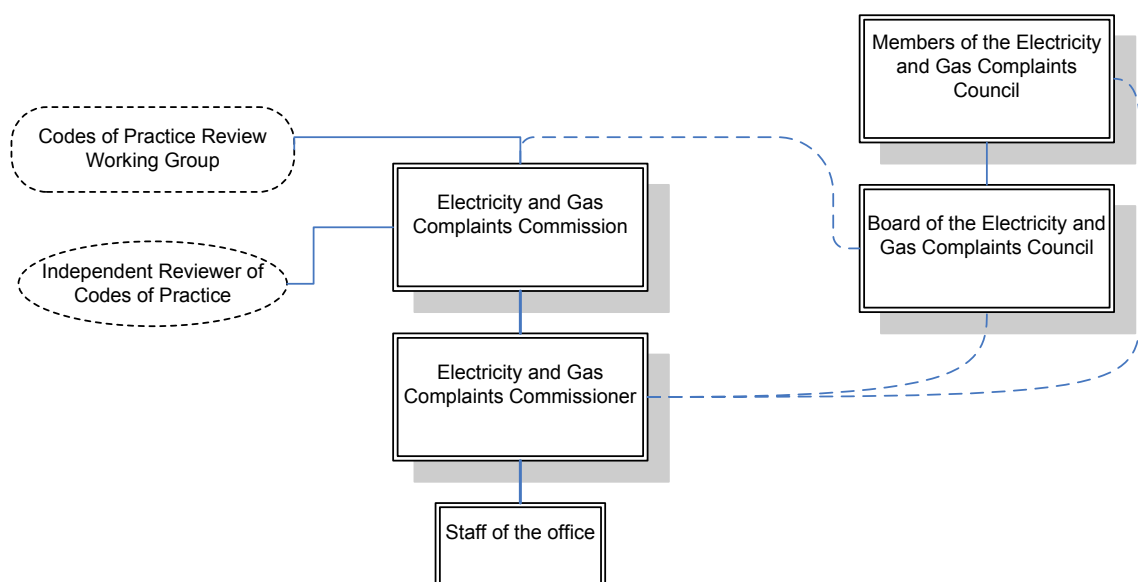
The Electricity and Gas Complaints Commissioner Scheme

13. The Electricity and Gas Complaints Commissioner Scheme offers a service for resolving disputes between consumers and their electricity and gas companies. The service is free to consumers.
14. Free, independent of the industry and binding on its members, the Electricity and Gas Complaints Commissioner Scheme provides a forum for consumers to access an independent dispute resolution service for complaints about their electricity and/or gas lines or retail companies.
15. The Electricity and Gas Complaints Commissioner can look into almost any complaint about a member company, excluding the amount companies charge for their services. However, the Commissioner can check that a company has applied its charges appropriately and given proper notice of changes to those charges.
16. The Commissioner’s decisions are binding on the company involved, but if the consumer does not accept a decision, they can proceed to the disputes tribunal or go through the court system.
17. Not to be confused with the Government appointed Electricity Commission, the Electricity and Gas Complaints Commissioner Scheme is funded by member companies, but remains independent of the industry in its investigation processes and decision-making.
18. From 18 April 2005 the Commissioner has been able to consider complaints involving sums of up to \$20,000 (previously \$10,000) or up to \$50,000 with the consent of the member company. This opened the scheme up to small or home businesses.
19. The scheme was established in 2001, initially dealing with electricity, but reticulated natural gas was added from 1 April 2005 and complaints from land owners and occupiers were added from October 2006.

Structure of the Scheme

20. Companies who join the Scheme become members of the Electricity and Gas Complaints Council. The Council provides industry oversight of the Scheme and appoints two industry representatives to the Commission. There are currently six electricity retail and 29 electricity lines members, and seven gas members. The member companies are represented by the Board of the Council. The Board of the Council acts like a board of directors for the members and links the Commission and the industry.
21. The Scheme is governed by the Electricity and Gas Complaints Commission. The Commission's role is to establish and maintain the office of the Electricity and Gas Complaints Commissioner, to appoint the Commissioner and ensure the objectives of the Scheme are achieved. The Commission consists of two industry members, two consumer representatives and an independent chair. The Commission acts like a board of directors for the Commissioner, and monitors how well the Scheme is working. The Commission is responsible for commissioning the independent review of the Codes and determining what action to take in response to the review's findings. The review is discussed below.

Electricity and Gas Complaints Commissioner Scheme



22. The Electricity and Gas Complaints Commissioner's task is to administer the Scheme independently from the industry. The Commissioner is empowered to consider "Consumer Complaints" and "Land Complaints"¹, to facilitate the resolution of complaints and make decisions that are binding on the members, but not on individual consumers who remain free to take their dispute to other forums. Judi Jones was appointed Commissioner in December 2001.
23. Membership lists of the Council, Board of Council and Commission are provided in Appendix B.

¹ "Consumer Complaint" and "Land Complaint" are defined in the Scheme's Constitution.

24. The Constitution for the Electricity and Gas Complaints Commissioner Scheme sets out the powers and functions of the Council, Board of Council, Commission and the Commissioner. The Constitution comprises:
- The Deed
 - Schedule A: Rules of the Commission
 - Schedule B: Terms of Reference
 - Schedule C: Electricity Consumer Code of Practice
 - Schedule CA: Gas Consumer Code of Practice
 - Schedule CB: Land Code of Practice
 - Schedule D: Electricity Consumer Dispute Resolution Protocol
 - Schedule DA: Gas Consumer Dispute Resolution Protocol
 - Schedule DB: Land Complaints Dispute Resolution Protocol
25. The full constitution is available on the office of the Commissioner's website: www.egcomplaints.co.nz or a hardcopy is available upon request.
26. All member companies participating in the Scheme agree to be bound by the Constitution and the Commissioner's decisions.

The Codes of Practice

27. All members of the Scheme agree to be bound by the Codes. The Codes were developed by the industry in consultation with consumer groups and relevant government agencies. Every member of the Scheme agrees to maintain the standards in the Codes for all their dealings with customers. A copy of the Electricity Consumer Code of Practice and the Gas Consumer Code of Practice are attached as Appendix C.
28. The Codes clearly explain to customers what they can expect in their dealings with the electricity and gas industries. It sets out:
- the minimum standards of behaviour for the member companies;
 - the minimum set of obligations for the member companies in relation to the supply of electricity and gas to consumers; and
 - how complaints will be resolved
29. The Codes set down the minimum terms that must be included in the customer's contract. The contract is the specified agreement between each customer and their electricity supplier.
30. The Scheme provides for a two stage process for the resolution of a dispute:
- The internal complaints process – each company must provide a formal complaints process for customers who are dissatisfied. All consumers with complaints must follow the individual company's formal complaints process before approaching the Commissioner.
 - The Commissioner – an independent, qualified person who will help customers resolve complaints they feel the company has not resolved in a satisfactory manner. The Commissioner can award money to customers if they find a company is at fault.

Review of the Codes

31. The Scheme's constitution provides for a review of the Electricity Consumer Code of Practice 12 months after its adoption.² This review was carried out in 2003 by Chen Palmer & Associates and resulted in a number of changes to the code.
32. There is no further constitutional requirement to review the Codes on an on-going basis. As the Scheme has been in operation five years, and several major changes have occurred within the industry during that time, including the formation of the Electricity Commission and the Gas Industry Company, the Electricity and Gas Complaints Commission believes it is timely to review both the electricity and gas codes.
33. Note that the Constitution provides for an independent review of the performance and effectiveness of the Scheme as a whole three years after its adoption and subsequently every five years.³ This is a different review than the one presently being undertaken. The last review of the whole Scheme was carried out in 2004 and another one is due to commence in 2009. Any proposed changes to parts of the Scheme that is not part of the Codes will fall within the scope of that review.

The Review Process

34. The Commission has set up a working group consisting of two industry representatives and two consumer representatives, to assist the Commission in reviewing the Codes. The members of the working group are:

Kerry Nickels	Vector; Council Board member
Joanne McKirdy	Contact Energy; Council Board member
Catherine McNamara	Wellington Community Law Centre
Kate Henderson	NZ Federation of Family Budgeting Services

35. As part of the review the working group is inviting submissions via this consultation paper. The Commission expects the working group to consult with the members of the Commission, members of the Electricity Complaints Commissioner Scheme, consumer groups, relevant Government departments, Ministers and other persons/ organisations that the working group consider is desirable to consult with in order to fulfil the requirement to conduct an independent review.
36. Copies of submissions received by the working group will be forwarded to an independent reviewer. The reviewer may contact the submitters for clarification on the issues raised.
37. The reviewer will report to the Commission with its recommendations in early 2008. This report will be made publicly available on the office of the Commissioner's website: egcomplaints.co.nz
38. The working group will consider the reviewer's recommendations and as a result, may formulate a proposal to change Schedules C and CA of the constitution. The Commission will undertake consultation on the working group's proposal during 2008. The Commission will consider the finalised proposal and make recommendations to the Board of the Council for changes (if any) to the Codes in accordance with the Constitution.⁴ Any

² A6.1 of the Constitution

³ A6.1 of the Constitution

⁴ A6.2 of the Constitution.

changes to the Codes proposed by the Commission as a result of the review will be advanced through the process set out in the Constitution.

The Independent Reviewer

39. The Commission has appointed Stephen Franks, Lawyer, to review the Codes.
40. The reviewer's terms of reference are to review the Electricity Consumer Code of Practice and the Gas Consumer Code of Practice. The review does not include any other aspects of the Scheme. The Land Code is not included because of its recent adoption in October 2006.
41. The review of the Codes will focus on whether the Codes are fair, transparent, and reasonable in relation to complaints resolution systems for electricity and gas. There will be a need to strike a balance between the needs and expectations of consumers, industry members and government.

Changing the Scheme's Constitution

42. The Scheme's Constitution contains detailed arrangements on how the Scheme must be amended.⁵ There are two processes involved depending on which parts of the Constitution are being amended. A review of the Codes will involve changes to Schedules C and CA. The Commission may propose to the Board of the Council amendments that the Commission considers necessary or conducive to the continuing effectiveness of the Scheme.⁶
43. Where amendments are proposed by the Commission, the amendments are put to the Scheme Amendment Committee (comprising the six industry Council Board members, six consumer representatives and the independent Council Board chairperson) for approval. If not approved by 10 out of the 12 Scheme Amendment Committee members, the amendment may be referred to the Council for approval (as long as 5 out of the 6 consumer representatives have approved the amendments). Where such amendment is referred to the Council, an amendment will be approved by resolution of 50% of the total number of votes able to be cast in each joint class of member or a written resolution of 50% of each joint class or member.⁷

⁵ Clause 6 of the Constitution.

⁶ A6.2 of the Constitution

⁷ There are two joint classes of membership: retail and lines

Appendix A

List of Those Invited to Submit

The Electricity & Gas Complaints Commissioner
Coalition of Community Law Centres
Consumers' Institute of NZ
Wellington Community Law Centre
Whitireia Community Law Centre
NZ Federation of Family Budgeting Services
Maori Women's' Welfare League
Federation of Maori Authorities
National Council of Women New Zealand
Citizens Advice Bureau
NZ Council of Christian Services
Federation of Voluntary Welfare Organisations
Ministry of Pacific Island Affairs
Age Concern New Zealand
Federated Farmers
Grey Power
Dun & Bradstreet (NZ) Ltd
Baycorp Advantage (NZ) Ltd
Collection House (NZ) Ltd
Electricity Commission
Gas Industry Company
Ministry of Economic Development
Director of Fair Trading, Commerce Commission
Ministry of Consumer Affairs
Hon David Parker, Minister of Energy
Hon Judith Tizard, Minister of Consumer Affairs
John Belgrave, Chief Ombudsman
President, Law Commission
Ministry of Maori Development
Privacy Commissioner
Gerry Brownlee, MP, Spokesperson on Energy, National Party
Jeanette Fitzsimons, MP, Spokesperson on Energy, Green Party
Dr Pita Sharples, MP, Maori Party
Rodney Hide, MP, ACT Party
Jim Anderton, MP, Progressive Party
Peter Brown, MP, New Zealand First
Contact Energy
Energy Online
Genesis Energy
Meridian Energy
Mighty River Power
TrustPower
Alpine Energy
Aurora Energy
Buller Electricity
Centralines
Counties Power
Eastland Network
Electra
Electricity Ashburton
Horizon Energy
Main Power
Marlborough Lines

Nelson Electricity
Network Tasman
Network Waitaki
Northpower
Orion
Powerco
Powernet
Scanpower
The Lines Company
Top Energy
Unison
United Networks
Vector
Waipa Networks
WEL Networks
Westpower
Wanganui Gas
Bay of Plenty Electricity
King Country Energy

Appendix B

Members of the Scheme

Company members

Retail Companies

Contact Energy (trading as Contact and Empower)
Genesis Energy (including Energy Online and Fresh Start)
Meridian Energy
Mighty River Power (trading as Mercury Energy)
TrustPower
Simply Energy Limited

Lines Companies

Buller Electricity
Centralines
Counties Power
Aurora Energy
Electricity Ashburton
Horizon Energy
Marlborough Lines
Nelson Electricity
Network Waitaki
Network Tasman
Northpower
Orion
Powerco
PowerNet
ScanPower
The Lines Company
Top Energy
United Networks
Vector
Waipa Networks
WEL Networks
Westpower
Main Power
Eastland Network
Electra
Unison
Alpine Energy
Transpower

Gas

Contact Energy
NGC
Vector
Genesis Energy
Wanganui Gas
Powerco
Mighty River Power

Members of the Board of the Council

John Robertson – Independent Chair
Kerry Nickels - Vector
Nigel Barbour - Powerco
Mel Orange - Meridian Energy
Viv Wright - Electra
Joanne McKirdy - Contact Energy
Trevor Starr - Genesis Energy

Members of the Commission

Alison Paterson – Independent Chair
Mel Orange – Meridian Energy
Jocelyn Turner – Vector
Nick Toonen – consumer representative
Therese O'Connell– consumer representative

Appendix C

The Electricity Consumer Code of Practice

SCHEDULE C OF THE CONSTITUTION

THE ELECTRICITY CONSUMER CODE OF PRACTICE

C1. WHAT IS THE ELECTRICITY CODE?

- C1.1 The Code contains undertakings by Electricity Company members of the Electricity and Gas Complaints Council to their Consumers under the Scheme for fair and reasonable dealings with Consumers.
- C1.2 The provisions of the Code should be interpreted in light of Clause C2 and Clause C3 and should be applied in a manner which is consistent with these Statements of Purpose and Principles.

C2. STATEMENT OF PURPOSE

- C2.1 The Electricity and Gas Complaints Commissioner Scheme is designed to create a forum where Consumers can access an independent dispute resolution service for complaints about their electricity Lines Company or Retailer.
- C2.2 The purpose of the Electricity and Gas Complaints Commissioner Scheme is to provide a service that is:
- (a) Free to Consumers;
 - (b) Accessible;
 - (c) Fair;
 - (d) Effective;
 - (e) Accountable; and
 - (f) Independent.
- C2.3 The Code is a document which sets out the principles, requirements, services and actions a Consumer can reasonably expect from their Electricity Retailer or Electricity Lines Company.

C3. STATEMENT OF PRINCIPLES

- C3.1 The following Principles articulate the basic values which underpin the Code's purpose and objectives:
- (a) Consumer complaints should be handled promptly, fairly, and with respect to complainants throughout the process;
 - (b) All information given to Consumers should be accurate, up to date and easy to understand;

- (c) Consumer Contracts should clearly define the rights and obligations of the contracting parties, and companies must bring these rights and obligations to the attention of Consumers; and
- (d) The Code sets out certain minimum standards of behaviour of good industry practice, and Consumer Contracts should seek to exceed those minimums where possible.

C4. LOCATION OF DEFINITIONS

C4.1 Words that are capitalised (e.g. Consumer Contract, and Company) have specific meanings in this Code. If these words are not defined when first used, they are defined under C29 Definitions at the back of the Code.

C5. WHO IS COVERED BY THE CODE?

C5.1 Every Electricity Retailer and Electricity Lines Company who is a member of the Electricity and Gas Complaints Council is covered by this Code.

C5.2 This means that they must follow the provisions set out in the Code.

C6. WHAT IS A CONSUMER CONTRACT?

C6.1 A Consumer Contract is an agreement between a Consumer and a Company for the supply of electricity and/or Line Function Services.

C7. WHAT IS THE CONNECTION BETWEEN THE CODE AND A CONSUMER CONTRACT?

C7.1 The Code explains to Consumers what they can expect in their dealings with an Electricity Retailer or Electricity Lines Company.

C7.2 A Consumer Contract must not contain provisions which are inconsistent with the Code. The provisions of the Code will apply to the extent of any inconsistency.

C7.3 A Consumer Contract may include terms or conditions additional to or more favourable to the Consumer than those set out in the Code but these terms or conditions must not be inconsistent with the undertakings of the Code.

C8. WHO DEALS WITH COMPLAINTS RELATING TO THE CODE?

C8.1 Only the Company and the Electricity and Gas Complaints Commissioner can deal with complaints relating to the Code.

C9. WHAT CAN THE CONSUMER EXPECT FROM A CONSUMER CONTRACT?

C9.1 A Consumer Contract must:

- Be easy to understand;
- Clearly set out the rights and obligations of both the Company and the Consumer;
- Refer to any other information that is part of the terms and conditions of the Consumer Contract;

- Be easy for Consumers to obtain;
- Allow Disconnection only as a last resort except for reasons of safety or other reasons authorised under the Electricity Regulations 1997; and
- Provide for free, accessible, fair and effective systems for resolving Complaints within a Company.

C10. CHANGES TO CONSUMER CONTRACTS

C10.1 If a Company changes the terms and conditions of a Consumer Contract, the Company must:

- Give no less than 30 days notice before making any changes to the terms and conditions of the Consumer Contract; and
- Explain the reasons for the changes to the Consumer Contract terms and conditions when it gives the Consumer notice about the change.

C10.2 The Consumer Contract must describe how the Company will communicate any changes to the terms and conditions of the Consumer Contract that may be made under the Consumer Contract. However, any change in the frequency of billing and/or frequency of meter reading must be individually communicated to the Customer in writing.

C11. CHANGES TO PRICE

C11.1 If a Company increases the price of electricity supplied under a Consumer Contract, including for example any increase in variable electricity prices and/or daily fixed charge prices, the Company must:

- Give no less than 30 days notice before increasing the price of electricity; and
- Explain the reasons for the increase in price when it gives the Consumer notice about the change.

C11.2 The Consumer Contract must describe how the Company will communicate any increases in the price of electricity. If the increase in price is more than 5%, then a separate notice of the increase must be individually communicated to the Consumer in writing as soon as practicable.

C11.3 For the avoidance of doubt, a Company is not required to give a Consumer advance notification of a decrease in the price of electricity supplied.

C12. SERVICES PROVIDED

C12.1 The Consumer Contract must describe the services provided to the Consumer. This includes any quality standards that the Consumer should expect from the Company in providing these services.

C12.2 A Consumer Contract must set out how the Company will respond to the Consumer where quality of service standards are not met, including any compensation that would be paid to the Consumer if the Company does not meet its obligations.

- C12.3 The quality of service standards must:
- Comply with the Electricity Act 1992 and the technical regulations and technical electrical codes of practice;
 - Be no less than good industry practice prevailing in New Zealand; and
 - Require that equipment used in the provision of Line Function Services will be monitored and maintained in line with good industry practice prevailing in New Zealand.

C12.4 The Consumer Contract must include a warning to Consumers to protect Sensitive Appliances from voltage spikes.

C13. PRICE INFORMATION

C13.1 The Consumer Contract must refer to the relevant prices or pricing schedule (as may be produced by the Company from time to time) of products and services available to the Consumer.

C14. BILLING

C14.1 Consumer Contracts must set out:

- That the Consumer is liable for the charges for all the services included in the Consumer Contract and is responsible for making sure that the contractual requirements are met;
- That the Consumer will only be liable for charges from the date of occupancy or responsibility unless another date has been agreed between the Consumer and the Company;
- That, except in the case of bills based on estimates, if the Company makes an error and charges an incorrect amount, the Consumer:
 - is entitled to a refund of the difference between the incorrect and correct amounts where the Consumer has paid too much; or
 - is only liable to the Company for the correct amount.
- The billing period and/or reconciliation period.

C14.2 Where a Consumer has chosen a price option offered by an Electricity Retailer that includes fixed charges for electricity and Line Function Services, the Company's bill must identify the fixed charge component of the bill separately from the variable charge.

C14.3 If a Company's bill includes charges for goods and services other than the supply of electricity or Line Function Services, these should be itemised separately unless the Consumer has agreed otherwise under the Consumer Contract.

C14.4 If a Company's bill to a Consumer is based on a method of estimating electricity and/or Line Function Services usage:

- The Consumer should be given the opportunity of reading their own meter(s) and giving the reading(s) to the Company until the Company arranges for the meter to be read;
- The Company must provide, on request, a simple explanation of how estimates are calculated and amend an estimated bill when the Consumer provides a valid meter reading;
- The Company must make sure that its bills state clearly if an estimate has been used; and
- The Company must state in the Consumer Contract whether the Consumer is required to pay estimated accounts.

C15. METERING

C15.1 Meter readings used by a Company for billing a Consumer must comply with electricity industry standards and codes of practice for meter reading. Meter readings should take place a minimum of four times a year unless the Consumer agrees individually otherwise or does not provide the Company with reasonable access to the meter.

C15.2 On request the Company must inform the Consumer of the results of any meter test, and, if it is not clear in the Consumer Contract, inform the Consumer of any extra charge the Consumer may incur as a result of the Company testing the Consumer's meter prior to undertaking the work.

C15.3 The Company must inform the Consumer prior to taking any action on the Consumer's meter which may impact on the Consumer's bill or result in an extra charge.

C15.4 The obligations on Companies to inform Consumers under Clause C15.2 and Clause C15.3 do not apply where the Company has reasonable cause to suspect that fraud, theft or meter tampering has taken place.

C16. PAYMENT OPTIONS

C16.1 A Company with a Consumer Contract (or the person who does that Company's billing on its behalf) must have policies in place that assist a Consumer who is having difficulty paying a bill.

C16.2 Where currently offered payment options are to change, reasonable notice must be given and adequate information provided to explain the changes to Consumers before the change takes effect. The minimum notification provisions of Clause C10 Changes to Consumer Contracts apply.

C16.3 If alternative payment options are offered to Consumers, these should be supported by a simple explanation of how the options operate, either in the Consumer Contract or in a separate publication or notice.

C17. BONDS

C17.1 If a Company requires a Bond:

- The Company must give to the Consumer the reason for that decision;

- The Bond must not be more than the expected loss if a Consumer doesn't pay;
- The Consumer Contract should state if interest is payable on the Bond;
- The Bond must be held on trust in a separate account; and
- The Consumer Contract must state:
 - the period of time within which the Bond must be paid to the Company;
 - how long the Company will keep the Bond and that if the Company keeps the Bond for longer than 12 months, it must provide its reasons for doing so to the Consumer; and
 - how the Bond will be refunded.

C18. DISCONNECTION AND RECONNECTION

C18.1 Consumer Contracts must set out the conditions under which Consumers can be disconnected.

C18.2 Consumer Contracts must state that a Company may only disconnect a Consumer for non-payment where the non-payment relates to bills (including a Bond) associated with the supply of Retail Services, Line Function Services, and/or electrical energy.

C18.3 Where a Company intends to disconnect a Consumer because the Company considers that the Consumer has not paid a bill (including a Bond), Disconnection should be the Company's last course of action.

C18.4 If a Consumer has started using and is pursuing the dispute resolution processes set out in the Consumer Contract (including the Electricity and Gas Complaints Commissioner Scheme) in relation to that Consumer not paying the bill, the Company must not disconnect that Consumer or commence credit recovery action until the processes are exhausted.

C18.5 This means that a Consumer should not be disconnected for non-payment of part of an account that is the subject of a dispute resolution process. However, a Consumer may be disconnected for non-payment of that part of an account which is not in dispute.

C18.6 A Consumer should not be disconnected on the basis of an estimated account unless it is fair and reasonable in the circumstances to do so.

C18.7 Except in the case of agreed or emergency Disconnections, Consumer Contracts must:

- Provide for at least seven days notice of warning of Disconnection and allow an additional three days for the delivery of the notice; and
- Provide for a Final Warning no less than 24 hours nor more than seven days before Disconnection. The Final Warning must specify these timeframes. If the Disconnection is not prevented by the Consumer and not completed within these timeframes, the Company must issue another Final Warning.

- C18.8 Consumer Contracts must explain when charges for temporary Disconnection and/or Reconnection apply. When warnings are delivered as per the provisions of C18.7, they must include and make explicit what additional charges over and above the recovery of billing arrears will apply.
- C18.9 Temporary Disconnection and/or Reconnection charges should not be more than the level required to meet the overall costs of the Disconnection and/or Reconnection service.
- C18.10 Disconnection notices should include:
- Information about the Company's dispute resolution processes;
 - Contact details of the Company's credit department so that the Consumer can contact that credit department to arrange payment of a bill that has not been paid, and
 - The cost of Reconnection.

C19. FAULTS

- C19.1 Information about 24-hour telephone numbers to call for faults must be provided on every bill to a Consumer.

C20. PLANNED SHUTDOWNS

- C20.1 A Consumer Contract must clearly state a minimum notice period before a Planned Shutdown which should be no less than four days unless agreed otherwise in the Consumer Contract.
- C20.2 Companies must notify Consumers of a Planned Shutdown within the notice period.

C21. OBLIGATIONS FROM POINT OF SUPPLY

- C21.1 Company must supply information (on request) to a Consumer about a Consumer's electricity supply that explains where the Electricity Lines Company's ownership and responsibilities end in relation to the network.
- C21.2 A Consumer Contract must set out the responsibilities of the Consumer, the Electricity Retailer and the Electricity Lines Company in relation to ownership of equipment. For example, a Consumer Contract must clearly set out the extent to which the Consumer is responsible for the maintenance of trees and/or other structures on the property where these could affect the supply.
- C21.3 A Consumer Contract must explain the Consumer's responsibilities for compliance with all Line Function Services safety and technical requirements under regulations and codes of practice.

C22. ACCESS TO PREMISES

- C22.1 Consumer Contracts must include provisions permitting reasonable access to a Consumer's Premises for the direct purposes of the Electricity Retailer or Electricity Lines Company and any agent or subcontractor of that Company. The consequences of not granting access should also be set out in the Consumer Contract. Other conditions of access should be in line with the provisions of the Electricity Act 1992.

C22.2 Where a Company is in the possession of keys and/or security information for a Consumer's Premises, the Company should have formal procedures for the secure storage and use of and return of these keys and/or security information.

C23. CONSUMER COMPLAINT RESOLUTION

C23.1 Companies must have a free, accessible, fair and effective, internal Consumer Complaints handling process.

C23.2 Companies must accept Consumer Complaints in any reasonable form from a Consumer including written and oral, and via a variety of delivery mechanisms including face-to-face, posted, hand-delivered, facsimile or electronic.

C23.3 Companies must:

- Provide information to Consumers about how their Complaint will be dealt with, and by when;
- Provide written information about their Consumer Complaints handling processes; and
- Treat Consumers courteously, and with respect.

C23.4 Companies must also:

- Train their staff about their Consumer Complaints handling processes;
- Use processes that are easy to understand, easy to use and free to Consumers;
- Provide adequate resources for their Complaints handling processes;
- Tell Consumers that there is an Electricity and Gas Complaints Commissioner to whom they can go if their complaint is not resolved; and
- Review their Consumer Complaints handling process regularly.

C23.5 Companies must provide for appropriate remedies to Consumers

C23.6 Companies must collect and analyse information about Complaints, and use it to adjust business practices as required.

C23.7 For Consumers, Electricity Retailers, must have in place an effective process to ensure there has been an offer and acceptance of the Consumer Contract.

C24. LIABILITY

C24.1 Except as permitted under Clauses C24.2 and C24.3, a Consumer Contract must not limit the scope of liability, in contract or tort, of a Company to a Consumer to less than liability for physical damage to property where it can be shown that the Company has been negligent and the amount and nature of the Consumer's loss was reasonably foreseeable.

C24.2 A Consumer Contract must not limit the monetary amount of liability, whether in contract or tort, of a Company to a Consumer for an event or a series of closely related events occurring on a

network system to any amount less than \$10,000. This clause does not prevent or limit any provision in a Consumer Contract stating that liability is subject to any monetary cap contained in the Consumer Contract for an event or series of closely related events in relation to more than one Consumer on a network system.

C24.3 A Consumer Contract must not fix a per annum cap on liability in respect of one or more Consumers on a network system or for events or a series of closely related events occurring on a network system.

C24.4 Notwithstanding the provisions of the Code, and in particular Clause C24, Consumers have access to any remedies that arise under the Consumer Guarantees Act 1993. Where the Code conflicts with the Consumer Guarantees Act, the Consumer Guarantees Act will take precedence.

C25. FORCE MAJEURE CLAUSES

C25.1 A Consumer Contract must define the situations covered under Force Majeure clauses and explain how a Company will respond in such circumstances.

C26. PRIVACY

C26.1 A Consumer Contract must adhere to the provisions of the Privacy Act 1993 and accordingly:

- Set out the purposes for which the Company collects information from individuals; and
- Confirm that Consumers will have ready access to information held about them and the opportunity to correct this information.

C27. OVERSIGHT AND REVIEW OF THIS CODE

C27.1 The Electricity and Gas Complaints Commission is responsible for overseeing and reviewing this Code.

C28. ENFORCEMENT OF THE CODE

C28.1 The undertakings of a Company in this Code are not intended to create rights enforceable by a Consumer against a Company under the Contracts (Privity) Act 1982.

C29. DEFINITIONS

C29.1 Terms used in this Code have the following meanings:

Bond means the bond or sum of money provided by a Consumer as security for non-payment.

Code means this Code of Practice which comprises Schedule C of the Constitution for the Electricity and Gas Complaints Commissioner Scheme.

Company means a member of the Electricity and Gas Complaints Commissioner Scheme who is either an Electricity Retailer or an Electricity Lines Company. "Companies" and Electricity Companies have corresponding meaning.

Consumer means:

- A person who is supplied, or who applies to be supplied, with electricity by an Electricity Retailer in accordance with a Consumer Contract for consumption of electricity;
- A person who is supplied, or who applies to be supplied, with Line Function Services in accordance with a Consumer Contract and who also consumes electricity; and
- Includes any person using the services supplied under that Consumer Contract or paying part or all of the fees for the services provided under the Consumer Contract.

Consumer Contract means the agreement with a Consumer providing for the supply of electricity and/or Line Function Services to a Consumer and includes any additional publications, which contain information about the service to Consumers.

Disconnection means the movement or removal of equipment so that no electricity can flow to a Consumer's Premises.

Electricity and Gas Complaints Commission means the Commission set up under the Electricity and Gas Complaints Commissioner Scheme. It provides an independent overview of the Scheme and comprises an independent chairperson, two representatives of industry members and two Consumer representatives appointed by the Minister of Consumer Affairs.

Electricity and Gas Complaints Commissioner is the person appointed to that position by the Electricity and Gas Complaints Commission.

Electricity and Gas Complaints Commissioner Scheme means the Electricity and Gas Complaints Commissioner Scheme implemented by the Electricity and Gas Complaints Council.

Electricity and Gas Complaints Council means the governing body under the Electricity and Gas Complaints Commissioner Scheme.

Electricity Lines Company means a Company which operates a local network for conveying electricity and provides Line Function Services to Electricity Retailers or directly to Consumers. Electricity Lines Companies includes lines services businesses, whether incorporated or not.

Electricity Retailer means any supplier of electricity to Consumers.

Force Majeure means circumstances beyond the control of the Company, for example failure to supply electricity due to causes beyond the Company's control such as a storm.

Line Function Services has the meaning set out in section 2 of the Electricity Act 1992 and as further provided for in a Consumer Contract and includes metering services where an Electricity Lines Company provides or has provided these services.

Planned Shutdown means the period when electricity is not available due to routine planned maintenance. A planned shutdown excludes situations where the electricity network needs to be taken out of service for emergency reasons such as to ensure the integrity of the electricity network or for safety. In general, planned shutdowns (where required) would be used for all work falling under the Lines Company's Asset Management Plan.

Point of Supply has the same meaning as given to it in the Electricity Act 1992.

Premises means the site to which electricity is supplied or is to be supplied to a Consumer.

Provide a Final Warning means that the Company must take all reasonable steps to ensure a Consumer receives this warning. This may include making contact to the Consumer's last known address or phone number.

Reconnection means the movement or replacement of equipment so that electricity can flow to a Consumer's Premises which had been disconnected.

Retail Services mean all services supplied under an interposed Consumer Contract (except Line Function Services) and all services supplied under a supply only Consumer Contract and includes metering services where an Electricity Retailer provides or has provided these services.

Sensitive Appliances means electrical equipment that has electronic circuitry or control systems in them. Major household appliances that fall into this category include, but are not limited to, TVs, microwaves, stereos, computers, radios, washing machines and driers, fridges, freezers, videos, DVDs and dishwashers.

Appendix D: The Gas Consumer Code of Practice

SCHEDULE CA

THE GAS CONSUMER CODE OF PRACTICE

CA1. WHAT IS THE GAS CODE?

CA1.1 The Code contains undertakings by Gas Company members of the Electricity and Gas Complaints Council to their Consumers under the Scheme for fair and reasonable dealings with Consumers.

CA1.2 The provisions of the Code should be interpreted in light of Clause CA2 and Clause CA3 and should be applied in a manner which is consistent with these Statements of Purpose and Principles.

CA2. STATEMENT OF PURPOSE

CA2.1 The Electricity and Gas Complaints Commissioner Scheme is designed to create a forum where Consumers can access an independent dispute resolution service for complaints about their Gas Retailer and Gas Lines Company.

CA2.2 The purpose of the Electricity and Gas Complaints Commissioner Scheme is to provide a service that is:

- (a) Free to Consumers;
- (b) Accessible;
- (c) Fair;
- (d) Effective;
- (e) Accountable; and
- (f) Independent.

CA2.3 The Code is a document which sets out the principles, requirements, services and actions a Consumer can reasonably expect from their Gas Retailer or Gas Lines Company.

CA3. STATEMENT OF PRINCIPLES

CA3.1 The following Principles articulate the basic values which underpin the Code's purpose and objectives:

- (a) Consumer complaints should be handled promptly, fairly, and with respect to complainants throughout the process;
- (b) All information given to Consumers should be accurate, up to date and easy to understand;
- (c) Consumer Contracts should clearly define the rights and obligations of the contracting parties, and Companies must bring these rights and obligations to the attention of Consumers; and
- (d) The Code sets out certain minimum standards of behaviour of good industry practice, and Consumer Contracts should seek to exceed those minimums where possible.

CA4. LOCATION OF DEFINITIONS

CA4.1 Words that are capitalised (e.g. Consumer Contract, and Company) have specific meanings in this Code. If these words are not defined when first used, they are defined under CA29 Definitions at the back of the Code.

CA5. WHO IS COVERED BY THE CODE?

CA5.1 Every Gas Retailer and Gas Lines Company who is a member of the Electricity and Gas Complaints Council is covered by this Code.

CA5.2 This means that they must follow the provisions set out in the Code.

CA6. WHAT IS A CONSUMER CONTRACT?

CA6.1 A Consumer Contract is an agreement between a Consumer and a Company for the supply of Gas and/or Line Function Services.

CA7. WHAT IS THE CONNECTION BETWEEN THE CODE AND A CONSUMER CONTRACT?

CA7.1 The Code explains to Consumers what they can expect in their dealings with a Gas Retailer or Gas Lines Company.

CA7.2 A Consumer Contract must not contain provisions which are inconsistent with the Code. The provisions of the Code will apply to the extent of any inconsistency.

CA7.3 A Consumer Contract may include terms or conditions additional to or more favourable to the Consumer than those set out in the Code but these terms or conditions must not be inconsistent with the undertakings of the Code.

CA8. WHO DEALS WITH COMPLAINTS RELATING TO THE CODE?

CA8.1 Only the Company and the Electricity and Gas Complaints Commissioner can deal with complaints relating to the Code.

CA9. WHAT CAN THE CONSUMER EXPECT FROM A CONSUMER CONTRACT?

CA9.1 A Consumer Contract must:

- Be easy to understand;
- Clearly set out the rights and obligations of both the Company and the Consumer;
- Refer to any other information that is part of the terms and conditions of the Consumer Contract;
- Be easy for Consumers to obtain;
- Allow Disconnection only as a last resort except for reasons of safety or other reasons authorised under the Gas Regulations 1993; and
- Provide for free, accessible, fair and effective systems for resolving Complaints within a Company.

CA10. CHANGES TO CONSUMER CONTRACTS

CA10.1 If a Company changes the terms and conditions of a Consumer Contract, the Company must:

- Give no less than 30 days notice before making any changes to the terms and conditions of the Consumer Contract; and
- Explain the reasons for the changes to the Consumer Contract terms and conditions when it gives the Consumer notice about the change.

CA10.2 The Consumer Contract must describe how the Company will communicate any changes to the terms and conditions of the Consumer Contract that may be made under the Consumer Contract. However, any change in the frequency of billing and/or frequency of meter reading, must be individually communicated to the Consumer in writing.

CA11. CHANGES TO PRICE

CA11.1 If a Company increases the price of Gas supplied under a Consumer Contract, including for example any increase in variable Gas prices and/or daily fixed charge prices, the Company must:

- Give no less than 30 days notice before increasing the price of Gas; and
- Explain the reasons for the increase in price when it gives the Consumer notice about the change.

CA11.2 The Consumer Contract must describe how the Company will communicate any increases in the price of Gas. If the increase in price is more than 5%, then a separate notice of the increase must be individually communicated to the Consumer in writing as soon as practicable.

CA11.3 For the avoidance of doubt, a Company is not required to give a Consumer advance notification of a decrease in the price of Gas supplied.

CA12. SERVICES PROVIDED

CA12.1 The Consumer Contract must describe the services provided to the Consumer. This includes any quality standards that the Consumer should expect from the Company in providing these services.

CA12.2 A Consumer Contract must set out how the Company will respond to the Consumer where quality of service standards are not met, including any compensation that would be paid to the Consumer if the Company does not meet its obligations.

CA12.3 The quality of service standards must:

- Comply with the Gas Act 1992 and the technical regulations and technical Gas codes of practice;
- Be no less than good industry practice prevailing in New Zealand; and
- Require that equipment used in the provision of Line Function Services will be monitored and maintained in line with good industry practice prevailing in New Zealand.

CA13. PRICE INFORMATION

CA13.1 The Consumer Contract must refer to the relevant prices or pricing schedule (as may be produced by the Company from time to time) of products and services available to the Consumer.

CA14. BILLING

CA14.1 Consumer Contracts must set out:

- That the Consumer is liable for the charges for all the services included in the Consumer Contract and is responsible for making sure that the contractual requirements are met;
- That the Consumer will only be liable for charges from the date of occupancy or responsibility unless another date has been agreed between the Consumer and the Company;
- That, except in the case of bills based on estimates, if the Company makes an error and charges an incorrect amount, the Consumer:
 - is entitled to a refund of the difference between the incorrect and correct amounts where the Consumer has paid too much; or
 - is only liable to the Company for the correct amount; and
- The billing period and/or reconciliation period.

CA14.2 Where a Consumer has chosen a price option offered by a Gas Retailer that includes fixed charges for Gas and Line Function Services, the Company's bill must identify the fixed charge component of the bill separately from the variable charge.

CA14.3 If a Company's bill that relates to the supply of Gas and Line Function Services includes charges for other goods and services, those goods and services should be itemised separately unless the Consumer has agreed otherwise under the Consumer Contract.

CA14.4 If the Consumer Contract is a Combined Electricity and Gas Consumer Contract, the amount payable for electricity and the amount payable for Gas should be itemised separately.

CA14.5 If a Company's bill to a Consumer is based on a method of estimating Gas and/or Line Function Services usage:

- The Consumer should be given the opportunity of reading their own meter(s) and giving the reading(s) to the Company until the Company arranges for the meter to be read;
- The Company must provide, on request, a simple explanation of how estimates are calculated and amend an estimated bill when the Consumer provides a valid meter reading;
- The Company must make sure that its bills state clearly if an estimate has been used; and

- The Company must state in the Consumer Contract whether the Consumer is required to pay estimated accounts.

CA15. METERING

- CA15.1 Meter readings used by a Company for billing a Consumer must comply with Gas industry standards and codes of practice for meter reading. Meter readings should take place a minimum of four times a year unless the Consumer agrees individually otherwise or does not provide the Company with reasonable access to the meter.
- CA15.2 On request the Company must inform the Consumer of the results of any meter test, and, if it is not clear in the Consumer Contract, inform the Consumer of any extra charge the Consumer may incur as a result of the Company testing the Consumer's meter prior to undertaking the work.
- CA15.3 The Company must inform the Consumer prior to taking any action on the Consumer's meter which may impact on the Consumer's bill or result in an extra charge.
- CA15.4 The obligations on Companies to inform Consumers under Clause CA15.2 and Clause CA15.3 do not apply where the Company has reasonable cause to suspect that fraud, theft or meter tampering has taken place.

CA16. PAYMENT OPTIONS

- CA16.1 A Company with a Consumer Contract (or the person who does that Company's billing on its behalf) must have policies in place that assist a Consumer who is having difficulty paying a bill.
- CA16.2 Where currently offered payment options are to change, reasonable notice must be given and adequate information provided to explain the changes to Consumers before the change takes effect. The minimum notification provisions of CA10 Changes to Consumer Contracts apply.
- CA16.3 If alternative payment options are offered to Consumers, these should be supported by a simple explanation of how the options operate, either in the Consumer Contract or in a separate publication or notice.
- CA16.4 In the case of a Combined Electricity and Gas Consumer Contract, a Consumer may direct a Company on how payments for the supply of electricity and/or Gas must be applied to that Consumer's account.

CA17. BONDS

CA17.1 If a Company requires a Bond:

- The Company must give to the Consumer the reason for that decision;
- The Bond must not be more than the expected loss if a Consumer doesn't pay;
- The Consumer Contract should state if interest is payable on the Bond;
- The Bond must be held on trust in a separate account; and
- The Consumer Contract must state:
 - the period of time within which the Bond must be paid to the Company;
 - how long the Company will keep the Bond and that if the Company keeps the Bond for longer than 12 months, it must provide its reasons for doing so to the Consumer; and
 - how the Bond will be refunded.

CA18. DISCONNECTION AND RECONNECTION

CA18.1 Consumer Contracts must set out the conditions under which Consumers can be disconnected.

CA18.2 Consumer Contracts must state that a Company may only disconnect a Consumer for non-payment where the non-payment relates to bills (including a Bond) associated with the supply of Gas Retail Services, Line Function Services, and/or Gas.

CA18.3 Where a Company intends to disconnect a Consumer because the Company considers that the Consumer has not paid a bill (including a Bond), Disconnection should be the Company's last course of action.

CA18.4 If a Consumer has started using and is pursuing the dispute resolution processes set out in the Consumer Contract (including the Electricity and Gas Complaints Commissioner Scheme) in relation to that Consumer not paying the bill, the Company must not disconnect that Consumer or commence credit recovery action until the processes are exhausted.

CA18.5 This means that a Consumer should not be disconnected for non-payment of part of an account that is the subject of a dispute resolution process. However, a Consumer may be disconnected for non-payment of that part of an account which is not in dispute.

CA18.6 A Consumer should not be disconnected on the basis of an estimated account unless it is fair and reasonable in the circumstances to do so.

CA18.7 Except in the case of agreed or emergency Disconnections or in the case of Disconnections under the Gas Act or Gas Regulations for safety reasons, Consumer Contracts must:

- Provide for at least seven days notice of warning of Disconnection and allow an additional three days for the delivery of the notice; and
- Provide for a Final Warning no less than 24 hours nor more than seven days before Disconnection. The Final Warning must specify these timeframes. If the Disconnection is not prevented by the Consumer and not completed within these timeframes, the Company must issue another Final Warning.

CA18.8 Consumer Contracts must explain when charges for temporary Disconnection and/or Reconnection apply. When warnings are delivered as per the provisions of CA18.7, they must include and make explicit what additional charges over and above the recovery of billing arrears will apply.

CA18.9 Temporary Disconnection and/or Reconnection charges should not be more than the level required to meet the overall costs of the Disconnection and/or Reconnection service.

CA18.10 Disconnection notices should include:

- Information about the Company's dispute resolution processes;
- Contact details of the Company's credit department so that the Consumer can contact that credit department to arrange payment of a bill that has not been paid, and
- The cost of Reconnection.

CA19. FAULTS AND EMERGENCIES

CA19.1 Information about 24-hour telephone numbers to call for faults and emergencies must be provided on every bill to a Consumer.

CA19.2 The Company must provide advice, whether in the Consumer Contract or by any other means (for example in brochures or advertisements), to Consumers on how to turn off their Gas supply in an emergency situation. This advice must be easy for Consumers to obtain and understand.

CA20. PLANNED SHUTDOWNS

- CA20.1 A Consumer Contract must clearly state a minimum notice period before a Planned Shutdown which should be no less than four days unless agreed otherwise in the Consumer Contract.
- CA20.2 Companies must notify Consumers of a Planned Shutdown within the notice period.

CA21. OBLIGATIONS FROM POINT OF SUPPLY

- CA21.1 A Company must supply information (on request) to a Consumer about a Consumer's Gas supply that explains where the Gas Lines Company's ownership and responsibilities end in relation to the distribution system.
- CA21.2 A Consumer Contract must set out the responsibilities of the Consumer, the Gas Retailer and the Gas Lines Company (the Gas Retailer and Gas Lines Company may be the same Company) in relation to ownership of equipment. For example, a Consumer Contract must clearly set out the extent to which the Consumer is responsible for maintaining a tree's root system and whether a Consumer may build over underground equipment.
- CA21.3 A Consumer Contract must explain the Consumer's responsibilities for compliance with all Line Function Services safety and technical requirements under regulations and codes of practice.

CA22. ACCESS TO PREMISES

- CA22.1 Consumer Contracts must include provisions permitting reasonable access to a Consumer's Premises for the direct purposes of the Gas Retailer or Gas Lines Company and any agent or subcontractor of that Company. The consequences of not granting access should also be set out in the Consumer Contract. Other conditions of access should be in line with the provisions of the Gas Act 1992.
- CA22.2 Where a Company is in the possession of keys and/or security information for a Consumer's Premises, the Company should have formal procedures for the secure storage and use of and return of these keys and/or security information.

CA23. CONSUMER COMPLAINT RESOLUTION

- CA23.1 Companies must have a free, accessible, fair, and effective internal Consumer Complaints handling process.
- CA23.2 Companies must accept Consumer Complaints in any reasonable form from a Consumer including written and oral, and via a variety of delivery mechanisms including face-to-face, posted, hand-delivered, facsimile or electronic.

CA23.3 Companies must:

- Provide information to Consumers about how their Complaint will be dealt with, and by when;
- Provide written information about their Consumer Complaints handling processes; and
- Treat Consumers courteously and with respect.

CA23.4 Companies must also:

- Train their staff about their Consumer Complaints handling processes;
- Use processes that are easy to understand, easy to use and free to Consumers;
- Provide adequate resources for their Complaints handling processes;
- Tell Consumers that there is an Electricity and Gas Complaints Commissioner to whom they can go if their Complaint is not resolved; and
- Review their Consumer Complaints handling process regularly.

CA23.5 Companies must provide for appropriate remedies to Consumers.

CA23.6 Companies must collect and analyse information about Complaints, and use it to adjust business practices as required.

CA23.7 For Consumers, Gas Retailers must have in place an effective process to ensure there has been an offer and acceptance of the Consumer Contract.

CA24. LIABILITY

CA24.1 Except as permitted under Clauses CA24.2 and CA24.3, a Consumer Contract must not limit the scope of liability, in contract or tort, of a Company to a Consumer to less than liability for physical damage to property where it can be shown that the Company has been negligent and the amount and nature of the Consumer's loss was reasonably foreseeable.

CA24.2 A Consumer Contract must not limit the monetary amount of liability, whether in contract or tort, of a Company to a Consumer for an event or a series of closely related events occurring on a distribution system to any amount less than \$10,000. This clause does not prevent or limit any provision in a Consumer Contract stating that liability is subject to any monetary cap contained in the Consumer Contract for an event or series of closely related events in relation to more than one Consumer on a distribution system.

CA24.3 A Consumer Contract must not fix a per annum cap on liability in respect of one or more Consumers on a distribution system or for events or a series of closely related events occurring on a distribution system.

CA24.4 Notwithstanding the provisions of the Code, and in particular Clause CA24, Consumers have access to any remedies that arise under the Consumer Guarantees Act 1993. Where the Code conflicts with the Consumer Guarantees Act, the Consumer Guarantees Act will take precedence.

CA25. FORCE MAJEURE CLAUSES

CA25.1 A Consumer Contract must define the situations covered under Force Majeure clauses and explain how a Company will respond in such circumstances.

CA26. PRIVACY

CA26.1 A Consumer Contract must adhere to the provisions of the Privacy Act 1993 and accordingly:

- Set out the purposes for which the Company collects information from individuals; and
- Confirm that Consumers will have ready access to information held about them and the opportunity to correct this information.

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CA28. ENFORCEMENT OF THE CODE

CA28.1 The undertakings of a Company in this Code are not intended to create rights enforceable by a Consumer against a Company under the Contracts (Privity) Act 1982.

CA29. DEFINITIONS

CA29.1 Terms used in this Code have the following meanings:

Bond means the bond or sum of money provided by a Consumer as security for non-payment.

Code means this Code of Practice which comprises Schedule CA of the Constitution for the Electricity and Gas Complaints Commissioner Scheme.

Combined Electricity and Gas Consumer Contract means a Consumer Contract for the sale of electricity and for the sale of Gas by the Company to a Consumer. To avoid doubt, a Consumer who has separate Consumer Contracts for the sale of electricity and for the sale of Gas does not, by virtue of having those two separate Consumer Contracts, have a Combined Electricity and Gas Consumer Contract.

Company means a member of the Electricity and Gas Complaints Commissioner Scheme who is either a Gas Retailer and/or a Gas Lines Company. “Companies” and Gas Companies have corresponding meaning.

Consumer means:

- A person who is supplied, or who applies to be supplied, with Gas by a Gas Retailer in accordance with a Consumer Contract for consumption of Gas;
- A person who is supplied, or who applies to be supplied, with Line Function Services in accordance with a Consumer Contract and who also consumes Gas; and
- Includes any person using the services supplied under that Consumer Contract or paying part or all of the fees for the services provided under the Consumer Contract.

Consumer Contract means the agreement with a Consumer providing for the supply of Gas and/or Line Function Services to a Consumer and includes any additional publications, which contain information about the service to Consumers.

Disconnection means the movement or removal of equipment so that no Gas can flow to a Consumer’s Premises.

Electricity and Gas Complaints Commission means the Commission set up under the Electricity and Gas Complaints Commissioner Scheme. It provides an independent overview of the Scheme and comprises an independent chairperson, two representatives of industry members and two consumer representatives appointed by the Minister of Consumer Affairs.

Electricity and Gas Complaints Commissioner is the person appointed to that position by the Electricity and Gas Complaints Commission.

Electricity and Gas Complaints Commissioner Scheme means the Electricity and Gas Complaints Commissioner Scheme implemented by the Electricity and Gas Complaints Council.

Electricity and Gas Complaints Council means the governing body under the Electricity and Gas Complaints Commissioner Scheme.

Force Majeure means circumstances beyond the control of the Company. For example, failure to supply Gas due to causes beyond the Company's control such as a storm.

Gas means natural gas that is supplied to a Consumer through a gas distribution system (a network of pipelines) but excludes, to avoid doubt:

- LPG; and
- CNG for transportation purposes.

Gas Lines Company means a Company which operates a Gas distribution system for supplying Gas and provides Line Function Services to Gas Retailers or directly to Consumers. Gas Lines Companies includes line function services businesses, whether incorporated or not. A Gas Lines Company may also be a Gas Retailer.

Gas Retailer means a person who supplies Gas to Consumers. A Gas Retailer may also be a Gas Lines Company.

Line Function Services has the meaning set out in section 2 of the Gas Act 1992 (but excludes Gas transmission, as that term is defined in the Gas Act 1992) and as further provided for in a Consumer Contract and includes metering services where a Lines Company provides these services.

Planned Shutdown means the period when Gas is not available due to routine planned maintenance. A planned shutdown excludes situations where the Gas distribution system needs to be taken out of service for emergency reasons such as to ensure the integrity of the Gas distribution system or for safety. In general, Planned Shutdowns (where required) would be used for all work falling under the Gas Lines Company's Asset Management Plan.

Point of Supply means the point at which a Gas Lines Company's distribution system is connected to a Consumer's Premises.

Premises means the site to which Gas is supplied or is to be supplied to a Consumer.

Provide a Final Warning means that the Company must take all reasonable steps to ensure a Consumer receives this warning. This may include making contact to the Consumer's last known address or phone number.

Reconnection means the movement or replacement of equipment so that Gas can flow to a Consumer's Premises which had been disconnected.

Retail Services mean all services supplied under an interposed Consumer Contract (except Line Function Services) and all services supplied under a supply only Consumer Contract and includes metering services where a Gas Retailer provides or has provided these services.