

Retail Gas Contracts: Review of the Oversight Scheme

Retail Gas Contract Submissions

Question	Comment
<p>Q1. Should the Scheme only apply to domestic contracts?</p>	<p>Yes. Commercial contracts should be exempt as they will be subject to a separate process as part of the negotiation of commercial contract terms between the retailer and buyer.</p>
<p>Q2. Should the scheme cover special terms?</p>	<p>No. Special terms will be subject to negotiation between the retailer and the buyer, and therefore should be outside of the scheme.</p>
<p>Q3. Should the scheme be extended to retail LPG supply contracts?</p>	<p>No. We do not see any benefit to consumers (or the industry) in extending the scheme to LPG supply contracts.</p>
<p>Q4. Should the frequency of assessments be changed?</p>	<p>Yes. Frequency of assessments should be driven by change and not by arbitrary dates.</p> <p>With the GIC having published assessments of the standard terms and conditions (T&Cs) of all retailers, we would like to see the assessment matrix remain on the GIC's website for the benefit of consumers, and only be changed to reflect the inclusion of mandatory assessments for any new entrant retailers, removal of assessments for any exiting retailers, and mandatory assessments where an existing retailer changes its published T&Cs.</p> <p>Should industry or regulatory change necessitate the need to review and amend one or more benchmark terms, this should trigger an assessment of all retailers' T&Cs with respect to the changed benchmark term(s) only.</p>
<p>Q5. Should the time period between assessments be increased?</p>	<p>Yes, to a time period driven by change as outlined in our response to Q4.</p>
<p>Q6. Should agreements only be assessed when they are updated?</p>	<p>Yes. It is our position that agreements should only be assessed when they are updated, or when a new entrant joins the market.</p> <p>In order to ensure alignment is maintained with the benchmarks, reviews should also be mandatory when a retailer changes its T&Cs.</p>

Submission of Contact Energy

Q7. Should retailers be able to request additional reviews?	Yes, but the cost should be borne by the retailer requesting the review. As noted above reviews should be mandatory post the publication of new T&Cs by retailers.
Q8. Should assessment focus on alignment of key benchmarks (with a watching brief on others)?	Where a change is to a small number of benchmark terms the assessment should focus only on the changed benchmark terms.