

House of Assembly—No 95

As laid on the table and read a first time, 1 November 2012

South Australia

**Electricity (Early Termination) Amendment
Bill 2012**

A BILL FOR

An Act to amend the *Electricity Act 1996*.

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The Parliament of South Australia enacts as follows:

Part 1—Preliminary

1—Short title

This Act may be cited as the *Electricity (Early Termination) Amendment Act 2012*.

2—Amendment provisions

- 5 In this Act, a provision under a heading referring to the amendment of a specified Act amends the Act so specified.

Part 2—Amendment of *Electricity Act 1996*

3—Insertion of section 36ABA

After section 36AB insert:

10 **36ABA—Early termination of market contract with small customers**

- 15 (1) This section applies in relation to a market contract between an electricity entity holding a licence authorising the retailing of electricity and a small customer (whether the contract was entered into before or after the commencement of the *Electricity (Early Termination) Amendment Act 2012*) if—
 - 20 (a) the entity's charges for electricity under the contract are to increase; and
 - 25 (b) the percentage increase in those charges (when compared with the charges applying immediately before the increase) is greater than the percentage increase in the standing contract price under section 36AA (based on the most recent determination of the standing contract price and after taking into account a reasonable estimate of the small customer's levels of consumption of electricity).

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- (2) It is a condition of the electricity entity's licence that the entity must notify a small customer to which this section applies—
- (a) that the percentage increase in the relevant charges will be greater than the percentage increase in the standing contract price under section 36AA (as envisaged by subsection (1)); and
- (b) that the customer may terminate the contract under subsection (3).
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- (3) The customer may, within 20 business days after receiving notification from the electricity entity under subsection (2), terminate the contract by giving the entity written notice of the termination.
- (4) Subsection (3) does not limit any other rights of the customer to terminate the contract.
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- (5) The termination takes effect 10 business days after the written notice is given to the electricity entity.
- (6) If the customer terminates the contract under subsection (3), it is a condition of the electricity entity's licence that the entity must not directly or indirectly charge the customer a fee for the early termination of the contract.
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- (7) This section applies despite anything to the contrary in the contract.
- (8) In this section—
- market contract*** means a contract, other than a standing contract or default contract, between an electricity entity and a customer for the sale and purchase of electricity.