

NATIONAL ENERGY RETAIL LAW

SECTION 308

INFRINGEMENT NOTICE ISSUED TO

AGL SALES PTY LIMITED (ABN 88 090 538 337)

TO: AGL Sales Pty Limited
Level 22, 101 Miller Street
NORTH SYDNEY, NSW, 2060

Infringement Notice No.: AER04-2015

1. The Australian Energy Regulator (**AER**):
 - (a) has reason to believe that AGL Sales Pty Limited (ABN 88 090 538 337) (**AGL**), which is a *retailer* within the meaning of the *National Energy Retail Law* (NSW) (**Retail Law**), has breached rule 107(2) of the *National Energy Retail Rules* (**Retail Rules**), by arranging de-energisation of a customer's premises otherwise than in accordance with rule 116(1)(d) in Division 2 of the Retail Rules, in the manner set out in Schedule 1 to this Infringement Notice (**the alleged breach**); and
 - (b) has decided to serve this Infringement Notice on AGL under section 277 of the *National Gas (NSW) Law*, being the Schedule to the *National Gas (South Australia) Act 2008* (**National Gas Law**) as applied by section 308 of the Retail Law.
2. Rule 107(2) of the Retail Rules is a civil penalty provision within the meaning of the Retail Law.
3. The infringement penalty is \$20,000.

WHAT CAN AGL DO IN RESPONSE TO THIS INFRINGEMENT NOTICE?

4. AGL can choose whether or not to comply with this Infringement Notice. If AGL chooses not to comply with this Infringement Notice, the AER may commence proceedings against it in relation to the alleged breach. AGL is entitled to disregard this Infringement Notice and to defend any proceedings in respect of the alleged breach.
5. If AGL chooses to comply with this Infringement Notice, it must pay the infringement penalty by 5 May 2015, being not less than 28 days from the date of service of this Infringement Notice, beginning on the day after the day on which this Infringement Notice is served (**the compliance period**).
6. To ensure payment is made in accordance with this Infringement Notice, payment must be received on or before **5 May 2015**.
7. If AGL pays the infringement penalty within the compliance period, the AER will not institute proceedings in respect of the alleged breach unless the Infringement Notice is

withdrawn before the end of the compliance period in accordance with section 282 of the National Gas Law as applied by section 308 of the Retail Law.

HOW DOES AGL PAY THE INFRINGEMENT PENALTY?

8. AGL may pay the \$20,000 infringement penalty in two ways:

- (a) by cheque made out to the "ACCC Official Administered Account",* enclosing a copy of this Infringement Notice to:

Australian Energy Regulator
GPO Box 520
MELBOURNE VIC 3001

you should allow at least 5 business days for payment to be received

or

- (b) by electronic funds transfer to the following account:*

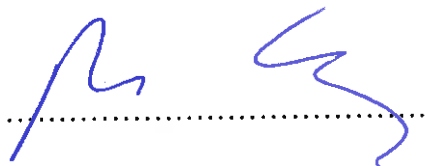
Account name: ACCC Official Administered Account
BSB: 032-730
Account: 146550
Description: AER04-2015

you should allow at least 2 business days for payment to be received.

* Please note that the AER is a constituent part of the Australian Competition and Consumer Commission (ACCC). The ACCC handles the receipt of infringement penalty payments for the AER.

9. Please allow sufficient time for your payment to be received within the compliance period.
10. AGL will be issued with a Tax Invoice following payment of the \$20,000 infringement penalty.

DATE OF ISSUE: 31 March 2015



Paula Conboy
Chair
Australian Energy Regulator

SCHEDULE 1

MATTERS CONSTITUTING AN ALLEGED BREACH OF A CIVIL PENALTY PROVISION: RULE 107(2) OF THE NATIONAL ENERGY RETAIL RULES

1. AGL Sales Pty Limited (**AGL**) is a 'retailer' within the meaning of section 2 of the National Energy Retail Law.
2. By reason of rule 107(2) of the National Energy Retail Rules (**Retail Rules**), AGL was required to comply with rule 116(1)(d) of the Retail Rules in relation to the premises listed in paragraph 3 below.
3. AGL made arrangements for the de-energisation of the following premises by sending a disconnection request to a distributor on the following dates:
 - 3.1. The premises at [REDACTED] on 3 September 2014
 - 3.2. The premises at [REDACTED] on 16 September 2014
 - 3.3. The premises at [REDACTED] on 17 September 2014
 - 3.4. The premises at [REDACTED] on 30 September 2014
4. The customer at each of the premises listed in paragraph 3 above entered a payment plan with AGL and became a hardship customer on the following dates:
 - 4.1. In respect of the premises at 3.1 above, on 10 September 2014. The first instalment of the payment plan was due on 24 September 2014.
 - 4.2. In respect of the premises at 3.2 above, on 26 September 2014. The first instalment of the payment plan was due on 14 October 2014.
 - 4.3. In respect of the premises at 3.3 above, on 25 September 2014. The first instalment of the payment plan was due on 13 October 2014.
 - 4.4. In respect of the premises at 3.4 above, on 7 October 2014. The first instalment of the payment plan was due on 31 October 2014.
5. By reason of rule 116(1)(d) of the Retail Rules, AGL was required to cancel the disconnection requests for the premises listed in paragraph 3 above in the circumstances set out in paragraph 4 above.
6. AGL did not cancel the disconnection requests for the premises listed in paragraph 3 above.
7. The premises listed in paragraph 3 above were de-energised on the following dates:
 - 7.1. In respect of the premises at 3.1 above, on 22 September 2014 at 11.55am.

- 7.2. In respect of the premises at 3.2 above, on 30 September 2014 at 9am.
- 7.3. In respect of the premises at 3.3 above, on 1 October 2014 at 1.20pm.
- 7.4. In respect of the premises at 3.4 above, on 9 October 2014 at 8.35am.
8. The customer at each of the premises listed in paragraph 3 above was adhering to a payment plan, as described in paragraph 4 above, as the first instalment of the payment plan was not payable until after the de-energisation listed in paragraph 7 above.