

17 July 2024

Sara O'Connor  
GMCCC Chair  
Economic Regulation Authority  
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Dear Sara

Wesfarmers Kleenheat Gas Pty Ltd (**Kleenheat**) is pleased to provide comment on the matters discussed in the *Draft Review Report Gas Marketing Code of Conduct – 2024 Review (Draft Review Report)* prepared by the Gas Marketing Code Consultative Committee (**GMCCC**).

As a member of the GMCCC, Kleenheat has contributed to the consultative process and welcomes the opportunity to share its perspective.

Kleenheat endorses Recommendations 1 and 2 outlined in the Draft Review Report. However, Kleenheat does not support Recommendation 3.

Recommendation 3 proposes introducing a new subclause mandating retailers or their marketing agents to substantiate claims of efficiency or lower emissions, aligning with the Australian Consumer Law (**ACL**) approach to preventing misleading and deceptive conduct.

While Kleenheat acknowledges the importance of transparency in product information, we are cautious about introducing additional regulations that replicate obligations already addressed by the ACL. The ACL already imposes strict liability against misleading statements, and duplicating these requirements could create unnecessary regulatory overlap.

The Draft Review Report on page 7 mentions “The clause should prevent marketers from making claims to customers about the cost, environmental, and other effects of gas use while omitting relevant or comparative information about electric equivalents.”

Current regulations<sup>1</sup> require retailers to publish information on efficient gas usage and the running costs of domestic gas appliances. Imposing a mandate on retailers to furnish energy efficiency comparisons between gas and electricity would increase regulatory burdens and compliance costs, potentially without significant benefit to consumers due to the assumptions and qualifications involved. Moreover, gas retailers, including Kleenheat, may not possess the specialised expertise necessary to reliably offer energy efficiency comparisons with electricity.

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<sup>1</sup> Clause 49(1)(b) of Compendium of Gas Customer Licence Obligations

Kleenheat advocates for a pragmatic approach that involves leveraging consumer groups and specialist agencies capable of delivering comprehensive and accurate energy efficiency comparison data to consumers.

If you have any questions concerning this submission, please contact me at

[REDACTED]

Yours sincerely

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Deanna Power  
NG&E Regulatory Affairs Manager