

Utility (Electricity Retail) Licence Conditions Direction 2008 (No 1)

Disallowable instrument DI2008–10

made under the

Utilities Act 2000

EXPLANATORY STATEMENT

This Instrument exercises powers given the Minister under the *Utilities Act 2000* to vary the conditions under which ACT retailers of electricity may operate.

Specifically, it provides for the mandatory availability and first offering to new customers of an accredited Green electricity product. The product must also be offered and made available to existing customers at their request.

The Instrument directs that this product must be accredited under the National GreenPower Program as specified under its current Rules and Guidelines.

GreenPower is the only green electricity product guaranteed to be sourced exclusively from renewable sources.

To protect financially disadvantaged consumers from inadvertently selecting a product that does not suit their circumstances, provision has been made to ensure that the offering of the product, not the acceptance of the offer, is mandatory. Consumers are free to exercise their right to accept, reject or modify the offering.

The Schedule to the Instrument specifically outlines this right and the right to be informed before making their product selection that other products are available for their consideration. Any abuses by industry of these arrangements would make them liable for prosecution and penalties under the licensing provisions of the *Utilities Act 2000*.

The ability of smaller market retailers to acquire the specified product has also been taken into account. All retailers licensed under the *Utilities Act 2000* must commence the offering of an accredited product to all classes of customer no later than 1 January 2009.