

ENERGY ACT 2013

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 6: Consumer Protection and Miscellaneous

Chapter 1: Consumer Protection

Consumer redress orders

Schedule 14, Part 1 – Gas Consumers

New section 30H: Remedial action under a consumer redress order

586. *Subsection (1)* provides a non-exhaustive list of things that a regulated person may be required to do by a consumer redress order. For example, a consumer redress order may require a regulated person to pay compensation to affected consumers, prepare and distribute a statement setting out the contravention and its consequences and may impose a requirement on a regulated person to terminate or vary any contract with the affected consumers. As an example, it may be necessary to require a regulated person to terminate or vary a contract if the terms of the contract are contraventions of the regulated person's supply licence or are the cause of the loss which a consumer has sustained.
587. *Subsection (2)* sets out what must be included in the order if the remedial action includes the payment of compensation.
588. *Subsections (3) and (4)* explain what the order must specify if the remedial action includes the preparation and distribution of a statement and how the statement might be distributed.
589. *Subsection (5)* sets out what the order should contain if the remedial action includes the termination or variation of a contract with an affected consumer. *Subsection (5)(b)* makes it clear that a requirement to terminate or vary a contract with a consumer only has effect if, and to the extent that, the affected consumer consents to the termination or variation of the contract.