



Independent Consumer and Competition Commission

ELECTRICITY CODE

September 30th 2010

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1. INTRODUCTION

1.1 Authority

This Code is made by the Commission pursuant to section 40(1) of the *Independent Consumer and Competition Commission Act 2002*.

1.2 Obtaining a copy of this Code or a Standard Customer Supply and Sale Contract

A licensee must, when asked by a person, send to that person by mail or hand delivery, within 10 business days, a copy of this Code and a copy of a Standard Customer Supply and Sale Contract, free of charge for the first request. The licensee may impose a fee of K10.00 for subsequent requests.

1.3 Other Acts, Codes and Guidelines

Not all aspects of the licensee's obligations are regulated by this Code. The licensee's obligations are also affected by:

- other statutes and regulations of the Independent State of Papua New Guinea;
- other statutes and regulations made under the Act and the *Independent Consumer and Competition Commission Act 2002*;
- guidelines or rules made by the Commission from time to time; and
- licences held by a licensee under the Act.

1.4 Application of this Code

1.4.1 This Code applies to a licensee as a condition of its retail licence granted under the Act unless otherwise expressly provided in this Code.

1.4.2 This Code is to be read in conjunction with the Act.

1.4.3 To the extent that there is any inconsistency between this Code and the Act, the Act will prevail.

2. DEFINITIONS

“**Act**” means the *Electricity Industry Act 2002, Chapter 78*;

“**billing cycle**” means the regular recurrent period for which a customer receives a bill from a licensee;

“**business day**” means a day other than a Saturday or a Sunday or a public holiday;

“**Commission**” means the Independent Consumer and Competition Commission established under the *Independent Consumer and Competition Commission Act 2002*;

“**connection point**”, in respect of a supply point, means any point at the supply point at which an electrical installation is connected to a distribution network; or the point of connection between, on the one hand, a transmission or distribution network operated by the licensee and, on the other hand, a premises, public lighting installation or electric line or equipment operated by a person other than the

licensee through which electricity supplied by that network is supplied to a premises or public lighting installation;

“**connection technician**” means the person that is responsible for installation of a meter;

“**connector box**” means a box or receptacle for the housing of connections between an overhead or underground service main and any fixed wiring;

“**credit meter**” means a device, component, software or mechanism at a customer’s connection point which operates to permit the flow of electricity through and allows the customer to use electricity on credit;

“**customer,**” has the meaning given to that term in the *Electricity Industry Act*;

“**customer supply and sale contract**” means either a negotiated customer supply and sale contract or a standard customer supply and sale contract;

“**date of receipt**” means, in relation to the receipt by a customer of a notice (including a disconnection warning) given by a licensee:

- (a) in the case where a licensee hands the notice to the customer, the date a licensee does so;
- (b) in the case where a licensee sends a notice by facsimile or by e-mail before 5pm on a business day, on that business day, otherwise on the next business day;
- (c) in the case where a licensee leaves the notice at the customer’s premises, the date a licensee does so;
- (d) in the case where a licensee gives the notice by registered mail, a date 2 business days after the date the licensee sent the notice;

“**day**” means any day, including Saturday, Sunday or a public holiday.

“**disconnection warning**” means a notice in writing issued in accordance with clause 11;

“**domestic customer**” means a customer in respect of a premises who consumes or intends to consume electricity supplied to that premises principally for domestic or household purposes, but does not include a person who is a general supply customer or an industrial customer in respect of that premises;

“**electrical installation**” has the meaning given to it in the Act;

“**emergency**” means an emergency due to the actual or imminent occurrence of an event which in any way endangers or threatens to endanger the safety or health of any person, or the maintenance of power system security, or which destroys or damages, or threatens to destroy or damage, any property;

“**general supply customer**” means a customer in respect of a premises who has a demand for electricity of less than 200kVA at that premises, but who does not consume or intend to consume that electricity principally for domestic or household purposes;

“**industrial customer**” means a customer in respect of a premises who has a minimum demand for electricity of 200kVA or more at that premises, irrespective of the purpose of which that electricity is or is intended to be consumed;

“**licensee**” means a person licensed under the Act to generate or retail electricity or to operate an electrical transmission or distribution network;

“**meter**” means a credit meter or a prepayment meter;

“negotiated customer supply and sale contract” means a customer supply and sale contract other than a standard customer supply and sale contract;

“outage” means any full or partial unavailability of a generating plant or a transmission or distribution network operated by a licensee (or any part thereof) which results in a disruption to the supply of electricity by a licensee to a supply point that is located in a service area;

“planned outage” means an outage that is scheduled at least 5 days in advance for the purposes of routine maintenance;

“prepayment meter” means a device, component, software or other mechanism at a customer’s connection point which operates to permit the flow of electricity through the meter when activated by a card, code or some other method. It is a meter that is located at the customer’s premises that is capable of being programmed or managed and that allows access to a given amount of electricity; it is also a vending system that allows the customer to purchase credit via a point of sale; or a central computer system that provides the electricity supplier management, administration, financial and engineering control;

“required notice”, in respect of a planned outage that affects premises in a service area, means a notice of that planned outage that is:

- (a) broadcast in that service area by way of radio or television announcement during the hours of 8.00 am and 7.00 pm on any day;
- (b) published in a daily newspaper circulating in that service area; or
- (c) delivered by mail to each customer in respect of premises that are affected by the planned outage,

such broadcast, publication or delivery being made at least 5 days (not including the day on which the broadcast, publication or delivery is made) prior to the date on which the planned outage commences;

“security deposit” means an amount of money or other arrangement acceptable to a licensee as a security against a customer defaulting under a customer supply and sale contract;

“service area” means a service area listed in Schedule 2 or Schedule 3;

“service zone” means a service zone listed in Schedule 2 or Schedule 3;

“standard customer supply and sale contract” means the Standard Customer Supply and Sale Contract attached to this Code as such contract is amended from time to time with the approval of the Commission;

“supply point” means:

- (a) where the electricity is supplied at a premises, that premises; and
- (b) where the electricity is supplied at a public lighting installation, that public lighting installation;

“token number” refers to the several digit numbers that are printed on the receipt issued to the customer when the customer purchases credits which when entered into the prepayment meter, activates supply of electricity to the customer’s supply point;

“total energy delivered” in respect of a service area for a calendar year, means the amount of electricity that would normally be supplied by a licensee during that calendar year to a transmission or distribution network for delivery to supply points that are located in that service area as calculated in accordance with a method approved, specified or deemed to be approved by the Commission;

“**Uncontrollable Outage**” means an outage which is caused by an event the nature or extent of which could not reasonably have been foreseen or prevented by a licensee;

“**Undelivered Energy**”, in respect of a service area for a calendar year, means the amount of energy which a licensee failed to deliver in that service area for that calendar year as a result of outages other than uncontrollable outages as calculated in accordance with a method approved, specified or deemed to be approved by the Commission;

“**Unservd Energy Ratio**”, in respect of a service area (s) for a calendar year (t) ($USE_{s,t}$), is calculated as: $UE_{s,t}/TED_{s,t}$

where:

$UE_{s,t}$ is the undelivered energy in respect of that service area for that calendar year; and

$TED_{s,t}$ is the total energy delivered in respect of that service area for that calendar year;

“**Wiring Rules**” means the Australian Standard Rules for the Electrical Equipment of Buildings, Structures and Premises, Australian Standard No. CC.1 Parts I. and II., as approved from time to time by the Council of the Standards Association of Australia.

DIVISION 2 GENERAL PROVISIONS

3. STANDARD CUSTOMER SUPPLY AND SALE CONTRACT

3.1 Standard Customer Supply and Sale Contract

Subject to clauses 3.2 and 3.3, a licensee must supply or sell electricity to a person in respect of a supply point on the terms and conditions set out in the customer supply and sale contract.

3.2 Exception - Large Customers

Nothing in clause 3.1 stops a licensee from entering into a customer supply and sale contract in respect of a supply point, with a person whose maximum demand for electricity at that supply point is 10MW or more, on terms that are different from those set out in the standard customer supply and sale contract.

3.3 Exception – Small Customers

Nothing in clause 3.1 stops a licensee from entering into a customer supply and sale contract in respect of a supply point, with a person whose maximum demand for electricity at that supply point is less than 10MW, on terms that are different from those set out in the standard customer supply and sale contract and that are:

- (a) no less favourable to that person than those set out in the standard customer supply and sale contract; or
- (b) less favourable than those set out in the standard customer supply and sale contract if:
 - (i) the areas in which that customer supply and sale contract are less favourable are explained to that person in writing; and

- (ii) that person acknowledges in writing that it understands and accepts that some or all of the terms of its proposed customer supply and sale contract are less favourable,

and, in each case, the proposed customer supply and sale contract has first been approved by the Commission.

3.4 Commission to Notify Licensee

The Commission must notify the licensee within 30 business days after receiving the licensee's proposed customer supply and sale contract with variations whether or not it approves that proposed customer supply and sale contract. If the Commission notifies the licensee within that 30 day period that it does not approve the proposed customer supply and sale contract, the Commission must specify the terms and conditions which are to be amended in the proposed customer supply and sale contract or specify the principles or changes to be implemented. If the Commission does not notify the licensee within that 30 business days period of its approval or otherwise of the licensee's proposed customer supply and sale contract, the Commission is deemed to have approved the customer supply and sale contract proposed by the licensee.

3.5 Commission to Specify Terms and Conditions

The Commission may specify the terms and conditions for supply and sale of electricity where the licensee does not do so pursuant to section 24U of the Act where the Commission deems it necessary.

3.6 Implementation of Proposed Standard Customer Supply and Sale Contract

The licensee must implement the proposed customer supply and sale contract approved, specified or deemed to be approved by the Commission within 30 business days of them being approved, specified or deemed to be approved by the Commission or such other time as approved by the Commission.

3.7 Publication of Standard Customer Supply and Sale Contract

A licensee must publish the standard customer supply and sale contract under section 24U of the Act.

4. SERVICE STANDARDS – LICENSEES

4.1 Service Standards

A licensee must use its best endeavours to achieve the following service standards for each calendar year:

- (a) the unserved energy ratio in respect of a service area for that year must not be greater than the Reliability Target for that year for the service zone in which that service area is located;
- (b) the number of unplanned outages occurring in that year:
 - (i) that affect premises which are located in a service area and to which electricity is supplied by the licensee; and
 - (ii) of which the required notice is not given,

must not be greater than 5% of the number of planned outages occurring in that year that affect premises which are located in that service area and to which electricity is supplied by the licensee; and

- (c) the number of new connections in respect of premises that are located in a service area which are not completed in that year by the required connection date must not be greater than 2% of the number of new connections in respect of premises that are located in that service area which have been completed or, if they had been completed by the required connection date, would have been completed, in that year.

4.2 Records and Information

A licensee must keep sufficient records to monitor its achievement or otherwise of the service standards referred to in clause 4.1 and to provide the information required by clause 4.3.

The licensee must maintain verifiable records of customer contracts in a format which permits the licensee to answer any enquiries by the Commission or any other entity permitted by law to access that information.

4.3 Reports

A licensee must report to the Commission by 31 March each year, in such manner and form as is required by the Commission, on:

- (a) its achievement or otherwise of the service standards referred to in clause 4.1 for the preceding year ending 31 December;
- (b) an explanation of the reasons for any failure to achieve those service standards; and
- (c) how the licensee intends to improve its performance so as to achieve the relevant service standards for the calendar year in which the report is made, and the target date by which it intends to implement these changes.

5. ENQUIRIES, COMPLAINTS AND DISPUTE RESOLUTION

5.1 Customer Enquiries

A licensee must, within a time specified by the Commission, prepare and submit to the Commission, for approval, its procedures for handling customer enquiries.

5.1.1 Notification by Commission

The Commission must notify the licensee within 20 days after receiving the licensee's proposed enquiry procedures whether or not it approves the enquiry procedures. If the Commission notifies the licensee within that 20 day period that it does not approve the licensee's proposed enquiry procedures, the Commission must specify the enquiry procedures which are to be implemented. If the Commission does not notify the licensee within that 20 day period of its approval or otherwise of the licensee's proposed enquiry procedures, the Commission is deemed to have approved the enquiry procedures proposed by the licensee.

5.1.2 Implementation by Licensee

The licensee must implement the enquiry procedures approved, specified or deemed to be approved by the Commission within 20 days of them being approved, specified or deemed to be approved by the Commission.

5.2 Customer Complaints and Dispute Resolution

A licensee must, within a time specified by the Commission, prepare and submit to the Commission, for approval, its procedures for resolving customer complaints and disputes.

5.2.1 Notification by Commission

The Commission must notify the licensee within 20 days after receiving the licensee's proposed complaints and dispute resolution procedures whether or not it approves the complaints and dispute resolution procedures. If the Commission notifies the licensee within that 20 day period that it does not approve the licensee's proposed complaints and dispute resolution procedures, the Commission must specify the specific changes it requires, or the principles to be applied to develop changes, in the proposed complaints and dispute resolution procedures which are to be implemented. If the Commission does not notify the licensee within that 20 day period of its approval or otherwise of the licensee's proposed complaints and dispute resolution procedures, the Commission is deemed to have approved the complaints and dispute resolution procedures proposed by the licensee.

5.2.2 Implementation by Commission

The licensee must implement the complaints and dispute resolution procedures approved, specified or deemed to be approved by the Commission within 20 days of them being approved, specified or deemed to be approved by the Commission.

5.3 Commission to Request Changes

From time to time the Commission may request specific changes it requires, or the principles to be applied to develop changes, in the operative complaints and dispute resolution procedures which it had previously approved. Such request must follow identification of systemic problems in processes or implementation by the licensee from complaints or written submissions from customers or customer associations or customer representatives relating to issues related to the operating complaints and dispute resolution procedures.

6. APPLICATIONS AND CONNECTIONS

6.1 Application

If a person wishes to buy electricity from a licensee, or to have a connection made to a licensee's distribution network, the licensee may require that the person must first apply to the licensee (in person, by telephone or in writing) to sell electricity to that person or to have a connection made to the licensee's distribution network and, if requested by the licensee, that person must:

- (a) provide acceptable identification and credit history information when required by the licensee;
- (b) pay any applicable fees and charges;
- (c) provide contact details for billing purposes;

- (d) provide contact details of the owner (or the agent of the owner) of the premises if the application is for a rental property;
- (e) satisfy the licensee that there is safe and convenient access to any meter that is to be used to measure the supply of electricity to that person;
- (f) in the case of a connection, satisfy the licensee that there is safe and convenient access to the electrical installation in order to connect it to the licensee's electricity distribution network;
- (g) the electrical installation is in a safe condition and is ready to receive the required amount of electricity to be supplied to that person;
- (h) provide estimated electrical load information for the proposed use of electricity;
- (i) (subject to clause 10) provide a security deposit; and
- (j) pay any outstanding debt owed by the person to the licensee relating to the previous supply or sale of electricity to the person (other than a debt the subject of a bona fide dispute, or for which repayment arrangements have been made).

A licensee must not have such a connection made to its distribution network unless any augmentation required to enable the required amount of electricity to be supplied to that person has been undertaken.

6.2 Sale before receiving an Application

Despite clause 6.1, if a person has already started to use electricity at a premises before a licensee agrees to sell electricity to that person at that premises, the licensee can still require the person to satisfy some or all of the matters referred to in clause 6.1 within 5 business days of receiving the person's application. If the person does not satisfy any such matter within that period, the licensee may arrange for the disconnection of the premises.

7. USE OF ELECTRICITY AND ILLEGAL USE

If a person:

- (a) allows electricity supplied by or purchased from a licensee to be used other than at that person's supply point or in accordance with an applicable customer supply and sale contract, this Code or the Wiring Rules;
- (b) uses at that person's supply point electricity supplied or purchased for use at another supply point;
- (c) sells electricity supplied to that person's supply point to any other person except in accordance with a licence issued by the Commission, or an exemption granted, under the Act;
- (d) tampers with, or permits tampering with, any meter that is used to measure the supply of electricity at that person's supply point or any associated equipment;
- (e) allows electricity supplied to that person's supply point to bypass any meter that is used to measure the supply of electricity at that person's supply point;

- (f) damages or (without the relevant licensee's consent) interferes in any way with a licensee's equipment that is located at or near to that person's supply point (including any connector box and any associated conduits, cables, wires or connections) or with any connection point in respect of that person's supply point;
- (g) without the relevant licensee's consent, makes a connection from that person's supply point to the licensee's electricity distribution network or increases the capacity of an existing connection point in respect of that person's supply point;
- (h) allows a person who is not lawfully permitted to do the work to perform any work on any electrical installation at that person's supply point;
- (i) uses, or causes to be used, electricity supplied to that person's supply point in a manner that:
 - (i) interferes with a licensee's electricity distribution network;
 - (ii) interferes with the supply or quality of supply of electricity to others; or
 - (iii) causes damage or interference to any third party;
- (j) gives a licensee false information about which tariffs and charges should apply to that person in relation to electricity supplied or sold in respect of that person's supply point;
- (k) allows electricity supplied to that person's supply point under a specific tariff to be used for a purpose other than as contemplated by that tariff;
- (l) changes that person's electricity supply requirements at that person's supply point without the relevant licensee's consent where there may be a potential effect on the licensee's electricity distribution network or that person's connection; or

the licensee may:

- (m) estimate the amount of electricity obtained by that person in breach of this clause 7 and bill that person for any relevant amount (together with interest on that amount at a rate which is approved by the Commission);
- (n) recover from that person the licensee's reasonable costs incurred in rectifying that breach and its consequences; and
- (o) disconnect that person's supply point immediately.

DIVISION 3 CREDIT METER

8. BILLING

8.1 When Bills are issued

A licensee must use its best endeavours to issue a bill to a customer to whom it supplies or sells electricity in respect of a supply point at least quarterly. Nothing in this clause 8.1 prevents a licensee from issuing a bill more frequently than quarterly.

8.2 How Bills are issued

A licensee must issue a bill to the customer by:

- (a) physically deliver to the address of the customer's supply point; or
- (b) posting it to an address nominated by the customer

8.3 Separate Bill

A separate bill must be issued in respect of each supply point.

8.4 What is covered in a Bill?

8.4.1 Itemised Bill

Each bill must separately itemise the following charges:

- (a) all charges for electricity sold to the customer for use at the supply point;
- (b) all charges for the connection of the supply point and the delivery of electricity to that supply point; and
- (c) any other charge relating to the supply or sale of electricity to the customer (such other charge could be a separate identification of government taxes, levies, duties or similar).

8.4.2 Particulars on each Bill

A licensee must include at least the following particulars on each bill for the supply or sale of electricity:

- (a) (where the electricity used is measured by a credit meter) the date of the last meter reading or estimate and the number of days since the previous reading or estimate;
- (b) the meter readings or estimates for the bill;
- (c) consumption, or estimated consumption, in units used (eg. kWh);
- (d) the relevant charges and fees (including unit rate and tariff);
- (e) the meter number or identifier (if any);
- (f) the amount due to the licensee;
- (g) the pay by date;
- (h) a list of the available payment methods;
- (i) the telephone number for enquiries;
- (j) a 24 hours contact telephone number for faults and emergencies;
- (k) where the supply point is a premises, the address of the premises;
- (l) the customer's name, account number and billing address;
- (m) the amount of arrears or credit;
- (n) the amount of interest approved by the Commission for late payment;
- (o) the amount of any security deposit provided by the customer;
- (p) the amount of any other charges (as described in clause 23) and details of the goods or services supplied; and
- (q) the amount of any rebate referred to in clause 23 to which the customer is entitled.

8.4.3 Where a customer requests, and the data is available, a licensee must provide to the customer free of charge the customer's billing data appearing on the customer's bills for the previous two years. Where the customer requests billing data before this period, the licensee may impose a reasonable charge for providing that data. A licensee must keep a customer's billing data for 7 years.

8.5 Meter Reading

8.5.1 Subject to clauses 8.5.2 and 8.5.3, a licensee must:

- (a) base a customer's bill for the supply or sale of electricity on an estimation of the usage of the electricity by that customer determined in accordance with the licensee's estimating system approved under clause 8.5.3 or on an actual reading of any credit meter at the customer's supply point; and
- (b) have any credit meter at a customer's supply point read as frequently as is required to prepare its bills.

8.5.2 Where a licensee is unable to base a bill for the supply or sale of electricity on a reading of the credit meter at a customer's supply point because:

- (a) access is denied as a result of the actions of a customer, or a third party, weather conditions or an industrial dispute;
- (b) the credit meter cannot be safely accessed in order to read it;
- (c) the credit meter or ancillary equipment has recorded the electricity usage incorrectly; or
- (d) the credit meter has been tampered with;

the licensee may provide the customer with an estimated bill based on:

- (ii) the customer's reading of the credit meter;
- (iii) the customer's prior electricity usage history at that supply point; or
- (iv) where the customer does not have a prior electricity usage history at that supply point, the average usage of electricity by a comparable customer.

8.5.3 The licensee may also provide a customer with an estimated bill or bills for the supply or sale of electricity where:

- (a) a customer and a licensee have agreed to the issue of an estimated bill or bills; or
- (b) the licensee adopts an estimating system approved by the Commission.

8.5.4 Where a licensee has provided a customer with an estimated bill for the supply or sale of electricity and the credit meter is subsequently read, the licensee must include an adjustment on the next bill to take account of the actual meter reading.

8.6 Under Charging

8.6.1 Subject to clause 8.6.2, where a licensee has undercharged a customer for the supply or sale of electricity as a result of an act or omission of the licensee, it may recover from the customer the amount undercharged.

8.6.2 Where a licensee becomes aware of the undercharged amount as a result of reviewing the customer's account records or by any other means, the licensee must notify the customer within five (5) business days of the licensee becoming aware of the undercharging.

8.6.3 Where, pursuant to clause 8.6.1, a licensee proposes to recover an amount undercharged as a result of the licensee's act or omission, the licensee must:

- (a) limit the amount to be recovered to the amount undercharged in the 12 months prior to the date of the customer's last bill before the licensee became aware of the undercharging;
- (b) list the amount to be recovered as a separate item in a special bill or in the next bill, together with an explanation of that amount;
- (c) not charge the customer interest on that amount; and
- (d) if the customer requests it, allow the customer time to pay that amount by equal instalments, over a period nominated by the customer being no longer than:
 - (i) the period during which the undercharging occurred (if the undercharging occurred over a period of less than 12 months); or
 - (ii) in any other case, 12 months.

8.7 Over Charging

8.7.1 Where a customer has been overcharged for the supply or sale of electricity as a result of an act or omission of a licensee, the licensee must inform the customer accordingly within 20 business days of the licensee becoming aware of that error; and:

- (a) if the amount overcharged is K5 or less, and the customer has already paid that amount, credit that amount to the customer's next bill (if any); or
- (b) if the amount overcharged is more than K5, and the customer has already paid that amount, ask the customer for instructions as to whether the amount should be:
 - (i) credited to the customer's account;
 - (ii) repaid to the customer; or
 - (iii) on the customer's written instructions, paid to another person,and pay the amount in accordance with the customer's instructions within 20 business days.

8.7.2 Where a licensee has asked for instructions from a customer under clause 8.7.1 and no instructions have been provided by the customer within 30 business days of making such a request, the licensee must credit the amount overcharged to the customer's account.

8.7.3 No interest shall accrue on a credit or refund referred to in clause 8.7.1.

8.8 Changes to the Tariff Rates and Charges during a Billing Cycle

If a tariff rate or charge applying to a customer at the customer's supply point changes during a billing cycle, the customer's bill for that billing cycle must be calculated on a pro-rata basis using:

- (a) the old tariff or charge up to and including the date of change; and
- (b) the new tariff or charge from that date to the end of the billing cycle.

8.9 Changes to the Tariff or Charge Type during a Billing Cycle

If the type of tariff or charge applying to a customer at the customer's supply point changes during a billing cycle, the customer's bill for that billing cycle must be calculated using:

- (a) the old tariff or charge up to and including the date of change; and
- (b) the new tariff or charge from that date until the end of the billing cycle.

8.10 Alternative Tariffs or Tariff Options

8.10.1 Where a licensee offers alternative tariffs or tariff options and a customer:

- (a) applies in writing to a licensee to be transferred from one tariff to another tariff; and
- (b) demonstrates to a licensee that it satisfies all of the conditions relating to that other tariff imposed by a licensee;

the licensee must transfer the customer to that other tariff within 10 business days.

8.10.2 Where a customer informs a licensee of a change in use of the customer's supply point, the licensee may require the customer to transfer to a tariff applicable to the customer's use of that supply point.

8.10.3 If a customer fails to inform a licensee of a change in use of the customer's supply point, the licensee may transfer the customer retrospectively to a tariff applicable to the customer's use of that supply point.

9 PAYMENT

9.1 Due Dates for Payment

Unless otherwise agreed with a customer, the pay by date specified in the bill must not be less than 14 days after the date a licensee sends the bill.

If a customer has not paid its bill by the due date, a licensee may send to that customer a reminder notice that its bill is past due, giving the customer a further due date (not less than 7 days after the date the notice is issued).

9.2 Payment Difficulties

Where a customer informs a licensee that the customer is experiencing payment difficulties, the licensee must advise the customer, as soon as is reasonably practicable, of instalment plan options offered by the licensee at that time.

9.3 Paying by Instalments

9.3.1 A licensee must offer customers at least the following payment options:

- (a) a system or arrangement under which a domestic customer may make payments in advance towards future bills; and
- (b) an interest free instalment plan or other arrangement under which the domestic customer is given more time to pay a bill or to pay arrears (including any disconnection or reconnection charges).

9.3.2 A licensee may require a domestic customer to pay by instalments in advance if the domestic customer is in arrears.

9.3.3 A licensee does not have to offer a customer an instalment plan if the customer has, in the previous 12 months, had 2 instalment plans cancelled due to non-payment. In such a case, the licensee must offer another instalment plan only if the licensee is reasonably satisfied that the customer will comply with that instalment plan.

9.3.4 A licensee offering an instalment plan must:

- (a) in determining the period of the plan and calculating the amount of the instalments, take into account information from the customer about the customer's usage needs and capacity to pay;
- (b) specify the period of the plan;
- (c) specify the number of instalments (not less than 4, unless the customer agrees otherwise);
- (d) specify the amount of the instalments which will pay the customer's arrears (if any);
- (e) state how the amount of the instalments is calculated;
- (f) monitor the customer's compliance with that plan; and
- (g) have in place fair and reasonable procedures to address payment difficulties a customer may face while on the plan.

9.3.5 Nothing in this Code limits the payment options that a licensee may offer to a customer.

9.4 Review of a Bill

9.4.1 A licensee must review a customer's bill when asked by that customer.

9.4.2 A licensee must inform the customer of the outcome of that review as soon as reasonably possible, but, in any event, within 30 days.

9.4.3 Where a licensee is reviewing a bill, the licensee may require a customer to pay:

- (a) the greater of:
 - (i) that portion of the bill under review that a customer and the licensee agree is not in dispute; or
 - (ii) an amount equal to the average amount of a customer's bills in the previous 12 months (excluding the bill in dispute); and
- (b) any future bills that is properly due.

9.4.4 Where a customer requests that, in reviewing the bill, a meter reading be checked or a meter be tested, a licensee must, as the case may be:

- (a) check the meter reading; or
- (b) test the meter.

A customer must pay in advance to a licensee a licensee's charge for checking the meter reading or for testing the meter.

9.4.5 Where, after conducting a review of the bill, a licensee is satisfied that it is:

- (a) correct, a licensee may require a customer to pay the amount of that bill which is still outstanding; or
- (b) incorrect, a licensee:
 - (i) must correct a customer's bill (in accordance with clause 8.6 or clause 8.7, if applicable);
 - (ii) must refund (or set off against the amount in the preceding paragraph (iii)) any fee paid in advance under clause 9.4.4; and
 - (iii) may require a customer to pay the amount of that bill which is still outstanding.

9.5 Shortened Collection Period

9.5.1 Where a licensee has issued a customer with:

- (a) reminder notices in respect of three consecutive bills; or
- (b) two consecutive disconnection warnings,

the licensee may place a customer on a shortened collection period.

9.5.2 Before a licensee may place a customer on a shortened collection period, the licensee must inform a customer that:

- (a) receipt of a third reminder notice (or second disconnection warning) may result in a customer being placed on a shortened collection period;
- (b) being placed on a shortened collection period will result in a customer not receiving a reminder notice until a customer has paid three consecutive bills by the pay by date;
- (c) where the customer is a domestic customer, alternative payment arrangements (such as instalment plans offered by the licensee) are available;
- (d) a customer may obtain further information from the licensee on a specified telephone number; and
- (e) once on a shortened collection period, a customer must pay three consecutive bills by the pay by date to return to its previous collection period.

9.5.3 Where, after giving notice as required in clause 9.5.2, the licensee decides to shorten the collection period in respect of a customer, the licensee must give a customer written notice of that decision within 20 business days of the decision.

9.5.4 Where a customer on a shortened collection period pays three consecutive bills by the pay by date, the licensee must return a customer to the collection period that applied before the shortened collection period commenced.

9.6 Charge for Dishonoured Payments

If a payment by a customer of the licensee's bill by cheque, by a direct debit from an account with a bank or by credit card is dishonoured or reversed, and as a result the licensee incurs a bank fee, the licensee may recover the bank fee from a customer.

10. SECURITY DEPOSITS AND ALTERNATIVES

10.1 Security Deposits

10.1.1 A licensee may require a customer to provide a security deposit at any time (and to increase the amount of any security deposit provided to the licensee by that customer), provided that the total amount of a security deposit must not be greater than twice a customer's forecast average bill for the period of the applicable billing cycle (as reasonably determined by the licensee).

10.1.2 The licensee must accept from a general supply customer or an industrial customer a bank guarantee as an alternative to a cash security deposit.

10.2 Interest on Security Deposits

Where the licensee has received a security deposit from the customer, the licensee is not required to pay interest on the deposit to the customer.

10.3 Return of Security Deposit

10.3.1 (a) Where:

- (i) the customer has been required by the licensee to pay a security deposit;
- (ii) the customer ceases to purchase services from the licensee under the customer supply and sale contract to which the security deposit relates; and
- (iii) the customer has been discharged from its obligations and liabilities under that customer supply and sale contract,

the licensee must return the security deposit to the customer in accordance with clauses 10.3 and 10.5.

- (b) If the amount of the security deposit is K5 or less, the licensee may credit the security deposit to the credit of a customer's next bill (if any).
- (c) If the amount of the security deposit is more than K5 the licensee must ask the customer whether the amount is to be paid:
 - (i) to the customer; or
 - (ii) on the customer's written instructions, to another person; andmust pay the amount in accordance with a customer's instructions within 20 business days.

10.3.2 Where the customer does not give the licensee instructions under clause 10.3.1(c) within 30 days, the licensee must credit the amount of the security deposit to a customer's next bill (if any).

10.3.3 Where the licensee has accepted a bank guarantee from a general supply customer or an industrial customer in lieu of a cash security deposit, the licensee must return the bank guarantee within 20 business days of the general supply or the industrial customer satisfying the conditions referred to in clause 10.3.1(a).

10.4 Identification in Licensee's Accounts

The licensee must keep the security deposit in a separate account and separately identify in its company accounts, at all times, the value of the security deposit which it holds.

10.5 Use of a Security Deposit

10.5.1 Despite clause 10.3.1, the licensee may, subject to clause 10.5.2, use the customer's security deposit to offset any amount owed by that customer to the licensee:

- (a) if the customer fails to pay a bill; or
- (b) in relation to a final bill issued by the licensee.

10.5.2 The licensee must not, without the customer's written consent, use the customer's security deposit to offset charges in respect of any goods or services referred to in clause 23 provided by the licensee.

10.5.3 The licensee must account to the customer for any use of the security deposit (and pay the balance, if any, to the customer) within 20 business days.

11. DISCONNECTION

11.1 Disconnection

11.1.1 Subject to clauses 11.2 and 11.3, a licensee may disconnect or arrange for the disconnection of a customer's premises in accordance with this clause 11 if a customer has not:

- (a) paid a bill; or
- (b) agreed to an offer (made in accordance with clauses 9.2 and 9.3) of an instalment plan or other payment option to pay a bill; or
- (c) adhered to the customer's obligations to make payments in accordance with an agreed instalment plan or other payment option relating to the payment of bills.

11.1.2 The licensee must not disconnect where the customer is on life support equipment. The licensee is required to give the customer a reasonable period for the customer to consider alternatives before the licensee may disconnect the customer's supply point.

11.2 Domestic Customers

11.2.1 Where, because of a lack of sufficient income on the part of a domestic customer, the domestic customer is unable to pay a bill, a licensee must not disconnect or arrange the disconnection of the domestic customer's premises except in accordance with clauses 11.2.2 and 11.2.3.

11.2.2 A licensee must have:

- (a) used its best endeavours to contact the domestic customer personally:
 - (i) by telephone;
 - (ii) by registered mail; or
 - (iii) by any other method approved by the Commission from time to time;
- (b) offered the domestic customer alternative payment options of the kind referred to in clause 9;
- (c) given the domestic customer a reminder notice; and
- (d) after the expiry of the period referred to in the reminder notice, given the domestic customer a written disconnection warning with 10 business days notice of its intention to

arrange for the disconnection (the 10 business days shall be counted from the date of receipt of the disconnection warning).

11.2.3 Provided the licensee has complied with this clause 11.2, the licensee may disconnect or arrange for the disconnection of the domestic customer's premises immediately if the customer:

- (a) has refused or failed to accept the offer referred to in clause 11.2.2(b) before the expiry of the 10 business day period in the disconnection warning; or
- (b) has accepted the offer referred to in clause 11.2.2(b) but has refused or failed to take any reasonable action towards settling the debt before the expiry of the 10 business day period in the disconnection warning.

11.2.4 The licensee is not obliged to offer an instalment payment plan as provided in clause 11.2.2(b) where the customer has in the previous twelve months had two instalment plans cancelled due to non payment.

11.3 General Supply Customers and Industrial Customers

11.3.1 A licensee must not disconnect the premises of a general supply customer or an industrial customer for failure to pay a bill except in accordance with clauses 11.3.2 and 11.3.3.

11.3.2 A licensee must have:

- (a) used its best endeavours to contact the general supply customer or the industrial customer personally:
 - (i) by telephone;
 - (ii) by registered mail; or
 - (iii) by any other method approved by the Commission from time to time;
- (b) offered the general supply customer or the industrial customer an extension of time to pay on terms and conditions (which may include the payment of interest approved by the Commission from time to time);
- (c) given the general supply customer or the industrial customer a reminder notice; and
- (d) after the expiry of the period referred to in the reminder notice, given the general supply customer or the industrial customer a written disconnection warning with 10 business days notice of its intention to arrange for the disconnection (the 10 business days shall be counted from the date of receipt of the disconnection warning).

11.3.3 Provided a licensee has complied with this clause 11.3, the licensee may disconnect or arrange for the disconnection of the premises of the general supply customer or the industrial customer immediately if the general supply customer or the industrial customer:

- (a) has refused or failed to accept the offer referred to in clause 11.3.2(b) before the expiry of the 10 business day period in the disconnection warning; or
- (b) has accepted the offer referred to in clause 11.3.2(b) but has refused or failed to take any reasonable action towards settling the debt before the expiry of the 10 business day period in the disconnection warning.

11.4 Denying Access to the Meter

11.4.1 Where a customer fails to allow a licensee, for 3 consecutive billing cycles (or such longer period as a licensee nominates), access to the customer's premises to read any credit meter, the licensee may disconnect or arrange for the disconnection of the customer's premises.

11.4.2 A licensee must not exercise its disconnection right under this clause 11.4 unless the licensee has:

- (a) given to the customer an opportunity to offer reasonable alternative access arrangements;
- (b) on each of the occasions it was denied access, given to the customer written notice requesting access to the relevant meter;
- (c) used its best endeavours to contact the customer personally:
 - (i) by telephone;
 - (ii) by registered mail; or
 - (iii) by any other method approved by the Commission from time to time; and
- (d) given the customer a written disconnection warning with 10 business days notice of its intention to arrange for the disconnection (the 10 business days shall be counted from the date of receipt of the disconnection warning).

11.5 Illegal Use

Notwithstanding any of the requirements in this clause 11, a licensee may arrange for the disconnection of a customer's supply point immediately where the customer has used electricity illegally as described in clause 7.

11.6 Security Deposits

11.6.1 A licensee may arrange for the disconnection of a customer's supply point where the customer fails or refuses to pay a security deposit or to provide a bank guarantee in accordance with clause 10.

11.6.2 A licensee must not exercise its right to disconnect under clause 11.6.1 unless the licensee has given the customer not less than 10 business days written notice of its intention to arrange for the disconnection (the 10 business days shall be counted from the date of receipt of the notice).

11.7 When a Licensee must not Disconnect

A licensee must not disconnect or arrange for the disconnection of the customer's premises:

- (a) for non-payment of a bill where the amount outstanding is less than an amount approved by the Commission and the customer has agreed with the licensee to pay that amount;
- (b) where the customer has advised in writing that a person ordinarily residing at the premises is dependent on designated life support equipment in accordance with the provisions of clause 19;
- (c) after 3.00pm on a business day; or
- (d) on a Friday, on a weekend, on a public holiday or on the day before a public holiday, except in the case of a planned interruption.

- (e) where the customer is on life support equipment.

11.8 Request for Final Account on Disconnection

If a customer requests a licensee to arrange for the preparation and issue of a final bill for, or the disconnection of, the customer's supply point, the licensee must use its best endeavours to arrange for that bill or disconnection in accordance with the customer's request.

11.9 Permitted Disconnections

Subject to this clause 11, the licensee may disconnect the customer's supply point pursuant to clause 20.1 (in the case of an emergency), 20.2 (pursuant to any relevant legislation) or 20.3 (for health and safety reasons).

11.10 Difficulty in Managing Credit Meter Bills

In addition to disconnection under clause 11.2, a licensee may advise the customer as soon as is reasonably practicable, of instalment plan options offered by the licensee at that time, where the licensee is or becoming aware of the customer's difficulty to manage bills in the credit meter system.

12. RECONNECTION AFTER DISCONNECTION

12.1 Licensee and Customer Obligations

Where a licensee has disconnected or arranged for the disconnection of a customer's supply point:

- (a) under clause 11.1, for non-payment of a bill, and the customer has subsequently paid or agreed to accept an offer (made in accordance with clause 9.3) of an instalment plan and made contribution to that instalment plan, or other payment option;
- (b) under clause 11.4, because it was denied access to any credit meter and the customer provides access to the credit meter;
- (c) under clause 11.5 for the customer illegally using electricity in breach of clause 7, and the customer has remedied that breach, and has paid, or made an arrangement to pay, the amounts referred to in clause 7(n) and (o);
- (d) under clause 11.6, because the customer had refused to pay a security deposit or provide a bank guarantee and has subsequently done so; or
- (e) under clause 12, for a health or safety reason and the circumstances giving rise to the disconnection no longer exist,

the licensee must reconnect or arrange for the reconnection of the customer's supply point in accordance with this clause, subject to:

- (f) clause 7;
- (g) the customer making a request for reconnection; and
- (h) the customer first paying the licensee a reasonable charge for reconnection.

12.2 Required Connection Date

Where under clause 12.1 the licensee is obliged to reconnect or arrange for the reconnection of the customer's supply point, the licensee must use its best endeavours to reconnect or arrange for the reconnection as soon as reasonably practicable.

DIVISION 4 PREPAYMENT METER

13. PREPAYMENT METER CONNECTION

13.1 At the Customer's Request

A licensee may at the request of a customer or otherwise install a prepayment meter to the customer's connection point.

13.2 System Display

A licensee offering a prepayment meter installation must ensure that the prepayment meter displays:

- (a) the available credit in the prepayment meter account; or
 - (b) whether the prepayment meter is operating in normal credit or emergency credit mode; or
 - (c) current consumption information (in both kWh or MJ); or
- in such a way that the customer is aware when the prepayment meter is running low on credits.

13.3 Licensee's Responsibility

When installing the prepayment meter at a customer's premises, the connection technician must ensure that:

- (i) the two key change token numbers are entered into the prepayment meter to unlock the meter; and
- (ii) the tamper reset token number is entered into the prepayment meter to activate the supply of electricity through the prepayment meter; or
- (iii) the prepayment meter is otherwise properly installed and the supply of the electricity through the prepayment meter is activated.

14. APPLICATION FORM

14.1 Information on Application Form

The following information must be provided by a licensee on the prepayment meter application form:

- (a) the date of installation of the prepayment meter;
- (b) the fees, charges and tariffs that will be applicable for the retailing of electricity under the prepayment meter system and how it may change from time to time;
- (c) all costs to the customer associated with installation and connection (if any) of the prepayment meter system including fees, charges and tariffs;
- (d) the method by which the customer will receive any rebate to which they are entitled;

- (e) the methods by which the customer can make payments to the prepayment meter system and/or account and the locations of payment centres or recharge facilities (if relevant);
- (f) the amount of emergency credit to be provided in the prepayment meter system;
- (g) the right of the customer to request removal of the prepayment meter system or reversion of the prepayment meter system to a credit meter mode so that the prepayment meter system operates as a credit meter, the charges (if any) and the method of calculation of those charges;
- (h) dispute resolution options which are available to customer;
- (i) contact details for a licensee’s customer enquiry, complaints and emergency service;
- (j) the name of the connection technician; and
- (k) other information specified in writing by the Commission from time to time.

14.2 Meter Installation and Outlet Registration

Upon receipt of the application form, the licensee must install the prepayment meter at the customer’s premises within 5 days and have the prepayment meter number registered in all outlets and customer complaints systems and billing systems within a further 2 days.

15 PROVISION OF INFORMATION

15.1 Licensee to Provide Information

A licensee must provide the following information on the use of the prepayment meter to a customer who has applied for installation of the prepayment meter:

- (a) instructions on how to operate the prepayment meter which must be:
 - (i) expressed in clear, simple and concise language; and
 - (ii) in a format which makes it easy for a person not familiar with the operation of a prepayment meter to understand.
- (b) instructions on how to access the emergency credit facility of the prepayment meter system;
- (c) instructions on how to obtain a refund of credits when the prepayment meter is terminated;
- (d) instructions on how and where payments to or recharge of the prepayment meter account can be made; and
- (e) a licensee’s telephone number (preferably the toll free number) for complaints, enquiries and emergencies.

15.2 Language to be used for Instructions

If requested by the customer, a licensee must use its best endeavours to provide the operating instructions in Pidgin or Motu, rather than in English, as requested by the customer.

16 PREPAYMENT METER TESTING

16.1 Upon Customer's Request

Where a customer requests that the whole or part of the prepayment meter be checked or tested, a licensee must make immediate arrangements for one or more of the following:

- (a) a check of the metering data;
- (b) a check or test of the prepayment meter;
- (c) a check or test by the connection technician or any other connection technician of the meter installation at the customer's connection point.

16.2 Inaccurate Meter

If a prepayment meter is found to be inaccurate or not operating correctly following a check or test undertaken in accordance with clause 16.1, a licensee must:

- (a) correct any overcharging or undercharging in accordance with clauses 17.6 and 17.7;
- (b) repay any fee paid in advance under clause 17.7;
- (c) make immediate arrangements to replace or repair the prepayment meter system; and
- (d) advise the customer of the existence of its dispute resolution processes under clause 5.

16.3 Consumption Information

Upon request, the licensee must, at no charge, give the customer the information relating to the customer's premises about the annual consumption of electricity and total expenditure and/or for a specific month(s).

16.4 Mandatory Random Testing

A licensee must have the lesser of five-hundred (500), or 5% (rounded up) of the prepayment meters installed by or for the licensee, randomly selected and tested annually in each town where its prepayment meters have been installed.

17 PAYMENT OF CREDITS

17.1 Minimum Credit

A licensee must ensure that the minimum credit that a customer can pay in relation to the prepayment meter account is the minimum amount approved by the Commission from time to time.

17.2 Purchasing of Receipt

A licensee which has installed a prepayment meter for the customer must ensure that it has in place facilities for the customer to make payments in relation to the prepayment meter account by at least one of the following methods:

- (i) by cash, at a minimum of two locations which are readily accessible to the customer, one of which is open between 9:00am and 5:00pm every day (except for public holidays); or

- (ii) by a 24 hour, 7 days a week telephone service, debit card, electronic funds transfer or any other telephone payment method which is acceptable to the licensee and agreed to by the customer, or
- (iii) by a 24 hour, 7 days a week electronic or other payment method which is acceptable to the licensee and agreed to by the customer.

17.3 Details of Receipt

The receipt which must be provided to the customer in respect of the prepayment meter account must include the following information:

- (a) KWh's purchased;
- (b) the token number;
- (c) the relevant charge and fees (including unit rate and fees);
- (d) the meter number (if any);
- (e) the amount paid and any amount due to the licensee;
- (f) the telephone number for enquiries;
- (g) a 24 hours contact telephone number for faults and emergencies;
- (h) where the supply point is a premises, the address of the premises; and
- (i) the customer's name and address.

17.4 Limitation on Debt Recovery

Where the customer owes a debt to a licensee, other than a kind referred to in subclause 17.6 and 17.7, the licensee must not recover any repayment of the debt other than 10 per cent of the credit that is being purchased, to repay the outstanding debt.

17.5 Emergency Credit System

17.5.1 A licensee must provide an emergency credit system whereby customers are able to have access to emergency credits in the event that their electricity credits are exhausted between 7pm - 9am.

17.5.2 A licensee must activate an emergency credit account for all customers. For existing customers the licensee must activate the customer's emergency credit account immediately whilst for new customers the licensee must activate the emergency credit account within five (5) business days from the date the customer is connected to the distribution network.

17.5.3 A customer may have access to the emergency credit account via telephone or mobile phone (sms included).

17.5.4 A customer's emergency credit account must be immediately updated upon the customer's payment of credit.

17.5.5 The amount of minimum emergency credit charged by a licensee will be an amount set and approved by the Commission from time to time.

17.6 Overcharging

17.6.1 Where a customer has been overcharged as a result of an act or omission of a licensee, the licensee must inform the customer of that overcharging within 10 business days of a licensee becoming aware of that overcharging and ask the customer for instructions as to whether the amount should be:

- (i) repaid to the customer, or
- (ii) added to the balance of the prepayment meter account;

17.6.2 Where a licensee asks for instructions from a customer under the preceding subparagraph (a) and no instructions are provided by the customer within 20 business days, the licensee must add to the balance of the prepayment meter account the amount overcharged to the customer.

17.7 Undercharging

17.7.1 Where a customer has been undercharged as a result of a licensee's act or omission, the licensee must inform the customer of that undercharging within 10 business days of the licensee becoming aware of that undercharging and at that time indicate to the customer the amount undercharged and whether or not the licensee proposes to recover from the customer the amount undercharged.

17.7.2 Where the licensee proposes to recover the amount undercharged as a result of the licensee's error, the licensee must:

- (a) limit the amount to be recovered to the amount undercharged in the 12 months prior to informing the customer of the undercharging; and
- (b) provide details and explanation of the amount to be recovered with no interest charged on that amount.

The customer may pay this amount in instalments, in which case the instalments must be payable over the same period of time during which the customer was undercharged.

17.8 Wrong Meter Number

17.8.1 Where a customer purchases credits for the wrong meter number, the customer must fill out a Reversal form in order to be issued another receipt paid to the customer's meter number.

17.8.2 Where a customer pays for the wrong meter number as a result of negligence on the part of the licensee, the licensee must reimburse the customer for the credits lost to another prepayment meter by providing units to the customer to the amount lost by the customer.

18. SELF –DISCONNECTION AND RECOMMENCEMENT OF SUPPLY

18.1 Self-disconnection

The prepayment meter will automatically self-disconnect supply of electricity to the customer's supply point when the prepayment meter shows that there is no credit.

18.2 Recommencement of Supply

Where supply has been disconnected through the means of the prepayment meter, the prepayment meter must be capable of recommencing supply as soon as the token number is entered into the prepayment meter.

18.3 Request for Disconnection/Removal

18.3.1 A customer may request a licensee to disconnect its supply point, provided the customer complies with clause 24.

18.3.2 If a customer requests removal or installation of the prepayment meter, a licensee will make immediate arrangements for:

- (a) the removal of the prepayment meter; and/or
- (b) the installation of a credit meter.

18.4 Credit Retrieval

Where a customer wants to obtain a refund of any credits remaining in the prepayment meter account when the prepayment meter is removed, the customer must fill out a form approved by the Commission and submit to the licensee and the licensee will refund the customer's remaining credits.

DIVISION 5: MISCELLANEOUS PROVISION

19. SPECIAL NEEDS

19.1 Life Support Equipment

19.1.1 Where a customer provides a licensee with confirmation from a registered medical practitioner or a hospital that a person residing at the customer's premises requires life support equipment, the licensee must:

- (a) register the premises as a life support equipment address obtain from the customer relevant information about the premises for the purposes of updating the licensee's records and registers;
- (b) not disconnect or arrange for the disconnection of that premises while the person continues to reside at that address and requires the use of life support equipment; and
- (c) give the customer:
 - (i) a fault and disconnection telephone contact number which allows access to the licensee;
 - (ii) at least 4 business days' written notice of any planned interruptions to the supply of electricity at the premises (the 4 business days to be counted from the date of receipt of the notice); and
 - (iii) advice when there is likely to be a planned interruption of the supply of electricity at the premises.

19.1.2 A licensee may require that the customer whose premises has been registered under this clause inform the licensee if the person for whom the life support equipment is required vacates the premises or no longer requires the life support equipment.

19.1.3 A licensee must not install a prepayment meter where the customer is on life support equipment.

19.1.4 If a licensee is notified that the customer requires life support equipment, the licensee must make arrangements for:

- (a) the removal of the prepayment meter at no cost to the customer; and
- (b) provide information about other options (if any) available to the customer.

20. EMERGENCIES AND SAFETY

20.1 Emergency Disconnection

20.1.1 A licensee may disconnect or interrupt or cause to be disconnected or interrupted the supply of electricity to a customer's supply point in the case of an emergency.

20.1.2 Where a licensee exercises the right to interrupt electricity supply and sale under clause 21.1 it must:

- (a) provide, by way of a 24 hour emergency line, information on the nature of the emergency and an estimate of the time when the supply of electricity will be restored; and
- (b) use its best endeavours to restore the supply of electricity to the customer's supply point as soon as possible.

20.2 Powers under Acts

Notwithstanding any other clause, the licensee may exercise any power, or comply with any direction, order or requirement, under the *Essential Services Act 2002* or any other relevant legislation.

20.3 Health and Safety

20.3.1 Subject to clause 21.1, a licensee may disconnect or interrupt or cause to be disconnected or interrupted the supply of electricity to the customer's supply point for reasons of health or safety.

20.3.2 Except in the case of an emergency, or where there is a need to reduce the risk of fire, or where relevant legislation, regulations or codes require it, a licensee must not disconnect the customer's premises for a health or safety reason unless the licensee has:

- (a) given the customer written notice of the reason;
- (b) allowed the customer 5 business days to remove the reason (the 5 business days shall be counted from the date of receipt of the notice); and
- (c) at the expiration of those 5 business days given the customer, by way of a written disconnection warning, another 5 business days' notice of its intention to disconnect the supply point (the 5 business days shall be counted from the date of receipt of the notice).

21. SUPPLY INTERRUPTIONS

21.1 A licensee's Right to Interrupt Supply

Subject to clause 19, a licensee may interrupt or limit the supply of electricity to a customer's supply point:

- (a) to the extent necessary for carrying out maintenance or repair to, or testing or commissioning, the licensee's transmission or distribution network or any part of it or any connection point;
- (b) to the extent necessary for connecting a new supply point to the licensee's transmission or distribution network;
- (c) to the extent necessary for carrying out augmentations or extensions to the licensee's transmission or distribution network;
- (p) pursuant to clauses 20.1(in the case of an emergency), 20.2 (pursuant to any relevant legislation) or 20.3 (for health and safety reasons); or
- (q) as otherwise agreed in writing with the customer.

21.2 Notice of Interruptions

Except in the case of an emergency or other event described in clause 21 or where the interruption or limitation of the supply of electricity is less than 15 minutes, a licensee must not exercise its right to interrupt or limit the supply of electricity under clause 21.1 unless the licensee has used its best endeavours to give each affected customer not less than 5 days' notice of the interruption or limitation of electricity supply (not including the day on which the notice is given):

- (a) by mail;
- (b) by radio or television announcement;
- (c) by publication in a daily newspaper; or
- (d) in such other manner as is approved by the Commission.

21.3 Minimisation of Interruptions

The licensee that supplies electricity to a supply point must use its best endeavours:

- (a) to minimise interruptions or limitations of the supply of electricity to a supply point caused by:
 - (i) carrying out maintenance or repair to, or testing or commissioning, the licensee's transmission or distribution network or any part of it or any connection point;
 - (ii) connecting a new supply point to the licensee's transmission or distribution network; or
 - (iii) carrying out augmentations or extensions to the licensee's transmission or distribution network; and
- (b) to restore the supply of electricity as soon as practicable.

21.4 Information on Interruptions

A licensee that supplies electricity to a supply point must provide a 24 hour telephone number for customers to find out, where information is available, the expected duration and other details of unplanned interruptions or limitations to the supply of electricity and for the notification of emergencies and faults.

22. METERS

22.1 Meter Testing

A licensee that supplies or sells electricity to a supply point may at any time, and must within a reasonable time of receipt of a request from a customer, test or arrange for the testing of a meter that measures the use of electricity at that supply point.

22.2 Costs of Test

If, as a result of a test requested by the customer under this clause 22, the meter:

- (a) shows an error of plus or minus 2% or more in the amount of electricity recorded, the licensee must bear the cost of the test; or
- (b) shows no error or an error of less than plus or minus 2% in the amount of electricity recorded, the licensee may require that the customer who requested the test pay the cost of the test.

22.3 Results of Test

A licensee must, upon request, provide the customer with the results of the test conducted under clause 22.1.

22.4 Repair or Replacement of Meter

If a test conducted in accordance with this clause 22 shows an error in a meter of plus or minus 2% or more in the amount of electricity recorded, the licensee must:

- (a) repair, or procure the repair, of the meter so that the error is rectified; or
- (b) replace the meter by installing a new meter, within 5 business days or such longer period as may be approved by the Commission.

23. SEPARATE BILL

Where a licensee also supplies goods or services (other than those goods and services referred to in clause 8.4.1 and 8.4.2), the licensee must bill for those goods or services separately or:

- (a) include the charges for those goods and services as separate items in its bills;
- (b) apply any payment received from a customer as directed by that customer;
- (c) where a customer does not direct how the payment is to be applied, the licensee must apply the payment to the charges referred to in clause 8.4.1 before applying any portion of it to the charges for any other goods or services; and
- (d) must not recover any payment for those goods and services under the prepayment meter which adjusts the charges in the prepayment meter account.

24 CESSATION OF SUPPLY OR SALE OF ELECTRICITY AT CUSTOMER'S REQUEST

24.1 A customer shall give a licensee at least 3 business days' notice of that customer's intention to cease taking any supply of electricity, or to cease purchasing any electricity, from the licensee in respect of a supply point.

24.2 Upon the customer's notice, the licensee must, in the case of the:

- (a) credit meter
 - (i) arrange for the reading of any credit meter on the notified date of cessation (or as soon as possible after that date if the customer has not provided access to that credit meter on that date); and
 - (ii) prepare and send to the customer a final bill at the forwarding address provided by the customer in the notice.
- (b) prepayment meter
 - (i) arrange to remove the prepayment meter from the customer's residence; and
 - (ii) prepare and send to the customer at the forwarding address provided by the customer in the notice amounts that the customer owes to the licensee (if any).

24.3 In the case of the credit meter, if a customer fails:

- (a) to give the licensee the notice referred to in 24.2; or
- (b) to provide access to any meter,

the licensee may charge the customer for any electricity used at the customer's supply point until the credit meter is read (which must take place within 3 business days of the licensee becoming aware that the customer has ceased to take any supply of electricity, or has ceased to purchase any electricity, from the licensee in respect of the customer's supply point, provided that access to that meter is provided within the 3 business day period, and otherwise as soon as reasonably possible).

25. CUSTOMER'S RESPONSIBILITY

A consumer is responsible for the protection of the prepayment meter and credit meter from damage.

Schedule 1: MINIMUM RELIABILITY STANDARDS

| Reliability Target (%) | | | |
|-------------------------------|-----------------------|-----------------------|-----------------------|
| Calendar Year | Service Zone 1 | Service Zone 2 | Service Zone 3 |
| 2003 | 1.1 | N/A | N/A |
| 2004 | 0.8 | N/A | N/A |
| 2005 | 0.6 | 1.0 | 1.5 |
| 2006 | 0.5 | 1.0 | 1.5 |
| 2007 | 0.4 | 1.0 | 1.5 |
| 2008 | 0.3 | 1.0 | 1.5 |
| 2009 | 0.22 | 1.0 | 1.5 |
| 2010 | 0.22 | 1.0 | 1.5 |
| 2011 | 0.22 | 0.4 | 0.8 |

Targets for calendar years following 2011 which are set out in any such retail licence. It is intended that these Reliability Targets will correspond to those Reliability Targets set out in any retail licence that applies to a licensee. Accordingly, it is intended that this Schedule will be modified to incorporate any changes in the Reliability Targets set out in any such retail licence or to incorporate any new Reliability Target(s).

Schedule 2: PPL SERVICE AREAS AND SERVICE ZONES

| Service Areas | Service Zone |
|----------------------|---------------------|
| Port Moresby | 1 |
| Goroka | 1 |
| Rabaul/Kerevat | 1 |
| Gusap | 1 |
| Ialibu | 1 |
| Kagua | 1 |
| Kainantu | 1 |
| Kundiawa | 1 |
| Kwikila | 1 |
| Lae | 1 |
| Madang | 1 |
| Mendi | 1 |
| Minj/Banz | 1 |
| Mount Hagen | 1 |
| Mumeng | 1 |
| Pangia | 1 |
| Wabag | 1 |
| Wapenamanda | 1 |
| Yonki | 1 |
| Kimbe | 2 |
| Wewak | 2 |
| Aitape | 3 |
| Alotau | 3 |
| Bialla | 3 |
| Daru | 3 |

| Service Areas | Service Zone |
|----------------------|---------------------|
| Finschhafen | 3 |
| Kavieng | 3 |
| Kerema | 3 |
| Lorengau | 3 |
| Maprik | 3 |
| Popondetta | 3 |
| Samarai | 3 |
| Vanimo | 3 |
| Wau | 3 |
| Porgera | 3 |

The boundaries for each service area listed above are as specified in the retail licence issued to the licensee under the Act.

Schedule 3: PNG SEL SERVICE AREAS AND SERVICE ZONES

Awaba

Balimo

Morehead

Lake Murray

Obo/Kavianaga

Wipim

The boundaries for each service area listed above are as specified in the retail licence issued to the licensee under the Act.