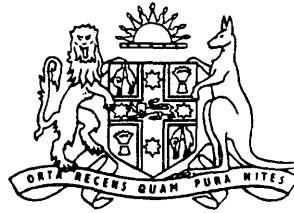


[Act 1997 No 59]



New South Wales

Gas Industry Restructuring Amendment (Customer Contracts) Bill 1997

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to amend the *Gas Industry Restructuring Act 1986* so as to provide for the transfer of certain gas supply contracts, supplies of gas and other related assets, rights and liabilities from AGL Gas Networks Limited to certain corporations holding gas supply authorisations under the *Gas Supply Act 1996*. These transfers are to be done for the purpose of achieving compliance with the “ring fencing” requirements of the Access Code that applies in relation to the operation of gas distribution networks.

Outline of provisions

Clause 1 specifies the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent.

Clause 3 is a formal provision giving effect to the Schedule of amendments to the *Gas Industry Restructuring Act 1986*.

Schedule 1

Schedule 1 inserts a new Part 5A into the Principal Act. The new Part contains the following provisions:

Proposed section 71, which defines certain words and expressions for the purposes of the proposed Part.

Proposed section 72, which empowers the Minister, by order published in the Gazette, to transfer certain gas supply contracts, supplies of gas and other related assets, rights and liabilities from AGL Gas Networks Limited (ACN 003 004 322) to certain corporations (AGL Retail Energy Limited (ACN 074 839 464), AGL Retail Energy (Contract Sales) Limited (ACN 076 092 067) and AGL Wholesale Energy Limited (ACN 074 821 720)), being corporations that hold gas supply authorisations under the *Gas Supply Act 1996*.

Proposed section 73, which gives effect to a transfer order made by the Minister under proposed section 72.

Proposed section 74, which provides that a transfer order takes effect on such day as is specified in the order.

Proposed section 75, which provides that the transfers effected by a transfer order, and any consequential transactions, are not chargeable with duty under the *Stamp Duties Act 1920*.

Proposed section 76, which provides that the Minister may, by order in writing, confirm the transfer of any particular gas supply contract, supply of gas or other asset, right or liability so as to remove any doubt as to whether or not it is included in the operation of a particular transfer order.