24 September 2010

Residential Tenancies Regulation 2010
Fair Trading Policy
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PARRAMATTA NSW 2124
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Thank you for the opportunity to comment on the draft Residential Tenancies Regulation 2010.

The Energy & Water Ombudsman NSW investigates and resolves complaints from customers of electricity and gas providers in NSW, and some water providers.

EWON provided a submission on the draft Residential Tenancies Bill 2009. In this submission we supported the proposed sub clause 39 (1) (b):

the premises contain water efficiency measures prescribed by the regulations for the purposes of this section.

EWON therefore supports clause 10 of the draft Regulation which establishes that a landlord can only charge a tenant for water usage if the taps and showerheads have a 3 star water efficiency rating and that there are no leaking taps at the start of the tenancy agreement.

EWON also put forward for consideration some views concerning the position of tenants and gas connections. We stated:

Some tenants enter into a lease for a property with gas supply that is for heating only, but they do not have a gas heater and do not wish to use the gas. However, they are still required to open a gas account and pay service availability charges, or with the approval of the landlord, pay for the removal of the gas meter. EWON has received complaints from tenants about the fairness of this arrangement in that they are paying for a service they do not use. On the other hand, the landlord may wish the gas connection to remain as a service for future tenants who might wish to use gas heating.¹

¹ P3 EWON submission to the draft Residential Tenancies Bill 2009. December 2009
In our submission we indicated that in our view the cost of a gas connection or the cost of the removal of a meter should be a responsibility of the landlord if the tenant does not use gas. This suggestion was not included in the Act. It is our experience that tenants who are not using gas are often unaware of their responsibility to open a gas account and pay the availability charge.

Therefore EWON would suggest that a new clause be added in the draft Regulation 7 requiring landlords to disclose to tenants that they are responsible for opening a gas account and the payment of a gas service charge even if they do not use the gas supply. This obligation would benefit tenants by providing fair warning that they need to open a gas account despite the fact they are not actually using gas.

If you would like to discuss this matter further, please contact me or Chris Dodds, Senior Policy Officer on 82185250.

Yours sincerely

Clare Petre
Energy & Water Ombudsman NSW