



**ASX RELEASE**

**Australian Power & Gas working with ACCC regarding door-to-door channel**

***Sydney, 11 September 2013***

Australian Power & Gas (ASX: APK) acknowledges the Federal Court proceedings commenced by the ACCC for contraventions of the Australian Consumer Law, particularly misleading and unconscionable conduct and the door-to-door provisions.

Australian Power & Gas Chief Executive Officer James Myatt said: "We have been working with the ACCC with respect to these issues. To the extent that there are consumers that have been adversely affected, we are striving to ensure that customers get a positive experience from door-to-door sales."

Australian Power & Gas has worked diligently over recent years to tighten its compliance processes and has also been an instrumental participant in the establishment of Energy Assured Limited, an industry body designed to improve standards across the door-to-door energy industry. In 2012 Australian Power & Gas sales were recognised by Energy Assured Limited as 'best in class'.

Mr Myatt added: "APK's door-to-door sales channel has been a major driver of customer growth for the company. The channel does, however, have some inherent risks. Alongside our work to establish Energy Assured Limited, we have already tightened processes on our door-to-door partners, improved training and carried out spot checks on sales.

"We have also introduced industry-leading iPad technology, the first retailer to do so nationally. This technology provides more control over the actions of door-to-door agents and ensures a high quality customer experience that also better protects against potential fraud.

"All of these actions show that we are focused on ensuring customers receive the best possible experience. We take the cases involving potential Australian Consumer Law breaches extremely seriously and have been working with the ACCC to resolve complaints from adversely affected consumers."

The takeover bid for APG by AGL dated 8 August 2013 includes a defeating condition to the effect that APG "...has threatened or commenced against it any material claims or proceedings in any court or tribunal other than as fully, fairly and accurately disclosed by APG or its advisers in writing to AGL or its advisers before the Announcement Date..." In our view this defeating condition has not been triggered by the commencement of Federal Court proceedings by the ACCC. AGL has confirmed this view.

**Ends**

***For further information please contact:***

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**About Australian Power and Gas:**

Australian Power and Gas Company Limited (ASX: APK) is Australia's leading independent ASX-listed energy retailer. It holds a full suite of gas and electricity retail licences in Victoria, New South Wales, ACT, South Australia and Queensland and has been approved to operate by AEMO, the Australian Energy Market Operator. Australian Power and Gas was announced as the fastest starting company in the 2011 Business Review Weekly Annual Fast Starters List for a second year in a row, and was placed first on the Business Review Weekly Fast100 list for 2010.