

Blue Aurora Pty Ltd – Application for an individual exemption

Without Prejudice.

Public Submission.

I am the owner of a unit Cairns Beach resort, 129 – 135 Oleander Street Holloways Beach Queensland 4878.

I am writing to express my view that Mr Wayne and Mrs Naomi Abbot through their company Blue Aurora Pty Ltd, should NOT be granted an individual exemption from the requirement to hold a Retailer authorization under the National Energy Retail Law to source and on sell energy at Cairns Beach Resort (CBR). My primary objections are based on the following:

History.

- 1) I have owned a unit at Cairns Beach Resort (CBR) since 2002 when they first became available for public ownership. My original signed copy of the '**PAMD Form 20a Appointment of Agent – Letting and Property Management**' in which the Body Corporate (BC) granted the Management Rights of Cairns Beach Resort to Josephine Anne Mathews and David Douglas Cummings lists a "Schedule of Charges – Cairns Beach Resort". This document shows the "**Services - Electricity and Gas are - Account divided by units (No Surcharge)**". I can provide a copy of this schedule if required. In addition the previous managers (Resman P/L) in a monthly newsletter for March 2012, noted that in 2010 a bulk supply agreement with an energy company had been reached which was at a discount to the retail rate. In my understanding this is similar to the process used by the first Managers of CBR. (I can provide a copy of this document if required.) So Blue Aurora's statement (item 9 on page two) that "This arrangement has been in place since 1999." is not correct as their process does not indicate what price they pay to the energy supplier.
- 2) At no time since 2002 have I signed any document that changes the way electricity (and Gas) is to be supplied to my unit at CBR.

Rationale

- 3) I have not signed any documents with Blue Aurora P/L which changes the documentation in the original **PAMD Form 20a** as regards to supply of the services of electricity and gas.
- 4) The current Managers, show in their newsletters that they use the Ergon Services (- 6778856E1) and Tariff 11 to prepare and charge out electricity use to the units and the complex as a whole, but Origin Energy supplies Blue Aurora with electricity. The current Managers advise through various documents including those of their solicitors, that they have a contract with Origin Energy and Origin Energy is the current supplier of electricity. It is of great concern that the Managers appear unwilling to divulge to the Body Corporate Committee (BCC) and/or unit owners what they actually pay for the electricity from Origin Energy. This is certainly not open and transparent to me as a unit owner and as part owner of the electricity (and Gas) infrastructure at CBR.

I believe that the supply of electricity and its price to CBR should be wholly for the benefit of the unit owners and the users of their units and should be the lowest price negotiable for an appropriate supply.

It is my understanding that subsequent transfers of the management rights at CBR, which I understand must be approved by the BCC, have not included any variations to the supply of the services of electricity and gas which allow Blue Aurora to source and on sell electricity to CBR at a profit.

- 5) In a communication from Blue Auroras Solicitors dated 03.12.2018 to the attention of Michelle Henning of TCM Strata, at the bottom of page 2 in relation to an agreement by the CBR BCC to sell Electricity to CBR, the letter states, "A formalised version of that agreement is not within our clients records." Based on that statement, It appears there is no record of a formal agreement.
- 6) In a letter to unit owners dated 3.12.2018 the Managers state that "Accordingly, we are an 'Embedded Network Operator' ("**Network Operator**") which has been confirmed by the Body Corporate Community Management Office."
I have been advised that only the AER can provide that confirmation, not the BCCMO. If that is true then the statement by the Managers is quite clearly untrue.
- 7) I understand that the "Queensland Body Corporate and Community Management Act 1997" and the "Body Corporate and Community Management (Accommodation Module) Regulations 2008" set out roles and responsibilities etc for BCC in complexes such as CBR. My understanding from these documents is that Section 159 of the Body Corporate and Community Management Accommodation Module, section 7, page 141 states "(7) The body corporate may not grant a lease or licence over utility infrastructure that is common property." If this is the case I do not understand how there is any doubt that Blue Aurora cannot have a licence to supply CBR unit owners with electricity through common property infrastructure.