

Our Ref: AER23008411
Contact Officer: Donna Bennetts
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12 January 2024

Mr Craig Swift
National Energy Income Manager
Vicinity Centre
Tower One, Level 4, 1341 Dandenong Road
Chadstone VIC 3148

By email: [REDACTED]

cc: [REDACTED]

Dear Mr Swift,

Re: Notice of Acceptance of eligibility to register network exemptions – Vicinity Centres PM Pty Ltd – Eastlands Shopping Centre

I refer to the application of Vicinity Centres PM Pty Ltd (**Vicinity**) to register network exemptions for an existing retrofitted embedded network at Eastlands Shopping Centre, Rosny Park, Tasmania 7018.

I am writing to inform you that, based on the information before me, I am prepared to:

- (a) accept Vicinity's request to register network exemptions, and
- (b) issue this Notice of Acceptance effective from 12 January 2024 that confirms Vicinity is now eligible to register the relevant network exemptions for publication on our Public register of exemptions.

Eligibility for exemption in relation to conversions of existing networks

The [Network Exemptions Guideline](#) requires that where an existing electricity distribution system is proposed to be converted to an embedded or exempt network, formal approval from the AER must be sought to register the relevant network exemption.

In accordance with Condition 4.1.12.1 of the Network Exemptions Guideline, an embedded network must not be created without the express written consent of prospective embedded network customers.¹ A formal AER approval is required if 100% of the prospective customers have consented (even in instances whereby those customers are small business, or large customers).

Parties intending to create such a network must meet the requirements stipulated in clause 4.9 of the Network Exemptions Guideline to be eligible for network exemption. In addition, clause 4.9.7

¹ This condition applies wherever an exempt customer is eligible under State or Territory legislation to purchase energy from a retailer of their choice.

stipulates that a network must not be converted until the effective date specified in this Notice of Acceptance.

Parties who are issued with a Notice of Acceptance are eligible to register and hold network exemptions for the network at that particular site according to the appropriate activity class. Activity classes are detailed under Section 3 of the Network Exemptions Guideline and are subject to the further conditions detailed in section 4.

Failure to observe the conditions of exemption may render an exemption invalid. Owning, controlling or operating a network without registration with the Australian Energy Market Operator or holding a valid exemption from the AER constitutes a breach of section 11(2) of the National Electricity Law.

Additional conditions applicable to the network exemption class(es) registered

In addition to the conditions usually applicable to the network exemption class(es) held in relation to the embedded network at this site, Vicinity must also comply with the conditions of clause 4.9.

These conditions concern:

- retaining consent records for a period of at least 2 years;
- facilitating the continuation of a customer's energy contract with their current retailer;
- offer matching;
- avoidance of duplicated network charges;
- liability of the costs of metering/network changes; and
- the ability of metering arrangements to allow for access to retail competition.

For the full list of conditions refer to the Network Exemptions Guideline.

If you have any further queries, or would like to discuss this further, please contact AERexemptions@aer.gov.au

Yours sincerely



Mila Sudarsono
Director
Compliance and Enforcement

Sent by email on: 12.01.2024