

NATIONAL ENERGY RETAIL LAW

SECTION 308

INFRINGEMENT NOTICE ISSUED TO

CKI UTILITIES DEVELOPMENT LIMITED
PAI UTILITIES DEVELOPMENT LIMITED
SPARK INFRASTRUCTURE SA (NO1) PTY LIMITED
SPARK INFRASTRUCTURE SA (NO2) PTY LIMITED
SPARK INFRASTRUCTURE SA (NO3) PTY LIMITED

BEING A PARTNERSHIP CARRYING ON BUSINESS AS
"SA POWER NETWORKS"

TO: CKI Utilities Development Limited
PAI Utilities Development Limited
Spark Infrastructure SA (No1) Pty Limited
Spark Infrastructure SA (No2) Pty Limited
Spark Infrastructure SA (No3) Pty Limited
1 Anzac Highway
Keswick South Australia 5035

Infringement Notice No.: AER31-2015

1. The Australian Energy Regulator (AER):
 - (a) has reason to believe that:
 - i. CKI Utilities Development Limited (ACN 090 718 880); PAI Utilities Development Limited (ACN 090 718 951); Spark Infrastructure SA (No1) Pty Limited (ACN 091 142 380); Spark Infrastructure SA (No2) Pty Limited (ACN 191 143 038) and Spark Infrastructure SA (No3) Pty Limited (ACN 091 142 362) are in partnership carry on a business as "SA Power Networks" (SAPN);
 - ii. SAPN is a *distributor* within the meaning of the *National Energy Retail Law (Retail Law)*;
 - iii. SAPN has breached section 125(2)(d) of the Retail Law, in the manner set out in Schedule 1 to this Infringement Notice (**the alleged breach**); and
 - (b) has decided to serve this Infringement Notice on SAPN under section 277 of the National Gas Schedule to the *National Gas (South Australia) Law 2008 (National Gas Law)* as applied by section 308 of the Retail Law.
2. Section 125 of the Retail Law is a civil penalty provision within the meaning of the Retail Law.
3. The infringement penalty is \$20,000.

WHAT CAN SAPN DO IN RESPONSE TO THIS INFRINGEMENT NOTICE?

4. SAPN can choose whether or not to comply with this Infringement Notice. If SAPN chooses not to comply with this Infringement Notice, the AER may commence proceedings against it in relation to the alleged breach. SAPN is entitled to disregard this Infringement Notice and to defend any proceedings in respect of the alleged breach.
5. If SAPN chooses to comply with this Infringement Notice, it must pay the infringement penalty by **25 January 2016**, being not less than 28 days from the date of service of this Infringement Notice, beginning on the day after the day on which this Infringement Notice is served (**the compliance period**).
6. To ensure payment is made in accordance with this Infringement Notice, payment must be received on or before **25 January 2016**.
7. If SAPN pays the infringement penalty within the compliance period, the AER will not institute proceedings in respect of the alleged breach unless the Infringement Notice is withdrawn before the end of the compliance period in accordance with section 282 of the National Gas Law as applied by section 308 of the Retail Law.

HOW DOES SAPN PAY THE INFRINGEMENT PENALTY?

8. SAPN may pay the \$20,000 infringement penalty in two ways:
 - (a) by cheque made out to the "ACCC Official Administered Account",* enclosing a copy of this Infringement Notice to:

Australian Energy Regulator
GPO Box 520
MELBOURNE VIC 3001

you should allow at least 5 business days for payment to be received

or

- (b) by electronic funds transfer to the following account:*

Account name: ACCC Official Administered Account
BSB: 032-730
Account: 146550
Description: AER31-2015

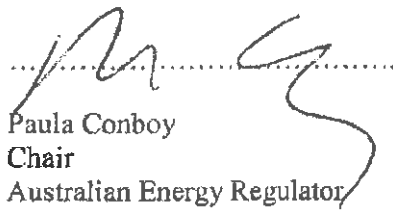
you should allow at least 2 business days for payment to be received.

* The Australian Competition and Consumer Commission handles the receipt of infringement penalty payments for the AER on behalf of the Commonwealth of Australia. All payments received are paid into the Consolidated Revenue Fund.

9. Please allow sufficient time for your payment to be received within the compliance period.

10. SAPN will be issued with a Tax Invoice following payment of the \$20,000 infringement penalty.

DATE OF ISSUE: 14 December 2015



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Paula Conboy
Chair
Australian Energy Regulator

SCHEDULE 1

MATTERS CONSTITUTING AN ALLEGED BREACH OF A CIVIL PENALTY PROVISION: SECTION 125(2)(d) OF THE NATIONAL ENERGY RETAIL LAW

1. SAPN is a 'distributor' within the meaning of section 2 of the National Energy Retail Law (**Retail Law**).
2. Prior to 1 February 2013, the premises at [REDACTED] South Australia, [REDACTED] were registered as having life support equipment (the premises).
3. By the reason of rule 125(1) and Schedule 3 (Part 4, section 2) of the Retail Rules, SAPN was required to comply with rule 125(2) of the Retail Rules in relation to the premises.
4. Pursuant to rule 125(2)(d) of the Retail Rules, SAPN was required to give the customer at the premises at least 4 business days written notice of any planned interruptions to supply at the premises.
5. At or about 8:34am on 3 July 2015, SAPN conducted a planned interruption which interrupted the supply of electricity at the premises.
6. SAPN did not give the customer at the premises at least 4 business days' written notice of a planned interruption to supply at the premises.