

Application for Individual Retail Exemption

Voltaic Energy

15th April, 2014



i. Voltaic Energy Pty Ltd

Voltaic Energy is a renewable energy company specialising in the custom-design and supply of complete solar panel systems at zero capital outlay to the electricity user.

We provide sustainable, carbon-free electricity to the end-user market with the clear intention of overcoming the economical barrier of the technology.

It is our mission to provide consumers with inexpensive renewable technology for the long-term. Our medium-term Solar Power Purchase Agreements (SPPA) are designed to offer our clients maximum value from their energy supply, to promote efficient energy production and a sustainable energy system within NSW.

ii. Particulars:

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|---|---|
| 1. Legal Name: | Voltaic Energy Pty Ltd |
| 2. Trading Name: | as above |
| 3. ACN: | 162 893 889 |
| 4. Address of Registered Office: | 4/54A Bream St
Coogee NSW 2034 |
| 5. Nominated Contact: | Nathan Begley
Director
Mob: 0404 037 390
Email: nathan@voltaicenergy.com.au |

6. Reason for seeking Individual Exemption

Voltaic Energy provides a unique service within Australia, whereby consumers can access 100% carbon-free, sustainable and renewable electricity with zero up front cost. Our SPPAs allow us to purchase and install complete solar panel systems to be placed on our client's premises; selling them the electricity produced at a rate equal to or less than their current retail rate. By removing the cost barrier we make it simple for any electricity user to immediately benefit from inexpensive, sustainable, reliable renewable energy. This product does not fit into categories of exemption, nor existing Retail Energy Legislation.

Our customer's interests are protected in a number of ways via our SPPA and the existing retail laws. Their utility service is provided by their existing authorised retailer, and they retain the option to select whichever authorised retailer they choose. The customer requires an authorised retailer to enter into our SPPA.

The SPPA has been created with the Retail Energy Legislation; we include dispute resolution clauses for the involvement of The Institute of Arbitrators & Mediators. We also include a cooling-off period as per Legislation requirements. Our SPPA complies with Australian Consumer Law and all applicable state consumer protections for our jurisdictions.

7. Address of the Site

Not Applicable

8. Primary Activity of Voltaic Energy

Voltaic Energy sells renewable energy produced on-site at our client's premises, with no upfront costs involved and all maintenance, monitoring, metering and repairs to be carried out at nil charge.

9. Form of Energy

Not Applicable

10. Energy Supply

Not Applicable

11. Date for Commencement of Retail Operations

Voltaic Energy has witnessed a considerable demand for their product and is ready to commence operations as soon as possible.

12. Mailing Address of the Site

Voltaic Energy is applying for multiple sites.

13. Previous Experience as an Energy Retailer

This is the first time that Voltaic Energy has traded in the sale of energy. Our SPPA is quite unheard of within Australia, and has generated much interest. Our General Manager has several years experience with electricity supply, having managed an industrial site in Sydney that included the incidental sale of grid electricity to tenants within the complex. Our business model is similar to that of proven firms within the United States.

14. Current Authorisations/Exemptions

None

15. Arrangements in the Event of Failure to Supply

Not Applicable

iii. Particulars Relating to Scope of Proposed Operations

1. Customers

Not Applicable

2. Other Services

Voltaic Energy facilitates the entire installation and maintenance process. We also include monthly production reports as part of our monitoring, metering and billing process. Our clients are billed monthly.

3. Total Number of Dwellings/Premises at the Site

Not Applicable

4. Sale of Energy

Not Applicable

5. Purchase of Energy

Not Applicable

6. Estimated Aggregate Annual Amount of Energy likely to be Sold and Average Estimated Consumption

Not Applicable

7. Customers

Not Applicable

8. Metering of Premises

Not Applicable

9. Types of Meters

We will be using remotely monitored interval meters. This information is monitored via the in-built inverter technology and is supplied to our clients on a monthly basis, with custom intervals (hourly, daily) as required.

10. Accuracy Standards Applicable to the Meters

The meter is in-built within the inverter, and complies with Australian Standards of grid-tied operation and safety including AS4777, IEC61727 and IEC62109-1, IEC62109-2 and AS/NZS 3100.

11. Frequency of Reading the Meters

Not Applicable

12. Charges

Not Applicable

13. Billing Customers

Not Applicable

14. Dispute Resolution Procedures

We have staff whose responsibility it is to handle all customer relations. Further, our SPPA stipulates that any dispute whatsoever shall be forwarded to The Institute of Arbitrators & Mediators Australia. In the event that the dispute remains unsolved for 30 days it will be subject to determination in accordance with The Institute's Rules for the Conduct of Commercial Arbitrations.

15. Energy Rebates

Not Applicable

16. Energy Efficiency/Renewable Energy Options

Not Applicable

17. Additional Information for Assessment

An Individual Exemption is most applicable to Voltaic Energy in this stage of business development. Our business model does not fit into current Retail Energy Legislation, nor categories of exemption. Conditions of operations will allow Voltaic Energy to grow within their services and that of the industry. At this stage Voltaic does not have the resources available, nor the requirement to adhere to the stringent rulings of retailer authorisation.

****Redacted for publishing****

Our Agreement includes comprehensive assessment of various potential outcomes and covers all eventualities and is cognisant of Australian Consumer Law and state building legislation.

****Redacted for publishing****

iv. Additional Particulars Relevant to Voltaic Energy's Operations

1. Implications for other Areas of Law/Consumer Protections

Supply and installation of our solar systems is outsourced to external contractors, who are fully insured and registered with the Clean Energy Council. Our SPPA is created in line with Australian Consumer Law. This arrangement is covered by state building legislation, and the customer's protections are derived from this legislation:

- Notice prior to the commencement of work
- Dispute resolution
- Legislative guarantees as to completion and quality of work
- Cooling off periods and notice periods.

2. Implications for other Agencies

While there are several agencies within our area of jurisdiction, our SPPA specifically mentions the Institute of Arbitrators and Mediators Australia. There are also consumer tribunals and ombudsman services within these areas.

3. Termination of the Agreement

Set out within Clause 16 of our SPPA are the determinants of termination. The customer retains the right to:

- terminate the Agreement without penalty within ten (10) business days
- terminate the Agreement for Voltaic Energy's breach of the Agreement as set out in Clause 16
- purchase the system in the event of selling the premises. The client can add the value of the system to the property value. The value of the system at any given time of the Agreement is provided to the client upon commencement. At the end of the Agreement, the system automatically transfers to the client.
- transfer the SPPA to the new owner without penalty in the event of selling the premises, subject to the new owner signing a new SPPA.

4. Guarantee of the Solar System and Building Works

Building works are guaranteed under state building legislation. Our contractors supply a workmanship guarantee and solar system warranties are included throughout the SPPA period and transferred to the client at the conclusion of the Agreement. The SPPA includes all maintenance, monitoring and repair during the Agreement term.

v. Conclusion

Voltaic Energy vision is to help Australians harness the potential of our solar exposure and achieve sustainable energy production.

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