

Our Ref: D15/44451  
Your Ref:  
Contact Officer: Susan Faulbaum  
Contact Phone: (08) 8213 3643

15 May 2015

Mr Andrew Wardle  
Level 9, 32 Walker Street  
North Sydney NSW 2060

Dear Mr Wardle

**Global SPV4's and Global SPV12's applications for individual retail exemptions**

I refer to your applications from 10 March 2015, for individual exemptions under the National Energy Retail Law (Retail Law) for Global SPV4 Pty Ltd (ABN 76 147 999 791) and Global SPV12 Pty Ltd (ABN 15 603 975 177).

I am writing to inform you that the Australian Energy Regulator (AER) has considered Global SPV 4's and Global SPV12's applications for individual exemptions and that it decided, on 15 May 2015, to grant individual exemptions in accordance with s.110 of the Retail Law. This letter constitutes notice of intention to grant individual exemptions. Please note, the individual exemptions do not come into effect until Global SPV4 and Global SPV12 advise the AER that they accept the conditions of these exemptions.

In accordance with the National Electricity Retail Rules (Retail Rules), the AER has published the applications on its website, and sought submissions from interested parties.<sup>1</sup> The AER received no submissions to Global SPV 4's and Global SPV12's applications.

The AER has considered the policy principles relating to exempt selling in s. 114 of the Retail Law, being:

- a) regulatory arrangements for exempt sellers should not unnecessarily diverge from those applying to retailers,
- b) exempt customers, should, as far as practicable, be afforded the right to a choice of retailer in the same way comparable retail customers in the same jurisdiction have that right,
- c) exempt customers, should, as far as practicable, not be denied customer protections afforded to retail customers under this Law and Rules.

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<sup>1</sup> r. 155(3) and 156, National Energy Retail Rules.

In making its decision the AER is also guided by the objective of the Retail Law<sup>2</sup>, the exempt seller factors,<sup>3</sup> and the customer related factors.<sup>4</sup>

The AER is satisfied that Global SPV4 and Global SPV12 should be exempt from the requirement to hold national retailer authorisations, having regard to the above considerations. If either Global SPV4 or Global SPV12 wishes to change the way they sell electricity they should contact the AER as they may need to apply for an authorisation or another exemption. If these activities are not covered by this exemption Global SPV4 or Global SPV12 may be in breach of s. 88 of the Retail Law and we may take enforcement action or otherwise seek to ensure compliance.

Each individual exemption is subject to acceptance of the conditions<sup>5</sup> set out at Schedule 1 and Schedule 2 to this letter. One of these conditions relates to information disclosure. Specifically, this condition is intended to ensure that your customers understand the nature of the service that you are providing and the protections they are entitled to (as opposed to the service and protections your customers would receive from their energy retailer).

For the individual exemptions to come into effect, Global SPV4 and Global SPV12 must advise the AER in writing, by **19 June 2015**, whether they each accept the attached conditions. Global SPV4 and Global SPV12 cannot commence energy selling under their respective individual exemptions until they have done so. Please be aware that the AER may vary conditions attached to an individual exemption at any time in accordance with rule 158 of the Retail Rules.

If you have any further queries, or would like to discuss this further, please contact Susan Faulbaum on (08) 8213 3463.

Yours sincerely



Sarah Proudfoot  
General Manager  
Retail Markets

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<sup>2</sup> The National Energy Retail Law objective is to "promote efficient investment in and efficient operation and use of energy services for the long term interests of energy consumers with respect to price, quality, safety, reliability and security of supply of energy". (s. 13, Retail Law)

<sup>3</sup> s. 115, Retail Law.

<sup>4</sup> s. 116, Retail Law.

<sup>5</sup> r. 158 (1), Retail Rules.

## **Schedule 1: Instrument of exemption**

### **INDIVIDUAL EXEMPTION FROM THE REQUIREMENT TO HOLD A RETAILER AUTHORISATION**

The Australian Energy Regulator on 15 May 2015, decided pursuant to section 110 of the National Energy Retail Law, to grant Global SPV4 Pty Ltd (ABN 76 147 999 791) (the exempt person) individual exemptions from the requirement to hold a retailer authorisation under section 88 of the National Energy Retail Law, subject to the following conditions.

#### **Condition 1 - Information provision**

The exempt person must provide the customer in writing a plain English notice explaining that the contract is covered by Australian consumer protection laws and is separate to the customer's contract with their retailer and distributor which are covered under the National Energy Retail Law.

#### **Condition 2 – Exemption limited to the sale of electricity through solar power purchase agreements**

This exemption is conditional upon the exempt person:

- refraining from registering in the wholesale market for the purposes of purchasing energy, and
- not being the financially responsible retailer for the premises (rather, this must be an authorised retailer).

## **Schedule 2: Instrument of exemption**

### **INDIVIDUAL EXEMPTION FROM THE REQUIREMENT TO HOLD A RETAILER AUTHORISATION**

The Australian Energy Regulator on 15 May 2015, decided pursuant to section 110 of the National Energy Retail Law, to grant Global SPV12 Pty Ltd (ABN 15 603 975 177) (the exempt person) individual exemptions from the requirement to hold a retailer authorisation under section 88 of the National Energy Retail Law, subject to the following conditions.

#### **Condition 1 - Information provision**

The exempt person must provide the customer in writing a plain English notice explaining that the contract is covered by Australian consumer protection laws and is separate to the customer's contract with their retailer and distributor which are covered under the National Energy Retail Law.

#### **Condition 2 – Exemption limited to the sale of electricity through solar power purchase agreements**

This exemption is conditional upon the exempt person:

- refraining from registering in the wholesale market for the purposes of purchasing energy, and
- not being the financially responsible retailer for the premises (rather, this must be an authorised retailer).