

NATIONAL ENERGY RETAIL LAW
SECTION 308
INFRINGEMENT NOTICE ISSUED TO
Essential Energy

TO: Essential Energy (ABN 37 428 185 226)
8 Buller Street
Port Macquarie NSW 2444

Infringement Notice No.: AER05-2014

1. The Australian Energy Regulator (**AER**):
 - (c) has reason to believe that Essential Energy (ABN 37 428 185 226) (**Essential**), which is a *distributor* within the meaning of the *National Energy Retail Law (Retail Law)*, has breached rule 125(2)(d) of the *National Energy Retail Rules (Retail Rules)*, in the manner set out in Schedule 1 to this Infringement Notice (**the second alleged breach**); and
 - (d) has decided to serve this Infringement Notice on Essential under section 277 of the National Gas Law Schedule to the *National Gas (South Australia) Act 2008 (National Gas Law)* as applied by section 308 of the Retail Law.
2. Rule 125(2) of the Retail Rules is a civil penalty provision within the meaning of the Retail Law.
3. The infringement penalty is \$20,000.

**WHAT CAN ESSENTIAL DO IN RESPONSE TO THIS
INFRINGEMENT NOTICE?**

4. Essential can choose whether or not to comply with this Infringement Notice. If Essential chooses not to comply with this Infringement Notice, the AER may commence proceedings against it in relation to the second alleged breach. Essential is entitled to disregard this Infringement Notice and to defend any proceedings in respect of the second alleged breach.
5. If Essential chooses to comply with this Infringement Notice, it must pay the infringement penalty by 23 January 2015, being not less than 28 days after 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 **23 January 2015**.

7. If Essential pays the infringement penalty within the compliance period, the AER will not institute proceedings in respect of the second alleged breach unless the Infringement Notice is withdrawn before the end of the compliance period in accordance with section 282 of the National Gas Law as applied by section 308 of the Retail Law.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 ESSENTIAL PAY THE INFRINGEMENT PENALTY?

8. Essential may pay the \$20,000 infringement penalty in two ways:
- (c) 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

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

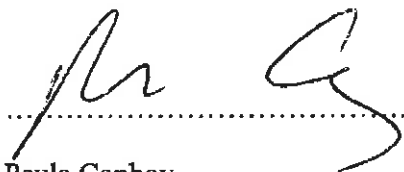
Account name: ACCC Official Administered Account
BSB: 032-730
Account: 146550
Description: AER05-2014

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

* Please note that the AER is a constituent part of the Australian Competition and Consumer Commission (ACCC). The ACCC handles the receipt of infringement penalty payments for the AER.

9. Please allow sufficient time for your payment to be received within the compliance period.
10. Essential will be issued with a Tax Invoice following payment of the \$20,000 infringement penalty.

DATE OF ISSUE: 10 December 2014



Paula Conboy
Chair
Australian Energy Regulator

SCHEDULE 1

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

1. Essential Energy (**Essential**) is a 'distributor' within the meaning of section 2 of the National Energy Retail Law.
2. Prior to 1 July 2013 the premises at [REDACTED] [REDACTED] New South Wales, were registered as having life support equipment (the **three premises**).
3. By reason of rule 2 of Part 4 of Schedule 3, and rule 125(1) of the National Energy Retail Rules (**Retail Rules**), Essential was required to comply with rule 125(2) of the Retail Rules in relation to the three premises.
4. Pursuant to rule 125(2)(d) of the Retail Rules, Essential was required to give the customers at each of the three premises at least 4 business days written notice of any planned interruptions to supply at those premises.
5. At or about 9.09am on 5 March 2014, Essential conducted a planned interruption which interrupted the supply of electricity at each of the three premises.
6. Essential did not give the customers at the three premises at least 4 business days' written notice of a planned interruption to supply at the three premises.