



**Application for Retail  
Authorisation  
Electricity**

**Prepared for**

Australian Energy Regulator  
Level 35, The Tower  
360 Elizabeth Street  
Melbourne Central  
Melbourne VIC 3000

## General Particulars

### *1. Legal Name:*

Metered Energy Holdings Pty Ltd (referred to as MEH in this document)

### *2. Trading Name*

Metered Energy Holdings Pty Ltd does not use a trading name

### *3. ABN*

44 108 143 862

### *4. Registered Addresses*

Physical

540 Logan Rd  
Greenslopes QLD 4120

Postal

PO Box 6143  
Buranda QLD 4102

### *5. Contact Details*

Primary contact

Mr Greg Hutley  
Managing Director  
P: 1300 633 637  
E: [Greg.H@meteredenergy.com.au](mailto:Greg.H@meteredenergy.com.au)

Secondary Contact

Mr Leon Stephan  
Development Director  
P: 1300 633 637  
E: [Leon.S@meteredenergy.com.au](mailto:Leon.S@meteredenergy.com.au)

### *6. Form of Energy*

Electricity

## *7. Intended retail commencement date*

1<sup>st</sup> of July 2012

## *8. Nature and Scope of Operations*

It is the intention of MEH to take our current Queensland operation and expand nationwide. We currently manage services within embedded networks.

MEH initially has an agreement with the Body Corporate or Strata Manager to supply infrastructure, metering and billing services including electricity, gas, hot water, cold water and chilled water. This reduces the strata managers' administration and costs and lowers unit owner's levies.

MEH's role is a combination of facilities management, owning, servicing, and replacing (as required) the water plant, meters and electricity meters.

Our value added services deliver lower cost services to the unit occupiers and strata managers through superior localised service and economies of scale. MEH negotiates a bulk supply arrangement with a wholesaler (D.N.S.P.) on a master account in MEH's name. This is metered through a gateway / parent meter and supplied to individual occupiers via child meters. The individual occupiers are then billed accordingly for all services used.

Consumption data for most buildings is captured automatically via our data logging equipment on site. This data is then uploaded to both our CRM system and our in house servers. Some of the older buildings still require manual reads via radio frequency on site. This data is then uploaded to our systems once collected.

MEH does not propose to supply retail clients outside of embedded networks and will only be supplying small retail clients. In Queensland services are offered at standard gazetted rates or less, as would be the case nationally. Our client arrangements with the wholesale suppliers, who are in fact retailers themselves such as Origin Energy, AGL and Tru Energy who treat us as a large retail client and in effect become our Retailer of Last Resort supplier by default.

In relation to R.o.L.R., as we only operate in embedded networks and do not purchase from the market we could not operate as a R.o.L.R for others. In the unlikely event of a R.o.L.R event for MEH and to ensure a R.o.L.R. transfer for us was as expedient and as seamless as possible, we have expanded our risk management plan to incorporate a specific R.o.L.R plan which includes extra measures to ensure continuity of supply for our customers in the event of a major disruption. Primarily this includes extensive off-site backup systems, procedures and a disaster recovery plan and the utilisation of an externally hosted CRM and billing system. Current and historical data and information can be provided to a R.o.L.R. if we ceased to exist, as well as provide regular data transfers to A.E.M.O. if required.

## *9. Jurisdictions*

MEH intends to expand nationwide primarily in major cities.

## *10. Type of Customers*

MEH intends to supply to small, small market offer and large customers.



## Organisational and Technical Capacity

### *1. Details of any previous experience as an energy retailer, or any other experience in the energy market*

MEH has been operating as an on seller in Queensland in its own right under the current company structure since February 2004 and prior to that for almost two years in a partnership with a large body corporate manager. MEH has been a licensed retailer in NSW since September 2011.

MEH currently supplies electricity and gas.

MEH currently has 6500 customers and contractual commitments for a further 4000 customers to be added in the next two years as developments are finished.

MEH conducts all billing, administration, call centre, dispute resolution, customer service and enquiry services in house.

MEH seeks advice from specialised service partners in the areas of legal, energy market, printing / correspondence and systems performance.

MEH currently operates on behalf of the Bodies Corporate throughout Queensland. In this role we act as a retailer taking responsibility of all electrical energy consumed within the embedded network.

After conducting business in the Queensland retail sector for eight years we now have the required knowledge and experience to expand our operations to a national level.

### *2. Details of or any other relevant retail experience*

MEH also provides other utilities to customers in Queensland. These services include gas, hot water and chilled water.

### *3. Details of retail and/or energy experience of a person holding shares*

Greg Hutley is the managing director and sole shareholder. He has 30 years experience as a commercial electrical contractor and 20 years experience operating his own electrical company and eight years of owning and operating MEH within the Queensland market with expertise in metering services.

### *4. Organisational Chart*

See attachment A.

### *5. The number of employees, broken down by business unit*

MEH has 17 direct employees

Position	Staff
Managing Director	1
Financial controller and compliance manager	1
Operations Manager	1
Development Manager	1
Human Resources Manager	1
Accounts Manager	1
Collections Manager	1
IT Manager	1
Building Manager	5
Billing Officer	2
Administration / Reception	2

## 6. Summary of qualifications, technical skills and experience of your officers

Greg Hutley: Electrical contractor (20 Years)  
Business owner \ operator (20 years)  
Financial management (25 years)  
Technical consultant (22 years)  
Administrative management (25 years)

Les Troup: Electrical contractor (25 years)  
Financial management (20 years)  
Technical consultant (15 years)  
Administrative management (20 years)

Kath Henderson: Operations management (5 years)  
Financial management (10 years)  
Administrative management (10 years)

Leon Stephan: Qualified accountant (30 years)  
Senior management experience (18 years)  
Financial services licensed (30 years)  
Compliance management and reporting (25 years)

## 7. Details of your human resources policy regarding employee qualifications

The MEH recruitment preference is to employ highly qualified and experienced personnel from within the electrical industry. Our policies include a combination of relevant industry experience and professional qualifications as does the engagement of contractors. A strong core of long term staff has been accumulated and is constantly supplemented.

## *8. Details of all training programs and training policies*

Training programs vary depending on the role. We have induction manuals on a corporate level with group modifications according to position held.

After initial corporate induction training is performed on a one to one basis, building managers and billing officers are provided with a comprehensive induction manual which includes all appropriate forms, manuals, procedures and legislative policies required. A hands on training program with a designated mentor is completed before customer relations are commenced. For a sample of our policies see attachments B & C.

All new staff members are subject to a three month probationary period during which they are assessed for performance and competency. This typically occurs during this training period with the mentor and any concerns about progress or competency are addressed with management. At management's discretion the probation period may be extended to ensure our high levels of customer service and quality.

## *9. Business plan*

See attachment D.

## *10. Details of Quality Assurance accreditations*

At the present time MEH have no accreditation in Quality Assurance although we are currently applying for ISO 9001 accreditation by an independent party.



## 11. Compliance Strategy

MEH has a compliance committee consisting of the following members:

- Development Director (Chairperson)
- Managing Director
- Operations Manager
- Compliance Manager

This committee meets monthly to collectively manage and monitor regulatory requirements. It also oversees the development and implementation of compliance systems and covers the following agenda:

- Update on procedures development and implementation to bring them in conformance with AER's licensing requirements
- Disconnections update
- Complaints analysis and process improvement
- Any significant increases in Marketing complaints or media reports on marketing issues
- Report on complaints and incidents by type and corrective action undertaken
- Update on legislative developments relevant to business
- Processes that need to be developed to meet new requirements

A compliance folder has been developed which includes:

- Type 1, 2 & 3 Risk Assessment Matrices
- Compliance Plan
- Compliance Management System
- Copies of reports
- Minutes of compliance committee meetings
- Monthly complaints reporting including resolution procedures
- Monthly incident report

Our compliance obligations are also adhered to and contained within the MEH Customer Relationship Management (CRM) software. As our CRM software is a dynamic system it is updated and maintained as our obligations require.

Complainants have a choice of channels to contact MEH including phone, letter and email. When a customer complains details of the complaints are recorded into the customer's account via our CRM system.

Weekly meetings are held with the call centre staff to discuss recent complaints that have been taken and appropriate resolutions. The CRM system's compliance checklist assists in identifying any non-conformances with AER requirements.

## *12. Risk Management Strategy*

See attachment E.

## *13. Declaration from the director approving risk management and compliance*

See attachment F.

## *14. Additional information which demonstrates your ability to manage risk*

See attachment G.

## *15. Details of insurance arrangements*

See attachment H.

## *16. Third party arrangements / contracts*

MEH has no third party arrangements as all activities are conducted in house.

## *17. Evidence of any membership of a recognised energy industry ombudsman scheme*

Contact with the Energy and Water Ombudsman Queensland (EWOQ) and Energy and Water Ombudsman New South Wales (EWON) has been initiated via both email and phone.

MEH has requested agreements from both departments and other jurisdictions will follow if and when MEH markets to customers in other jurisdictions.

### *18. Evidence of any agreements with relevant market participants*

At present not required.

MEH will be continuing to purchase in accordance with its current arrangements from major retailers and not off the national grid.

### *19. Details of previously triggered RoLR provisions*

As MEH is not purchasing off the national grid the retailer we are purchasing through covers MEH for any possible RoLR event.

### *20. Additional Information*

Our performance in Queensland over the past eight years and our ongoing commitment to current and future clients has been exemplary. This can be endorsed by: the Department of Energy and Resource Management (DERM) whom we have had a long term relationship with for a number of years; The Queensland Ombudsmen although dealings between us are limited as complaints are resolved before this stage of escalation; and The Independent Pricing and Regulatory Tribunal (IPART) in late 2011 by the granting of two retail authorisations in New South Wales.

## Financial Resources

### 1. *Copies of your audited financial reports*

Three years audited accounts including audit report, director's declaration and notes are enclosed. See attachments I & J.

### 2. *A copy information required by ASIC*

Copies of ASIC annual returns for the past three years can be provided if requested.

### 3. *Evidence of credit ratings*

MEH is a private company, has not been rated and currently operates without any debt.

### 4. *Part of a group of companies*

MEH is not part of group financial structure.

### 5. *Forecast revenue and expenses*

See attachment K.

### 6. *Written declaration from an independent auditor*

See attachment L.

### 7. *Written declaration from the Managing Director stating going concern*

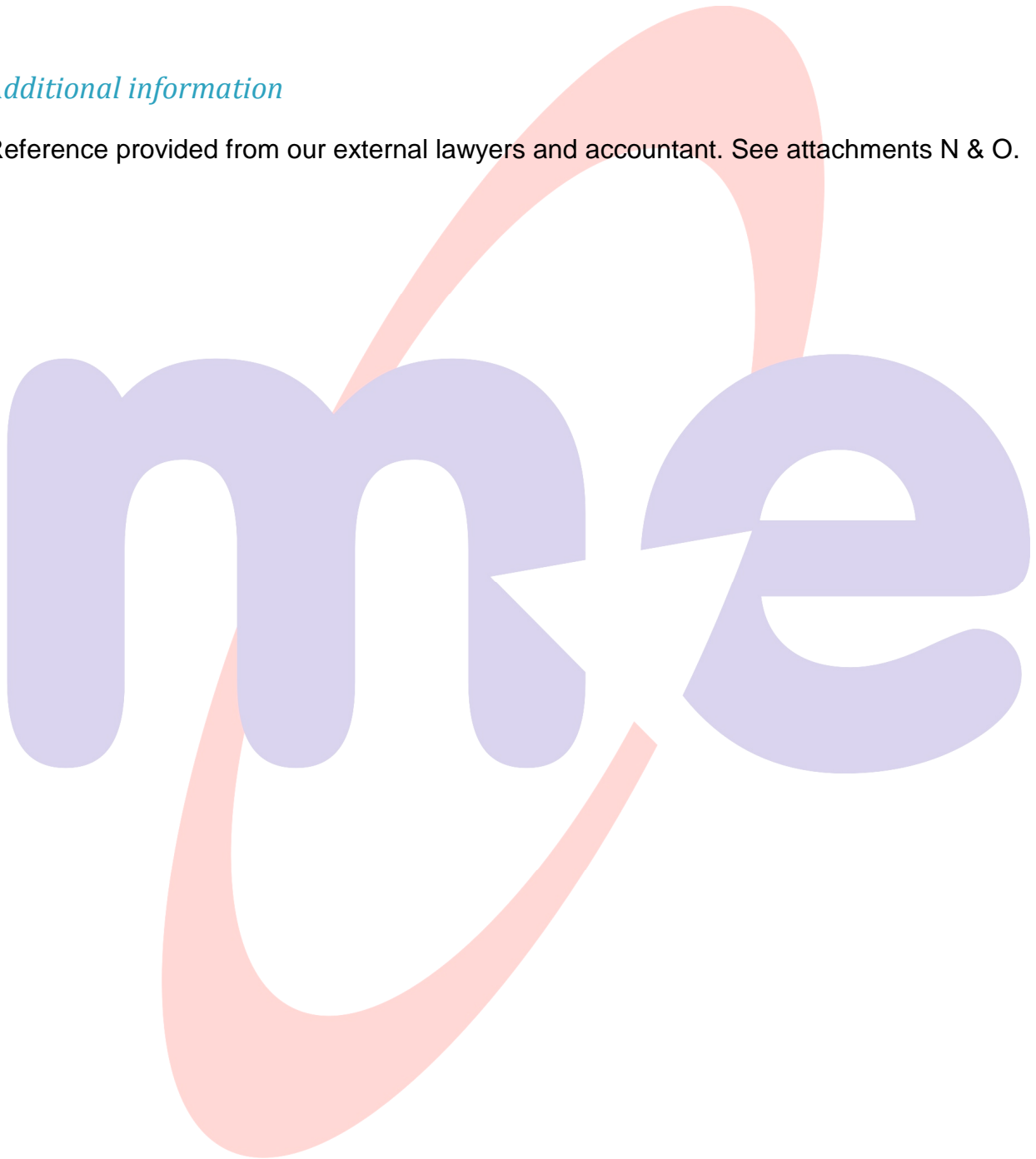
See attachment M.

8. *Details of any bank guarantees.*

MEH has one bank guarantee outstanding at present in favour of Origin. This is secured against the Managing Director's personal funds.

9. *Additional information*

Reference provided from our external lawyers and accountant. See attachments N & O.



## Suitability

### *1. Material failure to comply with regulatory requirements*

MEH has not had any material failure to comply with regulatory requirements, laws or other obligations over the past 10 years, nor has there been any an infringement, notices or enforcements.

#### *Previously revoked authorisations*

MEH has not had any authorisations revoked.

#### *Failed authorisation*

MEH has not failed in any license application.

#### *Past or present administrative or legal actions*

MEH has had no past nor is aware of any impending administrative or legal actions.

### *2. Details of any offences or successful prosecutions*

MEH, the sole director or any of the key office bearers have not and are not aware of any action, prosecution past or pending in any state, territory or jurisdiction.

### *3. Upon request, a criminal history check*

Criminal checks will be supplied upon request.

### *4. Director disqualified*

The director and key office bearers are not disqualified from acting as a director or aware of any criminal record and have no bankruptcy records in Australia or overseas.

5. *Written declaration regarding bankruptcy*

See attachment P.

6. *Full names of all officers*

<b>Name</b>	<b>Position</b>
Greg Hutley	Managing Director
Lesie Troup	Financial controller and Compliance Manager
Kathlene Henderson	Operations Manager
Leon Stephan	Development Manager

7. *Details of policies addressing the probity and competence of officers*

All key personnel are signed to an employment agreement which outlines condition of employment and obligations. Each key staff member has a notice period of one month for termination.

8. *Additional Information*

MEH has been performing in this market for the past eight years and has established a proven history and performance record.