

15 January 2018

Mr Chris Pattas
General Manager – Networks
Australian Energy Regulator
GPO Box 520
MELBOURNE VIC 3001

And by email: AERinquiry@aer.gov.au

Dear Mr Pattas

**Draft Electricity Network Service Provider
Registration Exemption Guideline - Version 6 (November 2017)**

Thank you for the opportunity to comment on the *Draft Electricity Network Service Provider Registration Exemption Guideline (Version 6) (November 2017)*. We note that the new Guideline is scheduled to commence on 1 March 2018.

We note that the proposed amendments to the current Guideline relate to the Transmission Connection and Planning Arrangements rule change, associated issues, and harmonisation with proposed amendments to the Retail Exempt Selling Guideline.

We are pleased to provide the following comments:

- Similar to our submission on the *Draft Retail Exempt Selling Guideline (Version 5) (November 2017)*, we do not believe that the proposed amendments reflect the AER's policy position to not require exempt sellers that sell energy to non-residential customers to be members of, or subject to, energy Ombudsman schemes.

The wording of (new) General Requirement 13, at section 4.1, (similar to proposed Core Condition 17 of the *Draft Exempt Selling Guideline*) could inadvertently require non-residential schemes to be members of Ombudsman schemes.

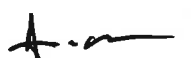
We believe that General Requirement 13 should be amended to expressly provide that 'unless it is a non-residential scheme', there is a requirement to be a member of an Ombudsman scheme.

- We support the reformatted 'who pays for meter upgrade' condition (table at section 4.2), which will provide needed clarity, however we believe a further amendment may be needed to address circumstances such as minor repairs and maintenance.
- We note the new information provision requirement at section 4.8.1 in relation to parent NMI data.
- We note the proposed changes to charge groups (4.6.1), including Group C which applies to large customers and large corporate entities.

We would welcome an opportunity to discuss this submission with the AER. We would also like to discuss some interpretation issues with the AER in relation to exemptions where sites are not undertaking retail/on-selling activities.

As always, please feel free to contact me on 0408 079 184 or anardi@scca.org.au.

Yours sincerely,

 17.1.2018

Angus Nardi
Executive Director