



STUCCO Co-operative Ltd

ABN 94 619 724 378

Amended Application for Individual Retail Exemption

Submitted to the Australian Energy Regulator on 16 September 2016

The submission by STUCCO Co-operative Ltd to the Australian Energy Regulator for an individual retail exemption consists of the following sections:

Part A: Public Submission

Part B: Confidential Submission

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Attachment 2: Notice of Solar + Storage System

Attachment 3: Stucco Member Consent Form

Part A: Public Submission

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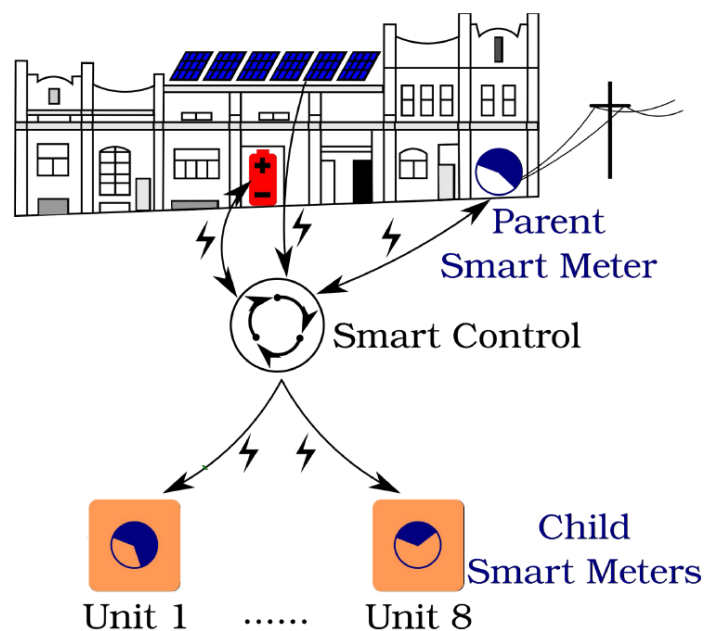
1 Introduction to STUCCO Co-operative Ltd

STUCCO Co-operative Ltd (“Stucco”, “the Co-operative” or “the Applicant”) is a student co-operative that provides affordable permanent housing for up to 40 low-income students (also referred to as “tenants”, “members” or “customers”) at the University of Sydney. Stucco also provides temporary housing for up to 6 students at the University of Sydney who have been referred by the University as experiencing housing distress. Members attend Co-operative meetings every 15 days and committee meetings every other week. The members are not only tenants at the property, they also contribute to the management and maintenance of the property.

The Co-operative is proposing an Australian first – the installation of a photovoltaics and battery storage system at a common property, to power both communal areas and individual units. The property is a three story converted factory in Newtown, Sydney, that has housed the Co-operative and its members for 25 years. The project is being partially funded by the City of Sydney in order to provide more affordable energy to the students living at the Co-operative, and to further investment and innovation in renewable energy solutions.

The smart solar system (“Solar + Storage”) will include a parent smart meter and child smart meters at each unit, in addition to the solar panels (30 kW nameplate capacity) and battery storage (40 kWh useable capacity). The parent smart meter will also be connected to the grid. The entire system will be smart monitored for billing purposes, and also to provide customers in each unit with access to a retailer of choice off the grid, should they decide not to purchase energy generated on the property. The Solar + Storage system is illustrated in **Figure 1** below.

Figure 1: Proposed Solar + Storage system



2 Additional information requirements for power purchase applicants

2.1 Legal name of Applicant

STUCCO Co-operative Ltd.

2.2 Trading name of Applicant if different to legal name

Not applicable.

2.3 Australian Business Number (ABN)

ABN 94 619 724 378

2.4 Registered postal address for correspondence

197-207 Wilson Street

Newtown NSW

2042

2.5 Nominated contact person

Sarah King

President of STUCCO Co-operative

E: stucco.cooperative@gmail.com

2.6 Why Applicant is seeking individual exemption, and why Applicant believes an exemption (rather than a retailer authorisation) is appropriate to its circumstances

Stucco is of the view that an individual retail exemption is more appropriate to its circumstances than a retailer authorisation for the reasons outlined below.

- (a) The sale of energy will be incidental to Stucco's primary function and relationship with its customers

The sale of energy to its customers is incidental to Stucco's primary function as a provider of student housing. Stucco's core activity as a charity (registered under the Australian Charities and Not-for-Profits Commission CFN/22565) is to provide affordable housing for low-income and housing distressed students at the University of Sydney, as outlined in section 2.7. Stucco generates most of its funds through rent payments made by tenants. The sale of energy is not Stucco's core business and is merely incidental to the landlord-tenant relationship Stucco has with its customers.

- (b) The sale of energy will not be for a profit purpose

Stucco does not intend to use the income generated by the sale of energy for a profit purpose. Rather, Stucco intends to use the income to maintain the Solar + Storage system and to repay the initial investment in the system (which has been partially funded by the City of Sydney). Stucco anticipates that repayment of the initial investment will take approximately 7 years. After the initial investment has been fully repaid, any income generated from the sale of energy will be used, after system maintenance costs, to further the goals of the charity. Additional income generated will subsidise the electricity Stucco will purchase from itself in order to pay for electricity usage in shared areas of the property (e.g. the hall, basement and courtyard). In effect, any income generated from the sale of

energy will subsidize the Applicant's costs of running and maintaining the property in order to provide affordable housing to low income students.

(c) Stucco's energy activities will be small in scale

When installed, the Solar + Storage system will produce a small amount of electricity (30 kW from PV with 40 kWh of usable storage capacity) when compared to the volume produced by authorised retailers.

In addition, the generated energy will only be sold to a small number of residential customers. The sale of energy will take place on one confined site in one jurisdiction. This is very different to the large scale and cross-jurisdictional sale of energy by authorised retailers. Stucco plans to supply 40 customers (all tenants and student members of the Co-operative) with 80% of their electricity. The remainder of the electricity required by customers will be sourced from the grid.

Given the small, localised scale of the Applicant's proposed energy activities, the costs of applying for a retailer authorisation would be inappropriately high given the costs of establishing the Solar + Storage system and the small scale of the activities. The large costs of a retailer authorisation may also have the effect of undermining the potential benefit to the student tenants, which is to provide more affordable renewable electricity.

(d) Stucco will be supplying solar energy, identified by the AER as an appropriate circumstance for an individual exemption

In its 'Statement of Approach towards the Regulation of Alternative Energy Sellers under the *National Energy Retail Law*' (June 2014) the AER stated, in relation to Solar Power Purchase Agreement (SPPA) providers, that a retail exemption may be appropriate where the Applicant is:

- (i) providing an "add-on" or supplementary service to a customer who also buys energy from an authorised retailer; or
- (ii) providing a bundled contract for a service that includes the sale of energy, but where the sale of energy is a small or insignificant component of that contract.

The Applicant's customers currently buy electricity from an authorised retailer, and will continue to be connected to the grid via the smart parent meter. While the Solar + Storage system will provide up to an estimated 80% of the energy consumed by customers, Stucco will source the remaining 20% of energy from an authorised retailer and will re-supply that energy to the customers at no additional cost (for more information on Stucco's pricing structure, see section 3.6).

In addition, Stucco is providing solar energy to its customers as part of a bundled service to supplement the housing services that Stucco already provides. The sale of energy is a small part of the student housing services provided by Stucco. As identified by the AER, authorisations are not "practical or warranted" for SPPA providers of this kind.

2.7 Primary activity of the Applicant

Stucco's primary activity is the provision of housing services to students at the University of Sydney. Stucco provides permanent housing for up to 40 low-income students, and temporary housing for up to 6 students who have been referred by the University of Sydney as experiencing housing distress.

2.8 Whether the Applicant intends to sell electricity to customers connected to the grid or who are off-grid

Stucco intends to sell electricity to customers who are currently connected to the grid and will remain connected to the grid. This will be achieved via a single grid connection at the parent smart meter,

and Stucco anticipates that customers will continue to source approximately 20% of their electricity from the grid.

Each unit (in which several student members reside) operates collectively as a customer for the purpose of retail contestability. Each unit will make decisions unanimously on whether to purchase electricity from the grid or from Stucco.

When a student member of a unit ceases to reside at Stucco and is replaced by a new student member, that new student member will be required to give their consent to purchase electricity from the grid or from Stucco. Decisions of each unit must be unanimous amongst its unit members. New student members who consent to purchase electricity from Stucco must execute a New Member Accession Deed Poll (as set out in Schedule 2 to the attached Power Purchase Agreement (PPA)).

2.9 Date from which the Applicant intends to commence selling energy

Whichever is the earlier of 1 July 2016, or as soon as the AER grants an individual exemption to the Applicant.

2.10 Details of any experience of the Applicant in selling energy

Stucco has not had any previous experience in selling energy.

2.11 Whether Applicant currently holds, or has previously held or been subject to, an energy selling exemption or retail licence in any state or territory

Not applicable.

3 Particulars related to the nature and scope of the proposed operations for power purchase applicants

3.1 Is the Applicant providing other services to persons on the site who the Applicant intends to sell energy to? Or will the Applicant's only commercial relationship to persons on the site be the sale of energy? If the Applicant is providing other services, please specify what these services are, and the contractual or leasing arrangements under which these services are being provided

As outlined in section 2.7, the Applicant's primary service to, and contractual relationship with, its customers is the provision of affordable housing for low-income students at the University of Sydney. The provision of energy is supplementary to this core service and relationship.

The Co-operative (comprised of its tenant members) operates as the sole manager of the property, and has been the sole manager for the last 25 years. The title to the property on which Stucco is located is jointly held by STUCCO Co-operative, the NSW Department of Family and Community Services (formerly the NSW Department of Housing) and the University of Sydney. The NSW Department of Family and Community Services and the University of Sydney have given their approval for the Solar + Storage project.

Stucco provides two types of housing services – a long term lease and temporary housing. The long term leasing arrangements are as follows:

- Upon selection as one of the 40 long term members who live in one of 8 units at Stucco, students sign a rental agreement with the Co-operative.
- After signing the rental agreement, students are considered tenant-members of the Co-operative and are assigned to one of four committees (Building and Maintenance, Finance, Membership and Problems, and Administration) that meet on a weekly basis to manage and carry out operations on behalf of Stucco.

- The maximum length of the tenancy for a tenant-member is 5 years.

Stucco also provides temporary housing relief for students who are in severe housing need. The arrangements for temporary housing are as follows:

- The maximum number of temporary students living at Stucco at any given time is 6.
- The maximum period of stay for a temporary student is 6 weeks.
- Temporary students are required to apply for this temporary housing service through the Student Representative Councils at the University of Sydney (SRC for undergraduates, SUPRA for post-graduates).

3.2 In what form and how often will customers be billed? Will the Applicant be issuing bills itself or through a billing agent?

Stucco will issue bills to each unit on a monthly basis. A bill will also be sent to Stucco, charging it as a customer for the electricity used in common areas such as the hall, basement and courtyard.

Stucco proposes to use a consolidated software platform to manage auto-billing (i.e. the calculation of bills based on smart meter data). Stucco may also involve an external company to carry out the billing of customers, however this has not been decided as at the time of this application.

Bills will be issued to units, and a copy will be provided to each customer via email. The bill will provide links to three alternate payment methods, two of which are not dependant on a customer having access to the internet. These three methods will most likely be: direct debit; payment in person; and payment by direct deposit into a bank account. It will be left to each unit to decide whether their unit's bill will be paid by one nominee resident or whether each resident separately pays their individual share of the bill, and Stucco will accommodate either option. The option to be billed automatically will become available when Stucco's software interfaces with existing secure auto-billing platforms. Customers will also be able to choose to have their bill sent to them in the mail.

Bills will contain information in plain English outlining the unit's monthly consumption as determined by the Class 1 smart meters that will be registered with the National Metering Association. Bills will contain a breakdown of the amount owing, including references to the PPA tariff structure, the grid retailer tariff structure and how the system performed over that billing period. The costs of electricity sourced from the grid will be included transparently in the customers' bills at no extra charge to the customers.

3.3 What dispute resolution procedures does the Applicant intend to put in place to deal with energy related complaints and issues?

(a) Complaint handling procedure

Stucco's complaint handling procedure will satisfy the Australian Standard ISO 10002:2014, in addition to the AER's Core Exemption Conditions for exempt retailers.

In accordance with clause 8.1 of the attached PPA, customers may make a complaint regarding Stucco's performance of its obligations under the PPA via letter or over the phone to Stucco. Stucco will respond to the complaint in writing within 14 days of receipt, detailing Stucco's decision with regards to the complaint, and the reasons for that decision. Stucco will seek a fair and prompt decision in response to every complaint.

After receiving Stucco's response to a complaint, the customer may request a meeting with the Appointed PANDA Representative, which will be held within 14 days of the request. An Appointed PANDA Representative means any member of Stucco from time to time who is on the 'Problems & Administration' committee of Stucco, and who is appointed to act as the 'Appointed PANDA

Representative' under the PPA, provided any such person may not also be a unit member of the unit that is the subject of the complaint.

If the complaint has not been satisfactorily resolved after the meeting with the Appointed PANDA Representative, then the complaint will be resolved according to the dispute resolution procedure outlined below.

(b) Dispute resolution procedure

In the event of a dispute:

- Stucco will notify the customer of their right to access free dispute resolution services provided by the NSW Energy and Water Ombudsman;
- Stucco will use their best efforts in good faith to resolve the dispute with the consumer, including at a minimum by engaging with the complaint handling procedure outlined above, prior to initiating any legal proceedings; and
- the parties will follow the dispute resolution procedure outlined in clause 8.2 of the attached PPA.

If a dispute cannot be resolved satisfactorily, customers may terminate the PPA at any time on 60 days' written notice to Stucco (or such shorter period as agreed by the customer and Stucco).

If a student in a unit is replaced with a new student, and that new student does not agree to be bound by the terms of the PPA, then the PPA with that unit will automatically terminate.

(c) If customer is overcharged or undercharged

If Stucco becomes aware that a customer has been overcharged, within 14 days of becoming aware, Stucco will inform that customer. The customer will be reimbursed as soon as possible or, if agreed between the parties, they will have the amount credited to their account in the next billing period.

If a customer is undercharged, the amount owing will be added to the next billing period.

(d) If customer fails to pay bill by payment due date

If a customer fails to pay their bill by the payment due date, Stucco will send a payment reminder to the customer within 6 days of the payment due date. This reminder will include information on payment plan options available to the customers. The reminder will also inquire whether failure to pay is due to the customer experiencing financial difficulties (see section **Error! Reference source not found.** below).

In the event that a customer consistently fails to pay their bill by the payment due date, Stucco will only disconnect that customer's electricity if:

- extensive attempts at communication with the customer have been made by Stucco, with little or no reasonable response from the customer;
- the customer has made no attempts to draw on resources available to them, despite having been notified by Stucco of these resources (e.g. Government concessions, relief schemes and rebates);
- the customer continues to fail to adhere to payment plans or fails to pay their bill despite the offer of a temporary flexible payment plan by Stucco; and

- the customer has been notified with a disconnection warning 30 days in advance that their electricity will be disconnected and their PPA terminated, and the customer has made no reasonable attempt towards settling the debt, including by:
 - communicating with Stucco;
 - applying for a relief scheme; or
 - making payment of any sort.

Despite ongoing failure by a customer to pay their bill by the payment date, Stucco will not disconnect that customer's electricity under any of the circumstances outlined in the AER's Core Exemption Condition 10. Specifically, power will not be disconnected where it is known that a person residing in the unit relies on electricity for some form of life support.

(e) If customer is experiencing financial difficulties

If a customer is experiencing financial difficulties, Stucco will direct the customer to the Australian Government's energy efficiency website or other information resource. Stucco will also provide information about how to access Government concessions, relief schemes and rebates. Stucco will ensure that the customer is not charged a late penalty fee and is not required to pay a security deposit. In the event of financial difficulties, Stucco will provide a flexible payment plan, which may constitute temporarily lowering tariffs or temporarily waiving tariffs for a defined period.

3.4 Please provide any further information that the Applicant considers would assist the AER to assess the Applicant's application

Stucco has taken several measures to ensure that its members will continue to have access to retail contestability and competitive offers within the embedded network. These are outlined below.

(a) Ongoing cooperation with retailers

Stucco is cooperating with the authorised retailers that could service the premises. As of the date of this submission, Stucco has received responses from AGL, Urth Energy and Diamond Energy confirming that they will be able to provide electricity connections to units within Stucco's embedded network. Stucco will continue to seek similar confirmations from other retailers in the area. Additionally, the Solar + Storage System involves the installation of smart parent and child meters, allowing authorised retailers to remotely read a unit's meter.

(b) Avoidance of double network charges

If the members within a unit decide to purchase electricity from an authorised retailer rather than from Stucco, Stucco has agreed that it will not charge that unit a network charge (also referred to as a connection charge). This will ensure that the unit is not faced with a double network charge from both Stucco and a retailer.

(c) Maintenance of competitive consumer price levels

As detailed in section 3.6, Stucco's pricing structure will ensure that the cost of electricity charged to customers will not be greater than the standing offer price that would be charged by the local area retailer for a new connection. Stucco's pricing structure will be competitive with authorised retailers.

3.5 Please describe the Applicant's business model in some detail, noting jurisdictions where it will be operating, and customer number forecasts for the first 3 years

Stucco's business model involves the sale of renewable energy to its residential tenants. The energy supplied to these tenants will be mostly generated onsite from photovoltaic solar cells, with the

remainder sourced from the grid. Stucco anticipates that approximately 80% of the energy supplied to customers will be generated onsite.

The operations are confined to one site in Newtown, Sydney, and customer numbers are fixed at the number of tenants permitted to live in the 8 units on the site (currently 40 long term tenants and 6 temporary tenants). These tenants are low-income students from the University of Sydney. An in-depth analysis of Stucco's consumption profile indicated a domestic evening peak consumption profile, with an average of 88 kWh consumed daily (for the entire site). Electricity in shared areas such as the hall, basement and courtyard will be supplied by Stucco, which will bill itself for electricity use in those areas.

Stucco does not plan to expand its solar operations in the foreseeable future. As such the number of customers and the jurisdiction of operation will be limited to the current site in NSW.

Stucco will use a consolidated software platform to manage activities including auto-billing (bill calculation based on smart meter data), legal matters (displaying the terms and tariff structure of the PPA) and administrative regulation (registration of new tenants and relevant details). Stucco may engage third parties to provide services relating to the procurement and installation of technical components (e.g. PF, inverters, batteries, smart meters, cabling and safety equipment), however this has not been decided as at the time of this application.

3.6 What is the Applicant's pricing structure – will the Applicant charge for energy only or are there other fees? Will the Applicant charge only for energy consumed or for all energy generated?

Stucco will only charge for the energy that is consumed by the customers. Stucco will not be charging any connection or disconnection fees. The customers will be required to pay for the electricity consumed according a tariff structure with the following three components:

- (a) a Time of Use (ToU) tariff for electricity generated by the Solar + Storage system;
- (b) a ToU tariff for electricity sourced from the grid by Stucco for periods where the electricity generated by the Solar + Storage system is insufficient to meet demand; and
- (c) a small daily connection charge.

At all times, the cost of electricity charged according to the above tariff structure will not be greater than the standing offer price that would be charged by the local area retailer for a new connection. If there is any system failure in the generation of energy because of faulty equipment, and not because of any actions of the customers, Stucco will not charge the customers any fees or other costs.

If the members within a unit decide to purchase electricity from an authorised retailer rather than from Stucco (as discussed in section 3.4(b)), Stucco will not charge that unit the connection charge. The connection charge that would have been paid by that unit will instead be paid by Stucco, so that the remaining units are not disadvantaged.

For further information on the pricing structure and the rates that will be applied for each of the above tariff components, please see Part B (**Confidential Section**).

3.7 Are there related companies and what is their function? Does the Applicant intend to transfer any functions to any other related companies and, if so, what are they?

Stucco does not have any related bodies corporate that will be involved in the functions outlined in this application.

3.8 Does the Applicant intend to use fixed term contracts and, if so, how long will they be?

Stucco intends to enter into ongoing contracts with its customers that remain in place as long as the tenant resides in the building, or until otherwise terminated. The maximum length of a tenancy is 5 years for long term tenants, and 6 weeks for temporary tenants.

3.9 Under what circumstances can the customer terminate the agreement and at what cost?

Customers may terminate the PPA at any time with 60 days' written notice to Stucco (or such shorter period as agreed by the customer and Stucco). The customer will not be charged any termination, disconnection or other exit fees.

3.10 What happens when the contract ends? Who owns the system?

Ownership of the Solar + Storage system will remain with Stucco, including after the PPA with customers ends or is terminated.

3.11 Who will own any green energy certificates or rebates, including feed-in tariffs, which apply to the generation system?

STUCCO Co-operative Ltd.

4 Particulars related to the proposed conversion of a site to an embedded network

4.1 Please confirm that:

- (a) the Applicant has advised tenants / customers that the Applicant is planning to retrofit the site as an embedded network;**
- (b) the Applicant has informed tenants / customers that the AER consults on individual exemption applications and provided them with information about how to make a submission to the AER's consultation process; and**
- (c) the Applicant will advise tenants / customers when the application is published for consultation and when the consultation period ends.**

Stucco has provided all of its members with a copy of the Notice of Solar + Storage System (provided with this application as **Attachment 2**). Section 1.2 of the Notice explains that Stucco is proposing to retrofit the premises as an embedded network. Section 3 of the Notice explains the AER's exemptions process and informs members how they may make a submission to the AER during the public consultation period. Stucco will inform all of its members when this application is published for consultation and when the consultation period ends.

4.2 Provide a copy of the advice the Applicant gave tenants / customers about the proposed retrofit in this application.

Attachment 2 contains a copy of the Notice of Solar + Storage System that Stucco provided to all of its members about the proposed retrofit. Section 2.2 of the notice informs customers of their rights to a retailer of choice in an embedded network.

At a General Meeting of Stucco's members on 12 June 2016, the members discussed providing consent to the Solar + Storage System. The minutes from that meeting state that:

"At a general meeting held on 9/3/16 the members agreed to proceed with the Solar + Storage System project. Since that date, further work has been done on the project, a Power Purchase Agreement has been drafted, and Stucco is seeking a retail exemption and a network

exemption from the Australian Energy Regulator (AER). The following documents were tabled at today's meeting, and were provided to members prior to the meeting:

- *draft Power Purchase Agreement (PPA); and*
- *Notice of Solar + Storage System.*

These documents are both attached to these minutes on the e-list. The members unanimously agreed to proceed with the Solar + Storage System project, to the form of the draft PPA, and for Stucco to continue with its application to the AER. The members also unanimously agreed that they will complete consent forms confirming that they have received a copy of the draft PPA and the Notice of Solar + Storage System, and that they will provide voluntary and informed consent to the project.”

After being provided with a copy of the PPA and the Notice of Solar + Storage System, the members voted unanimously in favour of a motion to agree to complete consent forms that will be circulated amongst all members. Stucco will keep a record of all consent forms completed by members. A copy of this consent form is attached to this application as **Attachment 3**.

Part B: Confidential Submission

Please see separate submission made to the AER.

Attachment 1 – Power Purchase Agreement

Please see the Power Purchase Agreement included in a separate attachment accompanying this Application.

Attachment 2 – Notice of Solar + Storage System

Notice of Solar + Storage System

12 June 2016

1 Solar + Storage System

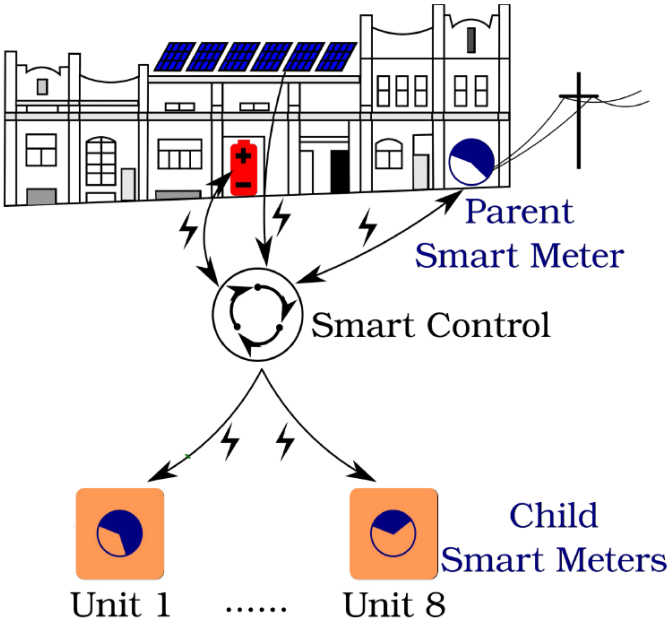
1.1 Introduction

STUCCO Co-operative Ltd (“Stucco”) has received a grant from the City of Sydney to install a solar energy system (“Solar + Storage System”) and to sell energy to its student members. Stucco is proposing to install a photovoltaics and battery storage system at the residential property in Newtown (“the premises”), to provide electricity to both communal areas and individual units. The Solar + Storage System seeks to provide more affordable energy to the students living at the Co-operative, and increase investment and innovation in renewable energy solutions.

The smart solar system will include a parent smart meter and child smart meters at each unit, in addition to the solar panels (30 kW nameplate capacity) and battery storage (40 kWh useable capacity). The parent smart meter will also be connected to the grid. The entire system will be smart monitored for billing purposes, and also to provide customers in each unit with access to a retailer of choice, should they decide not to purchase energy generated on the premises.

The Solar + Storage system is illustrated in **Figure 1** below. Stucco will begin supplying this energy once the Solar + Storage system has been installed, and all relevant exemptions from the regulator and consents from members have been received.

Figure 1: Proposed Solar + Storage system



1.2 Embedded network

The Solar + Storage System is classified as a retrofitted embedded network. This means that Stucco is taking an existing site, and installing a new electricity network so that it can sell energy to its members. Because Stucco will be operating a retrofitted embedded network, it will need to apply to the Australian Energy Regulator (AER) for a retail exemption (see section 3 for more information on this process).

1.3 Power Purchase Agreement with Stucco

Each unit within Stucco will need to make an unanimous decision on whether to purchase electricity from an authorised retailer (also referred to as buying electricity “from the grid”) or from Stucco. If a unit unanimously decides to purchase electricity from Stucco, each member of that unit will sign a Power Purchase Agreement (PPA) with Stucco. If the unit is not unanimous, it will continue to purchase electricity from an authorised retailer of choice.

When a unit member ceases to reside at the premises and is replaced with a new unit member, that new member will need to decide whether to give their consent to purchase electricity from Stucco by signing a New Member Accession Deed Poll (which will be attached to the PPA). If the decisions of students within the unit are not unanimous when a new member joins, the unit will not be able to purchase electricity from Stucco.

More information on the Solar + Storage System will be available when Stucco’s retail exemption application is publicly published on the AER’s website ([AER - Public register of retail exemptions](#)).

2 Customer rights under the Solar + Storage System

2.1 Rights with Stucco

If a Stucco member consents to the Solar + Storage System being retrofitted at the premises, and if that customer enters into a PPA with Stucco, that member will become an electricity customer of Stucco. As an electricity customer in an embedded network, a customer must understand that:

- Stucco is not an authorised retailer – it is an exempt seller;
- Stucco is not bound by the same obligations under the Retail Law that apply to authorised retailers;
- even once the premises are retrofitted with the Solar + Storage System, a member still has the option to source their electricity from the grid;
- Stucco is bound by all other relevant customer protection legislation, including the Australian Consumer Law (ACL); and
- the customer will have the following protections:
 - flexible payment options if the customer is experiencing financial difficulty;
 - clear and set time frames for receiving and paying bills;
 - complaint handling arrangements;
 - energy charges that are no greater than the standing offer prices a local area retailer can charge customers; and
 - clear and reasonable disconnection procedures.

If Stucco members agree to become energy customers, they will also have access to the complaint and dispute resolution process under the PPA with Stucco. In brief:

- a customer may make a complaint via letter or over the phone to Stucco, and Stucco will respond within 14 days in writing;
- after receiving Stucco's response, the customer may request a meeting with the Appointed PANDA Representative (who is not a member of the unit that the customer resides in) to seek to resolve the complaint;
- if the complaint is not resolved following this meeting, then the customer may follow the dispute resolution procedures set out in the PPA; and
- if the dispute cannot be satisfactorily resolved, the customer may terminate the PPA at any time on 60 days' written notice to Stucco.

For more information on Stucco customers' rights under an embedded network, see: [AER - Information for electricity customers in embedded networks](#)

2.2 Rights to a retailer of choice in an embedded network

Currently, Stucco's members have access to a retailer of choice. This means that each unit can decide who to purchase electricity from and can change retailers. Customers in some embedded networks face difficulties in accessing a retailer of choice, either because of the way the energy infrastructure has been set up, or because authorised retailers do not want to sell to customers within embedded networks.

Once the premises has been retrofitted with the Solar + Storage System, Stucco will minimise any difficulties that members may face in trying to access a retailer of choice (if members decide not to purchase electricity from Stucco). Stucco will seek to do this by:

- installing smart parent and child meters as part of the Solar + Storage System that make it easy for an authorised retailer to provide electricity to a Stucco member by remotely reading the meters;
- cooperating with retailers to ensure that Stucco members have access to a choice of retailer;
- agreeing to ensure that, if a Stucco member purchases electricity from an authorised retailer, they will not have to pay double network charges; and
- agreeing to sell electricity at a price and service quality level that either matches or betters the local area retailer's offer.

2.3 Rights under the Australian Consumer Law

Customers who purchase electricity from Stucco will have access to the robust consumer protections under the ACL. The ACL provides protections against, for example, misleading and deceptive conduct, unconscionable conduct, and also provides for various consumer guarantees.

For more information on consumer rights under the ACL, go to: [ACCC - Consumer Rights](#).

2.4 Rights under the Energy and Water Ombudsman NSW

Customers have the right to access the free dispute resolution services provided by the Energy and Water Ombudsman NSW. For more information on how to make a complaint to the Ombudsman, see: [Ombudsman - Making a complaint](#).

3 Australian Energy Regulator process

Stucco is applying to the AER for a retail exemption. If Stucco is issued with a retail exemption by the AER, Stucco may provide energy to its members under the Solar + Storage System. Once the AER has received Stucco's application, it will publish a notice on its website (www.AER.gov.au):

- stating that the application has been received; and
- seeking written submissions on the application from interested stakeholders.

The public consultation period will last at least 20 business days, and the AER considers all submissions that it receives. Stucco members may make written submissions to the AER about Stucco's application.

To make a submission to the AER during this public consultation period:

- go to the AER's list of open retail exemption applications and find Stucco's application ([AER - Public register of retail exemptions](#));
- click on Stucco's application to see more details about the application, such as the dates for consultation, how to lodge a submission and what to do if the submission contains confidential information that should not be published; and
- write a written submission and send it to the AER Exemptions team at: AERExemptions@aer.gov.au.

Generally, the AER publishes the submissions it receives along with the original application. For more information, go to: [AER - Making a submission to an individual retail exemption application](#).

4 Further questions

If you have further questions, concerns, or ideas about the Solar + Storage System, please get in contact with:

Sarah King

President of STUCCO Co-operative

E: sarahk.21@hotmail.com

M: 0400 679 044

Attachment 3 – Stucco Member Consent Form

Solar + Storage System – Further Consent Form

Stucco is proposing to install a photovoltaics and battery storage embedded network at the residential property in Newtown (“the premises”), to provide electricity to both communal areas and individual units. Stucco will begin supplying energy once the Solar + Storage System has been installed, the Australian Energy Regulator (“AER”) has granted all relevant consents, and all members have provided their informed and voluntary consent.

In giving my consent:

- ✓ I confirm that I am currently a member of Stucco and I live at the premises.
- ✓ I have been provided with a copy of, and have read and understood, the Notice of Solar + Storage System dated 12 June 2016 relating to Stucco’s proposed Solar + Storage System.
- ✓ I have been provided with a copy of, and have read and understood, the draft Power Purchase Agreement.
- ✓ I understand that Stucco is intending to retrofit the premises with an embedded network, and that the meters will not be connected to the National Energy Market and unable to receive supply from a retailer.
- ✓ I understand that as a consumer within an embedded network, I do not have access to the full range of rights and protections available under the Retail Law.
- ✓ I understand my rights as a consumer within an embedded network, including my right to a retailer of choice, as detailed in section 2.2 of the Notice of Solar + Storage System.
- ✓ I understand that Stucco is in the process of applying to the AER for a retail exemption.
- ✓ I understand my rights to make a submission to the AER about Stucco’s retail exemption application during the public consultation period.
- ✓ I consent to Stucco progressing with the Solar + Storage System embedded network, including by making an application to the AER and by entering into a Power Purchase Agreement with its members.
- ✓ I am providing this consent voluntarily.

I consent to Stucco progressing with the Solar + Storage System as set out in this consent form:

.....
Signature

.....
PRINT name

.....
Date