



APPLICATION FOR INDIVIDUAL EXEMPTION

STOCKLAND GREEN HILLS SHOPPING CENTRE

General Information Requirements

1. Legal Name

Stockland Retail Services Pty Limited ABN 46 604 658 951 (**Applicant**)

2. Trading Name

Stockland Retail Services Pty Limited

3. Australian Company Number (ACN)

604 658 951

4. Registered Postal Address for Correspondence

C/- Stockland, Level 25, 133 Castlereagh Street, Sydney, NSW, 2000

5. Nominated Contact Person

Mr Jim Tatsis

P: 02 9035 3212

E: jim.tatsis@stockland.com.au

C/- Stockland, Level 25, 133 Castlereagh Street, Sydney, NSW, 2000

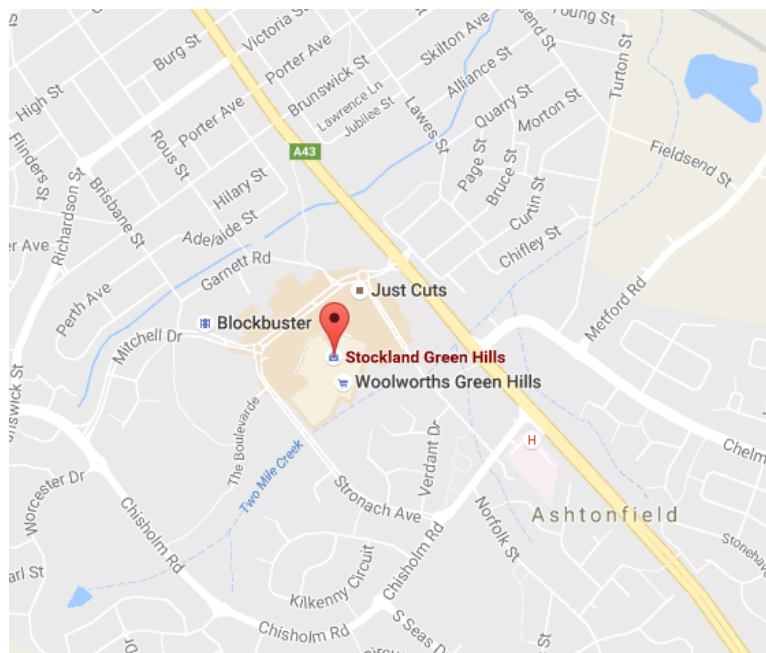
6. Why you are seeking an individual exemption, and why you believe that an exemption (rather than retailer authorisation) is appropriate to your circumstances?

The Applicant is seeking an individual exemption for the retrofit of an existing network, as per the current AER requirements that all embedded networks retrofitted after 1 January 2015 require individual exemption, to an Embedded Network located at the Stockland owned and operated Green Hills Shopping Centre.

The Applicant is a wholly owned subsidiary of Stockland Property Management Pty Limited ACN 000 059 398 (**Property Manager**), the property manager of the Green Hills Shopping Centre. The proposed on-selling activities proposed to be conducted by the Applicant are incidental to the property management services provided by the Property Manager.

7. The address of the site at which you intend to sell energy, including a map of the site and brief description of this site and its current and future use/s.

Green Hills Shopping Centre is located at 1 Molly Morgan Dr, East Maitland NSW 2323 and officially opened for business in March 1990. The site is currently and will continue to be operated as a shopping centre in the foreseeable future.



GREEN HILLS SHOPPING CENTRE

8. The primary activity of your business (for example, managing a shopping centre).

The Property Manager's primary activity is operation and management of shopping centres. The Applicant's primary activity is the provision of support services ancillary to the Property Manager's primary activities.

9. The form of energy for which you are seeking the individual exemption (electricity or gas). For electricity, please state whether the network you propose to sell is directly or indirectly connected to the main grid or is (or will be) an off-grid network.

The form of energy is electricity.

Green Hills Shopping Centre is connected to the local electricity distribution network via 3 connection points.

10. Are you establishing, or have you established, energy supply in an area where there are no other viable energy supply arrangements available?

No.

11. The date from which you intend to commence selling energy?

The Applicant currently intends selling energy from about March 2017.

12. Mailing addresses for premises at the site (where applicable). We may use this information to ensure that potential customers are able to participate in our consultation process.

c/o Centre Management Office
Green Hills Shopping Centre
1 Molly Morgan Drive
East Maitland NSW 2323

13. Details of any experience in selling energy, for example:

- **Date's and location/s of previous operations**
- **Form/s of energy sold**
- **Scale of operations (that is, the number, size and type of customers)**
- **An explanation of which activities will be conducted in-house and which will be contracted out to third parties.**

The Stockland group has approximately 51 sites on the NEM where electricity is sold via Embedded Networks, including a number in respect of which WINconnect Pty Ltd (ACN 112 175 710) (**WINconnect**) is engaged to provide billing agency and other management services. These include:

Shopping Centre	State	EN Live	Energy	Small Tenants	Large Tenants	Total Tenants
Merrylands	NSW	Feb 2015	Electricity	216	9	225
Shellharbour	NSW	Feb 2015	Electricity	266	8	274
Bathurst	NSW	Oct 2015	Electricity	44	1	45
Wetherill Park	NSW	Feb 2015	Electricity	190	8	198
Cairns	QLD	Jun 1984	Electricity	120	10	130

The proposed activities related to the key functions of the Embedded Network are as follows:

- i. Sales and marketing to small and large customers will be conducted by the Applicant's representative, WINconnect;
- ii. Meter readings, data management and production of customer bills will be managed by WINconnect;
- iii. Customer bills will be issued to customers of the Embedded Network in a format compliant to the AER's Core Exemption Conditions;
- iv. WINconnect, will manage the debt collection process for an on behalf of the Applicant; and
- v. WINconnect, will, as the Applicant's agent, manage all relevant licences and compliance with all applicable legislation. WINconnect has in place a Customer Complaints Handling Procedure, a copy of which is attached.

14. Whether you currently hold, or have previously held or been subject to, an energy selling exemption or a retail licence (retailer authorisation) in any state or territory. If so, please provide details.

As per the table of sites provided in Question 13, all sites have Registered Retail Exemptions (R1 and R5) and Network Exemptions (N1 and N5).

15. What arrangements you have made in the event that you can no longer continue supplying energy (e.g. has the retailer that sells to you agreed that they will service the customers)?

In the event that the Applicant could no longer supply electricity to the tenants, the Embedded Network is designed, via metering configuration, to allow the tenant to enter into an Electricity Sale Agreement with an authorised retailer of their choice.

Particulars relating to the nature and scope of the proposed operations

1. **Will your customers be your tenants? If so, are they residential or commercial/retail? Are they covered by residential or retail tenancy, or other legislation governing accommodation that is a person's principal place of residence (for example, retirement village legislation, residential parks or manufacturing home estates legislation) in your state or territory?**

- Yes, the customers will be tenants of the shopping centre.
- The tenants are retail/commercial businesses.
- The small retail business tenants and some of the large retail tenants are covered by the relevant state-based Retail Shop Leases Act.
- There are no residential customers as part of this Embedded Network.

2. **Are you providing other services (for example, accommodation/leasing of property) to persons on the site who you intend to sell energy to? Or will your only commercial relationship to persons on the site be the sale of energy? If you are providing other services, please specify what the services are, and the contractual or leasing arrangements under which these services are being provided.**

Yes, the Property Manager provides property management services to tenants at the Green Hills Shopping Centre. A separate Stockland entity leases the premises to the retail and commercial tenants.

3. **What is the total number of dwellings/premises at the site? Please provide a breakdown between residential and business customers (and whether they are small or large as defined for the jurisdiction in which you intend to operate)?**

- Total number of tenants: 48
- Number of small business tenants: 42
- Number of large business tenants: 6
- No residential customers will be part of this Embedded Network.

4. **Will you be on-selling energy (that is, selling energy purchased from an authorised retailer) or purchasing it directly from the wholesale market?**

The Applicant will be on-selling electricity purchased from an authorised electricity retailer.

5. **If purchasing from an authorised retailer, have you formed, or do you intend to form, a bulk purchase contract with the energy retailer, and how far into the future does this, or will this, contract apply? If you have formed, or intend to form, a contract, please provide a brief summary of this arrangement.**

The Applicant currently proposes to enter into an electricity purchase contract with Origin Energy. This is subject to negotiation and agreement.

6. **What is the estimated aggregate annual amount of energy you are likely to sell (kilowatt hours or megawatt hours for electricity and mega joules or giga joules for gas) and the average expected consumption of customers for each type of customer you service (that is, residential customers and retail or commercial customers)?**

- The estimated annual consumption of the shopping centre: 5,970 MWh.
- The estimated annual consumption of small business load is: 1,180 MWh.
- The estimated annual consumption of large business load is: 4,790 MWh.
- No residential customers will be part of this Embedded Network.

7. Will your customers be wholly contained within a site owned, controlled or operated by you? (For the purposes of this question, a body corporate may be taken to 'operate' premises it oversees).

Yes.

8. Will each premises/dwelling be separately metered? If the application is for a new development or a redevelopment and customers will not be separately metered, please explain why not.

Yes, each premise will be separately metered.

9. What types of meters will be used? For example, basic/accumulation meters, manually read interval meters or remotely read interval meters? Will these meters allow your customers to change retailers (i.e. not source their energy from you)?

The Applicant will install manually or remotely read interval metering to measure the electricity consumption for all on-market and off-market tenants in the Embedded Network.

The Embedded Network metering arrangements will allow tenants freedom of choice of retailer and metering provider.

The upfront costs of the Embedded Network installation will be borne by the Applicant. There will be no upfront costs charged by the Applicant to the tenant to switch between an on-market or off-market electricity supply arrangement.

10. What accuracy standards apply to the meters? Do the meters comply with Australian Standards? If so, specify which Standard or Standards. For electricity meters, will the meters comply with National Measurement Act 1960 (Cth) requirements for electricity meters installed from 1 January 2013?

All electricity metering installed in this Embedded Network will be National Measurement Institute approved utility electricity meters. All electricity meters installed will comply with the National Electricity Rules, Electricity Customer Metering Code with the National Measurement Act 1960 (Cth) requirement for electricity meters installed from 1 January 2013.

11. If customer dwellings/premises are separately metered, how often do you propose the meters to be read and by whom?

Electricity meters within this Embedded Network will be manually or remotely read on a monthly basis by WINconnect as agent for and on behalf of the Applicant.

12. How will you determine energy charges if customers are not separately metered?

N/A, all customers will be separately metered.

13. In what form and how often will customers be billed? Will you be issuing bills yourself or through a billing agent?

Monthly invoices will be produced and provided to customers by WINconnect as agent for and on behalf of the Applicant.

14. What dispute resolution procedures do you intend to put in place to deal with energy related complaints and issues?

WINconnect will provide customers access to a Customer Service Team which will be contactable via phone or email, this will be the first contact point for any energy related complaints or issues.

A formal complaint can be lodged with the Applicant through WINconnect who will manage the complaint in accordance with its Customer Complaints Handling Procedure, a copy of which is attached.

If the dispute cannot be resolved by WINconnect or the Applicant the customer may raise a dispute with the Energy and Water Ombudsman NSW.

15. What energy rebates or concessions are available for your customers and, if applicable, how can customers claim these?

Rebates or concessions will not be applicable to this Embedded Network.

If they do become available in the future, then the Applicant will pass through any rebates or concessions and inform customers of any that may be available.

16. Will you make energy efficiency options available to your customers? Will your network incorporate solar or other generation options for sustainability purposes? If so, will you use gross or net metering?

The Applicant has installed a small solar PV at the site. The Applicant intends to install a larger solar PV next year. Should this occur, it is proposed that net metering will be used.

17. Please provide any further information that you consider would assist us to assess your application.

The Applicant will write to all tenants advising them of its plans to implement an Embedded Network at the shopping centre. Copies of the proposed correspondence are attached, including the retail and network conditions expected to be imposed (refer separate document entitled 'Stockland Green Hills Retail and Network Conditions').