Our Ref:           212946
Contact Officer:   Donna Bennetts
Contact Phone:     (03) 9910 9567

28 July 2021

Terry Zarosinski
Chief Financial Officer
DeGroup Pty Ltd
    OBO The Trustee for the Somerville SC Trust
Level 12, 100 Collins Street
Melbourne VIC 3000

By email: terry@degroup.com.au

cc: kjohnson@activeutilities.com.au

Dear Mr Zarosinski,

## Re: Notice of Acceptance of eligibility to register network exemption – The Trustee for the Somerville SC Trust – Somerville Central Shopping Centre

I refer to the application of The Trustee for the Somerville SC Trust for eligibility to register network exemptions under the requirements of section 4.9 of the Network Service Provider Registration Exemption Guideline (Network Exemption Guideline) to create an embedded network at Somerville Central Shopping Centre, 49 Eramosa Road West, Somerville VIC 3912.

I am writing to inform you that The Trustee for the Somerville SC Trust's application satisfactorily addresses the requirements of section 4.9 of the Network Exemption Guideline. We therefore issue this Notice of Acceptance effective from 28 July 2021 and confirm that The Trustee for the Somerville SC Trust is now eligible to register the relevant network exemptions for publication on the Australian Energy Regulator's (AER) public register of exemptions.

### Eligibility for exemption in relation to conversions of existing networks

In accordance with condition 4.1.12.1 of the Network Exemption Guideline, an embedded/private network must not be created without the express written consent of existing energy consumers who will be included within the proposed network (affected

energy consumers).[1] Parties intending to create such a network without the written consent of all affected energy consumers must meet the requirements stipulated in section 4.9 of the Network Exemption Guideline to be eligible for network exemption.

In addition, section 4.9.7 of the Network Exemption Guideline stipulates that a network must not be converted until the effective date specified in this notice.

Parties who are issued with a Notice of Acceptance under section 4.9 are eligible to register and hold network exemptions for the network at that particular site according to the appropriate activity class. Activity classes are detailed under section 3 of the Network Exemption Guideline and are subject to the further conditions detailed in section 4 of the Network Exemption Guideline.

Failure to observe the conditions of exemption may render an exemption invalid. Owning, controlling or operating a network without registration with the Australian Energy Market Operator (AEMO) or holding a valid exemption from the AER constitutes a breach of section 11(2) of the National Electricity Law.

***Additional conditions applicable to the network exemption class(es) registered***

In addition to the conditions usually applicable to the network exemption class(es) held in relation to the embedded network at this site, the Applicant must also comply with the conditions of section 4.9 of the Network Exemption Guideline. These conditions concern:

- retaining consent records for a period of at least 2 years;
- facilitating the continuation of a customer's energy contract with their current retailer;
- maintaining a customer's direct connection to the registered distributor;
- offer matching;
- avoidance of duplicated network charges;
- liability of the costs of metering/network changes; and
- the ability of metering arrangements to allow for access to retail competition.

For the full list of conditions refer to the Network Exemption Guideline.

If you have any further queries, or would like to discuss this further, please contact Donna Bennetts on (03) 9910 9567.

Yours sincerely

Joanna Gall
A/ Executive Director – Compliance Operations
Compliance and Enforcement Branch

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[1] This condition applies wherever an exempt customer is eligible under State or Territory legislation to purchase energy from a retailer of their choice.