

Appendix B: Information required for individual exemption applications

General information requirements

Please provide the following information in your application for the grant of an individual exemption:

- 1 Your legal name. If you are a body corporate or community corporation, please indicate this.**

Embedded Network Solutions Australia Pty Ltd (referred to as ENSA)

- 2 Your trading name if different to your legal name.**

As per 1

- 3 Australian Business Number (ABN) or Australian Company Number (ACN).**

ABN 94 164 827 589

- 4 Registered postal address for correspondence. We may verify this information with the Australian Securities and Investments Commission (ASIC) or other relevant agency.**

**P.O Box 7005
Richmond, VIC, 3121**

ASIC Registered Office – Level 1, 1 Pyror St, Eltham, VIC 3095

Principal Place of Business – Unit 18, 50 Palmer St, Richmond, VIC 3121

- 5 Nominated contact person, including their position in the organisation and contact details.**

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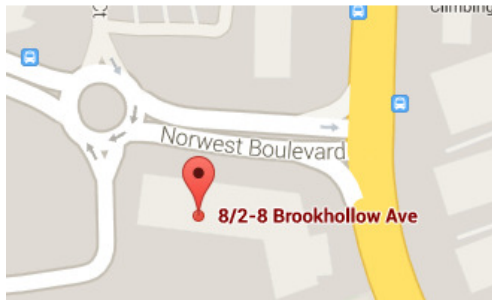
- 6 Why you are seeking an individual exemption, and why you believe that an exemption (rather than a retailer authorisation) is appropriate to your circumstances.**

ENSA's core operation is to manage Embedded Networks, from sign-up of the developer/OC (partner), through to implementation of the EN and on-going management of the site. Power agreements to date have all been in the name of the partner.

An agreement reached between Capital Corporation Property Management Limited (Capital Corporation) and ENSA, at the request of Capital Corporation, is for the Gate Meter bills to be in the name of ENSA. ENSA, at this current point in time, do not envisage that this will be standard practice for all sites we manage.

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

2-8 Brookhollow Avenue, Baulkham Hills, NSW, 2156



ENSA is currently engaged as the Embedded Network Operator to procure power in the name of the developer/OC and resell, under contract, to the partners tenants.

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

Embedded Network Operator.

- 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.**

ENSA will be sourcing Electricity from the Main Grid, in the Endeavour Energy Network area.

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

Not Applicable.

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

Capital Corporation and ENSA as the Embedded Network Operator (ENO) and additional applicant currently hold an existing exemption for this site to resell electricity to their tenants within the current environment.

Capital Corporation wish to surrender their current exemptions.

If the AER submission for the individual exemption is approved and when the retailer novation process is complete, ENSA will immediately start selling energy.

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.

**Suite 18, 50 Palmer Street
Richmond, VIC, 3121**

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.**

ENSA manage Embedded Networks servicing our partners tenants/residents in Victoria and New South Wales as submitted in previous AER submissions.

ENSA primarily source power through our retailer of choice.

Our partners are predominately Developers and Owners Corporations.

Embedded Networks sites ENSA manage are commercial, industrial, residential and retirement villages. ENSA manage contractors for procurement of power and supply and installation of sub-metering. We have developed our own internal Billing Engine and have a Customer Service Management team based out of Richmond. ENSA manage meter data collection, invoicing, customer related enquiries, connection/disconnection process, collections and debtor management.

- 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.**

ENSA currently hold a Class Energy Selling Exemption for managing other Embedded Network sites

- 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).**

If ENSA or our Developer/Owners Corporation (OC) decide to terminate the contract, ENSA arrangement is for electricity invoices to be returned to the Developer/OC. They are then responsible for finding a suitable replacement ENO to take over the management of the site and review the current retailer arrangement.

Particulars relating to the nature and scope of the proposed operations

To determine whether it is appropriate to exempt you from the requirement to hold a retailer authorisation, we need information on the nature and scope of the operations you propose to conduct. Please answer the following questions:

- 1 **Will your customers be your tenants? No If so, are they residential or commercial/retail? All tenancies are commercial/retail. There is 2 large tenants, 1 café restaurant with remaining being smaller commercial tenants. 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 manufactured home estates legislation) in your state or territory?**
- 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 these services are, and the contractual or leasing arrangements under which these services are being provided.**

The only relationship ENSA has at the site is the sale of energy to the partner's 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).¹**

There are 93 tenancy leases currently covered by 80 accounts.

¹ For electricity, large customers are customers who consume 100 MWh pa or more in New South Wales, the ACT, Queensland and Victoria, and 160MWh pa in South Australia; and for gas, customers who consume 1TJ pa or more.

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

ENSA is currently purchasing Electricity from an authorised 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.

ENSA purchase Electricity in bulk, though all the power agreements currently are in the name of the partner.

- 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 gigajoules 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)?

Variable dependant on the number of tenants, though exceeds 3 GWh per annum.

- 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).

Commercial/retail tenants for this site will have leasing arrangements with our partner.

- 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.

Each tenants power is measured separately with meters housed in a Group Metering arrangement in the risers.

- 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)?

NMI 6 pattern approved meters are installed by ENSA. All meters are interval based and have the provision for remote metering capability (if required).

All tenants have the option to choose their retailer of choice. In this instance and when considering leaving, or not joining the private Electricity Supply Network, available to tenants and before making there decision, ENSA highly recommend that they first advise their preferred electricity retailer that the tenancy meter is part of a private electricity distribution network and take the advice provided.

They also need to check if they have the ability for the preferred retailer to bill correctly within the embedded network environment.

We also highly recommend that the following information is shared.

If the tenant chose to use a third party electricity retailer they will need to arrange the following with them;

Option 1

- Advise the preferred retailer to replace the private electricity network tenancy meter with one of their own meters. This will be at their expense.
- Arrange for any necessary shutdown of the embedded network in order to replace the meter, this must be coordinated with ENSA, the landlords and other tenants. Any expenses related to this will be their responsibility.
- The preferred retailer will need to provide a Time of Use (TOU) Interval data file to ENSA on the first day of each calendar month, covering consumption recorded by their meter for the previous calendar month.
- ENSA will then send the tenant a bill for the network component of the electricity supply and the preferred retailer will send a bill for the energy consumption meaning that the tenant will receive two electricity bills each month.
- Until these steps are taken, ENSA will bill for all electricity charges (network and consumption) from the date they gain access to the tenancy.

Option 2

Alternatively the tenant may arrange through their preferred retailer, to have their own power supply and meter connected to their tenancy, bypassing the private network altogether. All works associated with this are the responsibility of the tenant and must be managed in cooperation with the building managers.

ENSA will continue to bill all consumption, network and other charges relating to the electricity supply, to the tenant, at the relevant regulated market rates, until such time as we are advised that you have completed either of the actions described above.

In this instance the retailer of choice will advise to the consumer whether there are costs associated to replacing the meter.

- 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?²**

All Single Phase meters installed are Class 1.0. All three Phase meters are Class 1.0S and CT meters are Class 0.5S. The reference to the Class is in relation to Reactive Energy.

² For further information, see www.measurement.gov.au.

Single Phase metering conform to the following metering standards: AS 62052.11, AS 62052.21, AS 62053.21, AS 62053.23, AS 1284.1, AS 1284.7, AS 1284.11, AS 1284.10.1, AS 1284.10.2, AS 62054.21 and AS 62056.21.

Three Phase metering is AS1284.5 compliant.

CT Phase meters are compliant to AS 62052.11, 62053.21 and 62053.23.

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

ENSA invoice monthly and use 3rd party contractors to read the meters.

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

In all sites we manage, we require each tenancy to be individually metered. If installing a meter is not financially or viable on an electrical level, we use virtual meter calculations, derived from NMI6 accredited revenue billable meters. There are no virtual meter calculations at this site.

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

ENSA have developed our own internally Billing system. We issue invoices monthly after each meter reading cycle.

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

As part of our commitment to our customers, ENSA:

- Recognise the customer have the right to raise concerns relating to energy supply;
- We will attempt to resolve any issues they have with our services in an effective, respectful and professional manner;
- Take feedback into consideration to continually improve how we handle complaints and disputes.

Procedure

ENSA have developed a complaints handling procedure that is:

- Easily accessible: Our Customer Support Team are quick to answer and will provide accessible information to the customer about how and where to make a complaint;
- Our complaint handling process is Free of Charge

Complaint Handling Process

If the customer has a complaint about our service, the steps outlined are below:

- **Contact our Customer Support Team**
Customer Service Representatives receiving these enquiries are trained in the effective handling of complaints and will try to resolve concerns at the first point of contact.
- **Address the complaint in writing.**
- **ENSA aims to resolve all written complaints within five business days of receiving it. If we are unable to do so within the given time frame, we will contact the customer within five business days and inform of the new estimate completion date.**

Complaint still not resolved?

- **If your complaint remains unresolved on first contact with our Customer Support Team, the customer can request to escalate the enquiry through to senior management.**
- **If still unsatisfied with the matter, this issue can be directed to IPART (Independent Pricing and Regulatory Tribunal).**

IPART office address is: Level 8, 1 Market Street, SYDNEY NSW 2000

Contact Number: 02 9290 8400

Postal Address: PO BOX Q290, QVB Post Office NSW 1230

Email@ipart@ipart.nsw.gov.au

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

ENSA supports our customers in providing required documentation to our customers in regards to any rebates and concessions they may be eligible for. These would depend on the customers individual situation or requirement and location of each customer/site, (state and possibly distribution area, local government policies etc). Our Customer Service Charter provides for processes which include the distributing of these documents to clients, assistance in information and lodging the forms (e.g. either with us or with Department of Human Services), documenting outcomes and adjusting tariffs and charges where required.

- 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?**

ENSA provide a “Top 10 Energy Saving Tips” flyer which is available on request. The flyer indicates ways to save energy by using compact fluorescent bulbs/LEDS instead of incandescent, fixing defective plumbing for dripping taps, using dishwashers with a full load, using cold water for washing, using programmable

thermostat and decreasing the temperature to 18-20 for winter and 24-26 for summer. Further details can be provided on request.

Capital Corporation are aware of Solar options for the site, but to date have not installed any solar systems.

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

None to note

Application for the variation of an individual exemption

We recommend that you contact us before you submit an application for the variation of an individual exemption to help ensure that the information you include in your application is relevant and necessary.

Please provide the following information in your application for the variation of an individual exemption:

- 1 An explanation of why you are seeking a variation to your individual exemption and an explanation of why you believe an exemption—rather than a retailer authorisation—remains appropriate for your changed circumstances.
- 2 Where relevant, a list of the conditions of exemption that you believe need to be varied.
- 3 A list of changes to any of the information that you provided us when you applied for your individual exemption. If you have an electronic copy of your original application, you may submit this with tracked changes. If your exemption was transitioned, a list of changes to the circumstances on which the exemption was based.