

Australian Energy Regulator
GPO Box 3131
Canberra, ACT, 2601

01/06/2026

Dear Australian Energy Regulator,

Energy Bay welcomes the opportunity to provide feedback on the AER's consultation on the Network Exemptions Guideline and Retail Exempt Selling Guideline.

We support the proposed amendments and commend the AER for pursuing reforms that maintain appropriate consumer protections while reducing unnecessary regulatory burden.

Overall, we consider the proposal practical, balanced, and supportive of continued investment and innovation.

Energy Bay has not provided a response to questions 1-3 in respect of the AER's consultation paper.

Question 4

Do stakeholders support the AER's proposal to remove the existing retrofit application requirement and develop a new registrable retail exemption class for commercial retrofits?

Energy Bay supports the proposal to replace the existing retrofit application process with a registrable retail exemption class for commercial retrofits.

In practice, these projects are well understood and consistently structured. They:

- follow repeatable delivery models.
- achieve strong customer engagement and high consent rates; and
- present relatively low consumer risk, with established approaches to managing potential detriment.

The current application process is resource-intensive and frequently delays project execution without delivering commensurate consumer protection benefits.

Importantly, this change will support further investment in embedded networks and Consumer Energy Resources (CER) by improving project viability and accelerating deployment at scale.

Question 5

Do stakeholders consider the conditions the AER proposes to attach to a retrofit exemption class appropriate?

Energy Bay supports the proposed conditions to attach to the retrofit exemption class.

Requirements relating to:

- matching equivalent retail offers for non-consenting tenants; and
- addressing duplicated network charges appropriately reflect existing practice and provide a reasonable level of consumer protection,

achieves a proportionate balance between consumer protections and regulatory efficiencies.

Question 6

Do stakeholders support removing the requirement for prospective exempt network service providers to obtain AER approval for commercial retrofits and replacing it with a self-certification and registration option?

Energy Bay supports the move to a self-certification and registration model for commercial retrofits. However, the effectiveness of this



approach will depend on the clarity and operability of the self-certification framework. In particular, eligibility criteria must be objective and unambiguous, and the associated conditions must be proportionate and consistent with existing registrable exemption obligations. We also consider it important that the AER provide clear guidance to support consistent interpretation, and that compliance and enforcement mechanisms are transparent and risk-based.

Question 7

Do stakeholders support the AER developing marketing and consent campaign materials with minimum standardised statements to be used by parties under the self-certification and registration option? If yes, what content and consumer information do stakeholders consider should be prioritised for inclusion. If not, please provide reasons why.

While supporting the development of standardised marketing and consent materials, Energy Bay encourages the AER to ensure that any prescribed scripting is not overly rigid or restrictive.

Many experienced Embedded Network Operators (ENO) have developed effective, compliant customer engagement materials over time, reflecting extensive experience with commercial customers and embedded network retrofits. Allowing flexibility to incorporate and leverage this existing collateral will help maintain high-quality customer engagement outcomes while avoiding unnecessary duplication or rework.

Energy Bay's primary concern is that highly prescriptive wording may limit the ENO's ability to clearly communicate project-specific benefits, commercial nuances, and site-specific considerations in a way that resonates with customers.

We also note that while "power of choice" considerations can introduce practical constraints in some circumstances, these challenges are typically well understood and, in commercial environments, are more often than not successfully managed through effective engagement, clear communication, and appropriate project design.

Accordingly, we recommend that the AER:

- provide baseline minimum content requirements and key standardised disclosures.
- allow some flexibility in how this information is presented; and
- recognise the validity of existing, well-functioning industry materials where they meet regulatory intent.

This approach would preserve consistency and consumer protections while enabling practical, high-quality deliver.

Conclusion

Energy Bay supports the AER's proposed amendments and considers them well-calibrated to balance consumer protection with regulatory efficiency.

The reforms provide important clarity, reduce unnecessary administrative burden, and support continued investment in embedded networks and consumer energy resources.

We particularly support the introduction of a commercial retrofit exemption class, the move to self-certification, and a practical approach to customer engagement requirements.

Energy Bay appreciates the opportunity to contribute and looks forward to continued engagement as the review progresses.

Yours sincerely,

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