

NATIONAL ENERGY RETAIL LAW

DIVISION 5 OF PART 6

ROLR NOTICE

The Australian Energy Regulator (**AER**) has issued this Notice under section 136 of the National Energy Retail Law (**NERL**).

This Notice amends the Notice in relation to Weston Energy Pty Ltd dated 25 May 2022.

RoLR Event

A Retailer of Last Resort (**RoLR**) event has occurred in relation to:

Retailer: Weston Energy Pty Ltd (Weston Energy)

ACN: 142 392 738

AEMO Company ID: 244

Prior to the issue of this notice, Weston Energy was an authorised gas retailer for the purposes of Part 5 of the NERL with the authorisation identification G16004.

The Australian Energy Market Operator (**AEMO**) suspended Weston Energy from all hubs of the Short Term Trading Market (**STTM**) with effect from 06:00 hours (AEST) on 24 May 2022 (see attached suspension notice). The suspension of a retailer's right to acquire gas from the STTM constitutes a RoLR event under section 122 of the NERL.

AEMO also suspended Weston Energy from the Declared Wholesale Gas Market with effect from 06:00 hours on 24 May 2022. This RoLR notice only addresses the suspension of Weston Energy from the STTM.

Affected Fuels and Markets

As Weston Energy sold gas to customers in New South Wales, Queensland, the Australian Capital Territory and South Australia, this notice affects gas customers in those jurisdictions, in areas within and outside of the gas Short Term Trading Market.

Note: Customers of Weston Energy in Victoria can contact the Essential Services Commission of Victoria on 1300 664 969 or visit the website www.esc.vic.gov.au.

Registered RoLRs Appointed as Designated RoLRs by operation of section 132(1) of the NERL

Pursuant to section 132(1) of the NERL, the default RoLRs specified in Schedule 1 were taken to be appointed as the designated RoLRs for this RoLR event.

Section 137 gas directions

The AER is of the opinion that sufficient gas is not available in the Sydney STTM in relation to this RoLR event, and makes the following directions in accordance with section 137(1) of the NERL:

- a) Esso Australia Resources Pty Ltd, being a producer or other person that had contracted to sell gas to Weston Energy, must make available to AGL Energy Sales & Marketing Limited, being a designated RoLR, the gas that was contracted to Weston Energy immediately before the transfer date.
- b) Santos Direct Pty Ltd, being a producer or other person that had contracted to sell gas to Weston Energy, must make available to AGL Energy Sales & Marketing Limited, being a designated RoLR, the gas that was contracted to Weston Energy immediately before the transfer date.

Compliance with direction

A failed retailer, any insolvency official of the failed retailer, and anyone else given a RoLR notice must, in relation to the RoLR event, comply with the RoLR notice and the applicable requirements of Part 6 of the NERL and the requirements of the RoLR Procedures.

Failure to comply with a RoLR notice is a breach of section 143(2)(a) and may attract civil penalties. The maximum civil penalty for a natural person is an amount not exceeding \$500,000. For a corporation, the penalty is an amount not exceeding the greater of:

- \$10,000,000;
- if requested by the AER in a particular case in applying for an order:
 - o if the Court can determine the value of any benefit reasonably attributable to the breach that the body corporate, and any body corporate related to the body corporate, has obtained, directly or indirectly – 3 times the value of that benefit; or
 - o if the Court cannot determine the value of the benefit, 10% of the annual turnover of the body corporate during the 12-month period ending at the end of the month in which the body corporate breached, or began breaching, the civil penalty provision.

Transfer date

In accordance with section 140 of the NERL, customers of Weston Energy are deemed to have been transferred to the designated RoLRs set out in Schedule 1 with effect from 24 May 2022.

Revocation of Weston Energy's gas retailer authorisation

Under section 142 of the NERL, the AER revokes Weston Energy's gas retailer authorisation (AER reference G16004) with effect from the transfer date specified above. This means that, for the purposes of section 88 of the NERL, Weston Energy must not sell gas to a person for premises in New South Wales, Queensland, the Australian Capital Territory and South Australia.

Requirements on Weston Energy

Failure by Weston Energy or any insolvency official of Weston Energy to comply with:

- this RoLR Notice,
- the requirements of Part 6 of the NERL, or
- the requirements of the RoLR Procedures made by AEMO pursuant to the National Gas Law

is a breach of section 143(2)(a) of the NERL and may attract civil penalties.

The maximum civil penalty for a natural person is an amount not exceeding \$500,000. For a corporation, the penalty is an amount not exceeding the greater of:

- \$10,000,000;
- if requested by the AER in a particular case in applying for an order:
 - if the Court can determine the value of any benefit reasonably attributable to the breach that the body corporate, and any body corporate related to the body corporate, has obtained, directly or indirectly – 3 times the value of that benefit; or
 - if the Court cannot determine the value of the benefit, 10% of the annual turnover of the body corporate during the 12-month period ending at the end of the month in which the body corporate breached, or began breaching, the civil penalty provision.

DATED: 31 May 2022



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Clare Savage
Chair
Australian Energy Regulator

Schedule 1 - Gas Designated RoLRs

Designated RoLR	Jurisdiction	Description of responsible distribution systems
AGL Energy Sales & Marketing Limited (ACN 076 092 067) AEMO Company ID: 45	NSW	Jemena Gas Networks (NSW) Limited
AGL Sales Pty Limited (ACN 090 538 337) AEMO Company ID: 4	QLD	Allgas Energy Pty Ltd
	NSW	
Origin Energy LPG Limited (ACN 000 508 369) AEMO Company ID: 50	NSW	Central Ranges Pipeline Pty Limited
		Australian Gas Networks (NSW) Pty Ltd
Origin Energy (Vic) Pty Limited (ACN 086 013 283) AEMO Company ID: 3	NSW	Australian Gas Networks (Albury) Ltd
Origin Energy Retail Ltd (ACN 078 868 425) AEMO Company ID: 84	QLD	Australian Gas Networks Maryborough-Hervey Bay Distribution Network
		Australian Gas Networks Bundaberg Distribution Network
		Australian Gas Networks Limited
	SA	Australian Gas Networks Limited
Icon Retail Investments Limited and AGL ACT Retail Investments Pty Ltd (ABN 23 074 371 207 and ABN 53 093 631 586) AEMO Company ID: 140	ACT	Icon Distribution Investments Ltd and Jemena Networks (ACT) Pty Ltd trading as EvoEnergy (formerly ActewAGL Distribution)
	NSW	Icon Distribution Investments Ltd and Jemena Networks (ACT) Pty Ltd trading as EvoEnergy (formerly ActewAGL Distribution)