



Application for an Individual Exemption

Glenrose Village Shopping Centre
56-58 Glen Street, Belrose NSW 2085

ABOUT GVSC PTY LTD (GVSC)

A privately held company which owns and operates Glenrose Village shopping centre. GVSC has proven it is equally competent in roles as property owner, developer and landlord.

As a real estate owner, manager and developer, we believe that we have both the opportunity and the responsibility to create the right balance of social, environmental and economic conditions for our communities, customers and investors now and in the future.

Our sustainability strategy focusses on this opportunity to delivers shared value; that is delivered economic value in a way that also create value for society by addressing its needs and challenges.

Electricity cost for our tenants is a significant operating cost and creating embedded networks that incorporate embedded generation would allow GVSC to sell electricity to our tenants at tariffs that are lower than market offers.

GVSC will finance capital works related to the establishment of the embedded networks and that may include infrastructure upgrade and replacements.

Part 1: General Information:

1. Legal name

GVSC Pty Limited ABN 98 159 539 582(**Applicant**)

2. Trading Name

Glenrose Village Shopping Centre

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

ABN – 98 159 539 582

4. Registered postal address for correspondence

GVSC Pty Limited
56-58 Glen Street
Belrose, NSW 2085

5. Nominated contact person

Name: Glenrose Village centre management
Position: Office of centre management
Address: CMO/ 56-58 Glen Street, Belrose NSW 2085
T: +61 9972 7092
E: [Contact – Glenrose Village](#)

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 to on-sell electricity through an embedded network located at Glenrose Village Shopping Centre

The Applicant is a property owner/manager of Glenrose Village Shopping Centre and the proposed on-selling activity, which will be conducted by the Applicant, will be incidental to the Applicant's core business, which includes leasing and management of shopping centres owned by GVSC Pty Ltd.

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.

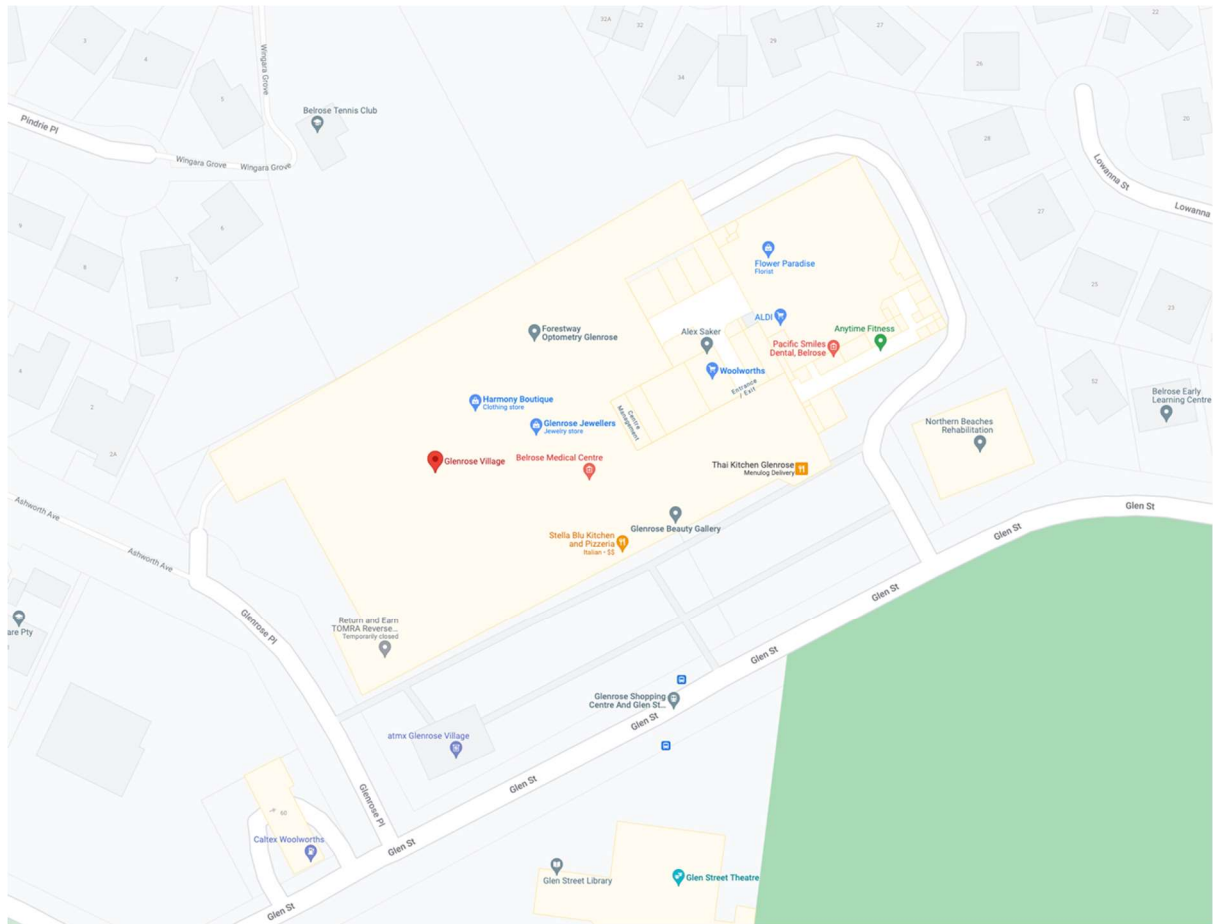
Glenrose Village Shopping Centre

56-58 Glen Street, Belrose, NSW 2085

Website: [Glenrose Village – Shopping Centre](#)

Glenrose Village is a shopping centre, and the Applicant intends to continue to operate this site as a shopping centre.

Glenrose Village map:



8. The primary activity of your business.

The Applicant's primary activity is the operation/management of the Glenrose Village shopping centre.

9. The form of energy 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 to be sold is electricity and Glenrose Village is connected to the local electricity distribution network.

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?

Approximately 1 September 2022, subject to the AER approval.

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
Glenrose Village Shopping Centre
56-58 Glen Street
Belrose, NSW 2085

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

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

GVSC Pty Ltd does not have any similar sites on the NEM where electricity is sold via embedded networks.

The proposed activities related to the key functions of the embedded network are as follows:

Service	Service performed by:	
	GVSC Pty Ltd	Service Provider
Compliance	✓	✓
Consent campaign, sales and marketing to small and large		✓
Metering, bill generation and management of embedded network		✓
Client invoicing, debt management	✓	✓
Customer service, enquiries and complaint management	✓	✓
Embedded Network Manager (ENM)		✓

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

No. GVSC does not currently have any other existing embedded network.

15. What arrangement 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)?

The embedded network will be designed so that in the unlikely event where the Applicant can no longer supply electricity to the tenants at Glenrose Village Shopping Centre, the tenants can enter into a separate Electricity Sale Agreement with an authorised retailer of choice.

Part 2: Particulars relating to the nature and scope of the proposed operations

16. Will your customers be your tenants? If so, are they residential or commercial/retail?

Yes, customers are tenants of Glenrose Village Shopping Centre, and there will be no residential customers.

17. 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, property management services to tenants at Glenrose Village Shopping Centre. Tenants can elect to purchase electricity from the Applicant, the payment details of which are contained within the lease arrangement between the Applicant and the tenant. Where applicable, tenants will be subject to the *NSW Retail Leases Act 1995*.

18. 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)?

No residential customers will be part of this Embedded Network.

Site	State	Small business tenant	Large business tenant	Non-Embedded Network tenant
Glenrose Village	NSW	39	1	1

19. 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.

20. 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)?

Estimated Total Consumption	Estimated Large Business Tenant Consumption	Estimated Small Business Tenant Consumption
1,860 MWh	300 MWh	1,560 MWh

No residential customers will be part of this embedded network.

21. 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.

22. 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, all customers will be separately metered.

23. Will meters allow your customers to change retailers (i.e. not buy their energy from you) as required by the AER's Network Guideline?

Yes, all installed meters will be fit for purpose to allow full retail contestability as per AER's Network Guideline requirements and minimum services specification outlined in Chapter 7 of the National Electricity Rules.

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

The appointed embedded network service provider will bill monthly.

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

Dispute resolution procedures have been established in consistent with AS/NZS 10002:2014. Please refer to the attached GVSC Pty Ltd Nominees Customer Feedback and Complaints Procedure (Annexure L) for the details of the dispute resolution procedure.

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

During the past months the Applicant has worked closely with the tenants at Glenrose Village Shopping Centre to ensure they understood the positives and negatives of the intended embedded network.

Supporting documentation is available in the appendices:

1. Appendix A – Sample of Letter of Intent
2. Appendix B – Sample of the Letter of Consent
3. Appendix C – Sample of Frequently Asked Questions
4. Appendix D – Sample of the Sale of Energy Terms and Conditions
5. Appendix E – Sample of Tariff Sheet
6. Appendix F – Sample of Dispute Process
7. Appendix G – Sample of Notice of Public Consultation
8. Appendix H – Consent Report
9. Appendix I – Tenant Communication Report
10. Appendix J – Correspondence to LNSP
11. Appendix K – Copies of all Consent documentation
12. Appendix L – Sample of Feedback and Complaints Procedure

Provision of retrofit information

The Applicant provided the tenants of Glenrose Village Shopping Centre with the following information:

1. Written communication advising the tenants of our intent to establish an embedded network, “Letter of intent to establish an embedded network” (Annexure A);
2. In the written communication we explained that tenants still have access to their retailer of choice even though they are physically within an embedded network and it might be difficult to secure an energy only contract with an authorised retailer;
3. It was explained that a tenant could enter into an energy only contract with their retailer and that the ENO will recover their network charges;
4. The Applicant undertook to price match any real market offers available to tenants as per AER requirements;
5. The Applicant undertook to take all steps necessary to remedy any duplication of network charges experienced by child customers and that no connection fees would be charged to such customers;
6. Contact details of our service providers and relevant representatives;
7. A copy of our electricity sales term and conditions;
8. Tariffs and charges available to tenants who may elect to purchase their electricity from the embedded network;

9. FAQ page explaining questions that are often asked regarding embedded networks and consumers rights within the embedded network;
10. Over and above the information provided the Applicant and their representatives sent numerous emails, made telephone calls and attended face to face meetings to ensure all questions and concerns were addressed.

The difficulty in securing an authorised retailer contract was explained in detail on several occasions.

Collecting and recording explicit informed consent

The applicant provided their tenants with the information above before separately seeking tenant's explicit and informed consent to retrofit the site to an embedded network.

The Applicant kept the following records which will be made available to the AER upon request:

1. Copies of all information provided to tenants;
2. Records of all consultations and meetings held with tenants;
3. Register of all tenants who provided consent;
4. Register of all non-consenting tenants and their reasons for non-consenting;
5. Records of any negotiation/dispute outcome.

All records will be kept for a period of no less than two years.

The Applicant are committed to continue engaging with non-consenting tenants to mitigate any concerns they may have.

The explicit consent was given on a document separate to the acceptance of an offer to purchase electricity from the Applicant.

Offer matching

The Applicant committed to match any real authorised retailer offers as per AER's core condition requirements.

Metering arrangements

The Applicant undertake to ensure that:

1. All tenants will be metered separately with metering that supports full retail contestability;
2. All metering installations will comply with the requirements of the National Measurement Act;

3. The metering will be installed and operated in line with AEMO's Metrology Procedure;
4. All technical standards will comply with the applicable jurisdictional laws;
5. All meters will be installed in a safe location with convenient access and there will be no cost to customers related to meter reading;
6. Access will be granted to retailers where, at their own cost, they wish to replace the meter with a meter of their own choosing.

The Applicant will bear all costs for any changes to metering and other alterations that take place in the course of retrofitting the exempt network.

All metering will allow exempt customers to access full retail contestability should they choose to use the Applicant's meters. Using the Applicant's meter to access retailer competition is not compulsory and a tenant and/or their retailer may choose to replace the meter at their cost.

Part 3 : Converting embedded networks (retrofitting)

Provision of information

You must confirm you have evidence that consumers have been provided with the following information:

27. That you are planning to retrofit the site as an embedded network and this will require metering changes;

Yes

28. That consumers retain the right to contract with a retailer of choice even after inclusion in the embedded network (except where this right does not exist due to jurisdictional legislation);

Yes

29. That in order to exercise their right to a retailer of choice, consumers may need to enter into an 'energy only' contract, which is offered at retailers' discretion and may be difficult to obtain;

Yes, it was also explained that customers may find it difficult to access a retailer of choice as they often do not want to offer an energy only contract.

30. That customers in embedded networks may not receive the same protections as those of an authorised retailer under the Retail Law, including access to ombudsman schemes;

Yes, it was explained that their protections may differ from those of an authorised retailer.

31. Your electricity sales agreement, which details all fees and tariffs;

Yes, the tariff sheet included a tariff comparison against the best offers that was available in the market (source: www.energymadeeasy.gov.au dated 4 November 2020). The Applicant ranked number 1 for both bundled TOU and single rate tariffs.

(Please see Appendix E).

32. The contact details of a representative from your company to answer any queries or concerns about the planned retrofit;

Yes.

Explicit informed consent

33. Confirm you have evidence of written consent from all customers affected by the retrofit;

Yes, please see Appendix H and K.

The Applicant received 85 % written consent from tenants affected by the proposed retrofit.

Total number of tenants included in EN – 40

Consenting tenants – 34

Non-consenting tenants – 1

Non-responding tenants - 5

34. Confirm that consent was sought separately from customers for the retrofit and the energy sale agreement

Yes, consent has been sought separately from the energy sales agreement.

35. If customers expressed concerns, provide evidence of your attempts to resolve them.

See Appendix I, the report provides the outcome of all correspondence and meetings that addressed concerns and the way to mitigate those concerns.

Retail contestability

To demonstrate you have addressed any potential customer detriment resulting from a loss of retail contestability, you must confirm whether you have:

36. Sought advice from the distributor about whether non-consenting customers can be wired out of the embedded network;

The Applicant along with their embedded network consultant sought advice from the local distributor regarding the possibility to wire non-consenting customers out of the embedded network. The financial impact will also be reviewed.

37. Taken steps to ensure that customers who wish to remain with their retailer, but cannot be wired out, will not be financially disadvantaged by the retrofit. Measures to reduce financial detriment are likely to include price matching for affected customers, and taking financial responsibility for any double billing of network charges.

As per the requirements of the Retail Exempt Selling Guideline, we have mitigated this detriment by:

- The Applicant has notified all tenants via emails, phone calls and site visits to tenants at site; of a right to choose their own retailer, that they will receive two invoices if they choose not to purchase energy from the Applicant, and (for non-

consenting tenants) that the Applicant will price match any genuine electricity offer that would be available to that grid connected customer.

- Where a tenant has requested to remain with their authorised retailer, the Applicant will facilitate competition by allocating “child” NMIs to all tenants who choose to purchase energy from an authorised retailer. This allows tenants to remain with their existing authorised retailer under their current contract arrangement.
- Once the embedded network is installed, the Applicant will notify all authorised retailers to inform that either:
 1. the tenant has chosen to purchase energy from the Applicant, and request to cease billing from the date of embedded network install, or
 2. the tenant has chosen to continue to purchase energy from their authorised retailer, and to cease invoicing for network charges effective the date of embedded network install.
- The Applicant will appoint an ENM to follow up with relevant market participants to request the AEMO Market Settlements and Transfer Solution (MSATS) is updated to reflect the embedded network installation minimising instances of double charging.
- Where a tenant notifies the Applicant of double charging, the Applicant’s agent will follow up with the relevant market participants to ensure this is rectified. This is predicated on the tenant providing a Letter of Authority to engage with their authorised retailer on their behalf.
- The Applicant commits to ongoing annual price reviews to ensure the rates on-sold are competitive to rates a tenant would otherwise receive from authorised retailers.

Customer dispute resolution services

38. Have you advised customers of your dispute resolution process and options for external dispute resolution, such as ombudsman schemes?

Yes, our “letter of intent” provided to all the tenants included our dispute resolution process that will apply for the embedded network at Glenrose Village Shopping Centre. A full copy of GVSC Pty Ltd Nominees’s Customer Feedback and Complaints Procedure will be provided to customers at the time of sign-up.

AER Consultation

39. You must confirm you have advised consumers of the AER’s consultation process. In particular, you must make consumers aware that the AER consults on individual exemption applications and will publish your application on its website and invite public submissions.

The Applicant undertook to inform tenants in writing of the AER’s consultation process once the consultation dates are made known and/or when the exemption application is published on the AER’s websites. A copy of the letter is provided as Appendix G.

Appendix A – Confidential and provided as separate document

Appendix B – Confidential and provided as separate document

Appendix C – Confidential and provided as separate document

Appendix D – Confidential and provided as separate document

Appendix E – Confidential and provided as separate document

Appendix F – Confidential and provided as separate document

Appendix H – Confidential and provided as separate document

Appendix G – Confidential and provided as separate document

Appendix I – Confidential and provided as separate document

Appendix J – Confidential and provided as separate document

Appendix K – Confidential and provided as separate document

Appendix L – Confidential and provided as separate document