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Via email: AERinquiry@aer.gov.au

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Dear Sarah

Amendments to the AER Draft Retail Exempt Selling Guideline (v 4.0)

The Australian Energy Regulator (**AER**) has proposed further amendments to the Draft Retail Exempt Selling Guideline (**guideline**)¹ on the manner in which businesses consult with tenants/customers over proposed network conversions.

Jemena Electricity Networks Vic Ltd (**JEN**) welcomes the proposed amendments to the guideline.

Specifically the AER proposes to add a new requirement to the guideline:²

If you plan to retrofit an embedded network you will not be eligible for any deemed or registrable class exemptions unless you have the full consent of all the affected residents or tenants. If you are unable to obtain full consent, you will need to apply for an individual exemption.

We support this customer protection requirement—which requires an individual exemption application where the applicant is unable to obtain full consent of all the affected residents or tenants. This would provide the AER the opportunity to assess the impact of retail contestability and costs, if any, on those residents or tenants that have not consented and make a considered decision.

To ensure that affected residents or tenants are fully informed on the plans to retrofit the embedded network they reside in, and how they can participate in subsequent AER consultations on the application, the AER is requiring individual exemption applicants to confirm that the applicant:

- a) *has advised tenants /customers that they are planning to retrofit the site as an embedded network. They must include a copy of the advice to tenants / customers including details about how this will affect the tenant's / customer's ability to access a retailer of choice.*

¹ Draft AER Draft (Retail) Exempt Selling Guideline v4.0 September 2015.

² Ibid, p 10.

- b) has informed tenants / customers that the AER consults on individual exemption applications and has provided them with information about how to make a submission to the AER's consultation process*
- c) will advise tenants / customers when the application is published for consultation and when the consultation period ends³*

We support the proposed amendment to the guideline.

If you have questions in relation to the submission, please contact me on (03) 9173 8774 or at siva.moorthy@jemen.com.au.

Yours sincerely



Siva Moorthy
Manager Network Regulation

³ Amendments to AER Retail Exempt Selling Guideline v 4.0, Specific consultation for additional consultation only, December 2015.