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Our Ref: 213174

Your Ref: Cook Apartments
Contact Officer: Donna Bennetts
Contact Phone: (03) 9910 9567

28 September 2021

Kosta Spillios Apex Energy Networks, Managing Director 3/71 Wises Road Maroochydore QLD 4558

By email: admin@apexenergy.com.au
cc: apexenergy.com.au

Dear Mr Spillios,

Re: Notice of Acceptance of eligibility to register network exemption – Apex Energy Holdings Pty Ltd – Cook Apartments, 126 Lamington Street/40 Hollins Street, New Farm QLD 4005

I refer to the application of Apex Energy Holdings Pty Ltd (**Apex Energy Holdings**) to register a network exemption for the retrofitted embedded network at Cook Apartments, 126 Lamington Street / 40 Hollins Street, New Farm QLD 4005 on behalf of the site owner Cutters Landing-Cook CTS 31994.

I am writing to inform you that, based on the information before me, I am prepared to:

- (a) accept Apex Energy Holdings' request to register a NR2 network exemption, and subsequently supplied supporting material, as an application pursuant to section 4.9 of the Network Service Provider Registration Exemption Guideline (Network Exemption Guideline), and
- (b) issue this Notice of Acceptance effective from 28 September 2021 and confirm Apex Energy Holdings is now eligible to be register the relevant network exemptions for publication on the Australian Energy Regulator's (AER) public register of exemptions

Eligibility for exemption in relation to conversions of existing networks

The Network Exemption Guideline requires that where an existing electricity distribution system is proposed to be converted to an embedded or exempt network, formal approval from the AER must be sought.

In accordance with condition 4.1.12.1 of the Network Exemption Guideline, an embedded / private network must not be created without the express written consent of existing energy consumers who will be included within the proposed network (affected energy consumers). Parties intending to create such a network without the written consent of all affected energy consumers must meet the requirements stipulated in section 4.9 of the Network Exemption Guideline to be eligible for network exemption.

In addition, section 4.9.7 of the Network Exemption Guideline stipulates that a network must not be converted until the effective date specified in a notice issued by the AER.

Parties who are issued with a Notice of Acceptance under section 4.9 are eligible to register and hold network exemptions for the network at that particular site according to the appropriate activity class. Activity classes are detailed under section 3 of the Network Exemption Guideline and are subject to the further conditions detailed in section 4 of the Network Exemption Guideline.

Failure to observe the conditions of exemption may render an exemption invalid. Owning, controlling or operating a network without registration with the Australian Energy Market Operator or holding a valid exemption from the AER constitutes a breach of section 11(2) of the National Electricity Law.

Additional conditions applicable to the network exemption class(es) registered

In addition to the conditions usually applicable to the network exemption class(es) held in relation to the embedded network at this site, the Applicant must also comply with the conditions of section 4.9 of the Guideline. These conditions concern:

- retaining consent records for a period of at least 2 years;
- facilitating the continuation of a customer's energy contract with their current retailer;
- maintaining a customer's direct connection to the registered distributor;
- offer matching;
- avoidance of duplicated network charges;
- liability of the costs of metering/network changes; and
- the ability of metering arrangements to allow for access to retail competition.

For the full list of conditions refer to the Guideline.

If you have any further queries, or would like to discuss this further, please contact Donna Bennetts on (03) 9910 9567.

Yours sincerely,

Joanna Gall

Acting Executive Director Compliance and Enforcement

This condition applies wherever an exempt customer is eligible under State or Territory legislation to purchase energy from a retailer of their choice.