

Our Ref: #12,794,785
Contact Officer: Sarah Pinchuck
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Exemption Holder: CPE Central Park Pty Ltd
Name of site: Central Park
Address: 3 Central Park Avenue Chippendale, NSW 2008

By email: Fraser.Kirkpatrick@au.brookfield.com; cpe.centralpark@nextgenutilities.com.au;
info@frasersproperty.com.au

15 October 2021

Dear Sir/Madam,

CPE Central Park Pty Ltd — Central Park — variation of individual retail exemption

In our letter dated 1 July 2021, we informed you of our intention to vary CPE Central Park Pty Ltd's (CPE) individual exemption conditions granted on 24 October 2014 for Central Park, 3 Central Park Avenue Chippendale, NSW 2008.

We advised that the AER is varying the individual exemption to include a requirement to join the energy ombudsman scheme for each jurisdiction where CPE sells energy to exempt customers.

This letter confirms that the individual exemption variation came into effect on 12 October 2021.

What you need to do by COB 12 November 2021

1. Confirm in writing to the AER at [AERexemptions@aer.gov.au](mailto:AERexemptions@ aer.gov.au) that you accept the varied conditions set out in the Instrument of Exemption at Schedule 1 to this letter.
2. Visit the [Energy and Water Ombudsman New South Wales](http://www.ewon.com.au) (EWON) website to find out about the scheme and apply for your membership.

Background

In March 2018, the AER amended the Retail Exempt Selling Guideline and Electricity Network Service Provider – Registration Exemption Guideline to include energy

ombudsman scheme membership as a core condition¹. In effect, retail and network exemption holders that sell or supply energy to residential customers in New South Wales will be required to join EWON.

On this basis, the AER is adding the relevant ombudsman scheme condition provided in the Instrument of Exemption at Schedule 1 to this letter to apply to CPE's individual exemption.

CPE is responsible for seeking membership with EWON.

Why should my business join an energy ombudsman scheme?

Energy ombudsman schemes play an important role in resolving disputes that exempt entities and their embedded network customers have not been able to resolve themselves. The requirement to join an energy ombudsman scheme brings consumer protections for customers of embedded networks in line with the protections for customers of authorised retailers and distributors.

What happens if my business does not join an energy ombudsman scheme?

- Section 112(2) of the National Energy Retail Law (Retail Law) requires exempt persons to comply with the conditions attached to their individual exemptions. Failing to adhere to these conditions is considered a breach of the Retail Law and may attract civil penalties of:
 - Up to \$10,000,000 or
 - If the Court can determine the value of any benefit reasonably attributable to the breach of the civil penalty provision 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.
 - 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.

If you have any further queries, or would like to discuss this further, please contact Sarah Pinchuck at [sarah.pinchuck@aer.gov.au](mailto:sarah.pinchuck@ aer.gov.au) or 07 3835 4661.

Yours sincerely



Rowena Park
General Manager, Compliance and Enforcement Branch
Australian Energy Regulator

¹ AER (Retail) Exempt Selling Guideline – Condition 17; Electricity NSP Registration Exemption Guideline – Clause 4.1.13.

Schedule 1: Instrument of exemption

VARIATION OF CONDITIONS OF INDIVIDUAL RETAIL EXEMPTION

The Australian Energy Regulator, on 12 October 2021, decided pursuant to rule 158 of the National Energy Retail Rules, to vary the exemption conditions of the individual exemption granted to CPE Central Park Pty Ltd (ABN 78 601 611 330) (the exempt seller) on 24 October 2014. The conditions applying to CPE Central Park Pty Ltd are as follows:

Condition 1 – Obligation to supply

1. An exempt person cannot refuse to sell energy to a customer within the site described by this exemption except in accordance with relevant disconnection provisions.
2. An exempt person cannot refuse to sell energy to a customer on the basis that the customer owes the exempt person outstanding amounts from a previous account. The exempt person can include in a new account any outstanding amounts owed on a previous account (except where the unpaid amounts are for other premises for which the customer has an ongoing contract with the exempt person).

Condition 2 - Information provision

1. The exempt person must advise exempt customers, in writing, at the start of their tenancy/residency/agreement of the following:
 - a. any right of the exempt customer, under state or territory laws, to elect to purchase energy from a retailer of their choice and information on the options for metering that would allow this choice
 - b. that the exempt person is not subject to all the obligations of an authorised retailer, and the exempt customer will not receive the same protections as it would if they were purchasing from an authorised retailer
 - c. the exempt customer's rights in relation to dispute resolution including:
 - i. the exempt person's procedures for handling disputes and complaints, and
 - ii. any right that the exempt customer has to access the energy Ombudsman scheme or any other relevant external dispute resolution body in the state or territory in which the exempt customer is located
 - d. the conditions applicable to the exemption that the exempt person is operating under
 - e. the availability of relevant government or non-government energy rebates, concessions and relief schemes (residential customers only)
 - f. the forms of assistance available if the exempt customer is unable to pay energy bills due to financial difficulty, as well as the process the exempt customer should follow to seek these forms of assistance (residential customers only)

- g. the energy tariffs and all associated fees and charges that will apply to the exempt customer in relation to the sale of energy
 - h. the flexible payment options that are available to the exempt customer in relation to the sale of energy, such as arrangements for payment by periodic instalments (bill smoothing) (residential customers only)
 - i. contact numbers in the event of a gas or electricity fault or emergency.
2. In addition to the requirement to provide the information at the commencement of the exempt customer's tenancy/residency/agreement, the information set out in paragraph 1 of this condition must be provided by the exempt person at any time on request by the exempt customer or the AER.
 3. Once the determination comes into force, the information set out in paragraph 1 of this condition must be provided by an exempt person to existing exempt customers as soon as practicable.

Condition 3 - Billing

1. An exempt person must ensure that bills are issued to each exempt customer at least once every three months.
2. An exempt person must include the following particulars in a bill for an exempt customer:
 - a. The name of the exempt customer.
 - b. The address of the exempt customer's premises.
 - c. Date that the account was issued.
 - d. The identifier of the meter for the exempt customer's premises.
 - e. The pay-by date for the bill.
 - f. Date of the current meter reading or estimate, as applicable.
 - g. The dates to which the meter reading or estimate applies (billing period).
 - h. Current meter reading or estimate in kilowatt hours and/or cubic metres, as applicable. Where the amount is an estimate, this must be clearly stated on the bill.
 - i. Previous meter reading or estimate in kilowatt hours and/or cubic metres, as applicable. Where the amount is an estimate, this must be clearly stated on the bill.
 - j. The amount of energy consumed, or estimated to be consumed, in the meter reading period. For electricity, consumption must be shown in kilowatt hours. For gas, consumption must be shown in cubic metres and mega joules and must note the heating value and pressure conversion factor that has been applied (these must be the same as those applied by the retailer from whom the exempt person purchases gas for the site).

- k. Tariffs, fees and charges applicable to the exempt customer.
- l. The basis on which tariffs, fees and charges are calculated.
- m. Any amount deducted, credited or received under a government or non-government funded energy charge rebate, concession or relief scheme or under a payment arrangement.
- n. Details of the available payment methods.
- o. A telephone number for account inquiries and complaints.

Condition 3A – Customers in financial difficulties

1. An exempt person must offer flexible payment options (in relation to the sale of energy) to an exempt customer who has identified themselves as being in financial difficulty. Flexible payment options may include arrangements for payment by periodic instalments having regard to:
 - a. the customer's capacity to pay,
 - b. any arrears owing by the customer, and
 - c. the customer's expected energy consumption needs over the following 12 month period, or the duration of their tenancy/residency/agreement if the tenancy/residency/agreement is less than 12 months.
2. The requirements in paragraph 1 do not apply where the exempt customer has:
 - a. had two flexible payment arrangements cancelled by the exempt person in the previous 12 months due to non-payment, or
 - b. been convicted of an offence involving illegal use of energy in the previous two years.
3. Where an exempt customer informs the exempt person that it is unable to pay energy bills due to financial difficulty, the exempt person must:
 - a. direct the exempt customer to the Australian government energy efficiency website or another information resource with energy efficiency advice, and
 - b. ensure that the exempt customer is aware of relevant government or non-government energy rebates, concessions and relief schemes, and
 - c. not charge the exempt customer a late payment fee, and
 - d. not charge the exempt customer a security deposit.

4. An exempt person must give effect to the general principle that disconnection of premises of an exempt customer identified as being in financial difficulties due to inability to pay energy bills should be a last resort option.
5. This condition applies to residential exempt customers only.

Condition 4 - Estimation as basis for bills

1. An exempt person must use best endeavours to ensure that the meter for each exempt customer is read and used as the basis, or apportioned, for any bill issued.
2. An exempt person cannot rely on an estimation of the meter value at the start of an energy supply arrangement with an exempt customer, or for the purpose of issuing a final bill to an exempt customer.
3. An exempt person may base an exempt customer's bill on an estimation of the exempt customer's consumption of energy where the exempt person is not able to reasonably or reliably base the bill on an actual meter reading.
4. Where an estimation is used as the basis for a exempt customer's bill, the estimation must be based on:
 - a. historical metering data for the exempt customer reasonably available to the exempt person, or
 - b. where this is not available, the average usage of energy by a comparable customer over the corresponding period.
5. If a customer's bill is based on an estimation, this must be clearly stated on the exempt customer's bill.

Condition 5 - Pay-by date

1. The pay-by date for a bill must not be less than 13 business days from the date on which the exempt person issues the bill.

Condition 6 - Receipts

1. An exempt person must provide each exempt customer with a receipt for any amount paid for energy, except where payment has been made by:
 - a. direct debit, or
 - b. credit card over the phone and the customer is provided with a receipt number.
2. An exempt person must provide the exempt customer with a separate receipt if a payment for energy was made together with a rent payment but has not been separately identified on the rent receipt.

Condition 7 - Pricing

1. An exempt person must not charge the exempt customer tariffs higher than the standing offer price that would be charged by the relevant local area retailer for new connections, if the local area retailer were to supply that quantity, or estimated quantity, of energy directly to the premises of the exempt customer.
2. An exempt person must provide notice to the exempt customer of any change in the exempt customer tariff as soon as practicable, and no later than the exempt customer's next bill.
3. An exempt person must not impose any charge on an exempt customer that could not be charged by the relevant local area retailer for new connections under a standard retail contract.
4. An exempt person must limit any fee charged to a customer for late payment to a recovery of reasonably incurred costs by the exempt person as a result of the customer's late payment.
5. The requirements in paragraphs 1–4 do not apply where alternative pricing requirements apply under applicable state or territory legislation.
6. This condition applies only to small customers (as defined by the Retail Law).²

Condition 8 – Undercharging and overcharging

1. Where an exempt customer has been undercharged, an exempt person can recover the amount undercharged subject to the following:
 - a. Where the undercharging was not the result of the exempt customer's fault or unlawful act or omission, the exempt person is limited to recovering the amount undercharged in the 9 months before the date on which the customer is notified of the undercharging.
 - b. The exempt person cannot charge interest on the undercharged amount.
 - c. The exempt person must offer the exempt customer time to pay the undercharged amount by instalments, over a period nominated by the customer (up to 12 months, but no longer than the period of the undercharging).
2. Where an exempt customer has been overcharged, an exempt person must inform the customer within 10 business days after becoming aware of the overcharging and repay the amount overcharged subject to the following:
 - a. Where the amount overcharged is \$25 or more, the exempt person must refund the amount to the exempt customer if requested, or if no such request is made, credit the amount to the exempt customer's next bill. Where the exempt customer no

² Section 5, Schedule – National Energy Retail Law (South Australia) Act 2011

longer purchases energy from the exempt person, the exempt person must use best endeavours to refund the amount within 10 business days.

- b. Where the amount overcharged is less than \$25, the exempt person must credit that amount to the exempt customer's next bill.
- c. No interest is payable on the overcharged amount.
- d. Where the overcharging was the result of the exempt customer's fault or unlawful act or omission, the exempt person is limited to repaying the amount overcharged in the 12 months before the date on which the error was discovered.

Condition 9 - Disconnection or cessation of supply

1. Subject to Condition 10, an exempt person must not proceed with disconnection or cessation of energy supply to an exempt customer unless the following requirements have been met:
 - a. the exempt customer has requested disconnection, or
 - b. continuity of supply to the premises would be unsafe, or
 - c. the exempt customer's tenancy/residency/agreement has ended and the exempt customer is vacating the premises, or
 - d. the exempt customer has not paid a bill by the pay-by date or has not adhered to the terms of a payment plan, and:
 - i. following non-payment by the pay-by date, the exempt person has given the exempt customer a reminder notice requesting payment by a date at least 6 business days from the date of issue of the reminder notice, has offered the exempt customer more flexible payment terms to pay any amount outstanding and has restated the forms of assistance available if the non-payment is due to financial difficulty, and
 - ii. following non-payment by the date specified in the reminder notice, or the establishment of more flexible payment terms, the exempt person has given the exempt customer a disconnection warning notice informing the exempt customer that disconnection may occur if payment of the outstanding bill is not made by a date at least 6 business days from the date of issue of the warning notice, and
 - iii. the exempt person has, after issuing the disconnection warning notice, used its best endeavours to contact the customer in person or by telephone in connection with the failure to pay, and
 - iv. the exempt customer has, by the date specified in the disconnection warning notice, refused or failed to take any reasonable action towards settling the debt.
2. Where an exempt customer is disconnected in accordance with paragraph 1(b) of this condition, the exempt person must use its best endeavours to notify the exempt customer

in person or by telephone prior to the disconnection, and must arrange for reconnection of the premises as soon as practicable.

3. This condition does not apply where state or territory tenancy legislation sets out the process and requirements for the disconnection or cessation of energy supply by the exempt person on the basis that they are a landlord.

Condition 10 - When disconnection or cessation of supply is prohibited

1. An exempt person must not disconnect or cease energy supply to an exempt customer's premises where:
 - a. a person residing at the exempt customer's premises requires life support equipment that depends on energy for its operation, or
 - b. an application has been made by or on behalf of the exempt customer for assistance to an organisation responsible for a rebate, concession or relief available under any government or non-government funded energy charge rebate, concession or relief scheme and a decision on the application has not been made, or
 - c. the exempt customer has made a complaint directly related to the proposed reason for disconnection or cessation of supply, to the exempt person, the energy Ombudsman or another relevant external dispute resolution body and the complaint remains unresolved, or
 - d. the disconnection or cessation of supply would occur on:
 - i. a business day before 8am or after 3pm, or
 - ii. a Friday or the day before a public holiday, or
 - iii. a weekend or a public holiday, or
 - iv. the days between 20 December and 31 December (inclusive) in any year.
2. For electricity, the exempt person must contact its distributor to ask whether disconnection of a retail customer in the relevant jurisdiction would be prohibited on that day due to extreme weather conditions. Where the distributor confirms that the disconnection of a retail customer would be prohibited on that day, the exempt person must not disconnect the exempt customer's premises.
3. This condition does not apply where:
 - a. the exempt customer has requested disconnection
 - b. state or territory legislation sets out the process and requirements for the disconnection or cessation of energy supply by the exempt person on the basis that they are a landlord
 - c. the energy supply agreement between the exempt person and exempt customer has been terminated.

Condition 11 - Reconnection of supply

1. Where an exempt person has arranged for the disconnection of an exempt customer's premises and the exempt customer has within 10 business days of the disconnection:
 - a. if relevant, rectified the matter that led to the disconnection, and
 - b. made a request for reconnection, and
 - c. paid any charge for reconnection,

the exempt person must reconnect the premises (or, where required, arrange with the network operator to reconnect the premises) as soon as practicable.

Condition 12 - Concessions and rebates

1. Where an exempt customer is eligible to receive a government or non-government energy rebate, concession or assistance under a relief scheme, the exempt person must not hinder an exempt customer's attempts to establish eligibility.
2. If the government or non-government energy rebate, concession or assistance under a relief scheme can only be claimed by the exempt person on behalf of the exempt customer, the exempt person must use their best endeavours to make a claim and, if successful, they must apply the rebate, concession or assistance to the exempt customer's bill.

Condition 13 - Choice of retailer

1. Where an exempt customer is eligible under state or territory legislation to purchase energy from a retailer of their choice, the exempt person must not do anything to discourage or prevent them from exercising this choice, whether by:
 - a. requiring the exempt customer to waive their ability to choose a retailer;
 - b. unreasonably hindering their efforts to find another retailer; or
 - c. unreasonably hindering any metering or network changes required to enable choice of retailer.

Condition 14 - Contact details

1. An exempt person must provide a means of contact for account inquiries and complaints that can be readily accessed by exempt customers. Where a telephone number is provided, the charge for this call must be no more than the cost of a local call.

Condition 15 - Dispute resolution

1. In the event of a dispute concerning the sale of energy to an exempt customer, and in the absence of a determination of the relevant tenancy tribunal if the customer is a tenant, the exempt person must:

- a. make reasonable endeavours to resolve the dispute, and
- b. advise the exempt customer of any right that the exempt customer has to access the energy Ombudsman scheme or any other relevant external dispute resolution body in the state or territory in which the exempt customer is located, if applicable.

Condition 16 - Life support customers

1. Where an exempt customer provides an exempt person with confirmation from a registered medical practitioner that a person residing at the exempt customer's premises requires life support equipment, the exempt person must:
 - a. advise the person whose embedded distribution network the sale of energy is occurring within (if different from the exempt person) that a person residing at the premises requires life support equipment, and
 - b. advise the exempt person's authorised retailer and distributor that a person residing at the premises requires life support equipment, and
 - c. provide the exempt person's authorised retailer and distributor with any relevant information about the premises for the purposes of updating their records and registers.
2. An exempt person must maintain records of any exempt customers who have life support equipment that depends on energy for its operation on their premises.

Condition 17 - Continuity of supply

1. An exempt person must notify the exempt customers and the AER immediately if they are (or expect to be) disconnected, or there is any likelihood that they will be unable to continue selling energy.

Condition 18– Termination of energy supply agreement

1. An energy supply agreement between the exempt person and an exempt customer will terminate:
 - a. on a date agreed by the exempt person and exempt customer, or
 - b. five business days (or a different time agreed by the exempt person and exempt customer) from the date when the exempt customer gives the exempt person a termination notice, or
 - c. at the conclusion of the exempt customer's lease for, or occupancy of, the premises to which the energy is supplied, or
 - d. when the exempt customer starts receiving energy retail services from a different retailer or exempt person, or
 - e. when a different exempt customer moves in and starts receiving customer retail services for the premises, or

- f. at the end of a period of 10 business days commencing on the day the exempt customer's premises are disconnected, where the conditions for reconnection have not been met.
2. Termination of an arrangement to supply energy does not affect any rights or obligations that have already accrued under the agreement.

Condition 19 - Maintaining records

1. An exempt person must maintain records of the following for each of its exempt customers:
 - a. The name of the exempt customer.
 - b. The address of the exempt customer's premises.
 - c. The identifier of the meter for the exempt customer's premises (if applicable).
 - d. The date that the customer account was created.
 - e. Copies of any bills issued for the previous 12 months.
 - f. The date of the most recent meter read for the customer (if applicable).
 - g. The basis for determining any estimates of consumption for the purpose of billing where a meter read could not be obtained.

Condition 20 – Member of energy ombudsman scheme

1. An exempt person must, if permitted by an energy ombudsman scheme:
 - a) be a member of, or subject to, an energy ombudsman scheme for each jurisdiction where it sells energy to exempt customers and
 - b) comply with the requirements of that scheme.

Appendix B – Map of Central Park Development

