

Arek Gulbenkoglul  
General Manager  
Consumer and Markets Branch  
Australian Energy Regulator

Email: AERExemptions@aer.gov.au

Dear Sir,

Please accept the attached objections against allowing the applicant "South Stradbroke Utilities Pty.Ltd." taking over the metering of electricity at Couran Cove Island Resort.

We object to the Electricity operator presenting an operating budget of over \$1.1M to the Community Body Corporate (CBC) for the period to March 2021 which all owners will be contributing too.

We need to ensure that AER does not approve any further fee charges by the operator because owners will have already paid the current operator until March 2021.

The draft decision outlines conditions that provide increased protection and pricing transparency in the sale of electricity to residents, which would otherwise be unregulated.

Some of the key protections include:-

Pricing: Tariffs must be based on actual costs, with evidence to be provided each time tariffs are set. Any changes to tariffs must be notified to customers at least 10 business days prior to them taking effect.

Electricity infrastructure replacement and upgrades:-

Metering infrastructure is to be only when necessary, at the end of its operating life, and must also be based on evidence of a total costs.

Dispute resolution and commercial arbitration:-

Prior to the Ombudsman gaining jurisdiction, disputes between parties are to be addressed by commercial arbitration pursuant to the Commercial Arbitration Act 2013 (Qld).

We dispute that the Applicant owns the infrastructure –

Island Resort (Infrastructure) Pty. Ltd (Island Resort) is the current owner and supplier of power to Couran Cove Resort. Because they actually only leased the structure for \$1.00 per year and all maintenance and repairs are charged to CBC (Community Body Corporate) and all owners pay via their Body Corporate Administration and Sinking Fund Levies to generate the power.

The CBC (Community Body Corporate) pays for the upkeep, services and repairs of generators, and they are sitting on land that is owned by the Body Corporate but is leased back to the operator. (Applicant).

The original gas powered generators were owned by the Community Body Corporate (CBC). The resort replaced the original gas powered generators with 2 Scanea generators which we believe were billed to the CBC (Community Body Corporate). A couple of Cummins generators have been purchased from a Company (Kathlac) which, we believe, we are still paying for via Body Corporate fees. It is our understanding that infrastructure and distribution cabling is owned by the CBC (Community Body Corporate).

We query the length of the outages that is claimed by the Applicant on or about the 24/3/20 as we believe, there was an unannounced outage lasting 5 days, it took 2 days to identify that it was a faulty transformer. Residents and owners were not notified.

A recent power outage was for approximately 5 hours. We do agree that there have been outages lasting around 30 minutes which is reasonable but residents need to be notified of these outages, and all owners need to be notified for anything over a day.

We also dispute the fact that there is two qualified Diesel Mechanic's living permanently on the Island. It is our belief that no licensed Electrician is living permanently on the Island either. Should such qualified personal recently have taken up residence on the island we need to be advised of their name and registration.

Regards

Debbie and Peter Fitzpatrick