



APPLICATION FOR ELECTRICITY RETAIL AUTHORISATION

Bright Spark Power Pty Ltd

ACN: 622 864 984
ABN: 54 622 864 984

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Document Purpose

This document is written with the express purpose of meeting the requirements as outlined by the Australian Energy Regulator application for electricity retail authorisation. The information contained within this document is not intended for any use outside of this purpose.

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1. Introduction

Bright Spark Power Pty Ltd is a privately held company that will provide consumers with competitive pricing, self-serve online management tools, and local Australian service. Our goal is to provide customers visibility and control of their energy services through digital channels.

This application has been put together in accordance with the AER's Retailer Authorisation Guideline, as well as the energy Retail Law and Rules and other relevant obligations such as Australian Consumer Law, Competition and Consumer Act and the Privacy Act.

2. General Particulars

2.1. Legal Name

Bright Spark Power Pty Ltd

2.2. Trading Name

Bright Spark Power

2.3. ABN or ACN

ACN: 622 675 245

ABN: 24 622 675 245

2.4. Registered Business Address and Correspondence

Bright Spark Power Pty Ltd
Care of Countability
Suite 205, Level 2, 10-14 Market Lane
Rouse Hill New South Wales 2155
Australia

2.5. Nominated Contact Person/s

Name: Arran Coughlan
Position: Managing Director

Name: Edward Parker
Position: Finance Director

2.6. Form of Energy for which Retailer Authorisation is Sought

Electricity

2.7. Date you Intend to Commence Retailing Energy

Bright Spark Power intends to begin retail operations on the 1st May 2019.

2.8. Nature and Scope of the Operations Proposed

Bright Spark will be retailing electricity to residential consumers and small to medium businesses, which includes customers who are classified as small. Bright Spark Power will offer Australian consumers increased choice of electricity supplier and supporting consumers and industry partners through the transition to a sustainable energy market. Bright Spark Power intends to expand to other contestable states and larger customer segments over time.

2.9. The Jurisdictions in which you intend to Retail Energy

Bright Spark Power is intending on retailing electricity in New South Wales and Queensland. Bright Spark Power intends to expand to service Victoria and South Australia in the future.

2.10. Types of customers the Applicant intends to Supply

Bright Spark Power intends to sell electricity to residential and small to medium businesses, those defined as a small customer under SECT5 of the National Energy Retail Law.

2.11. Company Constitution and Shareholders Agreement

Available upon request.

3. Organisational and Technical Capacity Criterion

3.1. Previous Retail Experience

Bright Spark Power is a new energy retail company; however, the directors of Bright Spark Power have experience within the Australian energy, telecommunications, electrical construction and banking industries. The combined expertise of Bright Spark Power Directors bring three (3) decades of wholesale and retail in the Australian telecommunications industry incorporating service operations management, commercial management, complex wholesale pricing, marketing, systems administration, dispute management, government and regulatory relationship management, financial management, IT and Network architecture, process/systems change management, and business process excellence (lean six sigma). Additionally, Bright Spark Power Directors also have 20 years of Australian electricity industry experience within the fields of electrical installation and maintenance, level 1 and level 2 work project management.

Bright Spark Power Directors have gained extensive experience in establishing and operating of wholesale price and rate cards, reseller pricing and rate cards, and rebilling pricing and operations within Australia and New Zealand. This experience incorporates a variety of telecommunication services, inclusive of mobile voice, mobile data, fixed access, domestic voice, international voice, data access, and transmission network access. Additionally, Bright Spark Power will acquire further Australian energy retail market experience as we build the team.

Throughout the last 7 years, the Bright Spark Power team have been heavily involved in designing, developing, managing and operating, consumer product offerings for various Australian telecommunication companies, in both retail and wholesale markets. Bright Spark Power will bring this knowledge, experience, and customer focused design methodology from the telecommunications market to the Australian Energy Market, providing consumers usage monitoring, flexible support channels, online tools and end-to-end managed energy solutions.

3.2. Director Profiles

Bright Spark Power brings to market a significant mix of related experience in both retail and wholesale markets. The Directors are well regarded business people with extensive background in a number of relevant fields outlined in Appendix B.

3.3. Business Plan

Bright Spark Power intends to operate as a retail energy provider.

Please refer to the Bright Spark Power Pty Ltd Business Plan for further information.

3.4. Third Party Engagement

Bright Spark Power will not be utilising any 3rd parties in any core business activities, and will operate all business operations in house, including but not limited to:

- Customer Service and Support
- Billing and Accounts
- Sales and Marketing
- IT Systems
- Product and Commercial management

Bright Spark Power will utilise Energy Market Consultants to provide further specialist advice to support the business development and operations and will also engage external accounting and legal expertise to support business operations.

Please refer to the Bright Spark Power Pty Ltd Business Plan for further information.

3.5. Compliance

Bright Spark Power is committed to complying with both state and national retail and energy requirements as defined by licences, regulation, legislation, guidelines and policies. It is our objective at Bright Spark Power to develop a culture of compliance throughout the organisation, across all business units. Our operational compliance strategy has been developed with reference to the Australian Standard 3806-2006.

The compliance strategy has been independently reviewed to ensure we can operationalise the strategy and maintain our compliance performance as the business grows.

Bright Spark Power directors have experience in setting up and maintaining compliance programs in operational environments including system and process performance and compliance. The ongoing maintenance and review of compliance programs and performance is a core measure within the business and will ensure that Bright Spark Power is meeting our compliance and regulatory requirements. As in the telecommunications sector, keeping abreast of regulatory and industry change will ensure future continued compliance for the business.

For further detail on our compliance strategy please see Appendix E.

For further detail on our complaints handling process, please see Appendix F.

3.6. Risk Management

The Bright Spark Power risk management strategy has been developed in accordance with ISO31000:2009. The objective of the risk management strategy is to monitor and manage risk and develop systems and processes that are resilient to risk.

The strategy covers operational systems and processes, customer service, support and billing practices and have been reviewed by management and an independent third party (see Appendix F).

Financial risks have also been captured and reviewed by management and form part of the Bright Spark Power Pty Ltd Business Plan. Bright Spark Power will obtain and maintain insurances for public liability, product insurance, professional indemnity and work cover for operational requirements.

Risk monitoring and management form a core part of the management team responsibilities and will be reviewed and updated periodically in line with the risk management strategy. The Bright Spark Power management team cumulatively have significant background in managing and mitigating risk through operational and financial strategies that build stability and continuity into business processes. The management team will be implementing risk management principles through system and process development.

See Appendix G for further information on Bright Spark Power's risk management approach.

3.7. Industry Memberships

Bright Spark Power has had initial engagement with the following industry bodies in relation to setting up a retail business and will continue and formalise the relationships as part of the business setup process after a retail authorisation has been granted.

- Australian Energy Market Operator (AEMO) – planned completion date May 2019
- EWON - Energy and Water Ombudsman of NSW (EWON) – planned completion date May 2019
- EWOQ - Energy and Water Ombudsman of Qld (EWOQ) – planned completion date May 2019

See Appendix H for evidence of our current engagement activities.

3.8. Agreements and Licencing

Bright Spark Power has engaged with energy providers and other market participants as a component of our business start-up process to advise of our intentions to enter the market, with initial discussions held to obtain market entry requirements.

Planned engagement with the National Service Providers within NSW and QLD are scheduled at the point Retailer Authorisation is obtained.

See Appendix H for evidence of our current engagement activities.

4. Financial Capacity

Bright Spark Power is privately owned and operated start-up and as such has no credit history.

4.1. Company Ownership

Bright Spark Power Pty Ltd is a privately-owned company established as a start-up organisation to enter the Australian Energy Market

4.2. Company Financial Status

Bright Spark Power Pty Ltd as a start-up organisation does not have a credit rating, however is appropriately backed financially by its directors.

4.3. Director and Offices Statement

Director Declarations that Bright Spark Power Pty Ltd is a going concern, with no impediment to its ability to finance retail operations. A written declaration is included in Appendix C.

4.4. Independent Auditor Declaration

Bright Spark Power Pty Ltd includes a written declaration from an independent auditor stating that an insolvency official has not been appointed in respect of the business or any property of the business, no application or order has been made, resolution passed or steps taken to pass a resolution for the winding up or dissolution of the business, and they are unaware of any other factor that would impede your ability to finance your energy retail activities under the authorisation.

A written declaration is included in Appendix D.

5. Appendices

- 5.1. Appendix A – Certificate of Incorporation
- 5.2. Appendix B – Bright Spark Power – Director Biographies
- 5.3. Appendix C – Directors Declarations
- 5.4. Appendix D – Independent Auditor Declaration
- 5.5. Appendix E – Compliance Policy
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