

## **Solar Cloud**

Application for Individual Retail Exemption

### **1 Legal Name**

Share My Solar Pty Ltd

### **2 Trading Name**

Solar Cloud

### **3 Australian Business Number:**

45 164 838 288

### **4 Registered Postal Address**

Suite 502, 105 Pitt Street, Sydney, NSW 2000

Registered Office:

Suite 502, 105 Pitt Street, Sydney, NSW 2000

### **5 Nominated contact person/s**

John Kennedy

Co-Founder & CEO

Solar Cloud

D: [02 8579 2008](tel:0285792008)

M: [0434 007 008](tel:0434007008)

E: [john@solarcloud.com.au](mailto:john@solarcloud.com.au)

**6 Why you are seeking individual exemption, and why you believe that an exemption (rather than a retailer authorisation) is appropriate to your circumstances.**

Solar Cloud intends to offer Solar Power Purchasing Agreements (SPPAs), to businesses where Solar Cloud will maintain ownership of the PV systems installed at a client's business premises and sell the power generated directly to the business, at a price below that of traditional energy suppliers. The system will be installed at no upfront cost to the business.

An individual exemption (rather than a retailer authorisation) is appropriate because of the following reasons.

Solar Cloud energy customers will need to be grid connected via an authorised retailer, giving them continuous access to grid energy as well as the consumer protections mandated by the National Retail Energy Laws.

The SPPAs will be drafted taking into account the Retail Energy Legislation, as well as other relevant legislation and regulations. The provisions of the proposed SPPAs will include a 10 day cooling off period and an effective dispute resolution procedure. They will also be compliant with the letter and spirit of the Australian Consumer Law (ACL) and SA state building regulations. For example, the proposed SPPA will be in plain English and compliant with the ACL's Unfair Contract Terms provisions, despite the fact that the provisions do not generally apply to business to business contracts. ACL Consumer Guarantee rights will be explicit, as will the effect of any additional manufacturer or installer warranties.

In terms of the contract the use of standard or negotiated contract will depend upon the situation I.E negotiation between Solar Cloud and the HOST of the solar system.

Contract length: The maximum proposed contract length will be 10 years.

A requirement for full compliance with the requirements of the National Energy Retail Law and Retail Rules is excessive and not justified.

The granting of an individual exemption under this application will contribute to and promote the efficient investment in, and efficient operation and use of, energy services for the long term interests of consumers of energy with respect to price, quality, safety, reliability and security of supply of energy.

**7 The address of the site at which you intend to sell energy, including a map of the site and a brief description of this site and its current and future use/s.**

Not Applicable. Solar Cloud intends to operate in Australia, with an initial focus in NSW, but is not limited to operating across all states and territories in Australia.

## **8 The primary activity of your business**

The arranging and managing of installation of distributed solar energy generation systems at customer premises and the sale of the generated off-market metered solar energy to business customers.

## **9 The form of energy for which you are seeking the individual exemption (electricity or gas). For electricity, please state whether the network you propose to sell is directly or indirectly connected to the main grid or is (or will be) an off-grid network.**

Electricity. Customers may be connected to any major Australian grid serviced by authorised energy retailers, including the NEM, SWIS, NWIS, Darwin-Katherine System, or the Mt Isa system. Customers will be predominantly on the NEM in the early stage of the business. Customers will usually be connected to the grid through existing contracts with licensed electricity retailers. The distributed electricity generation system will be installed at the customer's premises and electricity will be supplied directly to the premises. It is expected that the customer will consume electricity at their premises and export excess electricity to the grid.

## **10 Are you establishing, or have you established, energy supply in an area where there are no other viable energy supply arrangements available.**

Not applicable . Solar Cloud will not be establishing electricity supply in an area without existing energy supply. Our customers will have in place a contract with the local supplier of power.

## **11 The date from which you intend to commence selling energy.**

Solar Cloud intends to start selling electricity as soon as possible, subject to the approval of this individual exemption request.

## **12 Mailing addresses for premises at the site (where applicable). We may use this information to ensure that potential customers are able to participate in our consultation process.**

Not applicable.

**13 Details of any experience in selling energy, for example:**

Solar Cloud has not previously engaged in retail energy sales. Solar Cloud only uses approved and experienced solar installers for its installations. The Solar Cloud team and its advisory board has significant experience in the solar installation industry.

**14 Whether you currently hold, or have previously held or been subject to, an energy selling exemption or a retail licence (retailer authorisation) in any state or territory. If so, please provide details.**

Solar Cloud does not hold, nor has it ever held, an energy selling exemption or a retailer license in any State or Territory

**15 What arrangements you have made in the event that you can no longer continue supplying energy (e.g., has the retailer that sells to you agreed that they will service the customers).**

Not applicable. Solar Cloud does not purchase energy from a retailer. In the event that the installed solar system is unable to supply electricity to the property, those needs would be met by the primary electricity retailer under the existing supply arrangement between the business and the electricity retailer.

**Particulars relating to the nature and scope of the proposed operations**

**1 Customers**

Not applicable

**2 Other services**

Solar Cloud will not only provide solar PV installation and maintenance services but remote monitoring. Generally, these services will be included as part of the installation and PPA arrangement. In some circumstances Solar Cloud may also provide further

energy management systems and reporting designed to assist customers to reduce energy consumption and costs.

**3 What is the total number of dwellings/premises at the site?**

Not applicable as will be at a number of different locations.

**4 Will you be on-selling energy (that is, selling energy purchased from an authorised retailer) or purchasing it directly from the wholesale market?**

No, Solar Cloud will not be on selling electricity from an authorised retailer.

**5 Contracts for energy purchase.**

N/A

**6 Estimated aggregate annual amount of energy to be sold.**

N/A

**7 Will your customers be wholly contained within a site owned, controlled or operated by you?**

Not applicable. The customers will be at sites not owned, controlled or operated by Solar Cloud.

**8 Will each premises/dwelling be separately metered? If the application is for a new development or a redevelopment and customers will not be separately metered, please explain why not.**

Solar Cloud will use separate meters at each site. The meters will measure the electricity supplied by the Solar Cloud solar system and will also measure any excess going to the grid.

**9 What types of meters will be used?**

Meters that meet applicable industry and energy requirements will be installed. NMI Pattern approved remotely read interval meters will be used, The meters will not be be National Metering Identifiers in the NEM. They will measure the production and consumption of energy. Solar Cloud uses providers who have significant experience with installing, maintaining and reading remotely interval meters.

**10 What accuracy standards apply to the meters? Do the meters comply with Australian Standards? If so, specify which Standard or Standards. For electricity meters, will the meters comply with National measurement Act 1960 (Cth) requirements for electricity meters installed from 1 January 2013?**

The meters will comply with all relevant and published applicable standards and accuracy measures. All meters will meet Australian Standards and will comply with the National Measurement Act 1960 (Cth). All meters are Class 1. They are NMI Pattern approved and are compliant with AS 62052.11 and AS 60253.21.

**11 If customer dwellings/premises are separately metered, how often do you propose the meters to be read and by whom?**

Solar Cloud will perform continuous monitoring via remote technology.

The data will be used to monitor performance and produce either quarterly or monthly usage reports to be forwarded to the customer. It is anticipated that online monitoring will provide more regular information and provide insights for customers to control and improve their energy efficiencies.

**12 How will you determine energy charges if customers are not separately metered?**

Not applicable as customers will be separately metered.

**13 In what form and how often will customers be billed? Will you be issuing bills yourself or through a billing agent?**

Customers will be billed in accordance with their SPPA contract. In addition, the Solar Cloud system will enable the customer to login via our website and see their consumption/generation 24/7, or the customer can simply open our custom built App. via their smart phone or tablet. In addition we will push bills by email to the customers in accordance with the times set out in the PPA. Customers will generally be billed monthly or quarterly.

**14 What dispute resolution procedures do you intend to put in place to deal with energy related complaints and issues?**

Solar Cloud is a small business that relies heavily on referrals from existing customers. The firm's policy is to achieve full customer satisfaction and to therefore operate well above the minimum requirements of consumer protection legislation, including statutory Consumer Guarantees.

The PPA contract will include a detailed procedure should the customer need to raise a complaint directly with the company. It is anticipated that these complaints will be resolved within an expeditious timeframe. Solar Cloud is expecting a relatively small number of installations and therefore will be able to handle any complaints that may arise.

Any customer complaint will be brought to the immediate attention of the company's CEO.

All complaints and enquiries will be resolved within the framework required by the ACCC and all warranties and faults will be honoured by prompt rectification by Solar Clouds operations team.

All complaints are to be dealt with in an unbiased and objective manner with a fair and reasonable outcome for both parties always being the priority; and we will ensure that the customer has access to all relevant information required to understand how, when and where to make a complaint.

*Payment plans and Hardship programs*

PPA customers requiring such intervention will have specific policies and procedures outlined in their contract upfront and also on our websites when launched.

These will include ways the customer can negotiate and agree on an amount that they will pay at specified regular intervals. We will also indicate how we will look at how much is owed and how much our customer can afford to pay. Our Hardship policy is to assist customers who are having difficulty paying their bills. Types of assistance may include:

- waiving payment of late fees;
- energy efficiency advice to help reduce your bills;
- identifying appropriate government concession programs and appropriate financial counselling services;
- reviewing the PPA energy contract to determine whether it suits the customer's needs.

**15 What energy rebates or concessions are available for your customers and, if applicable how can customers claim these?**

Not Applicable. Any financial incentives, rebates or other concession will be retained by Solar Cloud as the systems will continue to be the property of Solar Cloud.

**16 Will you make energy efficiency options available to your customers? Will your network incorporate solar or other generation options for sustainability purposes? If so, will you use gross or net metering?**

Systems installed by Solar Cloud produce 100% green power being solar systems. Solar Cloud does not intend to offer energy efficient options in the initial stages of business. We will meter the gross solar energy production and the customer's demand, enabling calculation of exported solar energy and self-consumed solar energy. Customers will pay for power used by them that has been generated by the system. They will pass on any feed-in income they receive by exporting any excess power to the grid. Customers will also be able to utilise any energy efficiency options they choose to adopt.

**17 Please provide further information that you consider would assist us to assess your application.**



The Solar Cloud team consists of experienced business people and entrepreneurs. They also have an advisory board with significant solar energy industry experience across all facets of the solar industry. The Solar Cloud team see significant opportunity to provide a more flexible opportunity to businesses in obtain more cost effective renewable energy.

The customer will not incur any capital costs for the installation of the system, nor will they have a debt liability to make payments for the system. The Solar Cloud business will take the risk associated with the production of energy.

### **Extra Solar PPA Questions**

**1. What is your strategic direction and what are your objectives, for example, please describe your business model in some detail, noting jurisdictions where you will be operating, and customer number forecasts for the first year, and within 3-5 years.**

Solar Cloud's long-term business goal is to market and sell SPPAs to a range of customers.

CONFIDENTIAL INFORMATION - THIS INFORMATION IS COMMERCIALLY SENSITIVE AND GOES TO SOLAR CLOUD'S STRATEGY

**2. What is your pricing structure – will you charge for energy only or are there other fees? Will you charge for all energy generated or only the energy consumed?**

CONFIDENTIAL INFORMATION - THIS INFORMATION IS COMMERCIALLY SENSITIVE AND GOES TO SOLAR CLOUD'S STRATEGY

**3. Are there related companies and what is their function? Do you intend to transfer any functions to any other related companies and, if so, what are they?**

IT development and maintenance for the metering and billing system will be outsourced.

Installation and ongoing maintenance of solar systems will be outsourced to independent parties who hold appropriate accreditations and meet industry standards.

Solar Cloud will take ultimate responsibility for services provided.

**4. Do you intend to sell to residential or commercial customers and what size systems will you install?**

CONFIDENTIAL INFORMATION - THIS INFORMATION IS COMMERCIALY SENSITIVE AND GOES TO SOLAR CLOUD'S STRATEGY

**5. Under what circumstances can the customer terminate the agreement and at what cost?**

CONFIDENTIAL INFORMATION - THIS INFORMATION IS COMMERCIALY SENSITIVE AND GOES TO SOLAR CLOUD'S STRATEGY

**6. What happens when the contract ends? Who owns the system?**

CONFIDENTIAL INFORMATION - THIS INFORMATION IS COMMERCIALY SENSITIVE AND GOES TO SOLAR CLOUD'S STRATEGY