

on behalf of

Sky View Units CTS 33844

Application for Individual Exemption

Part 1: General Information

Please provide the following information in your application for an individual exemption:

1 YOUR LEGAL NAME. IF YOU ARE A BODY CORPORATE OR COMMUNITY CORPORATION, PLEASE INDICATE THIS.

Body Corporate for Skyview Units CTS 33844

2 YOUR TRADING NAME IF DIFFERENT TO YOUR LEGAL NAME.

Sky View Units

3 AUSTRALIAN BUSINESS NUMBER (ABN) OR AUSTRALIAN COMPANY NUMBER (ACN).

99 632 685 060

4 REGISTERED POSTAL ADDRESS FOR CORRESPONDENCE. WE MAY VERIFY THIS INFORMATION WITH THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION (ASIC) OR OTHER RELEVANT AGENCY.

C/- Body Corp Sky View Units PO Box 668 Airlie Beach QLD 4802

5 NOMINATED CONTACT PERSON, INCLUDING THEIR POSITION IN THE ORGANISATION AND CONTACT DETAILS.

Louise Grice - Operations Manager - Green Energy Technologies - 07 4940 2900

6 WHY YOU ARE SEEKING AN INDIVIDUAL EXEMPTION, AND WHY YOU BELIEVE THAT AN EXEMPTION (RATHER THAN A RETAILER AUTHORISATION) IS APPROPRIATE TO YOUR CIRCUMSTANCES.

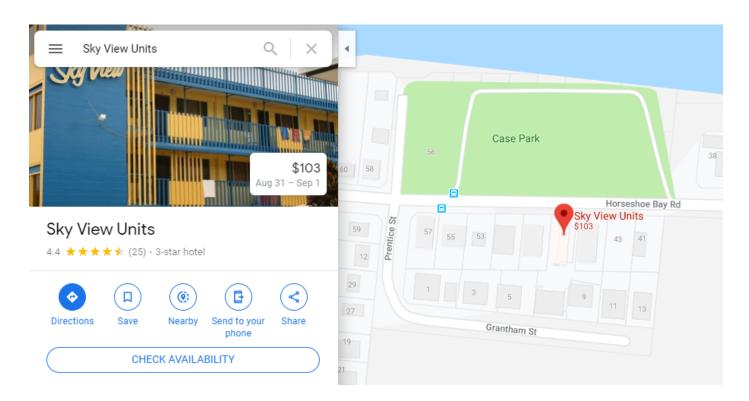
The Body Corporate is seeking an individual exemption for the retrofit of an existing network to an Embedded Network as per the current AER requirements that all embedded networks retrofitted after 1 January 2015 require an individual exemption.

The Body Corporate intends to sell energy incidentally and is not the core business of the entity.

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.

47 Horseshoe Bay Road, Bowen QLD 4805

Sky View Units are a residential and short term accommodation building. The Body Corporate intends to continue this use into the future.



8 THE PRIMARY ACTIVITY OF YOUR BUSINESS (FOR EXAMPLE, MANAGING A SHOPPING CENTRE).

Residential and short term accommodation. The role of a body corporate in Queensland is to administer common property and body corporate assets for the benefit of all of the owners, and to undertake functions required under body corporate legislation.

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 – the Embedded Network will be connected to both the local network service provider and solar installed on site.

10 ARE YOU ESTABLISHING, OR HAVE YOU ESTABLISHED, ENERGY SUPPLY IN AN AREA WHERE THERE ARE NO OTHER VIABLE ENERGY SUPPLY ARRANGEMENTS AVAILABLE?

No

11 THE DATE FROM WHICH YOU INTEND TO COMMENCE SELLING ENERGY.

After the date the individual exemption is granted.

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.

C/- Site Manager Sky View Units 2/47 Horseshow Bay Road Bowen QLD 4802

13 DETAILS OF ANY EXPERIENCE IN SELLING ENERGY, FOR EXAMPLE:

- * DATE/S AND LOCATION/S OF PREVIOUS OPERATIONS
- * FORM/S OF ENERGY SOLD
- * SCALE OF OPERATIONS (THAT IS, THE NUMBER, SIZE AND TYPE OF CUSTOMERS)
- * AN EXPLANATION OF WHICH ACTIVITIES WILL BE CONDUCTED IN-HOUSE AND WHICH WILL BE CONTRACTED OUT TO THIRD PARTIES.

The Body Corporate will engage Meters2Cash to administer the on-billing process as they do for numerous buildings that they manage. Meters2Cash refers to the AER Retail Exempt Selling Guideline Version 4 March 2016 for administration compliance advice & to ensure the Bodies Corporate are not exposed to non-compliance penalties.

The Body Corporate has engaged solar solutions provider Green Energy Technologies to provide advice regarding the responsibility of the Body Corporate in fulfilling its obligation to all residents.

The Body Corporate has nominated the onsite manager to conduct the meter reads and provide to the billing provider.

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.

Nil

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).

If the Applicant could no longer supply energy to tenants in the embedded network, the current infrastructure is capable of reverting back into a non-embedded network whereby the parent meter will be decommissioned. Customers will then be required to enter into a retail contract for usage and network charges as normal. At the time of application, Ergon Energy are the only electricity retailer available in the area.

Part 2: Particulars relating to the nature and scope of the proposed operations

To determine whether it is appropriate to exempt you from the requirement to hold a retailer authorisation, we need information on the nature and scope of the operations you propose to conduct. Please answer the following questions:

16 WILL YOUR CUSTOMERS BE YOUR TENANTS? IF SO, ARE THEY RESIDENTIAL OR COMMERCIAL/RETAIL

The exempt customers will be the 22 owners of the 22 residential units on site who are the bill payers. All units are either owner-occupied or short-term holiday accommodation. There are no tenants who pay rent to a landlord.

All owners have consented to the retrofit.

17 ARE YOU PROVIDING OTHER SERVICES (FOR EXAMPLE, ACCOMMODATION/LEASING OF PROPERTY) TO PERSONS ON THE SITE WHO YOU INTEND TO SELL ENERGY TO? OR WILL YOUR ONLY COMMERCIAL RELATIONSHIP TO PERSONS ON THE SITE BE THE SALE OF ENERGY? IF YOU ARE PROVIDING OTHER SERVICES, PLEASE SPECIFY WHAT THESE SERVICES ARE, AND THE CONTRACTUAL OR LEASING ARRANGEMENTS UNDER WHICH THESE SERVICES ARE BEING PROVIDED.

The only commercial relationship the Body Corporate has to residents is the sale of electricity.

18 WHAT IS THE TOTAL NUMBER OF CUSTOMERS AT THE SITE? PLEASE PROVIDE A BREAKDOWN BETWEEN RESIDENTIAL AND BUSINESS CUSTOMERS (AND WHETHER THEY ARE SMALL OR LARGE AS DEFINED FOR THE JURISDICTION IN WHICH YOU INTEND TO OPERATE).

22 residential lots (small customers)

19 WILL YOU BE ON-SELLING ENERGY (THAT IS, SELLING ENERGY PURCHASED FROM AN AUTHORISED RETAILER) OR PURCHASING IT DIRECTLY FROM THE WHOLESALE MARKET?

Electricity will be purchased from an authorised retailer and on-sold to residents.

20 WHAT IS THE ESTIMATED AGGREGATE ANNUAL AMOUNT OF ENERGY YOU ARE LIKELY TO SELL (KILOWATT HOURS OR MEGAWATT HOURS FOR ELECTRICITY AND MEGA JOULES OR GIGAJOULES FOR GAS) AND THE AVERAGE EXPECTED CONSUMPTION OF CUSTOMERS FOR

EACH TYPE OF CUSTOMER YOU SERVICE (THAT IS, RESIDENTIAL CUSTOMERS AND RETAIL OR COMMERCIAL CUSTOMERS)?

The estimated annual electricity to be sold is 105MWh. The average expected consumption per lot is 4800kWh per year.

21 WILL YOUR CUSTOMERS BE WHOLLY CONTAINED WITHIN A SITE OWNED, CONTROLLED OR OPERATED BY YOU? (FOR THE PURPOSES OF THIS QUESTION, A BODY CORPORATE MAY BE TAKEN TO 'OPERATE' PREMISES IT OVERSEES).

Yes.

22 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. FOR UNMETERED SUPPLY, STATE HOW YOU WILL DETERMINE ENERGY CHARGES?

Each lot will be separately metered

23 WILL METERS ALLOW YOUR CUSTOMERS TO CHANGE RETAILERS (I.E. NOT BUY THEIR ENERGY FROM YOU) AS REQUIRED BY THE AER'S NETWORK GUIDELINE?

Basic/accumulation meters will not allow customers' access to alternative energy suppliers however the Body Corporate will address the possibility of changes to the future requirements regarding metering to enable residents to revert to grid connection.

NB: new meters will not be installed as part of the retrofit. Current network provider, Ergon Energy, have agreed to sell the existing meters to the body corporate. There are currently no options for retail competition in the region. Ergon Energy are the only network operator and retailer available. Should any new retail options become available in the region, and a customer wishes to gain access to this retail competition, the body corporate will, at their expense, wire customers out of the embedded network.

24 IN WHAT FORM AND HOW OFTEN WILL CUSTOMERS BE BILLED? WILL YOU BE ISSUING BILLS YOURSELF OR THROUGH A BILLING AGENT?

Bills will be issued monthly or quarterly, as determined by the Body Corporate or in agreement with the majority wishes of bill payers, by the Applicant's billing agent.

25 WHAT DISPUTE RESOLUTION PROCEDURES DO YOU INTEND TO PUT IN PLACE TO DEAL WITH ENERGY RELATED COMPLAINTS AND ISSUES? CONFIRM WHETHER IT IS CONSISTENT WITH THE AUSTRALIAN STANDARDS: AS/NZS 10002:2014 CUSTOMER SATISFACTION – GUIDELINES.

If customers have any problems with their energy service, they will be instructed to resolve the problem directly with the on-selling administration company, Meters2Cash. Meters2Cash on behalf of the Body Corporate are required to take reasonable steps to resolve all complaints.

In the event that Meters2Cash cannot resolve the complaint, they will advise the residents to contact the appropriate escalation body &/or address the committee for resolution if the issue is related to the network.

Further information was distributed and discussed at Committee Meeting on 23rd January 2020, highlighting the changes in consumer protection available and their options for dispute resolution, in addition to those provided by the billing provider Meters2Cash. This has also been shared in the attached letter / factsheet which has been signed by all bill payers.

The body corporate has also registered interst with EWOQ to become a member, the option of which is currently pending a legislation change in Queensland. A letter from EWOQ stating this is attached in the appendix.

* The Office of the Commissioner for Body Corporate and Community Management: offers conciliation for customers unable to obtain resolution. This may be followed up with adjudication proceedings if required which are enforceable.

26 PLEASE PROVIDE ANY FURTHER INFORMATION THAT YOU CONSIDER WOULD ASSIST US TO ASSESS YOUR APPLICATION.

The Body Corporate has requested this metering change and has unanimously voted for this solution at their 2018 AGM. A copy of the minutes of this meeting are attached as well as the proposal supplied that has been voted on. Please see Motion 11 of the minutes.

NB: All end users of energy are owners and are whom voted for the conversion

Part 3: Converting embedded networks (retrofitting)

If you are planning to sell energy through a converted embedded network, your application needs to address all the questions in Parts 1 and 2 as well as the questions and information requests at 30 to 39 below.

Before completing this section you should refer to sections 4.4 and 7.2.1 of this guideline. You must confirm you have evidence that consumers have been provided with the following information:

Provision of information

27 THAT YOU ARE PLANNING TO RETROFIT THE SITE AS AN EMBEDDED NETWORK AND THIS WILL REQUIRE METERING CHANGES

Yes.

28 THAT CONSUMERS RETAIN THE RIGHT TO CONTRACT WITH A RETAILER OF CHOICE EVEN AFTER INCLUSION IN THE EMBEDDED NETWORK (EXCEPT WHERE THIS RIGHT DOES NOT EXIST DUE TO JURISDICTIONAL LEGISLATION)

Yes.

29 THAT IN ORDER TO EXERCISE THEIR RIGHT TO A RETAILER OF CHOICE, CONSUMERS MAY NEED TO ENTER INTO AN 'ENERGY ONLY' CONTRACT, WHICH IS OFFERED AT RETAILERS' DISCRETION AND MAY BE DIFFICULT TO OBTAIN

Yes

30 THAT CUSTOMERS IN EMBEDDED NETWORKS MAY NOT RECEIVE THE SAME PROTECTIONS AS THOSE OF AN AUTHORISED RETAILER UNDER THE RETAIL LAW, INCLUDING ACCESS TO OMBUDSMAN SCHEMES.

Yes.

In addition, you need to confirm that you have provided consumers with:

31 YOUR ELECTRICITY SALES AGREEMENT, WHICH DETAILS ALL FEES AND TARIFFS

Yes. This will be in line with the QCA regulated electricty prices for Queensland.

32 THE CONTACT DETAILS OF A REPRESENTATIVE FROM YOUR COMPANY TO ANSWER ANY QUERIES OR CONCERNS ABOUT THE PLANNED RETROFIT.

David Telford - Project Manager - Green ENergy Technologies - 0407 156 771

In your application you need to include samples of the information you have provided to consumers.

Explicit informed consent

To demonstrate that you have obtained customer consent you need to address the following:

33 CONFIRM YOU HAVE EVIDENCE OF WRITTEN CONSENT FROM ALL CUSTOMERS AFFECTED BY THE RETROFIT

Yes. All 22 owners have consented to the retrofit.

34 CONFIRM THAT CONSENT WAS SOUGHT SEPARATELY FROM CUSTOMERS FOR THE RETROFIT AND THE ENERGY SALE AGREEMENT

Yes.

35 IF CUSTOMERS EXPRESSED CONCERNS, PROVIDE EVIDENCE OF YOUR ATTEMPTS TO RESOLVE THEM.

No concerns expressed.

You do not need to provide evidence of customers' consent to the proposed retrofit in the initial application, but evidence should be available on request.

Retail contestability

To demonstrate you have addressed any potential customer detriment resulting from a loss of retail contestability, you must confirm whether you have:

36 SOUGHT ADVICE FROM THE DISTRIBUTOR ABOUT WHETHER NON-CONSENTING CUSTOMERS CAN BE WIRED OUT OF THE EMBEDDED NETWORK

Yes.

37 TAKEN STEPS TO ENSURE THAT CUSTOMERS WHO WISH TO REMAIN WITH THEIR RETAILER, BUT CANNOT BE WIRED OUT, WILL NOT BE FINANCIALLY DISADVANTAGED BY THE RETROFIT.

MEASURES TO REDUCE FINANCIAL DETRIMENT ARE LIKELY TO INCLUDE PRICE MATCHING FOR AFFECTED CUSTOMERS, AND TAKING FINANCIAL RESPONSIBILITY FOR ANY DOUBLE BILLING OF NETWORK CHARGES.

Yes.

Customer dispute resolution services

38 HAVE YOU ADVISED CUSTOMERS OF YOUR DISPUTE RESOLUTION PROCESS AND OPTIONS FOR EXTERNAL DISPUTE RESOLUTION, SUCH AS OMBUDSMAN SCHEMES?

Yes.

AER Consultation

39 YOU MUST CONFIRM YOU HAVE ADVISED CONSUMERS OF THE AER'S CONSULTATION PROCESS. IN PARTICULAR, YOU MUST MAKE CONSUMERS AWARE THAT THE AER CONSULTS ON INDIVIDUAL EXEMPTION APPLICATIONS AND WILL PUBLISH YOUR APPLICATION ON ITS WEBSITE AND INVITE PUBLIC SUBMISSIONS.

Yes.