



---

## **SOCIAL ENERGY AUSTRALIA PTY LTD**

### **APPLICATION FOR AN ELECTRICITY RETAILER AUTHORISATION UNDER THE NATIONAL ENERGY RETAIL LAW**

#### **1. Introduction**

Social Energy Australia Pty Ltd (**Social Energy**) is an independent, privately owned Australian proprietary start up Energy Company. Social Energy applies to the Australian Energy Regulator (**AER**) under section 89 of the National Energy Retail Law (**NERL**) for a retail authorisation for electricity.

#### **2. General particulars**

Legal name: Social Energy Australia Pty Ltd

Trading name: Social Energy

ABN: 75 631 510 042

Website: [www.social.energy](http://www.social.energy)

Registered business address: Level 38, Tower 3, International Towers Sydney, 300 Barangaroo Avenue Sydney NSW 2000.

Office Address: : Level 13, 485 Victoria Avenue Chatswood NSW 2067

Postal Address: PO Box 5553, West Chatswood NSW 1515

Contact person: Christopher Parratt

Position: Managing Director Australia and New Zealand

Form of energy: Social Energy is seeking a retailer authorisation for electricity.

Timing: Social Energy intends to commence retailing electricity in the jurisdictions mentioned below in October 2020.

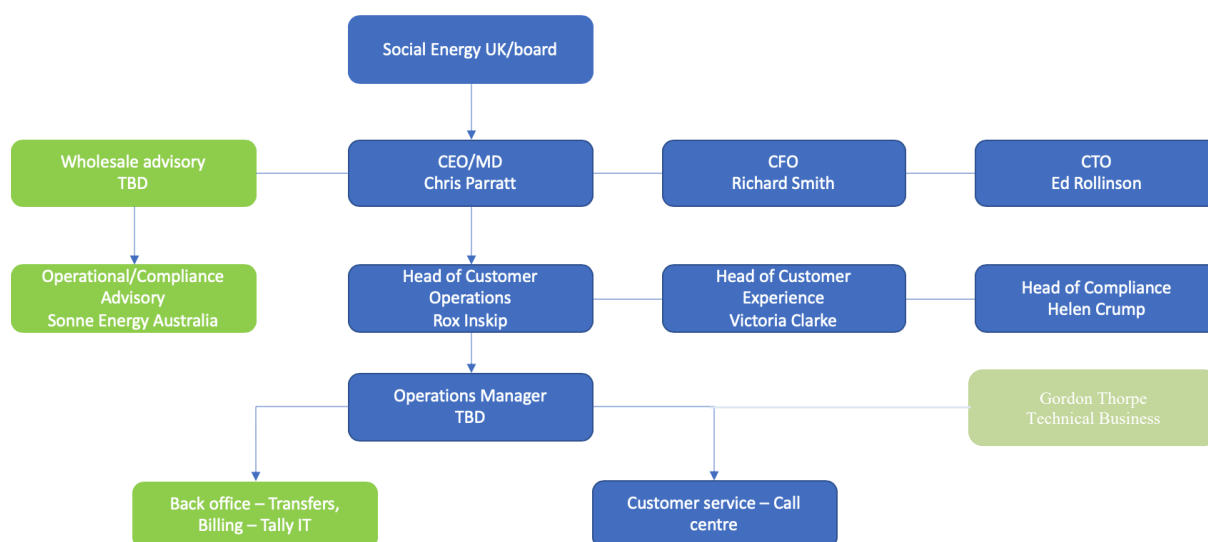
The nature and scope of operations: The sale of electricity to small customers, small market offer customers and large customers.

Jurisdictions: Social Energy initially intends to retail electricity in New South Wales (**Jurisdiction**).

Type of customers: Social Energy intends to supply small customers, small market offer customers and large customers, each as defined in section 5 of the NERL, and subject to applicable consumption thresholds under jurisdictional energy legislation.

### 3. Organisational and technical capacity

#### 3.1 Energy retail experience



Social Energy UK in 2018, launched into the UK market as a major retail disrupter - <https://www.pv-magazine.com/2018/11/29/duracell-partners-with-social-energy-to-launch-new-uk-based-utility/>.

Social Energy UK's Australian arm Social Energy Australia, is excited to bring its model to the Australian market.

Developed over 5 years by a board of entrepreneurs, who are already responsible for over £1 Billion of global trade. Social Energy' UK organisation are revolutionising the Energy industry, by empowering homes and businesses across the world to take back control of their energy supply.

Through our ground-breaking AI powered platform and energy storage, customers reduce their electricity bills by up to 70%\* and gain access to renewable energy, when they join the Social Energy Network. Social Energy Australia expects to deliver a similar opportunity to Australian consumers.

Social energy's exciting market entry has been supported by some household names such as Shane Warne and Michael Vaughan as mentioned in the below articles:

<https://www.pv-magazine-australia.com/2019/10/21/ai-enabled-vpp-promises-up-to-100-reduction-in-home-energy-bills/>

<https://www.pressreader.com/australia/the-courier-mail/20191025/282286732050829>

---

## **The team**

To this end, Social Energy Australia has established an experienced team of energy professionals to set up its business in Australia with support of experienced personnel from its UK organisation. Key appointments are outlined below –

### **Chris Parratt Managing Director - Australia**

Chris has been an experienced executive manager within the energy industry in Australia for over 12 years. Chris spent 4 years in General Management with retailer ERM Power and has recently filled the role of Managing Director of Sonnen Australia. Chris brings a wealth of retail energy experience to Social Energy to ensure a seamless set up and running of retail operations.

### **Richard Smith – Chief Financial Officer**

Richard has been the Chief Financial Officer at Social Energy Group for almost 2 years now. Richard has been a financial Director/CFO for over 15 years now working across a variety of industries including property development , nursery retail, construction and Software. Richard is a graduate of Lady Margaret Hall, University of Oxford.

### **Edward Charles Haylock Rollinson – Chief Technology Officer**

Ed joined Social Energy at the beginning of 2020 to lead and develop the Technology of our supply business. His breadth of experience has come from the senior roles he has held in across sectors covering the spectrum of IT, Development and Technology disciplines with companies such as Aurora Group and Kallidus;

His expertise is in building technology services for growing companies with international reach. Over the last few years this has included, USA, India, Philippines and Australia. He completed his MSc in Computing with IT Management in 2011 and occasionally returns to deliver guest lectures

### **Ben Gatley – Director – Social Energy UK**

Ben joined the Social Energy Supply business as Commercial Director in 2019 and moved to Managing Director in 2020. Prior to joining Social Energy, Ben was Head of Trading for Ecotricity, a leading renewable energy supplier, and has over 8 years specialist experience in energy supply commercials and analytics.

Prior to management, Ben was a financial analyst and compliance expert analyst for energy supply projects. Ben holds a BSc in Geography & Environmental Management from the University of Exeter.

### **Helen Crump – Head of Compliance and Regulation**

Helen has over 15 years of compliance experience and more importantly over 7 years exposure to compliance management within a retail energy environment. Helen has been with Social Energy UK for the past 14 months. Prior to this Helen fulfilled a number of compliance related roles with Npower, one of the 'big six' retailers in the UK. These roles included – Change Assurance Manager, Engagement Manager and Compliance coordinator over the span of 8 years with Npower. Helen has a qualification with the Chartered institute of Internal Auditors and provide a senior level of experience and acumen to lead Social Energy's compliance Framework into the Australian market. Helen has been working closely with Sonne energy to ensure familiarity with local regulations and retail obligations but will bring her experienced approach and discipline to ensure Social meets and reports appropriately on its obligations.

### **Roxanne Inskip-Kaye – Head of Customer Operations – Social Energy UK**

Roxanne has been involved in the retail energy sector in the UK for the last nine and a half years. Before

---

Social Energy, Rox was the Head of retail billing for retail supplier Ecotricity. Over the last 18 months with Social Energy Rox has been integral in investigating the Australian market and aligning existing UK processes and experience to Australian processes. Rox currently lead Customer operations at Social Energy UK but has been assigned to the Australian project to align process since the project has been underway.

#### **Gordon Thorpe – Technical Business Manager**

Gordon has been working as a Technical Business Manager in the energy industry over the last 3 years. Before joining Social Energy Australia 15 months ago Gordon worked at Sonnen Australia as a Technical Sales development manager. His responsibilities included modelling and billing generation for a retail energy package (sonnenFlat). He also developed a CRM and Asset Management database and a pro-active asset monitoring software package to reduce system failures. Gordon developed and ran the Field Services aspects including system repairs and technician management.

#### **Victoria Clarke – Head of Customer Experience**

Victoria was initially involved in energy working for National Grid from 1998-2011. Victoria managed Contact Centre teams for National Grid & OnStream customers including Gas Emergency and Energy metering services within a regulated industry.

Since that time Victoria has filled different service management roles before joining Social Energy 18 months ago. Currently Victoria is leading Social Energy's UK customer service team and has been assigned to work closely with the Australian management and implement Social Energy's Australian call centre operations.

### **3.2 Other relevant retail or energy market experience**

The members of Social Energy Australia's management team combine:

- (a) complementary experience in other utility retail industries including the telecommunications and finance sector;
- (b) extensive experience in wholesale electricity and gas trading and risk management;
- (c) strong backgrounds in businesses focused on customer service; and
- (d) information technology expertise, including building and running large scale e-commerce website and systems.

Social Energy Australia's team members also have experience working within strict compliance frameworks in the electricity, telecommunications, finance, accounting and broking industries, giving Social Energy Australia the skills and experience required to operate an electricity retail business in the Jurisdictions in compliance with the applicable laws, regulations, codes and guidelines.

A detailed outline of Social Energy Australia's organisational experience can be found in the business plan provided with this application as attachment 1.

### **3.3 External service providers**

Social Energy Australia will be relying on the services of the following external service providers to support its electricity retail business in the Jurisdictions and ensure it has the technical capacity to ensure all obligations are met as an authorised retailer:

- (a) Outsourced functions and activities: customer accounts, billing and document

Social Energy Australia has chosen its software provider and is in the process of setting up negotiation and set up of its initial processes in line with its future onboarding. Social Energy Australia's chosen provider is Tally IT who is managing its CRM function and back office.

Key requirements Social energy Was looking at when reviewing its potential partner:

- (1) to establish and manage customer accounts;
- (2) to provide customers with notices and other documentation;
- (3) to undertake customer billing;
- (4) to store and manage documents;
- (5) Have the option to manage back life cycle exceptions from customer on boarding through to customer churn out with everything in between (billing/life support/credit management); and
- (6) Option to provide at scale customer service and dispute resolution handling.

Social Energy Australia will ensure that Tally IT as its chosen billing service provider, will have the following controls in place to ensure compliance with the NERL and the National Energy Retail Rules (NERR):

Provider:

- (1) must make available to Social Energy Australia such technical capacity as the provider may have and which Social Energy Australia requires to meet its obligations as an authorised electricity retailer;
- (2) must provide all information and reasonable assistance required by Social Energy in order for Social Energy Australia to discharge its regulatory obligations; and
- (3) must be obliged to perform its services to a professional standard and in accordance with good industry practice.

(b) Outsourced functions and activities: compliance advisory

A capability statement and draft agreement have been provided as attachment 2.

Social Energy Australia has appointed Helen Crump to oversee its compliance activity and has also partnered with Sonne Energy Australia to assist in ensuring that Social Energy Australia is up to date with the latest Australian centric market obligations.

A cap statement on Sonne Energy Australia can found as attachment 3.

(c) Outsourced functions and activities: Wholesale Advisory

Social Energy Australia will be vetting potential wholesale management partners to advise it in relation to wholesale risk and to participate as part of Social Energy's trading and risk advisory Committee.

### **3.4 Business plan and financial model**

Social Energy Australia's business plan is included in attachment 1.

---

A financial model and detailed cash flow forecast (with 5 year forecasted P&L) for Social Energy Australia's electricity retail business has been developed and forms part of the business plan and as attachment 4.

### **3.5 Compliance strategy**

#### **(a) Compliance Obligations Register and Retail Compliance Policy**

As a licensed electricity retailer, Social Energy is aware of and understands its requirement to fulfil its retail obligations it has under the relevant industry regulations and Guidelines in relation to retailing electricity.

Social Energy Australia has created Retail Compliance Policy, attending Compliance obligations register as well as a detailed Risk strategy that covers the obligations Social Energy needs to comply with under applicable jurisdictional energy guidelines and legislation, and any other applicable laws, regulations, guidelines and codes. These documents can be found as attachment 5.

The Compliance Obligations Register nominates a specific Compliance Officer to be responsible for the development of appropriate operational procedures, policies or other measures to ensure that Social Energy complies with these obligations at all times.

The Compliance Officer is also responsible for preparing and submitting compliance reports to the relevant regulator as required, and will work with Social Energy Australia's external advisors such as Certainty Compliance to ensure full compliance with all relevant obligations on an on-going basis.

#### **(b) Complaints and dispute resolution**

A copy of Social Energy Australia's Complaint Handling Procedure is included as attachment 6.

### **3.6 Endorsement of policies and external assurance process**

The compliance and risk documents as previously outlined have been the subject to an external assurance process and approved by Social Energy Australia's board to review this letter – see attachment 7.

#### **(a) Hardship**

As a potential licensed electricity retailer, Social Energy Australia is already developing a Hardship Policy, designed to be flexible and so offering a range of hardship programs for hardship customers. Social Energy has developed its Hardship Policy so that it can be used for customers in the Jurisdictions.

A copy of the Hardship Policy can be produced for review on request.

### **3.7 Energy ombudsman schemes**

As a licensed electricity retailer, Social Energy Australia understands that it must join the relevant Ombudsman scheme for the jurisdiction it intends to retail in. Evidence of the beginning of this process can be found as attachment 8.

### **3.8 Arrangements with other market participants**

- (a) AEMO Registration**
- (b) ASX Austraclear participation**
- (c) Australian financial services licence**

- 
- (d) Distributors and meter service providers

Social Energy Australia understands the need to connect with each participant/counter party before commencing retail operations. To this end Social Energy has reached out to some of these participants already as evidenced by attachment 9.

#### **4. Financial capacity**

##### **4.1 Financial position of Social Energy Australia**

- (a) Banking statement/set of accounts

Copies of bank statements from Social Energy Group entities can be found as attachment 10.

- (b) Financial declarations

Social Energy Australia Pty Ltd is a current going concern. The executives of Social Energy Australia are not aware of any factor that would impede the businesses ability to finance its retail activities under the retail authorization for the next 12 months. An executed declaration to this effect can be found and reviewed as attachment 11.

##### **4.2 Revenue forecast**

This is included in the Business Plan and attached financial forecast as previously mentioned.

#### **5. Suitability**

##### **5.1 Compliance history, offences or prosecution declaration**

Neither Social Energy Australia Pty Ltd nor any of Social Energy Australia Pty Ltd's associates, any other business where Social Energy Australia Pty Ltd's officers have held an officer position or any entity that exerts control over Social Energy Australia Pty Ltd's business activities have previously:

- (a) Been involved in or subject to any material failure to comply with regulatory requirements, laws or other obligations over the previous 10 years, including infringement notices or other enforcement action (including voluntary administrative undertakings) being taken by a regulatory body.
- (b) Been subject to any previously revoked authorisations, authorities or licences held in any industry.
- (c) Been subject to any failed authorisation, authority or licence applications in any industry.
- (d) Been subject to any past or present administrative or legal actions in relation to an authorisation, authority or licence in any industry.
- (e) Been involved or subject to any situation/s where there has been triggered the RoLR provisions of the Retail Law or equivalent state/territory/foreign legislation, or have transferred or surrendered an authorisation or licence in circumstances where if not done, triggering a RoLR event would have been likely.

A signed declaration to this effect has been added as attachment 12.

Neither Social Energy Australia Pty Ltd nor Social Energy Australia Pty Ltd current directors (or shadow/defacto directors), any person that exerts control over Social Energy Australia Pty Ltd business activities and all persons who are responsible for significant operating decisions for the business have

---

committed or has been subject to any offence or successful prosecutions under any state, territory, Commonwealth or foreign legislation (including, but not limited to, the Australian Securities and Investments Commission Act 2001 (Cth), Competition and Consumer Act 2010 (Cth)[1] and the Corporations Act 2001 (Cth)) relevant to Social Energy Australia's capacity as an energy retailer.

A signed declaration to this effect has been added as attachment 13.

## **5.2 Criminal history checks**

Criminal history checks can be organised and made available on request.

## **5.3 Declaration as to bankruptcy and disqualification from management**

It is declared that:

- (a) members of Social Energy Australia Pty Ltd's management team have not been disqualified from the management of corporations;
- (b) That there is not any record of bankruptcy for any member of Social Energy Australia Pty Ltd's management team (including in any overseas jurisdiction).

A declaration to this effect attachment 14.

## **5.4 Names and addresses of officers**

See attachment 14.

## **5.5 Policies and procedures addressing probity and competence**

(a) Social energy Australia has organised the following:

General HR policies, procedures and documentation for all staff:

- (a) Employee Code of Conduct;
- (b) Workplace Harassment Policy;
- (c) Workplace health and Safety Policy;
- (d) Employee Well Being Policy;
- (e) Equal Opportunity & Discrimination Policy;
- (f) Employment contracts drafted to ensure consistency with local laws and regulations;
- (g) A standardised and structured Framework for Compliance and Risk management;
- (h) A structured, easily accessible process for recruitment, training and sign off on all HR policies in line with all required laws, regulations and guidelines; and
- (i) Minimal standards to determine fit and proper board members including the expectation if required to undergo criminal history checks as well as bankruptcy checks in any jurisdiction.



---

## **1 CONFIDENTIAL ATTACHMENTS**

1. Business Plan
2. Billing provider
3. Wholesale partner information
4. Financial forecast
5. Risk and Compliance documents
6. Complaints Policy
7. Compliance Risk assurance letter
8. Ombudsman contact evidence
9. Distributor contact evidence
10. Bank statement
11. Financial declarations
12. Suitability declarations
13. Offence declaration
14. Bankruptcy/Disqualification declaration
15. Address declaration (listed as attachment 14 as well)

