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Draft AER (Retail) Exempt Selling Guideline

Watts Energy Pty Ltd is an accredited Embedded Network Manager and meter reading and billing service provider to embedded networks operating in Queensland. Watts Energy welcomes the opportunity to provide comment to the Australian Energy Regulator's (AER) *Draft (Retail) Exempt Selling Guideline* (Draft Guideline) and in particular supports amendments to the Draft Guideline that provide clarification as to which party should hold the exemption.

Definitions and Terminology

Watts Energy suggests that terms and definitions in the Glossary section of the Draft Guideline should align, to the extent possible, with the terms and definitions in Chapter 10 of the National Electricity Rules, the National Energy Retail Law and National Energy Retail Rules. For example the definition of 'embedded network' should align with the definition in the National Electricity Rules.

Further, the Draft Guideline introduces the obligations under Condition 18 and 19 in relation to planned and unplanned interruptions. However, these terms are not defined in the Glossary of the Guideline and as such it may be useful to provide a definition or refer to the definitions in Rule 88 of the National Energy Retail Rules.

Watts Energy also suggests that as Condition 20 refers to 'life support equipment' it may be useful to define this term in the Glossary to align with the definition provided for in the National Energy Retail Rules.

Planned Interruptions

The Draft Guideline proposes to introduce a new condition that aligns with the planned interruption obligations in Rule 88 of the National Energy Retail Rules and requires an exempt seller to notify each affected exempt customer at least four business days before the date of an interruption.

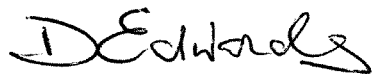
Watts Energy supports this obligation in principle, but questions the ability of the exempt seller to meet the four business day notification requirement where the exempt seller is not instigating the interruption but rather has been notified by the Distribution Network Service Provider of the planned interruption. In this case, the exempt seller would have been notified within the four business days by the Distribution Network Service Provider but would not have sufficient time to meet the corresponding four business day requirement to then notify the exempt customers.

Dispute Resolution

The AER is proposing that exempt sellers to residential customers must be members of, or subject to relevant state based energy ombudsman schemes. Watts Energy understands that the state based energy ombudsman schemes are individually reviewing the necessary legislative changes, membership and fee structures in light of this impending change. Therefore, Watts Energy suggests that the AER may need to allow sufficient transitional arrangements prior to imposing this condition on exempt sellers.

Should you have any questions in relation to this submission please do not hesitate to contact me directly on (07) 3216 4509.

regards

A handwritten signature in black ink, appearing to read 'D Edwards', written in a cursive style.

Donna Edwards
Owner and Director