

Register of exempt persons: registration guideline (information for registration and public register)

Final decision

17 May 2018

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Contents

1. Executive summary	iv
Extended timeframe for requirement to register	v
Registration Guideline for Exempt Persons	vi
2. Introduction	1
Retail activity registration exemptions	1
Network activity registration exemptions	2
Single person or business that sells and supplies	2
Register of exempt persons	2
3. Stakeholder feedback	5
Terminology	5
Clarity on who is required to register	6
Public information published on the register	7
Information collected but not published	13
Additional information to provide a better understanding of the market	15
4. Registration information requirements	18
What is the minimum information the commission is required to collect under legislation?	18
What other information will be required and published, and why?	18
What other information will be required but not published?	19
Glossary	21
Appendix A	24
Stakeholder submissions	24

1. Executive summary

This document outlines the commission's final decision on the information exempt persons need to provide to us when registering for an electricity licence exemption.

Victoria has an electricity licensing and exemptions framework. This means that persons undertaking a regulated activity, such as the sale or supply of electricity, need a licence unless there is an exemption that applies. There are two classes of exemptions. The first class is deemed exemptions. Deemed exemptions are automatic and do not need to be registered with the commission. The second class is registration exemptions which require the person undertaking the activity to apply to register their exemption with the commission, as a condition of the exemption.

Victoria has a Register of Exempt Persons for registration exemptions. This requires most people and businesses that on-sell¹ or supply electricity within the limits of a site that they own, occupy or operate – and who are not required to have an electricity licence – to register with us as an exempt person. These retail and network registration exemptions are specified in the General Exemption Order 2017 (the order).

Generating, supplying or selling electricity without an exemption or licence is an offence under Victorian law.

Exempt persons required to register with the commission need to provide us with information about:

- the entity that is registering its sale or supply activity
- the activity that the entity is undertaking to ensure that it is an activity eligible for an exemption from the requirement to obtain a licence
- the nature of their generation, supply or sale of electricity to customers.

Some of the information provided will be published on the online public register maintained by the commission – the Register of Exempt Persons. This public information is intended to create transparency in this segment of the electricity market and enable customers to readily identify their electricity provider. This will enable customers to contact their provider to raise queries, and lodge internal and external complaints relating to the supply or sale of electricity.

The public information will also assist the Energy and Water Ombudsman (Victoria), approved by the commission as a dispute resolution scheme for retail and network exempt persons, to identify

¹ The electricity that is on-sold must have been purchased from a licensed electricity retailer.

and contact exempt persons to inform them of the membership obligations and other relevant information.² Having access to this information will assist the ombudsman to expedite its membership outreach process, which will assist exempt persons and customers by having external dispute resolution coverage in a timely manner.

Some of the information provided to the commission will not be published on the public register. However, this information will enable the commission to gain a better understanding of the nature and scale of this segment of the electricity market. This will assist us to develop new rules and customer protections, monitor compliance, and inform an appropriate enforcement framework. This information will be protected according to relevant privacy and data security legislation.³

The commission will publish some of the information not included on the public register in aggregated and de-identified form in a publicly available report on a periodic basis. Sharing this information will help the community and policymakers monitor the nature and growth of each market segment.

Registered exempt persons are required to update their exemption registration/s annually. An exempt person is also required to update the information on the public register as soon as practicable if there are any changes, such as a change to contact details, or if there are changes to the nature of the exempt person's activity. For example, the exempt person begins selling in addition to supplying. These changes may affect the type or number of exemptions they need to have registered with the commission.

The obligation to maintain accurate and current contact details is important so that customers are readily able to contact their provider whenever an issue arises regarding the electricity supply or sale. An accurate and up-to-date register will promote customer confidence.

Extended timeframe for requirement to register

As a result of new information we learned during our initial consultation, we made changes to the registration process to ensure that the online register captures all of the information needed to support the new regulatory framework. Accordingly, we are providing exempt persons that need to register with us with an extension until 31 May 2018.

² Clause 11(1) of the General Exemption Order 2017 provides that exempt persons supplying or selling electricity are required to become members of a dispute resolution scheme approved by the commission as a condition of their exemption. The Energy and Water Ombudsman (Victoria) is the approved external dispute resolution body for the purposes of the General Exemption Order 2017.

³ Privacy and Data Protection Act 2014.

Executive summary

Registration Guideline for Exempt Persons

The registration process and information requirements are published in the document, Registration Guideline for Exempt Persons. The guideline is made under section 13 of the Essential Services Commission Act 2001.

Executive summary

Essential Services Commission **Register of exempt persons: registration guideline
(information for registration and public register)**

2. Introduction

In Victoria, under the Electricity Industry Act 2000, a person who generates, transmits, distributes, or sells electricity must be licensed by the Essential Services Commission (the commission) or be exempt from the requirement to have a Victorian electricity licence.⁴

The Victorian Government is responsible for determining which activities can be exempt from holding a licence. The exemption categories are defined in the General Exemption Order 2017 (the order).

There are two classes of exemptions. The first class is deemed exemptions. Deemed exemptions are automatic and do not need to be registered with the commission. The second class is registration exemptions which require the person undertaking the activity to apply to register their exemption with the commission, as a condition of the exemption.

Victoria has a Register of Exempt Persons for registration exemptions. This requires most people and businesses that on-sell⁵ or supply electricity within the limits of a site that they own, occupy or operate – and who are not required to have an electricity licence – to register with us as an exempt person. These retail and network registration exemptions are specified in the order.

In addition, certain solar power purchase agreement providers and community energy projects will also need to register with the commission.

These changes follow an extensive consultation process undertaken by the Department of Environment, Land, Water and Planning with stakeholders.⁶

Retail activity registration exemptions

Most people and businesses who are the customer of a licensed electricity retailer and on-sell separately metered electricity to other people and businesses are required to register with the commission. This is called a 'retail activity registration exemption' and refers to selling electricity.

⁴ Section 16 Electricity Industry Act 2000.

⁵ The electricity that is on-sold must have been purchased from a licensed electricity retailer.

⁶ <https://www.energy.vic.gov.au/legislation/general-exemption-order>.

Network activity registration exemptions

Most people and businesses who are the owners or lessees of the facilities critical to the supply of electricity – such as the wires, between the electricity meter connected to the licensed distributor's network and the individual customers – need to register with the commission. This is called a 'network activity registration exemption' and refers to supplying electricity.

We do not consider electricity meters to be infrastructure that is critical to supply customers with electricity as customers can be supplied without individual metering in place. In other words, the meter is a network component that does not actually deliver electricity through the network, but merely measures the electricity supplied for data collection and billing purposes.

If an exempt person only supplies electricity, it needs to register with the commission regardless of whether or not the electricity is individually metered.

The order refers to supplying electricity. For clarity, when we refer to 'supply', it is used interchangeably with 'distribute' and refers to network exemptions.

An electricity network is the infrastructure required to deliver electricity from the exempt person's meter to end user customers.

Single person or business that sells and supplies

If a person or business both supplies and sells electricity it may need to register both activities for each site where the activities are undertaken, subject to the requirements of the order. Our online portal allows an exempt person that sells and supplies to submit one application for two registration exemptions that cover both activities.

Register of exempt persons

Legislation requires us to establish a public register of exempt persons. This includes persons undertaking an activity that requires either a retail, network or multiple activity registration exemption. The legislation also specifies the information we are required to collect and publish, and allows us to include any other information we consider appropriate.⁷

Once an exempt person's application to register their activity is published by the commission, its details are included on the public register on the commission's website and the exemption takes effect.

⁷ Section 33C Electricity Industry Act 2000.

The new registration system is designed to provide clearer and stronger protections for customers of exempt sellers and suppliers. It will also provide the community and commission with a better understanding of the scale and scope of the segments of the electricity market covered by the order. Having this information will help the commission identify appropriate customer protections, and monitor and enforce compliance with those protections.

The commission is consulting separately on the customer protection framework and compliance obligations for exempt sellers and suppliers. Our consultation has included stakeholder roundtable meetings to discuss the provisions of the Energy Retail Code and Electricity Distribution Code with key industry and customer advocacy bodies. This final decision is about the operation of the register only.

To implement the new registration system, we issued a draft decision which proposed information requirements for registration and the public register.

In addition to the information we are required to collect under legislation, in the draft decision we proposed requesting and publishing the following information:

- the ABN/ACN of the exempt provider supplying or selling electricity
- the provider's trading name
- the provider's customer contact details
- the site name where the supply or sale is taking place (where relevant, for example, the name of the apartment building, caravan park or shopping centre)
- the site address where the supply or sale is being carried out.

We also proposed requiring the following additional information, which would not be published on the public register:

- information to ensure the activity being undertaken does not require an electricity licence (such as whether the exempt provider is on-selling electricity purchased from a licensed retailer, and whether the sale is individually metered)
- the network owner's name and contact details if different to the operator (e.g. the owners' corporation)
- the number of customers that are being supplied or sold electricity
- an estimate of the aggregate (total) yearly electricity consumption at the site in megawatt hours (MWh).

We also proposed that exempt persons would be required to update the details on the register annually, and any time its details changed.

In response, we received seven submissions. Overall, the submissions supported the proposed guideline. However, a number of submissions from customer advocacy groups proposed further

Introduction

changes to enhance the level of detail and availability of information for customers and other stakeholders. Industry bodies also sought clarity on some matters. We discuss these issues in the next chapter.

3. Stakeholder feedback

Seven stakeholders provided submissions in response to our draft decision on the proposed registration guideline. Three submissions were from consumer advocacy groups, two came from industry bodies, one from a group of distribution businesses and one from the Energy and Water Ombudsman (Victoria). A list of all stakeholder submissions is in appendix A.

Terminology

Draft decision

In the draft decision, we proposed labelling exempt persons as ‘non-licensed electricity providers’. We believed that this was an appropriate plain-English term that customers would more easily understand. It was also used to avoid exempt persons incorrectly concluding they were exempt from their obligation to register and therefore were not required to register with the commission.

Stakeholder feedback

In its submission, the Shopping Centre Council of Australia stated that key policy terminology should be aligned with the Australian Energy Regulator’s retail and network exemption framework, and with the order. It stated that use of the term ‘non-licensed electricity providers’ creates unnecessary new terminology inconsistent with other legislative and regulatory instruments. It stated that the term ‘exempt persons’ should be used since it appropriately reflects someone who is exempt from requiring a licence.⁸

Final decision

We consider that the industry is familiar with the term ‘exempt persons’ and understand an exemption has certain pre-conditions and other conditions that must continue to be met for the exemption to remain in force. Additionally, as we develop the compliance obligations and customer protection framework for Victorian exempt persons, we are seeking to largely align our framework with the Australian Energy Regulator’s exemption guidelines, which refer to ‘retail and network exemptions’.

Accordingly, we will use the term ‘exempt person’ for industry-focused commission material, such as the registration guideline and registration portal. However, we propose a slightly different

⁸ Shopping Centre Council of Australia, 2018, *Submission to the ESC draft decision: Register of non-licensed electricity providers: registration guideline (information for registration and public register)*, 19 February, p.1.

approach for customer-facing material (such as fact sheets, website, etc.) that explains that an ‘exempt person’ includes ‘embedded networks selling and supplying electricity, such as those in many shopping centres, apartment buildings, retirement villages and caravan parks’. We believe that this will link the legal term with language that is easier for customers in embedded networks to understand and relate to their living or retail arrangement with their electricity seller or supplier.

Clarity on who is required to register

Stakeholder feedback

Some stakeholders sought clarity on which entities are required to register with the commission.⁹ This is related to a customer advocacy group’s recommendation that all parties involved in the sale and supply of electricity to customers at a given site, be captured in some form on the register to be consistent with the objective of transparency. It also stated that this will ensure that customers can easily contact the appropriate entity to resolve a query or raise a complaint.¹⁰

Final decision

The order specifies the exempt persons that are required to register with the commission. One of the pre-conditions for eligibility for a retail exemption, and the subsequent requirement to register, is that the person undertaking the retail activity is the customer of a licensed retailer and that the sale is separately metered. An additional condition is that the on-selling of metered electricity to customers must be within the limits of a site that the exempt person owns, occupies, or operates.

If a person or business is acting on behalf of an exempt person and they themselves are not the customer of a licensed retailer, then that third-party service provider or agent **is not required to register** with the commission because they are not covered by the order. However, we require the exempt person undertaking the retail activity to provide us with the details of their third-party service provider or agent (if applicable). This includes the third-party’s trading name and customer contact details.

A condition of the network activity exemptions is that the electricity is supplied through the facilities of the person after it leaves the supply facilities of the licensed distribution company and before it is supplied to the customer. Therefore, if a person or business is operating an embedded network on

⁹ Shopping Centre Council of Australia, op. cit., p. 1, Victorian Council of Social Service, 2018, *Submission to the ESC draft decision: Register of non-licensed electricity providers: registration guideline (information for registration and public register)*, 19 February, p.3.

¹⁰ Uniting Kildonan, 2018, *Submission to the ESC draft decision: Register of non-licensed electricity providers: registration guideline (information for registration and public register)*, 19 February, p.3.

Stakeholder feedback

behalf of an exempt person as a third-party service provider or agent – and they themselves do not have immediate proprietary rights to the infrastructure that is critical to the supply of electricity from the licensed distributor’s network to customers in the embedded network – they are not required to register.¹¹ For example, this includes a person or business providing services such as meter readings, provision of data, network maintenance, energisations and other activities that are services ancillary to the supply of the electricity.

We do not consider electricity meters to be infrastructure that is critical to supply customers with electricity as customers can be supplied without individual metering in place. In other words, the meter is a network component that does not actually delivery electricity through the network, but merely measures the electricity supplied for data collection and billing purposes.

Public information published on the register

Draft decision

In the draft decision, we proposed requesting and publishing information that would not only provide electricity customers of exempt persons with transparency regarding who supplies and sells their electricity, but also make it easier for customers to search for and contact their exempt electricity provider. The ability of a customer to readily identify and contact their provider will assist with complaint resolution.

Stakeholder feedback

There was broad support from stakeholders on the information the commission proposed to request and publish on the public register.

The Consumer Action Law Centre stated:

*This is essential information if consumers are to effectively raise and resolve disputes with sellers and suppliers – as all consumers have a right to do.*¹²

¹¹Third parties of exempt persons include businesses and persons such as agents and service providers that perform network services including but not limited to meter reads, provision of data, network maintenance and connections/energisations. These persons or businesses generally act on behalf of exempt persons that have immediate proprietary rights over the physical infrastructure that is critical to delivering the electricity to end-use customers in embedded networks (such as the wires). These exempt persons include owners’ corporations, shopping centre owners and retirement villages. Exempt persons are required to provide the commission with the details of their third-party service provider or agent including the trading name, telephone number and email address for customer queries, which will be published on the commission’s public register.

¹² Consumer Action Law Centre, 2018, *Submission to the ESC draft decision: Register of non-licensed electricity providers: registration guideline (information for registration and public register)*, 19 February, p.2.

Stakeholder feedback

Uniting Kildonan noted:

Multiple lines of information will allow users of the register to search for contact details of their provider in a format that is familiar to them such as the trading name or their own residential address.¹³

Meanwhile, Victorian Caravan Parks Association stated:

In general, we find this information (information to be published) appropriate and easy to supply.¹⁴

Customer contact details

Draft decision

In our draft decision, we proposed to collect the exempt person's customer contact details but did not specify which details would be required. We also did not propose to collect the details of an exempt person's third-party service provider or agent that performs retail or network functions on behalf of the exempt person (the exempt person is usually the owners' corporations or shopping centre owners).

Stakeholder feedback

Customer advocacy groups supported our proposal to collect and publish the exempt person's customer contact details but requested that we specify which details will be required. They suggested additional information be published on the public register, specifically regarding the details of any parent, subsidiary, and third-party providers associated with the various aspects involved in the sale or supply of electricity.¹⁵

The Shopping Centre Council of Australia did not raise an overall objection to the proposed contact details but wanted to ensure that the process supports the various ownership and operation arrangements common with shopping centres.¹⁶

Consumer Action Law Centre stated that it is important the commission specified the customer contact details that must be collected during registration. It suggested that an address, phone

¹³ Uniting Kildonan, op. cit., p.2.

¹⁴ Victorian Caravan Parks Association, 2018, *Submission to the ESC draft decision: Register of non-licensed electricity providers: registration guideline (information for registration and public register)*, 13 February, p.1.

¹⁵ Consumer Action Law Centre, op. cit., p.2, Uniting Kildonan, op. cit., p.3.

¹⁶ Shopping Centre Council of Australia, op. cit., p.1.

Stakeholder feedback

number, and an email address should be required at a minimum ,and other contact points such as websites and social media business pages, where available.¹⁷

The Energy and Water Ombudsman (Victoria) noted that including customer contact information for exempt persons on the public register will make it easier for customers to contact the provider first to raise complaints internally, giving the provider an opportunity to address complaints before they are taken to an external dispute resolution body.¹⁸

Furthermore, the Energy and Water Ombudsman (Victoria) noted¹⁹ that transparent information about exempt persons will assist with the membership process, resulting in more providers and customers having timely access to an external dispute resolution body from 1 July 2018.²⁰

Customer advocacy groups noted the importance of an exempt person's customer contact details being up-to-date to ensure customer confidence in the accuracy of the register.

Uniting Kildonan stated:

It is essential to the integrity of the register that contact details be current and regularly reviewed to ensure the register is accurate at any point in time so that customers of (non-licensed electricity providers) can be confident that they will receive a response from their provider when they make an enquiry.²¹

Furthermore, Uniting Kildonan stated that to meet the objective of greater transparency of this segment of the market, the register should also include details for any other entities involved in the various aspects of the electricity provision (such as metering, maintenance and billing), where applicable. It contended that this would enable customers to easily contact the appropriate entity with queries relating to their bills, payment difficulties, government grants and concessions, supply, meter, or other matters.²²

¹⁷ Consumer Action Law Centre, op. cit., p.2.

¹⁸ Energy and Water Ombudsman (Victoria) 2018, *Submission to the ESC draft decision: Register of non-licensed electricity providers: registration guideline (information for registration and public register)*, 19 February, p.1.

¹⁹ *ibid.*

²⁰ Clause 11(1) of the General Exemption Order 2017 provides that exempt persons supplying or selling electricity are required to become members of a dispute resolution scheme approved by the commission as a condition of their exemption. The Energy and Water Ombudsman (Victoria) is the approved external dispute resolution body for the purposes of the General Exemption Order 2017.

²¹ Uniting Kildonan, op. cit., p. 4.

²² Uniting Kildonan, op. cit., p.3.

Stakeholder feedback

Final decision

The commission has decided the customer contact details required during the registration process are the exempt person's trading name and customer contact details or their third-party service provider or agent's trading name and customer contact details. Customer contact details include both a telephone number and an email address for customer queries. We consider that these two lines of communication will be sufficient for customers to make contact with their seller or supplier.

We consider it critical for the success and effectiveness of the register that customers have easy access to the details, including contact information, for an exempt person or their third-party service provider or agent.

During our consultation with stakeholders we were informed of different operating models in this segment of the market, particularly in apartment buildings and shopping centres. In most instances, the exempt person selling electricity (the legal entity that meets the pre-condition of exemption that requires them to purchase the electricity on-sold from a licensed retailer) outsources functions such as billing and customer service to a third-party service provider or agent. Accordingly, we consider it essential that the third-party's information is published in association with the exempt person. This will avoid confusion as to who customers should contact to raise a query or complaint.

The commission agrees that to serve the long-term interests of consumers effectively, and enable them to contact their provider, it is important that contact details are accurate. Accordingly, registered exempt persons are required to ensure customer contact details are up-to-date at all times.

Capturing different ownership arrangements

Draft decision

In our draft decision, we specified that we would collect the ABN/ACN of the exempt person and its trading name.

Stakeholder feedback

The Shopping Centre Council of Australia raised that there may be instances regarding shopping centres where:

- a) several companies may be the owners and operators of the electricity network infrastructure and therefore the registration of an activity would involve multiple ABNs
- b) a related entity, such as a management or service company may also be a provider on behalf of an asset owner/operator

Stakeholder feedback

- c) an exempt seller or supplier may not have a trading name or contact details but can nonetheless be associated with a particular company or site name.²³

The council wanted to ensure that the commission’s online registration system supports these scenarios, stating:

While we have no overall objection to the proposed required/requested information, we are keen to ensure that this approach both acknowledges and supports (the above scenarios).²⁴

Final decision

We acknowledge the points raised by the Shopping Centre Council of Australia. Accommodating the inclusion of multiple entities under a single registration is not a function that can be supported by our IT system at this time. However, we are working with the Shopping Centre Council of Australia to reach a solution.

Where there are multiple exempt persons for one site, each person must separately register as each entity has immediate proprietary rights over the facilities used to supply the electricity. For example, where multiple trusts or companies own or lease the site and infrastructure that is critical to the supply of electricity from the licensed distributor’s network to each customer in the embedded network.

With respect to trading names, we acknowledge that not all entities have a trading name. In these instances, if the exempt person uses a third-party service provider or agent, then the agent or service provider’s trading name must be provided. If the exempt person does not have a third-party service provider or agent, then the site name or legal name can be registered in place of the trading name. In such instances, exempt persons should provide the name that customers would most easily associate with them.

Information for customers

Draft decision

In our draft decision, we considered it necessary to collect information from exempt persons for inclusion on the public register that would help customers identify their provider and relevant customer contact details.

²³ Shopping Centre Council of Australia, op. cit., p.1.

²⁴ *ibid.*

Stakeholder feedback

Stakeholder feedback

Customer advocacy groups suggested the online portal should also include information to assist customers to better understand their protections, such as:

- steps customers can take to resolve a query or complaint
- displaying whether the provider is a member of the dispute resolution scheme approved by the commission
- contact details for the external dispute resolution body
- information on how it may assist, and how they can access concessions and government grants.²⁵

Final decision

Our website will include information and other customer resources to assist customers with understanding how they can resolve queries and complaints. As the portal will be accessed via our website, customers will have access to this information prior to viewing the public register.

The commission does not consider it necessary to display whether an exempt person is a member of the dispute resolution scheme approved by the commission because membership is a condition of exemption for all exempt persons with retail or network exemptions.²⁶ The Energy and Water Ombudsman (Victoria) has now been approved for the purposes of the order. Links to the ombudsman's website will be included on the commission's website. The commission will work closely with the Energy and Water Ombudsman (Victoria), the Department of Environment, Land, Water and Planning, Consumer Affairs Victoria and other stakeholders to develop and coordinate information and resources for customers and their representatives, as well as industry.

²⁵ Consumer Action Law Centre, op. cit., p.3, Uniting Kildonan, op. cit., p.4.

²⁶ Clause 11(1) of the General Exemption Order.

Stakeholder feedback

Information collected but not published

Draft decision

In the draft decision we proposed requesting but not publishing information that would help the commission better understand the scale and scope of the segments of the electricity market covered by the order, and the number of Victorian electricity customers supplied and sold electricity by exempt persons. Having an understanding of the scale and scope of the market will help the commission identify appropriate customer protections, and monitor and enforce compliance.

Stakeholder feedback

The Shopping Centre Council of Australia suggested that an exempt person should be able to identify confidential information that could not be published, and sought clarity on whether the provision of some of this information was a one-off requirement.²⁷

Sharing information in reports

Stakeholder feedback

Customer advocacy groups suggested that the commission make the non-published information available (in aggregate and de-identified form) in the public interest through reports, such as the commission's Victorian Energy Market Report.²⁸ Customer advocacy groups stated that this would assist researchers, the external dispute resolution body, and those working on policy development and reform, to monitor the nature and growth of the segments of the electricity market covered by the order.

Victorian Council of Social Service (VCOSS) expressed:

While these details will not be publicly available in the register, we request the ESC presents this information in aggregate form in its public reports.²⁹

²⁷ Shopping Centre Council of Australia, op. cit., p.1.

²⁸ Consumer Action Law Centre, op. cit., p.2, Uniting Kildonan, op. cit., p.3, VCOSS, op. cit., p.4.

²⁹ VCOSS, op. cit., p. 4.

Stakeholder feedback

Uniting Kildonan added:

Such an initiative would allow (external dispute resolution) services, consumer advocates and other interested parties to monitor and review developments in this growing sector of the energy market.³⁰

Meanwhile, the Shopping Centre Council of Australia suggested that exempt persons should have the ability to request that certain confidential information not be published.

Final decision

The commission believes that the non-published information and data in an aggregated and de-identified form will assist the government and stakeholders to better understand the segments of the market covered by the order in the context of the overall electricity market. As such, the commission commits that it will only publish this aggregated and de-identified data in a publicly available report on a periodic basis.

Updating information

Draft decision

In our draft decision, we proposed to require exempt persons to update their registration details annually, as allowed by the order.³¹

Stakeholder feedback

The Shopping Centre Council of Australia sought to clarify whether providing aggregate annual consumption was a one-off requirement when registering. It also sought a flexible approach to providing information about the number of customers that are being supplied or sold electricity. This was mainly due to the nature of retail leasing which means the number of customers at any given time can fluctuate.³²

The Shopping Centre Council of Australia stated that annual update requirements should be limited to material changes rather than operational changes such as the number of tenants occupying small commercial and retail stores.

³⁰ Uniting Kildonan, op. cit., p. 3.

³¹ Clause 12 of the General Exemption Order 2017.

³² Shopping Centre Council of Australia, op. cit., p.1.

Stakeholder feedback

Final decision

The commission acknowledges that tenant and residential customer numbers can fluctuate. The commission places more importance on having an accurate number of meters per site rather than whether or not the meter has a customer attached to it at the time of registration or when updating details.

The commission requires exempt persons with a retail activity registration exemption to provide us with the total number of orphan meters in the embedded network.³³

The commission requires exempt persons with a network activity registration exemption to provide us with the total number of meters in the embedded network.

The commission would not expect exempt persons to update these details every time a customer moved in or out of the premises.

However, having up-to-date information on the scale of this segment of the electricity market is important for the development and enforcement of the exemption framework, and associated policy development and reform. Accordingly, exempt persons are required to update their information annually to ensure it is as accurate as possible. This includes an annual update of aggregate annual consumption and customer numbers.

The commission will endeavour to email registered exempt persons on an annual basis to prompt them to update their registration details. However, it is the responsibility of each registered exempt person to ensure that its details are correct and are updated at least once per year.

If a registration detail changes, such as customer contact details (outside of the annual update process), the exempt person must update the information on the register as soon as practicable.

Additional information to provide a better understanding of the market

Draft decision

In the draft decision, we sought feedback on whether stakeholders believed there was additional information that we should capture to improve customers' ability to search the register or provide the commission with a better understanding of the segments of the electricity market covered by the order. In their submissions, some stakeholders made suggestions about additional information

³³ Although the physical meters may be different for each customer, for access to retail competition the critical information is the National Metering Identifier (NMI) for that meter. Most meters in embedded networks do not currently have a NMI. They are sometimes referred to as 'orphans' because they lack that essential identity.

Stakeholder feedback

that would assist customer accessibility, and provide further insight into the solar power purchase agreement market.

Hardship, reporting non-registered providers, and review of the register

Stakeholder feedback

Consumer Action Law Centre suggested the register also include specific customer assistance contact phone numbers that can be used by customers in payment difficulty, and details on the minimum standards for payment difficulties (once the consultation on the customer protection framework has been completed). It also suggested the register should have a dedicated phone number for customers requiring assistance, and which offers the Translating and Interpreting Service (TIS). It recommended customers have the ability to engage with the commission and provide feedback on their experience of using the register, and have the ability to report an exempt seller or supplier that they believe should be on the register.³⁴

It was also suggested that the commission establish a timeframe for review of the register to ensure the information being provided was achieving the purposes for which it was collected, or if aspects of the register need to be amended to better meet the needs of customers and other stakeholders.³⁵

Final decision

At this stage, the commission will not require exempt persons to provide specific phone numbers on the register for customers experiencing payment difficulty, including details of translators. However, the commission is commencing formal consultation on the customer protection framework, including payment difficulties protections, shortly. Customer materials, such as fact sheets (including for payment difficulties) will be developed to assist customers of exempt persons to understand their rights and responsibilities under the new customer protection framework we are developing.

The commission will include an email address on its website for customers to report exempt persons that they believe need to be registered (but who are not registered). The commission will also review and make updates to the register as required.

³⁴ Consumer Action Law Centre, op. cit., p.3.

³⁵ Consumer Action Law Centre, op. cit., p.4.

Stakeholder feedback

Solar power purchase agreement providers

Stakeholder feedback

Consumer Action Law Centre recommended that more extensive information be collected on solar power purchase agreement (SPPA) providers, including the address of all sites where a provider has installed panels (un-published information), postcodes where the SPPA provider has installed solar panel systems, and the number of installs in each postcode (included in the public register). Consumer Action Law Centre noted that this is a growing segment of the non-licensed market and therefore, requires close monitoring.³⁶

Final decision

Collecting this additional information would require significant additional IT development which would delay the opening of the register. It is not a feasible option for the first version of the registration portal. The commission considers it important that the register open as soon as possible. However, collecting some of this information from SPPA providers is something the commission may consider when we are developing annual reporting requirements. This means that this information would not be published on the public register but may be included in a publicly available report released on a periodic basis in the future.

³⁶ Consumer Action Law Centre, op. cit., p.3.

Stakeholder feedback

4. Registration information requirements

What is the minimum information the commission is required to collect under legislation?

The legislation specifies that the commission is required to publish the following information on the register:

- the legal name of the exempt person
- the type of activity being carried out (for example, selling electricity in a caravan park).
- The date from which the registration commences (this will be the date on which the registration is published by the commission)
- whether the registration is current (this means whether the exempt person is currently undertaking the activity for which they are registered, or it may be a historical record where the exempt person is no longer undertaking the activity).³⁷

What other information will be required and published, and why?

Final decision

The legislation allows the commission to require any other information as part of registration.³⁸ The commission will collect and publish the following additional information:

- 1.1 the ABN of the exempt person
- 1.2 in the case of a retail activity registration exemption, the exempt person's trading name (or the trading name of the third-party service provider or agent)
- 1.3 in the case of a retail activity registration exemption, the exempt person's customer contact details (or the customer contact details of the third-party service provider or agent)
- 1.4 in the case of a network activity registration exemption, the exempt person's trading name (or the trading name of the third-party service provider or agent)
- 1.5 in the case of a network activity registration exemption, the exempt person's customer contact details (or the customer contact details of the third-party service provider or agent)
- 1.6 the site name where the supply or sale activity is taking place, for example, the name of the apartment building, caravan park or shopping centre (where relevant)³⁹

³⁷ Section 33C(2) of the Electricity Industry Act 2000.

³⁸ Section 33C(3) of the Electricity Industry Act 2000.

1.7 the site address where the activity is being carried out (where relevant).⁴⁰

Collecting and publishing this information will promote one of the key objectives of the new registration system – to provide electricity customers of exempt persons with transparency regarding who supplies and sells their electricity.

Publishing this additional information will make the public register easier for customers to search for their electricity provider. Customer understanding regarding who is providing their electricity will be especially helpful in relation to complaint resolution.⁴¹ It will also allow a customer to notify us if they believe their electricity provider should be registered as an exempt person but is not listed on the public register.

What other information will be required but not published?

Final decision

The commission requires the following additional information, which will be kept confidential and not published on the public register:⁴²

- 2.1 information to ensure that the activity being undertaken does not require an electricity licence (such as whether the exempt person is on-selling electricity purchased from a licensed retailer, and whether the sale is individually metered)
- 2.2 the number of customers that are being supplied or sold electricity⁴³
- 2.3 an estimate of the aggregate (total) yearly electricity consumption at a site in megawatt hours (MWh).⁴⁴

³⁹ Where a site does not have a site name, exempt persons should record the street address. This requirement does not apply to solar power purchase agreement providers in the multiple activity exemption category.

⁴⁰ This requirement does not apply to SPPA providers

⁴¹ Clause 11 of the General Exemption Order 2017 requires an exempt seller or supplier to become a member of an approved dispute resolution body. This clause comes into effect on 1 July 2018.

⁴² Section 33D(2)(b) of the Electricity Industry Act 2000 provides that an application for registration must contain the information required by the commission.

⁴³ For embedded networks, this is the total number of meters for exempt persons who are supplying (network exemption) and for exempt persons who are selling (retail exemption), the number of orphan meters in an embedded network. Although the physical meters may be different for each customer, for access to retail competition the critical information is the National Metering Identifier (NMI) for that meter. Most meters in embedded networks do not currently have a NMI. They are sometimes referred to as 'orphans' because they lack that essential identity.

Registration information requirements

The commission collects this information to help it better understand the scale and scope of these segments of the electricity market, and the number of Victorian electricity customers supplied and sold electricity by exempt persons.

⁴⁴ This can be calculated by reviewing the last 12 months' worth of bills received from the licensed retailer. This information requirement only applies to exempt persons that have been operating for at least one year. For SPPA providers, this would be an aggregate of usage across all of the sites where an agreement is in place.

Registration information requirements

Glossary

Term	Definition
Caravan parks	An area of land on which movable dwellings are situated for occupation on payment of consideration, whether or not immovable dwellings are also situated there.
Community energy project	A community project under which a community group initiates, develops, operates, and benefits from a renewable energy resource or energy efficiency initiative.
Electricity network	An electricity network is the infrastructure (wires, meters, etc.) required to deliver electricity from a provider's meter to end user customers.
Embedded network	An embedded network is a distribution system that is connected at a parent connection point to either a distribution system or transmission system that forms part of the national grid. A licensed electricity distribution company does not own the infrastructure (meters, wires, etc.) required to distribute electricity from the main meter (parent connection point) that is connected to the national electricity market (NEM) to individual end user customers.
Exempt persons	A person who is exempt from the requirement to obtain a licence by Order in Council made under section 17 of the Electricity Industry Act 2000.
Facilities	The physical wires or other infrastructure by which electricity is delivered.
Government agency	A government agency includes: <ul style="list-style-type: none"> a) a Commonwealth, State or Local Government department b) a statutory authority or government owned corporation established under a law of the Commonwealth or a State or Territory c) a university, but does not include a housing authority or a provider of student accommodation.
Holiday parks	An area of land for a tourist campsite facility offering a wide range of accommodation styles.

Immediate proprietary rights	Rights held by an owner (or lessee) that gives them control over the critical components of the embedded network infrastructure used to supply electricity to customers.
Large customer	A business customer to whom peak demand of not less than 500 kilo volt amps (kVa), or consumption of not less than 160 megawatt hours (MWh) per annum is distributed, supplied or sold for commercial or industrial purposes.
Licensed distribution company	A business that holds a licence under the Electricity Industry Act 2000 to distribute electricity.
Licensed electricity retailer	A business that holds a licence to sell electricity under the Electricity Industry Act 2000 otherwise than through the wholesale electricity market.
Manufactured home estates	An area of land where residents live in manufactured homes. Manufactured homes are re-locatable homes that are not permanently attached to the land. The home owner rents the land on which their home is situated.
Metered electricity	Electricity measured by an approved meter. A meter is any device that measures the quantity of electricity passing through it or that records the consumption of electricity at the customer's premises.
National Electricity Market	The National Electricity Market (NEM) is an interconnected electricity system in Australia. It facilitates the cross-state operation of the wholesale electricity market that covers the eastern and southern states and territories whose grids are electronically connected. It is the wholesale market through which generators and retailers trade electricity in Australia.
National Electricity Rules	Has the same meaning as the National Electricity (Victoria) Law.
Related company	In relation to a person that is a company, it means a company that controls or is controlled by the first company, including: <ul style="list-style-type: none"> a) a company that is a subsidiary of the first company or of which the first person is a subsidiary, and b) a company that has a common holding company for the first company.

Glossary

Residential customer	A person who buys electricity principally for personal, household or domestic use at their premises.
Residential land lease parks	An area of land where residents live in a relocatable home. Residents own their own home and lease the land on which their home is situated.
Small commercial/retail customer	A business customer, to whom peak demand of less than 500 kilo volt amps (kVA), and consumption of less than 160 megawatt hours (MWh) per annum, is distributed, supplied or sold for commercial or industrial purposes.
Solar power purchase agreement	An agreement under which a business provides, installs, and maintains, at no initial cost, a solar panel system to a customer and in exchange, the customer buys the electricity provided by the solar panels at an agreed price and for an agreed period. Any electricity that is not used by the customer is sold to a licensed retailer.
Supply	The delivery of electricity from one party to another.
Third-party service provider or agent	An exempt person's third-party service provider or agent is usually a person or business that performs the services of a retailer (such as billing and customer service) or a distributor (such as meter readings and data provision) on behalf of exempt persons such as owners' corporations and shopping centres.

Glossary

Appendix A

Stakeholder submissions

CitiPower, Powercor and United Energy (single submission)

Consumer Action Law Centre

Energy and Water Ombudsman (Victoria)

Shopping Centre Council of Australia

Uniting Kildonan

Victorian Caravan Parks Association

Victorian Council of Social Service