



# Standard Electricity Licence conditions for Electricity Retail

As varied on 20 June 2025



# Standard Electricity Licence Conditions for Electricity Retail

This document identifies the Standard Electricity Licence Conditions for Electricity Retail . These are conditions that a holder of an electricity retail licence must comply with in accordance with clause 8 of its licence.

These standard conditions were approved by the commission on 22 June 2022 (with effect from 12 September 2022). Should it be necessary to update the standard licence conditions to which a licensee must comply, the licence will need to be varied in accordance with the process set out in section 29 of the Electricity Industry Act 2000.

# Part A - Interpretation

## 1 Definitions

1.1. Unless the contrary intention appears, a term has the meaning shown opposite it:

<b>Act</b>	the <i>Electricity Industry Act 2000</i> (Vic)
<b>AEMO</b>	the Australian Energy Market Operator Limited (ACN 072 010 327).
<b>Business Day</b>	a day other than a Saturday, Sunday or a public holiday in Victoria.
<b>Change of Control</b>	occurs in relation to the Licensee if: (a) an entity that Controls the Licensee ceases to Control the Licensee; or (b) an entity that does not Control the Licensee starts to Control the Licensee; provided that no change of Control will be deemed to have occurred where the Ultimate Holding Company that Controls the Licensee remains the same or the change in Control results from the acquisition or cancellation of, or dealing in, securities which are traded on a recognised financial market.
<b>Code of Practice</b>	means a Code of Practice made under Part 6 of the ESC Act or relevant legislation.
<b>Commission</b>	the Essential Services Commission established under the ESC Act.
<b>Control</b>	has the same meaning given in section 50AA of the <i>Corporations Act 2001</i> (Cth).
<b>Customer</b>	a person to whom electricity is sold for premises by a Retailer or who proposes to purchase electricity for premises from a Retailer.
<b>Deemed Contract</b>	a deemed contract for the supply and sale of electricity arising under section 39 of the Act.
<b>Default Use of System Agreement</b>	a Use of System agreement submitted by a Distributor and approved by the Commission under the Distributor's Distribution Licence or the Electricity Distribution Code of Practice.
<b>Distribution Licence</b>	a licence to distribute or supply electricity granted under the Act.

<b>Distribution System</b>	in relation to a Distributor, a system of electric lines (generally at nominal voltage levels of 66kV or below) which the Distributor uses to distribute or supply electricity.
<b>Distributor</b>	a person who holds, or is exempt from holding, a Distribution Licence.
<b>Domestic or Small Business customer</b>	has the same meaning as in section 3 of the Act.
<b>Electricity Bulk Hot Water</b>	means water centrally heated by electricity and delivered to a number of Customer premises where the Customer's consumption of hot water is measured with a Meter and where an energy bill is issued by a Retailer.
<b>Energy Retail Code of Practice</b>	means the code of practice of that name made by the Commission under Part 6 of the ESC Act.
<b>Entity</b>	has the same meaning given in section 64A of the <i>Corporations Act 2001</i> (Cth).
<b>ESC Act</b>	the <i>Essential Services Commission Act 2001</i> (Vic).
<b>Exempt Distributor</b>	means a person who is exempt from holding a licence under section 16 of the Act to engage in certain activities as set out in clauses 6 and 7 of the Exemption Order (deemed exemption of distributors and exemption of registered distributors).
<b>Exemption Order</b>	the Order in Council made under section 17 of the Act which came into effect on 1 January 2023.
<b>Licensee</b>	any holder of a Retail Licence who is required to comply with the Standard Electricity Licence Conditions for Electricity Retail in accordance with clause 8 of its licence.
<b>Meter</b>	in relation to a Customer, means: <ul style="list-style-type: none"> <li>(a) the device that measures the quantity of energy passing through it or records the consumption of energy at the Customer's premises; and</li> <li>(b) for Electricity Bulk Hot Water, the device which measures and records the consumption of bulk hot water consumed at the Customer's premises.</li> </ul>
<b>Minister</b>	the person who is, from time to time, the Minister administering the Act.
<b>National Electricity Law</b>	means the National Electricity (Victoria) Law as in force in Victoria under the <i>National Electricity (Victoria) Act 2005</i> (Vic).

<b>National Electricity Rules</b>	means the National Electricity Rules as in force from time to time under the National Electricity Law.
<b>NMI</b>	means the unique identifier for each connection point within the National Electricity Market.
<b>Retailer</b>	a person who holds or is exempt from holding a Retail Licence.
<b>Retail Licence</b>	a licence, granted under the Act, authorising the holder thereof to sell electricity.
<b>Review</b>	a systemic and independent process for obtaining evidence and evaluating it objectively to determine the extent to which particular criteria are fulfilled, this includes, but is not limited to, a regulatory audit undertaken in accordance with relevant guidelines issued by the commission.
<b>RoLR event</b>	means a retailer of last resort event defined in section 122 of the Schedule to the <i>National Energy Retail Law (South Australia) Act 2011</i> (the National Energy Retail Law).
<b>Small Customer</b>	<ul style="list-style-type: none"> <li>(a) a Domestic or Small Business Customer under section 3 of the Act; and</li> <li>(b) a person to whom electricity is supplied by an Exempt Distributor: <ul style="list-style-type: none"> <li>(i) principally for personal, household or domestic use; or</li> <li>(ii) whose aggregate consumption of electricity has not been, or is not likely to be, more than 40 megawatt hours in any calendar year .</li> </ul> </li> </ul>
<b>Supply Point</b>	the point at which electricity supplied to a person last leaves a supply facility owned or operated by a Distributor before being supplied to that person, whether or not the electricity passes through facilities owned or operated by any other person after leaving that point before being so supplied.
<b>Ultimate Holding Company</b>	has the same meaning given in section 9 of the <i>Corporations Act 2001</i> (Cth).
<b>Use of System Agreement</b>	an agreement between a Retailer (or other person who has made an application for a Retail Licence) and a Distributor which is necessary to ensure that, subject to the Act, electricity is distributed or supplied by means of the Distributor's Distribution System to the extent necessary to enable the Retailer (or other person) to sell electricity to its Customers.

**Wholesale Electricity Market** means the market for wholesale trading in electricity operated by AEMO under the National Electricity Rules.

## Part B – Licence conditions

### 2 Payment of fees

- 2.1 The Licensee must pay a licence fee as determined by the Minister in accordance with the provisions of section 22 of the Act.

### 3 Ongoing technical capacity

- 3.1 The Licensee must at all times maintain such technical capacity as is reasonably required to:
- a) meet its obligations under its Licence, a Code of Practice and the Act; and
  - b) to undertake the activities authorised by this Licence.
- 3.2 In this clause 3, 'activities authorised by this Licence' include any activities undertaken by a contractor, subcontractor, agent or other third party (a third party) engaged by the Licensee for the purpose of enabling the Licensee to undertake the activities authorised by its Licence.

### 4 Ongoing financial viability

- 4.1 The Licensee must at all times remain financially viable to undertake the activities authorised by this Licence.

### 5 Change of Control

- 5.1 The Licensee must give the Commission a notice in writing if any event occurs, any decision by the Licensee is made, or any other circumstance exists that will effect a Change of Control.
- 5.2 The notice required under clause 5.1 must:
- a) set out particulars of the relevant event, decision or circumstance; and
  - b) be given to the Commission as soon as practicable and in any case not later than 3 Business Days after the Licensee becomes aware of the event or circumstances or makes the decision.

### 6 Compliance with regulatory instruments

- 6.1 The Licensee must have in place a system for monitoring its compliance with its Licence, any applicable Code of Practice and the Act.

## **7 Electricity purchase arrangements**

- 7.1 The Licensee must have in place agreements or arrangements for the purchase of electricity through the Wholesale Electricity Market or otherwise and any necessary authorisations as are required to enable the Licensee to perform its obligations under any contracts for the sale of electricity to which it is a party.
- 7.2 The Licensee is deemed to comply with clause 7.1 if it is registered with AEMO as a 'customer' in accordance with the National Electricity Rules.

## **8 Use of System Agreements**

- 8.1 The Licensee must have a Use of System Agreement with each Distributor who is not an Exempt Distributor in whose distribution area the Supply Point of any Customer of the Licensee is located. Each Use of System Agreement must be in writing.
- 8.2 A Use of System Agreement must not unreasonably discriminate, or have the effect of creating unreasonable discrimination, between Retailers or between Customers of any Retailer.

## **9 Information to customers that are not Small Customers**

- 9.1 The Licensee must include at least the following information in a bill for the supply or sale of electricity issued to a Customer that is not a Small Customer:
- a) the NMI assigned to the Customer's metering installation and the NMI checksum or, if there is no assigned NMI, the meter number or another unique identifying mark assigned to the metering installation;
  - b) the relevant tariff or tariffs applicable to the Customer;
  - c) if the Licensee directly passes through network charges to the Customer, the separate amount of the network charge; and
  - d) any information required by the Act, the ESC Act, or any Code of Practice or guideline issued by the commission to be included in a bill issued to a Customer that is not a Small Customer.
- 9.2 If a variation is made to the tariff or to terms or conditions of a contract of a Customer that is not a Small Customer, the Licensee must notify the Customer of the variation as soon as practicable or as otherwise agreed between the Customer and the Licensee.
- 9.3 The Licensee must give notice to a Customer, that is not a Small Customer, who is a party to a Deemed Contract with the Licensee on, or as soon as practicable after, becoming aware of the Deemed Contract. This notice must:
- a) inform the Customer that there is deemed to be a contract between the Customer and the Licensee for the supply and sale of electricity;

- b) set out the tariff and summarise other terms and conditions under the Deemed Contract;
- c) describe the methods by which the Deemed Contract may be terminated and related terms and conditions; and
- d) outline the options available to the Customer.

9.4 If the contract between a Customer, that is not a Small Customer, and a Retailer is a fixed term contract, prior to the expiry of the fixed term the Retailer must notify that Customer:

- a) that the contract is due to expire;
- b) when the expiry will occur;
- c) the tariff and terms and conditions that will apply to the Customer, that is not a Small Customer, beyond the expiry of the contract if that Customer does not exercise any other option, which the Retailer may determine at its discretion; and
- d) what other options are available to the Customer that is not a Small Customer.

The information must be given no sooner than 40 Business Days before, and no later than 20 Business Days before, the expiration of the fixed term (unless the fixed term is less than one month in which case the information must be given to the Customer that is not a Small Customer at the commencement of the term).

9.5 Notification pursuant to clause 9.4 is not required if the Customer has already entered into a new contract with the Licensee or has given instructions to the Licensee as to what actions the Customer intends to take at the end of the contract.

## **10 Separate accounts**

10.1 If the Licensee holds more than one category of licence under Part 2 of the Act, the Licensee must prepare separate accounts for each part of its business in respect of which it has been granted a separate licence.

## **11 Payment methods**

11.1 The Licensee must not implement a pre-payment Meter scheme without the prior approval of the Commission.

## **12 Provision of information**

12.1 Except where expressly provided to the contrary in the Energy Retail Code of Practice, the Licensee must maintain comprehensive records regarding any activities undertaken pursuant to its Licence for a period of at least 7 years.

12.2 The Licensee must, as soon as reasonably practicable, provide the Commission with information on its ongoing technical capacity or financial viability to undertake the activities authorised by this Licence, as the Commission may properly request in connection to the



performance of its functions or the exercise of its powers under the Act, and in a manner and form specified by the Commission.

12.3 The Licensee must, without delay, notify the Commission in writing of any event, circumstance or matter that:

- (a) may, is, or will at some time in the future, affect the Licensee's ability to maintain continuity of the sale of electricity to its customers;
- (b) gives rise to some risk of affecting the Licensee's ability to maintain continuity of the sale of electricity to its customers; or
- (c) that gives rise to, or gives rise to some risk of, a RoLR event, in relation to the Licensee.

## **13 Review**

13.1 Subject to clause 13.2 of this Licence, the Licensee must, upon direction by the Commission, appoint an independent reviewer to conduct a Review of any of the following:

- a) the Licensee's compliance with its obligations under its Licence, a Code of Practice or the Act;
- b) the reliability and quality of information reported by the Licensee to the Commission and the consistency of that information with the Commission's specifications; and
- c) any other matter as directed by the Commission.

13.2 The Licensee must obtain the Commission's prior approval of:

- a) the appointment of an independent reviewer; and
- b) the scope, timing and methodology of a Review that the Licensee must conduct under clause 13.1.

13.3 The Licensee must ensure that the Commission is promptly provided with a copy of any reports produced by an independent reviewer for a Review that the Licensee must conduct under clause 13.1.

13.4 The Licensee must require any independent reviewer it appoints to comply, with any guidelines issued by the Commission dealing with Reviews.

## **14 Community service obligation agreements**

14.1 If so directed by the relevant government agency, the Licensee must enter into an agreement with the State for the provision of community services on terms and conditions determined or agreed in accordance with section 47 of the Act.

## 15 Dispute resolution

- 15.1 The Licensee must enter into a customer dispute resolution scheme approved by the Commission under section 28 of the Act.

# Schedule 1 – Variations to the Standard Electricity Licence Conditions for Electricity Retail

Date	Variation
20 June 2025	These Standard Electricity Licence Conditions for Electricity Retail have been varied to reflect the Australian Energy Regulator assuming the responsibility for retail of last resort arrangements in Victoria on 30 July 2024 under the <i>National Energy Retail Law (Victoria) Act 2024</i> and the <i>National Energy Retail Law (Victoria) Regulations 2024</i> and other minor amendments.