

Australian Energy Regulator (AER) (Retail) Exempt Selling Guideline

Latest version: *Version 5 (March 2018)*

Applicable for the sale of energy

www.aer.gov.au

Conditions apply to Registrable Exemption – R1 and R5

Excerpt from the AER (Retail) Exempt Selling Guideline Version 5

Core exemption conditions

The following conditions apply under rule 153 of the Retail Rules to the sale of energy to registrable exempt customers by an exempt seller. These are core conditions based on the retail customer protections provided under the National Energy Retail Law (Retail Law).

Not all conditions apply to all exemption classes. The specific obligations under each condition will vary from class to class and will depend on whether the class relates to residential or commercial/retail customers.

Condition 1 – Obligation to supply

- 1 An exempt person cannot refuse to sell energy to a customer who meets the criteria for this exemption class, except:
 - a. in accordance with relevant disconnection provisions and
 - b. where the exempt customer's premises have been disconnected by the exempt person for a reason other than failure to pay a bill and the matter leading to the disconnection has not been rectified. The exempt person must reconnect the premises and offer to sell energy once the matter is rectified.

Condition 2 - Information provision

- 1 The exempt person must advise exempt customers, in writing, at the start of their tenancy/residency/agreement of the following:
 - a. the legal name, trading name (if relevant) and contact details of the exempt seller
 - b. any right of the exempt customer, under state or territory laws, to elect to purchase energy from a retailer of their choice and information on the options for metering that would allow this choice
 - c. that the exempt person is not subject to all the obligations of an authorised retailer, and the exempt customer will not receive the same protections as it would if it were purchasing from an authorised retailer
 - d. the exempt customer's rights in relation to dispute resolution including:

- i. any right the exempt customer has to access the energy ombudsman scheme (if applicable), including to lodge a complaint or for free independent information and advice, or any other relevant external dispute resolution body in the state or territory in which the exempt customer is located and
 - e. the conditions applicable to the exemption that the exempt person is operating under
 - f. Not applicable
 - g. Not applicable
 - h. the energy tariffs and all associated fees and charges that will apply to the exempt customer in relation to the sale of energy
 - i. Not applicable
 - j. contact numbers in the event of a gas or electricity fault or emergency.
- 2 The exempt person must provide the information set out in paragraph 1 of this condition at any time on request by the exempt customer or the AER.
- 3 The exempt person must provide the information set out in paragraph 1 of this condition to existing exempt customers as soon as practicable but no later than three months after the Retail Law commences in the relevant state or territory.

Condition 3 - Billing and payment arrangements

- 1 An exempt person must ensure that bills are issued to each exempt customer at least once every three months.
- 2 An exempt person must offer at least two payment methods to an exempt customer. However, if an exempt person offers direct debit as one payment method, they must also offer at least two other payment methods to an exempt customer (that is, at least three methods in total). In each case, at least one of the payment methods offered must be able to be effected without internet access. For example:
 - a. in person
 - b. by telephone
 - c. by mail
 - d. by direct deposit into a bank account.
- 3 An exempt person must include the following particulars in a bill for an exempt customer:
 - a. the legal name, trading name (if relevant) and contact details of the exempt seller
 - b. the name of the exempt customer
 - c. the address of the exempt customer's premises
 - d. date that the account was issued
 - e. the identifier of the meter for the exempt customer's premises

- f. the pay-by date for the bill
- g. date of the current meter reading or estimate, as applicable
- h. the dates to which the meter reading or estimate applies (billing period)
- i. current meter reading or estimate in kilowatt hours and/or cubic metres, as applicable. Where the amount is an estimate, this must be clearly stated on the bill
- j. previous meter reading or estimate in kilowatt hours and/or cubic metres, as applicable. Where the amount is an estimate, this must be clearly stated on the bill
- k. the amount of energy consumed, or estimated to be consumed, in the meter reading period. For electricity, consumption must be shown in kilowatt hours. For gas, consumption must be shown in cubic metres and mega joules and must note the heating value and pressure conversion factor that has been applied (these must be the same as those applied by the retailer from whom the exempt person purchases gas for the site)
- l. tariffs, fees and charges applicable to the exempt customer
- m. the basis on which tariffs, fees and charges are calculated. This includes:
 - i. the usage rate specified in cents per kilowatt hour (c/kWh) or cents per megajoules (c/MJ)
 - ii. the daily supply charge in cents per day (c/day) (if charged)
 - iii. the number of days in the billing cycle
- n. Not applicable
- o. details of the available payment methods
- p. a telephone number for account inquiries and complaints.

Condition 4 - Estimation as basis for bills

- 1 An exempt person must use best endeavours to ensure that the meter for each exempt customer is read and used as the basis, or apportioned, for any bill issued.
- 2 An exempt person cannot rely on an estimation of the meter value at the start of an energy supply arrangement with an exempt customer, or for the purpose of issuing a final bill to an exempt customer.
- 3 An exempt person may base an exempt customer's bill on an estimation of the exempt customer's consumption of energy where the exempt person is not able to reasonably or reliably base the bill on an actual meter reading.
- 4 Where an estimation is used as the basis for an exempt customer's bill, the estimation must be based on:
 - a. historical metering data for the exempt customer reasonably available to the exempt person
or

- b. where this is not available, the average usage of energy by a comparable customer over the corresponding period.
- 5 If a customer's bill is based on an estimation this must be clearly stated on the exempt customer's bill.

Condition 5 - Pay-by date

- 1 The pay-by date for a bill must not be less than 13 business days from the date on which the exempt person issues the bill.

Condition 6 - Receipts

- 1 An exempt person must provide each exempt customer with a receipt for any amount paid for energy, except where payment has been made by:
 - a. direct debit or
 - b. credit card over the phone and the customer is provided with a receipt number.
- 2 An exempt person must provide the exempt customer with a separate receipt if a payment for energy was made together with a rent payment but has not been separately identified on the rent receipt.

Condition 7 - Pricing

- 1 An exempt person must not charge the exempt customer tariffs higher than the standing offer price that would be charged by the relevant local area retailer for new connections, if the local area retailer were to supply that quantity, or estimated quantity, of energy directly to the premises of the exempt customer.¹
- 2 An exempt person must provide notice to the exempt customer of any change in the exempt customer tariff as soon as practicable and no later than the exempt customer's next bill.
- 3 An exempt person must not impose any charge on an exempt customer that is not charged by the relevant local area retailer for new connections under a standard retail contract. A 'charge' includes, but is not limited to, account establishment fees, late payment fees, debt collection fees, disconnection and reconnection charges and security deposits.² The amount of any allowable charge must not be greater than that charged under the relevant local area retailer's standard retail contract.

Condition 8 – Undercharging and overcharging

¹ The standing offer price includes the supply price and the usage price. Exempt sellers must ensure that the price they charge for each of these parts does not exceed the price charged for the equivalent part of the standing offer.

² The fees and charges allowable under a standard retail contract are governed by Division 6 of the National Energy Retail Rules (which sets out the requirements for charging a security deposit under a standard retail contract) and may also be governed by jurisdictional legislation.

- 1 Where an exempt customer has been undercharged, an exempt person can recover the amount undercharged subject to the following:
 - a. where the undercharging was not the result of the exempt customer's fault or unlawful act or omission, the exempt person is limited to recovering the amount undercharged in the 9 months before the date on which the exempt customer is notified of the undercharging
 - b. the exempt person cannot charge interest on the undercharged amount
 - c. the exempt person must offer the exempt customer time to pay the undercharged amount by instalments, over a period nominated by the customer (up to 12 months, but no longer than the period of the undercharging).
- 2 Where an exempt customer has been overcharged, an exempt person must inform the exempt customer within 10 business days after becoming aware of the overcharging and repay the amount overcharged subject to the following:
 - a. where the amount overcharged is \$25 or more, the exempt person must refund the amount to the exempt customer if requested, or if no such request is made, credit the amount to the exempt customer's next bill. Where the exempt customer no longer purchases energy from the exempt person, the exempt person must use best endeavours to refund the amount within 10 business days
 - b. where the amount overcharged is less than \$25, the exempt person must credit that amount to the exempt customer's next bill. Where the exempt customer no longer purchases energy from the exempt person, the exempt person must use best endeavours to refund the amount within 10 business days
 - c. no interest is payable on the overcharged amount
 - d. where the overcharging was the result of the exempt customer's fault or unlawful act or omission, the exempt person is limited to repaying the amount overcharged in the 12 months before the date on which the error was discovered.

Condition 9 - Payment difficulties and disconnection or de-energisation

- 1 Where an exempt customer informs the exempt person that they are unable to pay energy bills due to financial difficulty, the exempt person must:
 - a. Not applicable
 - b. direct the exempt customer to the Australian government energy efficiency website or another information resource with energy efficiency advice and
 - c. ensure that the exempt customer is aware of relevant government or non-government energy rebates, concessions and relief schemes and
 - d. not charge the exempt customer a late payment fee and
 - e. not charge the exempt customer a security deposit.

- 2 Subject to Condition 10, an exempt person must not proceed with disconnection or cessation of energy supply to an exempt customer unless the following requirements have been met:
 - a. the exempt customer has requested disconnection or
 - b. continuity of supply to the premises would be unsafe or
 - c. the exempt customer's tenancy/residency/agreement has ended and the exempt customer is vacating the premises or
 - d. the exempt customer has not paid a bill by the pay-by date, and has not agreed to a payment plan, or having agreed to a payment plan has failed to adhere to the plan and:
 - i. following non-payment by the pay-by date, the exempt person has given the exempt customer a reminder notice requesting payment by a date at least 6 business days from the date of issue of the reminder notice, and, in the case of residential exempt customers, has offered the exempt customer more flexible payment terms to pay any amount outstanding and has restated the forms of assistance available if the non-payment is due to financial difficulty and
 - ii. following non-payment by the date specified in the reminder notice, or, in the case of residential customers, the establishment of more flexible payment terms, the exempt person has given the exempt customer a disconnection warning notice informing the exempt customer that disconnection may occur if payment of the outstanding bill is not made by a date at least 6 business days from the date of issue of the warning notice and
 - iii. the exempt person has, after issuing the disconnection warning notice, used its best endeavours to contact the customer in person or by telephone in connection with the failure to pay and
 - iv. the exempt customer has, by the date specified in the disconnection warning notice, refused or failed to take any reasonable action towards settling the debt.
- 3 A reminder warning issued pursuant to condition 9(2)(d)(i) must:
 - a. state the date of its issue and
 - b. state the date on which the reminder notice period ends and
 - c. include details of the exempt seller's telephone number for complaints and disputes.
- 4 A disconnection warning notice issued pursuant to condition 9(2)(d)(ii) must:
 - d. state the date of its issue and
 - e. state the date on which the disconnection warning period ends and
 - f. inform the exempt customer of applicable re-connection procedures and (if applicable) that a charge will be imposed for reconnection and
 - g. include details (where applicable) of the existence and operation of the energy ombudsman, including contact details and
 - h. include contact details for the exempt seller.

- 5 Where an exempt customer is disconnected in accordance with paragraph 2(b) of this condition, the exempt person must use its best endeavours to notify the exempt customer in person or by telephone prior to the disconnection, and must arrange for reconnection of the premises as soon as practicable.
- 6 This condition does not apply where state or territory legislation sets out the process and requirements for the disconnection or cessation of energy supply by the exempt person on the basis that they are a landlord, body corporate or similar.
- 7 This condition does not apply to interruptions under conditions 18 and 19.

Condition 10 - When disconnection or de-energisation is prohibited

- 1 An exempt person must not disconnect or cease energy supply to an exempt customer's premises where:
 - a. Not applicable
 - b. Not applicable
 - c. the exempt customer has made a complaint directly related to the proposed reason for disconnection or de-energisation to the exempt person, the energy ombudsman or another relevant external dispute resolution body and the complaint remains unresolved or
 - d. the disconnection or de-energisation would occur on:
 - i. a business day before 8am or after 3pm or
 - ii. a Friday or the day before a public holiday or
 - iii. a weekend or a public holiday or
 - iv. the days between 20 December and 31 December (inclusive) in any year.
- 2 For electricity, the exempt person must contact its distributor to ask whether disconnection of a retail customer in the relevant jurisdiction would be prohibited on that day due to extreme weather conditions. Where the distributor confirms that the disconnection of a retail customer would be prohibited on that day, the exempt person must not disconnect the exempt customer's premises.
- 3 This condition does not apply where the exempt customer has requested disconnection.
- 4 This condition does not apply where continuity of supply to the premises would be unsafe.
- 5 This condition does not apply where the energy supply agreement between the exempt person and exempt customer has been terminated.

Condition 11 - Reconnection or re-energisation

1. Where an exempt customer is disconnected in accordance with conditions 9 and 10 and the customer makes a request for reconnection, the exempt person must reconnect the premises as soon as practicable after a request for reconnection is made. A request for reconnection may be made ten business days after disconnection, or as soon as the matter that led to the disconnection is rectified, and
 - a. any charges for reconnection are paid and

- b. if the exempt customer still has outstanding amounts owed under the exempt customer's energy account, the customer agrees to enter into a payment plan with the exempt seller.^{3 4}
2. Subject to condition 11(1), the exempt person must reconnect the premises (or, where required, arrange with the distributor to reconnect the premises) as soon as practicable, and no later than two business days from when the request was made.
3. Subject to condition 11(1), the exempt person cannot refuse to supply an exempt customer on the grounds that they owe outstanding amounts on their energy account.

Condition 12 - Payment plans

1. Not applicable
2. In establishing a payment plan the exempt seller must have regard to:
 - a. the exempt customer's capacity to pay and
 - b. any outstanding amounts owed by the exempt customer and
 - c. the exempt customer's expected energy consumption needs over the following 12 month period or the duration of their tenancy/residency/agreement if the tenancy/residency/agreement is less than 12 months.
3. An exempt seller who offers a payment plan to an exempt customer under this condition must inform the exempt customer of:
 - a. the duration of the plan and
 - b. the amount of each instalment payable under the plan, the frequency of instalments and the date by which each instalment must be paid.
4. This condition does not apply where the exempt customer has:
 - a. had two payment plans cancelled by the exempt person in the previous 12 months due to non-payment or
 - b. been convicted of an offence involving illegal use of energy in the previous two years.

Condition 13 – Not applicable

Condition 14 - Choice of retailer

³ The requirement for exempt customers to wait 10 days before requesting reconnection does not preclude an exempt seller from reconnecting prior to this date where it is directed to do so under jurisdictional legislation.

⁴ The AER recommends that exempt sellers consider the [AER Sustainable Payment Plans Framework](https://www.aer.gov.au/retail-markets/retail-guidelines-reviews/aer-sustainable-payment-plans-framework) when agreeing a payment plan with an exempt customer. The framework can be found at <https://www.aer.gov.au/retail-markets/retail-guidelines-reviews/aer-sustainable-payment-plans-framework>

- 1 Where an exempt customer is eligible under state or territory legislation to purchase energy from a retailer of their choice, the exempt person must not do anything to discourage or prevent them from exercising this choice, whether by:
 - a. requiring the exempt customer to waive their ability to choose a retailer
 - b. unreasonably hindering their efforts to find another retailer or
 - c. unreasonably hindering any metering or network changes required to enable choice of retailer.

Condition 15 - Contact details

- 1 An exempt person must provide a means of contact for account inquiries and complaints that can be readily accessed by exempt customers. Where a telephone number is provided, the charge for this call must be no more than the cost of a local call.

Condition 16 - Dispute resolution

- 1 An exempt person must develop and make a set of procedures detailing the exempt person's procedures for handling complaints and disputes, and those procedures must be provided to exempt customers in accordance with condition 2(1)(d)(i).
- 2 The procedures must be consistent with the Australian Standard *AS/NZS 10002:2014 Guidelines for complaint management in organizations* as amended and updated from time to time.
- 3 In the event of a complaint or dispute concerning the sale of energy to an exempt customer, and in the absence of a determination of the relevant tenancy tribunal if the customer is a tenant, the exempt person must:
 - a. deal with the complaint or dispute in accordance with the exempt person's procedures for handling complaints and disputes and
 - b. make reasonable endeavours to resolve the dispute and
 - c. advise the exempt customer:
 - i. of any right the exempt customer has to access an energy ombudsman (if applicable), including to lodge a complaint or for free independent information and advice, or any other external dispute resolution body in the state or territory where the exempt customer is located, and
 - ii. of the telephone number and other contact details of the energy ombudsman (if applicable).

Condition 17 – Not applicable

Condition 18 – Planned interruptions to supply

- 1 For planned interruptions, the exempt seller must notify each affected exempt customer at least two business days before the date of the interruption.
- 2 The notification must:
 - a. specify the expected date, time and duration of the interruption and
 - b. include a telephone number for enquiries (the charge for which is no more than the cost of a local call) and
 - c. include a statement that any enquiries regarding planned interruptions are to be directed to the exempt seller.
- 3 The exempt seller must use its best endeavours to restore the exempt customer's supply as soon as possible.

Condition 19 – Unplanned interruptions to supply

1. In the case of an unplanned interruption, the exempt seller must:
 - a. within 30 minutes of being advised of the interruption, or otherwise as soon as practicable, make available information on the nature of the interruption and an estimate of the time when supply will be restored or when reliable information on restoration of supply will be available and
 - b. if providing a telephone response that is automated, provide options for exempt customers who call the service to be directly connected to a telephone operator if required and
 - c. use its best endeavours to restore supply to affected exempt customers as soon as possible.

Condition 20 – Not applicable

Condition 21 - Continuity of supply

- 1 An exempt person must notify the exempt customers and the AER immediately if they are (or expect to be) disconnected, or there is any likelihood that they will be unable to continue selling energy.

Condition 22 – Termination of energy supply agreement

- 1 An energy supply agreement between the exempt person and an exempt customer will terminate:
 - a. on a date agreed by the exempt person and exempt customer or
 - b. five business days (or a different time agreed by the exempt person and exempt customer) from the date when the exempt customer gives the exempt person a termination notice or
 - c. at the conclusion of the exempt customer's lease for, or occupancy of, the premises to which the energy is supplied or

- d. when the exempt customer starts receiving energy retail services from a different retailer or exempt person or
 - e. when a different exempt customer starts receiving customer retail services for the premises or
 - f. at the end of a period of 10 business days commencing on the day the exempt customer's premises are disconnected, where the conditions for reconnection have not been met.
- 2 Termination of an arrangement to supply energy does not affect any rights or obligations that have already accrued under the agreement.

Condition 23 - Maintaining records

- 1 An exempt person must maintain records of the following for each of its exempt customers:
 - a. the name of the exempt customer
 - b. the address of the exempt customer's premises
 - c. the identifier of the meter for the exempt customer's premises (if applicable)
 - d. the date that the customer account was created
 - e. copies of any bills issued for the previous 12 months
 - f. the date of the most recent meter read for the customer (if applicable)
 - g. the basis for determining any estimates of consumption for the purpose of billing where a meter read could not be obtained.

Condition 24 – Not applicable

Condition 25 – Not applicable

**Australian Energy Regulator (AER) Electricity Network Service Provider –
Registration Exemption Guideline**

Latest version: *Version 6 (March 2018)*

Applicable for network electricity distribution

www.aer.gov.au

Conditions apply to Registrable Exemption – NR1 and NR5

**Excerpt from the AER Electricity Network Service Provider – Registration Exemption
Guideline Version 6**

4 Part B – Conditions

Our conditions for exemption are detailed in this section. It is divided into nine sub-sections, numbered 4.1 through 4.9. Section 4.1 contains twelve general sub-conditions which apply to all exempt networks, except where modified by tables 6, 7, 8 & 9 for the respective exemption class.

Conditions 4.2 through 4.9 provide a detailed explanation of our requirements for metering, interaction with AEMO, distribution loss factors, pricing, appointment of an Embedded Network Manager, information provision and conversion of an existing site.

These conditions will only be varied by the AER in response to a written application (see sections 3.3 and 5.3) demonstrating that exceptional circumstances apply. We consider exceptional circumstances should mean that a material detriment to customers will be significantly reduced or eliminated by varying these conditions.

4.1 General requirements

Words in italics are primarily intended as commentary to assist understanding of a condition but also form part of the condition. Where a tick appears in a table the numbered condition applies to the named exemption activity class. Where the words “Not applicable” appear in any of tables 6, 7, 8 or 9, the numbered condition does not apply to that class of activity. Where a clause reference appears, only that specific clause applies.

1. All meters used for the measurement of electrical energy whether delivered to, or exported by, a customer must comply with the requirements of the National Measurement Act, 1960 (Cth) and regulations

made under that Act for electricity meters and sub-meters and with the requirements set out in schedule 7.4 of the NER.

This condition applies to all metered energy situations. It does not apply if an unmetered supply is permitted by the AER.

2. All paid energy consumption must be metered except where the AER has determined an unmetered supply is permitted.

Note that the AER does not approve unmetered supplies except in unique or exceptional circumstances. Metering is not required if no charge is levied for electricity or for the recovery of energy supply costs from a tenant or co-tenant.

3. All exempt networks must, at all times, be installed, operated and maintained in accordance with all applicable requirements (within the jurisdiction in which the network is located) for the safety of persons and property. This includes, where relevant, an industry Code or Guideline otherwise applicable to a network service provider providing similar services.

In some jurisdictions larger networks may also have an obligation to have current, and/or maintain, a safety management plan or similar, with a competent safety authority or regulatory agency within that jurisdiction. You must obey these local safety requirements.

All owners and operators of exempt networks must comply with the reasonable requests of a local Distribution Network Service Provider (DNSP) for demand forecasting data, relevant details of the physical network infrastructure and assets and any other data relevant to the control, operation or maintenance of the network. Guideline - Exemption from registration as a network service provider 37

Electrical networks may be subject to mandatory load shedding requirements in emergency situations, in accordance with the NER. This requirement will generally be specified by the local DNSP in the connection agreement for the connection to the NEM system.

There are no exceptions to these safety requirements.

4. Any generation source located within a Exempt Network Operator's (ENO's) exempt network must be designed in the event of a loss of supply from the local DNSP's network to either:

(a) shutdown entirely or

(b) disconnect from that other network (i.e. 'island') and not reconnect except in accordance with arrangements approved by the relevant NEM registered network service provider.

Applies whenever an exempt network contains a generation or inverter source of any kind.

5. All selling of electricity conducted within an exempt network must be undertaken by:

(a) where the National Electricity Retail Law applies, a person authorised to sell electricity in accordance with that Law, or

(b) where the National Electricity Retail Law does not apply, a person authorised to sell electricity in accordance with regulations in force in that jurisdiction.

Applies whenever energy is exchanged for money across an exempt network.

6. Where charges are to apply for services provided by, or in connection with, an exempt network, the following dispute resolution conditions apply:³⁵

(a) An exempt person must develop and make a set of procedures detailing the exempt person's procedures for handling complaints and disputes, and those procedures must be provided to exempt customers in accordance with condition 4.8.1.1(b)(i).

(b) The procedures must be consistent with the Australian Standard AS/NZS 10002:2014 Guidelines for complaint management in organizations as amended and updated from time to time.

(c) In the event of a complaint or dispute concerning the supply of energy to an exempt customer, and in the absence of a determination of the relevant tenancy tribunal if the customer is a tenant, the exempt person must:

- i. deal with the complaint or dispute in accordance with the exempt person's procedures for handling complaints and disputes, and
- ii. make reasonable endeavours to resolve the dispute, and
- iii. advise the exempt customer:
 - of any right the exempt customer has to access an energy ombudsman (if applicable), including to lodge a complaint or for free independent information and advice, or any other external dispute resolution body in the State or Territory where the exempt customer is located, and
 - of the telephone number and other contact details of the energy ombudsman (if applicable).

A dispute resolution mechanism does not require approval by the AER, but must be of a type ordinarily applicable to disputes of the kind, be reasonably accessible, timely, binding on the parties to the dispute and not subject to excessive or unnecessary costs nor to costs disproportionate to the amount in dispute.

Where a network owner or operator appoints an agent they, as the principal, remain responsible for ensuring this condition is satisfied.

³⁵ We note that in many States or Territories there is additional legislation regulating charges for energy in one or more residential, commercial, caravan and holiday park or residential land lease situations – check the legislation applicable in your State or Territory.

7. Where a single customer has energy delivered to adjoining sites or to multiple exempt sites within a jurisdiction and the sites are subject to a common supply arrangement and suitable metering is installed, meter readings for that customer may be aggregated for corresponding time periods.

'Suitable metering' means meters that record energy to the same accuracy class and equivalent time intervals, but not necessarily meters of identical design. 'Exempt sites' refers to exempt networks.

This condition is permissive in its operation: it allows a proprietor or customer of one or more exempt networks to negotiate a bulk pricing arrangement with a willing retailer. This condition does not require that meter readings must be aggregated: it only permits them to be aggregated if a commercial agreement exists to do so. Note also that this condition does not require any NEM service provider or AEMO to modify its systems or procedures to facilitate aggregation.

8. An application for registration of an exempt network is to be made within 20 business days of acquiring a requirement to register. Applications for exemption are personal to the applicant. They are not transferable.

Note that registrable exemptions require minimal effort for the new proprietor of an existing registered exempt network to obtain. Therefore, there is no practical impact in requiring a new application. Note also that no application is required for a deemed exemption category.

9. The AER may revoke or amend an exemption at any time or may vary the conditions applicable to an exemption from time to time.

If the AER does so it will notify a registered applicant using the registered contact details or otherwise, in accordance with the procedures set out in this Network Exemption Guideline and the NER. There are no exceptions to this requirement.

10. Where notified by a customer ('life support customer') of the existence of a requirement to maintain supply for life support equipment, the exemption holder must, without undue delay, promptly notify the parent connection point retailer of the existence of a life support requirement in accordance with the reasonable requirements of the parent connection point retailer. In addition, if the identity of the child connection point retailer is known, the exemption holder must, without undue delay, promptly notify the child connection point retailer when they are informed of life support requirements at a child connection point. The same process and obligations apply in relation to notification of deregistration of a life support customer.

Applies whenever electricity is provided across an exempt network to an eligible retail customer.

11. An exemption holder must not disconnect supply to a life support customer without making arrangements for the safety of a life support customer.

Applies whenever electricity is provided across an exempt network to an eligible retail customer.

12. Where an exemption holder must appoint an Embedded Network Manager (i.e. an ENM as defined above) to comply with condition 4.4, the appointment must also comply with condition 4.7.

1. Where an exempt customer is eligible under State or Territory legislation to purchase energy from a retailer of their choice, the exemption holder must not do anything to discourage or prevent them from exercising this choice, whether by:

(a) requiring the exempt customer to waive their ability to choose a retailer; or

(b) unreasonably hindering their efforts to find another retailer; or

(c) imposing a requirement for compensation for lost capital, income or profit by a customer exercising the right to access a market retail offer;³⁶ or

(d) allowing, causing or permitting any other person to do any of the things mentioned in (a), (b) or (c) above;

and, except where the requirements of section 4.9 have been met:

(e) an exemption holder or agent must not alter the electrical supply arrangement to a customer or tenant in an exempt network directly connected to a registered distributor without the written consent of that customer, resident or tenant, freely given; and³⁷

(f) a customer, resident or tenant of commercial, industrial or residential premises must not be compelled to become part of an exempt network or subject to an exempt selling regime without the express written consent of that customer, resident or tenant.

2. Where condition 4.1.12.1 does not apply, an exemption holder must not prevent or unreasonably impede a customer, resident or tenant within the exempt network from obtaining, at their own cost, a direct connection to the local distributor.

13. Not applicable

³⁶ This requirement does not apply to works necessary to modify an installation to accept an on-market metering installation.

³⁷ This requirement only applies to works which would alter the metering arrangements for a customer that result in that customer ceasing to have a direct connection to a distributor or which adversely affect access by that customer to their retailer of choice. General works to maintain or enhance supply are permitted.