

On behalf of Leda Commercial Properties Pty Ltd – for Morayfield Shopping Centre

171 Morayfield Road, Morayfield Qld 4506

Ph: 07 5499 4255

Written and submitted by Sandra Kindler, Accounts Manager.

Our concerns for the upcoming proposed changes to embedded networks:

The proposal states that we will either have to appoint an intermediary or become certified individually with AEMO. This will mean being able to demonstrate that we have the IT capacity and the knowledge base to be certified. A similar exercise was just completed to ensure our Embedded Network Managers were compliant - which turned out to be not only difficult but expensive. We will either need to spend the time and money becoming compliant ourselves or outsource this to a third party, who have been unable to give us a quote on the costs involved.

Costs for becoming compliant would involve employing someone who can demonstrate their comprehensive understanding of the rules and regulations and maintain that knowledge. We would need to upgrade our system to meet the software requirements of the AEMO system. We would also need to spend time and resources proving our ability to do this with AEMO.

Existing staff do not fully understand the changes the proposal asserts which means that there will be a large demand for qualified people to manage this and potentially there will be insufficient resources to allow every business the choice to register with AEMO or obtain an intermediary. The demand would no doubt increase costs for qualified staff and/or specialised third party consultants.

The owner has already invested substantial capital in the current embedded structure. Electricity is not a core part of our business and the new costs are not part of our business model. The new legislation proposes to treat us the same as a distributor or retailer of energy. Electricity on-selling is an incidental part of our business and we don't have the expertise to meet the regulatory requirements. If we outsource, it would drive costs up for our customers.

Keeping track of electricity recoveries and matching receipts is a logistical nightmare and increases the workload substantially. This will, in turn, also increase costs for our customers.

Our centre has been set up with an embedded network to be economically viable to both the landlord and tenant and to make things streamlined and manageable.

There must be a much simpler solution that would work with the existing system to resolve this issue and ensure the consumer pays an appropriate rate for their electricity usage.

Please contact me directly, if you have any questions about my comments.

Kind Regards,

Sandra Kindler