



1st July 2015

Australian Energy Market Commission
PO BOX A2449
Sydney South NSW 1235

Submission on National Electricity Amendment (Embedded Networks) Rule 2015
Consultation Paper 21 May 2015
REF: ERC0179

The Caravan, Camping & Touring Industry & Manufactured Housing Industry Association of NSW (CCIA) is the State's peak industry body representing the interests of holiday and residential parks, manufacturers and retailers of caravans, RVs, motorhomes and camping equipment, land lease communities and manufacturers of relocatable homes.

We currently have over 700 businesses representing all aspects of the caravan and camping industry. 449 of these members are residential and holiday park and manufactured home estate operators in various areas of New South Wales.

The geographical breakdown of these businesses is as follows:

Region	Number of Businesses
Far North Coast & Tweed	51
Mid North Coast	34
Coffs Coast	36
New England (North Western NSW)	16
Manning/Forster	25
Hunter	52
Central Coast	36
Sydney & Surrounds	22
Leisure Coast	50
South Coast	63
Central NSW	22
Murray & Riverina	22
Canberra & Snowy Mountains	16
Western NSW	4

For the purpose of providing feedback to the State Government in August 2012 the Association conducted a survey of members operating residential parks and manufactured home estates within New South Wales. That survey revealed that in approximately 60% of surveyed cases, electricity is supplied to permanent residents by the park operator via an embedded network (park supply).

Further, in 22% of surveyed cases electricity is supplied to permanent residents by the park operator AND the electricity supplier, resulting in a 'mixed supply' via what could be termed a 'partially' embedded network.

A copy of the results of this survey is enclosed for your reference.

We note this survey did not take into account the supply of electricity via embedded networks in holiday parks. Nevertheless, the Australian Energy Market Commission (AEMC) would be aware that there are numerous holiday parks within New South Wales where embedded networks are established and in operation.

As the peak industry body representing residential and holiday parks and manufactured home estate operators, the CCIA and MHIA is an important stakeholder in relation to the National Electricity Amendment (Embedded Networks) Rule 2015 Consultation Paper 21 May 2015 (Consultation Paper). Accordingly, we welcome the opportunity to comment on the rule change proposed by the Australian Energy Market Operator (AEMO). Please find below our submissions.

Submissions

Under the Australian Energy Regulator's (AER) (Retail) Exempt Selling Guideline (Retail Guideline) and Electricity Network Service Provider Registration Exemption Guideline (ENSP Guideline) our caravan and holiday park and manufactured home estate members are classified as follows:

Embedded Network Type	AER Exemption Classes
Operator selling metered energy to occupants of holiday accommodation on a short-term basis in a caravan/holiday park	Class D3 of the Retail Guideline and Class ND3 of the ENSP Guideline Do not need to register their details with the AER, however are required to comply with Conditions attached to their exemption
Operator selling metered energy to residents who principally reside in the caravan park/residential park or manufactured home estate	Class R4 of the Retail Guideline and Classes NR4 and NR05 of the ENSP Guideline Must register their details with the AER and comply with Conditions attached to their exemption
Operator selling metered energy to occupants of holiday accommodation on a short-term basis as well as residents who principally reside in the caravan/holiday park (mixed park)	Class R4 of the Retail Guideline and Classes NR4 and NR05 of the ENSP Guideline Must register their details with the AER and comply with Conditions attached to their exemption

We understand that the AEMO proposes to create a new category of service provider – an embedded network manager (ENM) – to manage embedded network customers in the National Electricity Market (NEM).

The role of the ENM would be to facilitate the transfer of customers between the ENO and registered retailers, including carrying out the functions within Market Settlement and Transfer Solutions (MSATS) and the Business to Business (B2B) procedure that are performed by registered network service providers, retailers and accredited service providers for non-embedded network customers.

In terms of implementation, the proposed rule would prevent the AER from granting an ENO an exemption from the requirements to be registered as a network service provider unless an ENM has been appointed for the embedded network.

We are concerned that this proposed rule change would place an unnecessary compliance and cost burden on ENO's that fall within Classes ND3, NR4 and NR05 of the AER's Electricity Network Service Provider Registration Exemption Guideline (ENSP Guideline) – namely, embedded networks within caravan and holiday parks and manufactured home estates in NSW. In the context of these kinds of embedded networks, we question whether the appointment of ENM would facilitate more competition in the retail market for energy or enhance the availability of sufficient information for consumers to make efficient decisions.

The Jacobs SKM Report Benefits and Costs of Multiple Trading Arrangements and Embedded Networks, prepared as a cost-benefit assessment for the introduction of these changes, noted the high level of uncertainty over uptake rates, potential benefits and the cost to market participants. In the end, based on the high level modelling and assumptions, the Report estimated very small net benefits.

More importantly, there is no information in this Report about the added costs for ENOs to engage an ENM. The AEMO's Rule Change Request addressed this issue only in passing:

“While the embedded network owner will incur costs in contracting an ENM, a standardized and efficient approach will lead to a cheaper process for consumers in the long term. The costs of appointing an ENM (or the ENO electing to become accredited) will form part of the business case when the embedded network owner business considers the option to create an embedded network rather than opting for standard individual connections”¹

This is a concern, bearing in mind the Commissioner's assessment framework set out in Part 4 of the Consultation Paper. It is also an approach that appears not to consider the nature of embedded networks in the caravan and holiday park and manufactured housing industry. We submit that more information and proper consultation with industry is needed.

In light of these issues, we do not believe it is appropriate to adopt the proposed rule change at this time. However, should the Commission should seek to adopt the proposed rule change, in its current form or otherwise, we advocate that the rule should only apply to certain classes of exemption, as opposed to all 'registrable' and 'individual' exemptions, or only to those jurisdictions that do not permit customers within embedded networks to seek competitive offers from NEM retailers. We do not believe that the compliance and cost burden on ENOs in our sector created by the proposed rule will be proportionate to the benefits it is seeking to achieve.

Our reasons are set out in the following points:

1. Sufficient Retail Competition and Customer Protection in NSW

The AEMO acknowledges that VIC, NSW and SA have regulatory frameworks that support the ability for embedded network customers to seek competitive prices from retailers other than the exempt ENO. However, the proposed rule change makes no provision for these jurisdictions to be excluded. This is confusing in light of the argument that the proposed rule change should provide the basis for the remaining NRM jurisdictions to permit

¹ p 14, AEMO National Electricity Rule Change Request – Embedded Networks, September 2014

embedded network customers to seek competitive offers. If that is the objective, then it should be limited to those remaining jurisdictions.

The Consultation Paper quite rightly states that for customers within embedded networks the AER's exemptions framework provides customer protection, information entitlements and obligations to comply with safety standards. The supposed gap is "the lack of regulatory arrangements to support customers within embedded networks who are off-market and are seeking to become on-market, or are on-market and seeking to change retailer." In relation to embedded networks within caravan and holiday parks and manufactured home estates in NSW we do not believe there is a "gap" because a regulatory support framework such as this is unnecessary.

Notwithstanding that Class NR05 in the AER's ENSP Guideline is a class for networks with metering infrastructure enabling customer access to full retail competition, the ENSP Guideline clearly sets out that ENO's in NSW must not obstruct access to retail competition and must take reasonable steps to facilitate access for a tenant. This is a Condition of exemption and provides sufficient access to retail competition.

Under existing AEMO procedures the 'gate' meter owned by the ENO must be recorded as a 'parent' meter in the market settlement system by the new retailer. It is a Condition of exemption that the ENO must, without undue delay, accurately provide the relevant details of that meter to a customer, tenant or other person, as appropriate.

Where a tenant accesses an external retailer, the retailer will arrange to install additional metering, namely a NEM registered 'child' meter to record the energy component of the bill and arrangements are made for the retailer to provide energy billing information to the ENO. The cost of the meter installation is borne by the tenant and is charged to the tenant either directly by the metering provider or by the retailer.

Further, it is also a Condition of exemption that where notified by a customer ('life support customer') of the existence of a requirements to maintain supply for life support equipment, the ENO must, without undue delay, promptly notify the local DNSP of the existence of a life support requirements in accordance with the reasonable requirements of the local DNSP. An ENO must not disconnect supply to a life support customer without making arrangements for the safety of a life support customer.

In reference to the AEMO's Statement of issue we believe it is unnecessary for the NER to make it clear who has the obligation to support NEM activities related to customers within embedded networks. Under the AER's guidelines it is clearly the responsibility of an ENO to manage its own network.

It is our position that the above requirements regarding obstruction and facilitation are sufficient to enable access to retail competition, particularly in the context of caravan and holiday parks and manufactured home estates in NSW.

2. Transfer of Customers between Retailers in Parks and Manufactured Housing Estates

In addition to the Conditions of exemption under the AER's Retail Guideline and ENSP Guideline, residents permanently residing in NSW caravan and holiday parks and manufactured home estates are also currently protected by the Residential Parks Act 1998

and the Residential Parks Regulation 2006² regarding electricity charges. The latter calls up the NSW Fair Trading Customer Service Standards for the Supply of electricity to Permanent Residents of Residential Parks (copy attached).

Residential Parks Act 1998

37 Resident may agree to pay certain electricity charges

- (1) The park owner and resident under a residential tenancy agreement may agree that it is a term of the agreement that the resident will pay electricity charges (including availability charges, but not including installation costs) in connection with the residential premises, if:
 - (a) the residential premises are individually metered, in compliance with the relevant code, and
 - (b) any charges for the supply or resupply of electricity to the resident are calculated in accordance with the relevant code, and
 - (c) the resident is provided with a receipt for any amount paid to the park owner for electricity consumption or availability, and that receipt is separate from any rent receipt provided to the resident or is identified separately on the rent receipt, and
 - (d) the resident is issued with accounts that comply with this section, and with any relevant provisions of the relevant code that are not inconsistent with this section.
- (2) However, a resident who is required to pay the park owner an amount for electricity consumption or availability under such a term is not required to pay an amount that is greater than either:
 - (a) the amount calculated in accordance with the relevant code, having regard to the resident's electricity consumption, or
 - (a1) the maximum amount that a person who consumed the same amount of gas or electricity would have to pay if the person were in other residential premises (not in a residential park) in the same locality, or
 - (b) any maximum amount prescribed by the regulations.
- (3) Any account issued to a resident in relation to electricity charges must contain details of the following:
 - (a) the name of the resident,
 - (b) the date of the account,
 - (c) the date of the second meter reading in respect of which the account is issued,
 - (d) the second meter reading in respect of which the account is issued,
 - (e) the previous meter reading,
 - (f) the number of days in the meter reading period,
 - (g) the method by which the charge for electricity was calculated (showing total electricity consumption and appropriate rates),
 - (h) the total amount payable,
 - (i) any other matter required by the relevant code.
- (4) It is a term of every residential tenancy agreement that the park owner will pay all electricity charges in connection with the residential premises other than those that the resident agrees to pay, and is required to pay, under this section.
- (5) A resident who is required to pay any amount under this section is entitled to inspect any records of the park owner that relate to the payment of electricity charges by the resident.
- (6) In this section, the relevant code means:
 - (a) in relation to gas, the code prescribed by the regulations for the purposes of this paragraph with respect to gas, and

² The Residential Parks Act 1998 and the Residential Parks Regulation 2006 will be replaced by the Residential (Land Lease) Communities Act 2013 and supporting Regulation when it comes into force. Section 77 of the new Act maintains the current limitations on electricity charges.

(b) in relation to electricity, the code prescribed by the regulations for the purposes of this paragraph with respect to electricity.

Residential Parks Regulation 2006

17 Prescribed code with respect to electricity: section 37

The code published by the Department under the title Customer Service Standards for the Supply of Electricity to Permanent Residents of Residential Parks, as published in August 2006, is prescribed for the purposes of section 37 (6) (b) of the Act with respect to electricity.

The objective of the Code is to provide permanent residents of residential parks who are supplied with electricity by the park owner with similar customer service standards as those provided to electricity customers in New South Wales who are supplied directly by a local area retailer.

Essentially, permanent residents can only be charged the standard regulated retail tariff that would be charged by the local standard retail supplier. In other words, what they would ordinarily be required to pay if they had a contract for electricity supply direct with the local retail supplier.

In addition, permanent residents can be charged the Service Availability Charge (SAC) that they would ordinarily have to pay except where the electricity supplied to their site is less than 60 amps. Where it is less than 60 amps, only a certain percentage of the SAC can be charged. The details of this (set out on pages 4-5 of the Code) are:

Level of Supply to Site	Maximum level of SAC
less than 20 amps	20% of local standard retail supplier's SAC
20-29 amps	50% of local standard retail supplier's SAC
30-59 amps	70% of local standard retail supplier's SAC
60 amps or more	100% of local standard retail supplier's SAC

Increases in the price paid by residents for electricity are only possible if the park owner has provided residents with advance notice of the increase. Notice may be given by affixing the relevant information to the park notice board.

Where there is a change in the standing offer price of the relevant local area retailer for new connections during a metering period, the amount payable by a resident cannot increase until notice of the increase has been given to the resident in accordance with the Code. The increased rate shall only be payable from the date on which the notice was given.

The Code also places an additional obligation on park operators in relation to concessions and rebates. Where a resident is eligible to receive a government or non-government energy rebate, concession or assistance under a relief scheme, the park owner must not hinder a resident's attempts to establish eligibility. If the government or non-government energy rebate, concession or assistance under a relief scheme can only be claimed by the park owner on behalf of the resident, the park owners must use their best endeavours to make a claim and, if successful, they must apply the rebate, concession or assistance to the resident's bill.

Although residents in NSW caravans and holiday parks and manufactured home estates can seek retail competition if they want to, they are unlikely to do so because of this cap on energy charges. Contracting direct with the local retailer will not necessarily result in any significant energy cost saving. Therefore, the imposition of a requirement for ENOs in our industry to appoint an ENM is unlikely to have any impact in this space other than creating an unnecessary & costly compliance burden for those ENOs.

We acknowledged that the issue of energy savings will be different in relation to residents or occupants who have or want to install roof-top solar systems. We understand that some may want to sell their surplus electricity through an independent retailer depending on which retailer provides the best offer.

We actually raised the issue of solar panels in caravan and holiday parks and manufactured home estates directly with the AER in our submissions on the Retail and ENSP Guidelines in 2013. We noted reports from some park members that residents and holiday makers, who are connected to the embedded network, are installing solar panels on their moveable dwellings. Operation of these solar panels in some cases is causing the sub-meters in the embedded network to run backwards.

Park operators are finding this situation challenging to manage in terms of permission to install, billing system compliance and limitations for negative meter readings, refund/credit entitlement and maintenance. However the solution to this problem is not necessarily in the appointment of an ENM as proposed by the AEMO.

The cost of solar panel installation is falling and the technology is constantly improving. Coupled with the pressure of rising energy costs, installation of solar panels within caravan and holiday parks and manufactured homes estates is becoming more popular. This is appropriate because many residents of parks and manufactured home estates are either retirees on fixed incomes or persons from low socio-economic backgrounds. They are people who are in need of low cost living. It is therefore more appropriate that guidelines be established to support ENOs to manage and encourage this particular form of clean and low cost energy generation both within and outside the embedded network.

3. Unique Networks

The nature of caravan and holiday parks and manufactured home estates results in embedded networks with various nuances and a requirement to appoint an ENM will be a greater burden than for other embedded network types.

We understand that there has been significant growth in the embedded network sector over the last year or two, with landlords looking to energy on-selling as a means of supplementing their rental income. Embedded networks are common in multi-tenanted buildings such as shopping centres or commercial buildings and are becoming more popular in new residential developments. In large developments such as these we can understand the AEMO's proposed solution. However, in caravan and holiday parks and manufactured home estates the situation is different.

Most parks and manufactured home estates in NSW are older developments that have evolved over time and the embedded networks within them have come about through circumstance, as opposed to a conscious business decision to create the embedded network that factors in the cost of appointing an ENM. The infrastructure is older and owned by the park operator.

Many caravan parks were originally camping grounds on reserves of Crown land in coastal areas outside the capital cities, squatted by people who had lost their homes and who had no housing alternative to living in tents, shacks and vans. The reserves were converted to caravan parks after the Second World War and maintained by local councils, although most parks had little in the way of communal facilities.³

³ p 2, Caravan Parks, NSW Parliament e-brief August 2011

In 1986 legislation was passed which legalised long-term occupancy of sites and set minimum standards for caravan park residency and in 1992 State Environmental Planning Policy (SEPP) 21 – Caravan Parks was introduced, encouraging “the orderly and economic use and development of land used or intended to be used as a caravan park catering exclusively or predominantly for short term residents (such as tourists) or for long-term residents, or catering for both.”⁴

The Residential Tenancies Act 1987 originally covered permanent residents of residential parks. However, it later became clear that there were so many differences between tenancies in parks and other residential tenancies that separate legislative provisions were necessary. As a result, the Residential Parks Act was enacted in 1998, and a range of protections were secured for residents, including protections for energy consumption as set out above.

Although corporate ownership is increasing, the majority of caravan and holiday parks and manufactured home estates are in private ownership. They are small and medium family businesses where the on-selling of energy via an embedded network is ancillary to their core functions. The operators of these parks and estates know the residents well and in many cases, they live with them on site. They are not a large, faceless landlord who can try and avoid their obligations to properly manage the embedded network and facilitate customer access to retail competition. They are highly regulated and more importantly they do not have the luxury of aggregating the additional cost of appointing an ENM across multiple parks or estates.

There is also a mixture of embedded networks in this sector that must be considered. In some caravan and holiday parks, there could be as little as 1-2 permanent residents. Nevertheless, the Operator is required to register their details with the AER and comply with Conditions attached to their ‘registrable’ exemption, notwithstanding that all other energy consumers in the embedded network may be holiday makers.

Another example is where a customer within an embedded network with a ‘deemed’ exemption seeks access to a retail market offer; that existing deemed exemption becomes registrable under the AER’s ENSP Guideline. This would trigger the appointment of an ENM under the AEMO’s proposed framework and the ENO would be faced with a potentially large compliance cost to manage just one customer.

Further, as indicated by our member survey results in August 2012, in 22% of surveyed cases electricity is supplied to permanent residents by the park operator AND the electricity supplier, resulting in a ‘mixed supply’ via what could be termed a ‘partially’ embedded network.

The statement on page 7 of the Consultation Paper that ‘registrable and individual exemptions are relevant to parties carrying out activities on a larger scale’ is not strictly correct. The nuances of embedded networks in caravan and holiday parks and manufactured home estates must be accounted for. To face the added regulatory burden of having to appoint an ENM just to manage a potential transfer of a few residents or holiday makers to a retailer is disproportionate to any benefit likely to be gained, particularly given the limitations on energy charges to residents under state legislation.

Finally, caravan parks and manufactured home estates are an important part of the housing mix across New South Wales. They provide an affordable housing choice for many people,

⁴ Section 3 (1) (a) State Environment Planning Policy No 21 – Caravan Parks

who develop strong networks of support within their park that they value highly. Many residents of caravan parks and manufactured home estates are either retirees on fixed incomes or persons from low socio-economic backgrounds.

Notwithstanding arguments about the necessity of an ENM, if caravan park and manufactured home estates operators are burdened with another embedded network compliance cost it will impact upon housing affordability as they seek to recoup the cost of appointing an ENM through increasing rents. In addition to capping energy costs for residents, the limitations on energy usage and service availability charges in NSW mean there is no other way for operators to offset this cost. Therefore, we cannot see how this proposed rule change would result in significant savings for residents in caravan parks and manufactured home estates.

1. Access to Information

In addition to a close relationship with their ENO's, residents in NSW caravans and holiday parks and manufactured home estates with embedded networks are provided with numerous sources of support and information to assist them in making informed choices about their energy consumption and rights. The AEMO's view of a lack of clarity around the management of these embedded networks and access to retail competition, which poses a barrier to customers' ability to contract with a retailer of their choice, is not correct for NSW.

NSW Fair Trading and the Energy & Water Ombudsman NSW each provide high quality, independent dispute resolution services and information to residents and occupants in caravans and holiday parks and manufactured home estates. Park operators are bound by, and must comply with, any decision of the Energy and Water Ombudsman (EWON) in relation to a complaint or dispute regarding the provision of connection services or the supply of electricity.

EWON is very proactive in the area of embedded networks and at their April 2015 Consultative Council Meeting, which was attended by our Association, EWON presented on embedded networks and exempt retailer arrangements. It was acknowledged that from 1 July 2015 embedded network customers will have access to all NSW government rebates and the government also has an Energy Account Payment Assistance (EAPA) scheme pilot project underway in two residential parks, both of which are members of our Association.

The Affiliated Residential Park Residents Association NSW Incorporated is also very proactive in informing residents about their rights and acting on their behalf in disputes. They have produced a factsheet on utilities and provide extensive support to their members on a range of topics, including utility charges payable under tenancy agreements.

If embedded network customer access to information about retail competition across jurisdictions is an issue, perhaps a more appropriate and cost effective response would be to establish a centralised body tasked with the role of clarifying and disseminating that information.

Conclusion

In light of the above points we are concerned that this proposed rule change would place an unnecessary compliance and cost burden on ENO's that fall within Classes ND3, NR4 and NR05 of the AER's ENSP Guideline – namely, embedded networks within caravan and holiday parks and manufactured home estates in NSW.

In the context of these kinds of embedded networks, it is unlikely that the appointment of an ENM would facilitate more competition in the retail market for energy nor enhance the availability of sufficient information for consumers to make efficient decisions. In this way, the proposed rule change will most likely place an unnecessary administrative burden upon these kinds of ENOs that is disproportionate to the benefits it is seeking to achieve.

Should the Commission should seek to adopt the proposed rule change, in its current form or otherwise, we advocate that ENO's which fall within Classes ND3, NR4 and NR05 of the AER's Electricity Network Service Provider Registration Exemption Guideline (ENSP Guideline) – namely, caravan and holiday parks and manufactured home estates in NSW – should be exempt.

We are available to discuss this submission further and look forward to our involvement in the consultation process.

Should you have any questions or require further information please contact us on (02) 9615 9999 or email admin@cciansw.com.au.

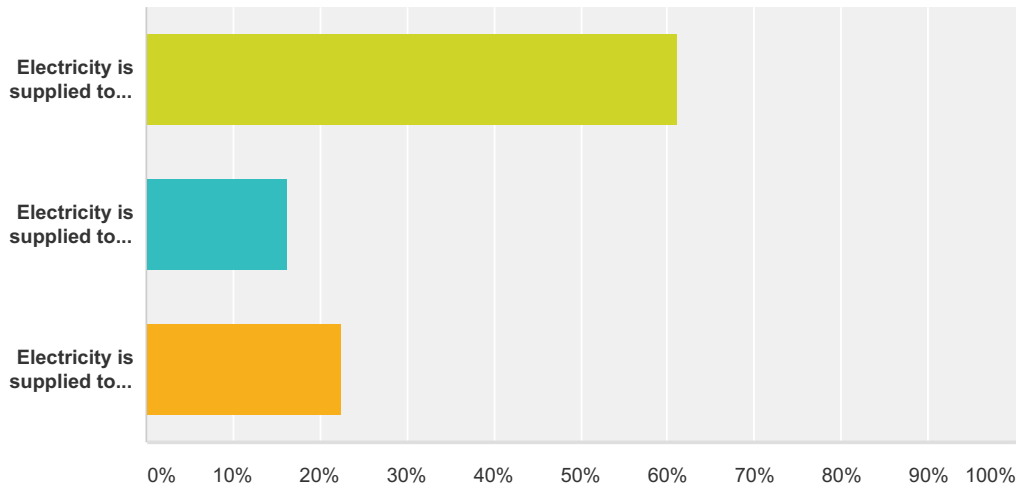
Yours sincerely,

A handwritten signature in black ink, appearing to read 'Lyndel Gray', with a large, stylized flourish at the end.

Lyndel Gray
Chief Executive Officer

Q1 How is electricity supplied to residents in your residential park?

Answered: 178 Skipped: 0



Answer Choices	Responses	
Electricity is supplied to residents by the park owner (park supply)	61.24%	109
Electricity is supplied to residents by the electricity supplier (direct supply)	16.29%	29
Electricity is supplied to residents by the park owner AND the electricity supplier (mixed supply)	22.47%	40
Total Respondents: 178		



**Customer Service Standards
for the Supply of Electricity
to Permanent Residents of
Residential Parks**

AUGUST 2006

(Revised July 2014)

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1. INTRODUCTION

1.1 Preamble

Customer Service Standards for the Supply of Electricity to Permanent Residents of Residential Parks (the Document) specifies minimum customer service standards to be met by residential park owners who supply electricity¹ to permanent residents.

This Document applies as prescribed by the Residential Parks Regulation 2006 as specified by section 37 (6) (b) of the *Residential Parks Act 1998*.

1.2 Legislative Framework

Under the National Energy Retail Law, most park owners who sell metered energy to permanent residents of residential parks are classified as 'exempt sellers'. Exempt sellers have a range of obligations to their customers as conditions of their exemption. These conditions are based on the obligations of authorised retailers and vary according to the specifics of a seller's operations.

The terms under which park owners can supply electricity to permanent residents are:

- (a) the residential premises must be separately metered; and
- (b) the park owner must provide connection services, or supply electricity, to the premises in accordance with any agreement with the resident relating to occupation of the premises; and
- (c) the maximum amount that may be charged for the supply of electricity during a particular period must not exceed 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 electricity to the premises.
- (d) the park owner is bound by, and must comply with, any decision of the Energy and Water Ombudsman (EWON) in relation to a complaint or dispute relating to the provision of connection services or the supply of electricity.

Note: Every attempt has been made to ensure that this Document is consistent with the provisions of relevant legislation. Should any inconsistencies become apparent between the requirements of this Document and the provisions of the legislation, the legislation prevails.

1.3 Objectives

The objective of this Document is to provide permanent residents of residential parks who are supplied with electricity by the park owner with similar customer service standards as those provided to electricity customers in New South Wales who are supplied directly by a local area retailer.

1.4 Scope

The *Customer Service Standards for the Supply of Electricity to Permanent Residents of Residential Parks* provides minimum customer service standards for the supply of electricity to permanent residents by park owners where supply is separately metered

¹ See definition in Dictionary

as required by legislation, and for which the resident has agreed to pay² and for which the resident is separately charged.

Where a permanent resident is a direct customer of an authorised electricity retailer the conditions of the retailer's contract with the resident will apply, not this Document.

1.5 Dispute Resolution

Permanent residents and park owners may make an application to the NSW Civil and Administrative Tribunal (NCAT) regarding any dispute arising under a residential tenancy agreement relating to the supply of electricity under this Document.

Where the dispute relates to the supply of electricity by the park owner, a resident may, if attempts to resolve the dispute with the park owner have been unsuccessful, make application to the Energy and Water Ombudsman (NSW) Ltd (EWON) for investigation of the complaint.

1.6 Definitions

Definitions of terms used in this Document can be found in the Dictionary.

2. GUARANTEED CUSTOMER SERVICE STANDARDS

The park owner guarantees to provide a standard of customer service as established in this Document.

2.1 Compensation for failure to supply electricity as agreed

2.1.1 Failure to connect supply by the agreed date

The park owner will arrange the connection of electricity supply to the moveable dwelling by the date agreed between the parties. If the park owner fails to connect the electricity by the agreed date, the park owner will compensate the resident for the delay, by giving compensation of \$60 per day for each day after that date until the date the connection is actually provided, up to a maximum of \$300.

2.1.2 Failure to advise of Planned Interruption

The park owner will provide at least two business days notice of any planned interruption to the electricity supply. If the park owner:

- fails to provide at least two business days notice of the interruption, or
- interrupts the supply for longer than the time indicated in the notice

then the park owner will pay each affected permanent site \$20 compensation for the interruption of supply.

2.1.3 Exemptions

Compensation is not payable if the failure to supply arises from the need to carry out emergency work, or otherwise from circumstances beyond the control of the park owner.

² see section 37 *Residential Parks Act*

2.1.4 Payment of Compensation

Any compensation which the park owner is required to pay a permanent resident under this Document will be deducted from the next electricity bill. If the amount of compensation the park owner is required to pay is greater than the amount of the bill, the difference will be credited and shown on the following electricity bill or bills until the amount of compensation is exhausted. The resident has the option of applying to NCAT for immediate payment of the balance of the compensation amount.

2.2 Contact Details

The park owner will provide:

- a mechanism or facility that operates 24 hours a day, 7 days a week to receive notice of urgent faults and difficulties with the electricity supply, and
- a mechanism or facility that operates during business hours to receive queries and give information concerning resident's electricity accounts and connection services.

The cost to the resident of accessing either of these mechanisms must be either the incremental cost to the park owner of providing access to the mechanism or the cost of a local telephone call, whichever is the lesser.

2.3 Information Provision

The park owner will advise residents at the commencement of their tenancy or on request of:

- dispute resolution procedures provided for under this Document, including the resident's right of access to EWON
- any payments arrangements for electricity, operated by the park owner including payment plans such as payment by instalments in cases of arrears or payment difficulties
- how to obtain information on Government rebate schemes.

3. COMMERCIAL ARRANGEMENTS FOR SUPPLY

3.1 Electricity Charges

Where the park owner supplies electricity to the resident and the resident has agreed to pay for electricity, two types of charges can be made: a charge for electricity consumption expressed as a cost per kilowatt hour (kWh) of electricity consumed, and a service availability charge expressed as a cost per day that electricity is supplied. The conditions under which these charges can be made are as follows.

3.1.1 Maximum charge per kWh

The charge for electricity consumption, expressed as a price per kilowatt hour (kWh), can be no more 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 resident.

3.1.2 Maximum Service Availability Charge (SAC)³

Many of the costs in supplying electricity to retail customers are fixed, such as the cost of providing access to the network infrastructure. The service availability charge (SAC) recovers these fixed costs and ensures all customers contribute to the overall cost of making the supply of electricity available.

Where electricity is supplied to the park resident by the park owner, the park owner may charge the SAC at a rate no greater than that charged by the relevant local area retailer, except where electricity is supplied to the park resident's site at a rate of less than 60 amps. Where supply is less than 60 amps, the maximum rate for the SAC is according to the following table:

Level of Supply to Site	Maximum level of SAC
less than 20 amps	20% of relevant local area retailer's SAC
20-29 amps	50% of relevant local area retailer's SAC
30-59 amps	70% of relevant local area retailer's SAC
60 amps or more	100% of relevant local area retailer's SAC.

3.1.3 "Late fees" prohibited

The charging of a "late fee" for an electricity account which is not paid in full by the due date is not permitted.

3.1.4 Off-peak supply

Where the park owner offers residents off-peak supply, the charge for off-peak electricity consumption, expressed as a price per kilowatt hour (kWh), can be no more than that which would have been 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 resident's premises.

3.1.5 Changes in the standing offer price for new connections

Increases in the price paid by residents for electricity are only possible if the park owner has provided residents with advance notice of the increase. Notice may be given by affixing the relevant information to the park notice board.

Where there is a change in the standing offer price of the relevant local area retailer for new connections during a metering period, the amount payable by a resident cannot increase until notice of the increase has been given to the resident in accordance with this section. The increased rate shall only be payable from the date on which the notice was given.

3.2 Capacity of electricity supply to site (in amps)

The park owner will advise the permanent resident at or before the commencement of the tenancy agreement of the level of power available to the site.⁴

³ also called the network access charge or the system access charge

⁴ as required in the standard form residential site agreements, Residential Parks Regulation 1999

3.3 *Billing Arrangements*

3.3.1 **Billing Period**

It is preferable that the meter for each permanent site should be read and bills issued to residents no more frequently than rent is paid and no less frequently than quarterly, unless an alternative billing cycle is agreed between the park owner and resident.

3.3.2 **Account Details**

The *Residential Parks Act* requires that within seven days of the end of the agreed meter reading period the park owner will provide each permanent site occupant with an account for that meter reading period. For each permanent site the park owner shall maintain records⁵ of the following:

- site number
- name of the permanent resident
- date of the account
- date of the meter reading
- present meter reading (in kWh)
- previous meter reading (in kWh)
- days in the meter reading period
- calculation of charges showing the total consumption and appropriate rates,
- total amount payable, and
- capacity of supply to the site (in amperes).

The park owner will also maintain records in respect of any other fees (such as a security deposit) charged in relation to the supply of electricity.

3.3.3 **Receipts**

The park owner shall provide to each permanent resident a receipt for any amount paid to the park owner for electricity. Either a separate receipt must be provided or payment for electricity must be identified separately on the rent receipt.⁶

3.4 *Confidentiality of Account Information*

3.4.1 **Disclosure of Resident Account Information**

Except as required by law, the park owner may not disclose any information relating to a resident's electricity account to any person other than the resident, unless the park owner receives the resident's written consent.

3.4.2 **Provision of Account Information to a Resident**

The resident may ask the park owner to provide the resident with any of the resident's account information which is held by the owner. The park owner must provide that account information, free of charge, within a reasonable time of being asked.

⁵ section 37(3) of the *Residential Parks Act 1998*

⁶ Section 37(1) (c) of the *Residential Parks Act 1998*

3.5 Disconnection or Discontinuance of Supply

3.5.1 Authorisation Required to Disconnect or Discontinue Supply

A park owner can only become authorised to disconnect or discontinue supply to a park resident who is supplied electricity under a residential tenancy agreement by order of NCAT. Should a park owner become authorised to disconnect⁷ electricity supply to a resident, the park owner cannot proceed with disconnection unless the resident has been given at least 14 days written notice of the intention to disconnect and the reason for disconnection

3.5.2 Circumstances where disconnection is prohibited

A park owner must not disconnect or cease energy supply to a resident's premises where:

- a person residing at the resident's premises requires life support equipment that depends on energy for its operation, or
- an application has been made by or on behalf of the resident for assistance to an organisation responsible for a rebate, concession or relief available under any government or non-government funded energy charge rebate, concession or relief scheme and a decision on the application has not been made, or
- the resident has made a complaint directly related to the proposed reason for disconnection or cessation of supply to the park owner, EWON or another relevant external dispute resolution body and the complaint remains unresolved, or
- the disconnection or cessation of supply would occur on:
 - a business day before 8am or after 3pm, or
 - a Friday or the day before a public holiday, or
 - a weekend or a public holiday, or
 - the days between 20 December and 31 December (inclusive) in any year.

4. TECHNICAL & SAFETY STANDARDS

The park owner is responsible for maintaining the park's electrical installation, other than the electrical installation within premises owned by the permanent resident.

The park owner must comply with all appropriate legislation and the appropriate technical and safety standards for the electrical installation.

5. RESPONSIBILITY OF PERMANENT RESIDENT

The permanent resident is responsible for notifying the park owner of any electrical defects of which the resident becomes aware, including any damage or tampering with metering equipment.

Where the moveable dwelling is owned by the permanent resident, the resident is responsible for keeping electrical wiring and equipment within the dwelling in a safe condition.

⁷ disconnection includes any method which causes the discontinuance of supply to the site

6. MISCELLANEOUS

6.1 Concessions and rebates

Where a resident is eligible to receive a government or non-government energy rebate, concession or assistance under a relief scheme, the park owner must not hinder a resident's attempts to establish eligibility.

If the government or non-government energy rebate, concession or assistance under a relief scheme can only be claimed by the park owner on behalf of the resident, the park owners must use their best endeavours to make a claim and, if successful, they must apply the rebate, concession or assistance to the resident's bill.

6.2 Life support customers

Where a resident provides the park owner with confirmation from a registered medical practitioner that a person residing at the resident's premises requires life support equipment, the park owner must:

- advise the park owner's authorised retailer and distributor that a person residing at the premises requires life support equipment, and
- provide the park owner's authorised retailer and distributor with any relevant information about the premises for the purposes of updating their records and registers.

The park owner must maintain records of any residents who have life support equipment that depends on energy for its operation on their premises.

6.3 Disconnection of Park Owner

The park owner, on receiving notice that the residential park is to be disconnected from the distribution system, for whatever reason, must immediately give written notice of this, including the intended time and date of disconnection, to all residents of the park who will be affected by the disconnection.

The requirement that a resident be given written notice is a requirements that the resident be given notice in writing either personally or by post. If previously agreed between the resident and the park owner, the resident may be given written notice by personal e-mail or facsimile transmission.

DICTIONARY

For the purposes of this Document, terms used in the Document take the following meaning

- *amps* means amperes
- *business day* means a day that is not a Saturday, Sunday or public holiday
- *Document* means the *Customer Service Standards for the Supply of Electricity to Permanent Residents of Residential Parks*
- *electrical installation* has the same meaning as in the *Electricity (Consumer Safety) Act 2004*.
- *EWON* means the Energy and Water Ombudsman NSW.
- *licensed electricity retailer* means a retailer, licensed by the NSW Minister for Energy under the *Electricity Supply Act 1995*, as a retail supplier of electricity
- *local area retailer* means the nominated local area retailers, as defined by the National Energy Retail Law (Adoption) Regulation 2013.
- *manufactured home* means a self-contained dwelling (that is, a dwelling that includes at least one kitchen, bathroom, bedroom and living area and that also includes a toilet and laundry facilities) being a dwelling:
 - a) that comprises one or more major sections and
 - b) that is not a registrable vehicle within the meaning of the *Road Transport (Vehicle Registration) Act 1997* and
 - c) includes any associated structures that form part of the dwelling
- *moveable dwelling*⁸ means:
 - a) any caravan or other van or other portable device (whether on wheels or not) other than a tent, used for human habitation, or
 - b) a manufactured home, or
 - c) any conveyance, structure or thing of a class or description prescribed by the regulations for the purposes of this definition
- *NCAT* means the NSW Civil and Administrative Tribunal.
- *park owner* means the person who entered into the residential tenancy agreement or residential site agreement with the permanent resident, and includes the person's heirs, executors, administrators and assigns, or park owner as otherwise defined by the *Residential Parks Act 1998*
- *permanent resident* or *resident* means a person occupying a site or dwelling in a residential park under a residential tenancy agreement or residential site agreement, as the person's principal place of address, or as otherwise defined by the *Residential Parks Act 1998*
- *residential park* has the same meaning as in the *Residential Parks Act 1998*, namely:
 - a) a caravan park (that is, land, including a camping ground, on which caravans, or caravans and other moveable dwellings, have been, are or are to be placed, installed or erected) or
 - b) a manufactured home estate (that is, land on which manufactured homes have been, are or are to be placed)
 - c) whether or not the caravan park or manufactured home estate is the subject of approval under the *Local Government Act 1993*

⁸ see *Residential Parks Act 1998* and Regulations

- *site, permanent site or dwelling site* means an area of land within a residential park on which a moveable dwelling may be installed and which is allocated for use by a permanent resident
- *standing offer price* has the same meaning as in the *National Energy Retail Law (NSW)*.
- *supply of electricity* means the supply of electricity to a permanent resident by a park owner, such supply being separately metered as required by legislation, and for which the resident has agreed to pay (see section 37 *Residential Parks Act*) and for which the resident is separately charged