

23 June 2023

Mr Jai Thomas
Deputy Director General
Department of Mines, Industry Regulation and Safety
Energy Policy WA
Via email EPWA-submissions@dmirs.wa.gov.au

Dear Mr Thomas

Re: Voluntary Embedded Networks Code of Practice

Thank you for the opportunity to provide feedback on the consultation paper for the Voluntary Embedded Networks Code of Practice (the Code).

We have been following the development of the Code to understand the implications for Source Energy Co, a wholly owned subsidiary of ATCO. Source Energy Co. is an embedded network seller (ENS) in Western Australia providing multi-storey and strata residence with access to cleaner, innovative and affordable energy and infrastructure solutions. Source Energy Co. manage approximately 30 residential developments and have over 2,000 customer connections.

Source Energy Co. recognises the value of establishing a code of conduct to improve customer protections for the delivery of the new and emerging electricity service businesses. We also support the Code to provide protections for customers to ensure there is no price gouging by embedded networks.

The Code will help to raise the standard of services provided by all ENS. However, the introduction of regulation must be balanced against the imposition of requirements that may erode the benefits to consumers, that embedded networks create.

We feel the Code would benefit from further refinement and consideration in three areas:

- Timing of providing the disclosure statement
- New policy documents required
- Assessment of eligibility for financial hardship

Timing of providing the disclosure statement

The timing of a disclosure statement determines customers' ability make an informed choice about their potential supply of electricity. In multi storey or strata residence situations, the ENS and customer relationship is established once tenancy or ownership is undertaken. If the policy intention is for the disclosure statement to inform a customer's decision making, then the disclosure statement is best provided before a customer enters an arrangement for tenancy or ownership. The duty to provide the disclosure statement should therefore sit with real estate agents or strata managers, with the ENS cooperating to ensure information is available. Consistency with existing disclosure requirements on these parties need to be aligned.

New policy documents required

Source Energy Co. acknowledge the obligation on ENS to have financial hardship (cl. 8.3) family violence (cl 9.4), and dispute resolution (cl 12.1) policies that are compliant with the minimum requirements set out in the Code. To assist the industry to meet the requirements of the Code, the provision of standard form documents that could be adopted by an ENS will reduce the resource and administration burden to comply with the Code.

Assessment of eligibility for financial hardship

The current definition of financial hardship according to the Code is very broad and does not provide any guidance on the assessment of financial disadvantage.

ENS's would benefit from greater clarity on how to assess a customer's eligibility for financial hardship. There is merit in the Code providing guidance or test for all ENS to apply, to understand what constitutes financial hardship and whether customer assessments made are fair and reasonable. A uniform approach will provide consistency and allow the same standard to apply across all ENS.

If you have any questions or would like to discuss any of these issues, please contact Kiran Ranbir, Manager Energy Policy and Government Strategy on [REDACTED]

Yours sincerely



Russell James
General Manager Source Energy