BRIGHTCONNECT

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Energy Policy WA
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Dear Sir/Madam,

RE: Voluntary Embedded Networks Code of Practice

Bright Connect is pleased to provide the following submission in relation to Draft Voluntary Embedded Networks Code of Practice.

Bright Connect Pty Ltd is a supplier of electricity via embedded networks within Western Australia. We believe that Embedded Networks offer electricity customers in Western Australia (both residential and commercial), significant benefits when compared to the state's current monopoly provider arrangements in most of the energy market.

For example, Bright Connect:

- Always offers residential customers a discount to the Synergy A1 tariff.
- Utilises advanced meters for every customer supplied.
- Provides comprehensive billing information.
- Has a WA based administration centre.
- Provides innovative offers for customers (For example trailing free charging of Electric Vehicles https://www.brightconnect.com.au/free-ev-charging-trial-for-the-bradshaw/)
- Provides single billing services (for electricity, EV charging, gas, hot water, cold water)
- Utilises renewable energy generation at all its sites.
- Offers carbon neutral options.
- Operates with a high level of customer satisfaction.

We welcome and are generally supportive of the initiative to provide increased protections for those customers consuming electricity within Embedded Networks.

General Comments

- We note that the survey cited in the consultation paper was extremely limited in the number of responses and provided no benchmarking against customers supplied by Synergy or Horizon Power. We also suspect a significant number of the responses provided contain factual inaccuracies.

- In general framing of its thinking around any proposed regulation of Embedded Networks we encourage Energy Policy WA and The Minister to consider:

    - The Synergy A1 tariff is a subsidised tariff that is set with regard to political purposes which also acts as a cap on commercial arrangements within Embedded Networks.

- The Synergy L1 tariff is a subsidised tariff that is set with regard to political purposes which also acts as a cap on commercial arrangements within Embedded Networks.

- The implicit subsidies should be unwound and be replaced with explicit subsidies paid to all customers including those in Embedded Networks (as per the 2022 $400 Household Electricity Credit Scheme).

- With regards to pricing regulation (section 5.5), it is inappropriate to have the commercial pricing cap be based on the L1 tariff as many commercial customers would not be eligible for this tariff outside an embedded network and this is a subsidised tariff.

- The Code should consider the expected growth in Electric Vehicles and the fact that charging infrastructure will be installed within Embedded Networks. Specifically, the fact an EV charger is likely to be needed to be metered separately within an Embedded Network (thus in many cases a customer would be supplied via two connection points which will both have to be metered). This is a situation that is unique to an Embedded Network electricity supplier.

- Specific consideration should be given to:

    - The fact that the Synergy A1 tariff generally does not consider this dual metering scenario and as such any cap on fixed charges should exclude provision of a second connection and meter.

    - Concurrent Electric Vehicle charging has the potential to exceed a building's maximum incoming supply constraints and as such an Embedded Network operator should retain the right to constrain or limit supply.

    - Charging at peak periods may make the supply of electricity under a price cap commercially unviable for an Embedded Network operator.

- Nothing in the Code should prohibit or limit the issuance of single billing across utilities (e.g. electricity, Gas, EV charging, hot water, cold water)

We consent to this submission being published on the Energy Policy WA website.

If you have any questions, please contact:

- Nikki Webster at [redacted]
- Steven Richards at [redacted]

Yours sincerely,

[redacted]

STEVEN RICHARDS
CEO

Question number	Consultation area and section reference in Consultation Paper	Questions for consultation	Your comments
1.	**Embedded networks business models** (section 3)	Are you aware of any significantly different business models to those described in this Consultation Paper used in embedded networks in Western Australia?	No
2.	**Embedded network seller definition** (section 4)	Do you have any suggested changes to the proposed 'embedded network seller' definition?	Only to incorporate the "Nested on-selling" arrangements you have identified.
3.	**Embedded network seller obligations** (section 5.1)	Do you have any comments on the general obligations on embedded networks sellers proposed in clauses 1, 2 and 3 of the Voluntary EN Code?	We support the obligations proposed.
4.	**Draft Disclosure Statement** (section 5.2)	Does the draft Disclosure Statement capture all information that should be disclosed to customers upfront? If not, what other information should be included?	We are in agreement with the information to be provided.
5.	**Metering arrangements** (section 5.3)	Do you have any comments on the proposed arrangements for metering outlined in clause 5 of the Voluntary EN Code?	Nil
6.	**Disconnections and interruptions standards** (section 5.8)	Do you have any comments on the standards for disconnections and interruptions proposed in clause 10 of the Voluntary EN Code?	Nil
7.	**Access to renewable sources of electricity** (section 5.11)	Are the requirements in clause 14 of the Voluntary EN Code sufficient to facilitate access to electricity from renewable sources? Is anything else required, for instance additional information provision?	In relation to 14.4 (Electricity with other characteristics), 14.2 (Customer to pay reasonable costs) should apply.

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8.	**Metering functionality** (section 6.1.1)	8.1 Should private meters installed in new embedded networks be subject to minimum standards in terms of functionality? For instance: • meter captures and stores data in 30 minute intervals; • meter captures and stores data in 5 minute intervals; or • meter supports remote reading (communications enabled).	We believe metering functionality and minimum standards in a new Embedded Network should mirror that of the requirements of an equivalent customer outside an Embedded Network. Note it is not always feasible to install meters with remote communications and most of the time this provides no additional benefit to the customer.
		8.2 Should metering standards only be applied to new builds, or also to meter replacements and upgrades in existing embedded networks?	New builds only. Note retrofitting different meters inconsistent with existing meters in Embedded Networks could be problematic.
		8.3 Should such requirements also apply to conversions to embedded network (known as meter merges)?	No. This will make a large number of conversions unviable and deny customers the benefits of being in an embedded network.
		8.4 What exemptions might be required if metering standards are applied?	No comment on this.
9.	**Meter ownership and access** (section 6.1.2)	9.1 Should there be a requirement that, from a certain date, private meters installed in embedded networks must be owned outright by the property owner (or collective property owners if strata titled)?	This is not viable and will be in conflict with existing contractual arrangements and strata scheme by-laws. There is no guarantee that say a strata body would be willing or capable

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			(financially/technically) to repair and/or adequately operate a metering network. What is to stop the metering infrastructure being owned by a third party not subject to either a voluntary or mandatory code?
		9.2 Should there be a requirement that, from a certain date, private meters installed in embedded networks must meet certain requirements for access, interoperability and/or common communication standards?	We would need to see a specific proposal in order to comment.
		9.3 Should any other types of assets in the embedded networks (e.g. DER assets) be covered by similar ownership and access requirements or is it acceptable for ownership of these other types of assets to be outsourced to reduce upfront costs to customers?	Other DER assets (solar, batteries, EV chargers) should not be subject to ownership restrictions as this would stop many ways of customers receiving the benefits of these assets. What is to stop these assets being owned by a third party not subject to either a voluntary or mandatory code?
10.	**Regulation of safety requirements in embedded networks** (section 6.2)	Do you consider there is a need for greater regulation of safety requirements within embedded networks? Why/why not?	Electrical safety should be dealt with by the existing electrical safety legislation and regulations. Having different requirements would be problematic. (e.g. does an electrician working on a site have to determine that it's an Embedded Network? How would they do that? The issue you have cited in the paper regarding an unsafe connection in a caravan park is likely covered by existing electrical safety legislation.