

More choices for embedded network customers

Embedded Networks Draft Determination 10 September 2015

The AEMC today called for public comment on its draft determination to enable customers in embedded networks such as apartment blocks, shopping centres, retirement villages and caravan parks to choose their own electricity retailer.

Embedded networks are private electricity networks serving multiple premises. The operator of the embedded network currently sells electricity to embedded network customers.

The draft determination released today would allow embedded network customers to choose who they buy their electricity from, including retailers. This will provide embedded network customers with the ability to choose the electricity products and services that suit them best.

This rule change is part of the AEMC's market-wide energy reform program called Power of Choice which is putting in place new arrangements which enable people to have more choices in the way they use electricity and manage their bills.

Nothing will change for people in embedded networks unless they want it to.

There are a number of likely benefits from allowing embedded network customers access to the competitive retail market.

These benefits relate to price, quality of services, variety of products, and easier access to government schemes and consumer protections.

Such access would not prevent embedded network operators from selling embedded network customers electricity. Instead, it would provide them with greater incentives to compete with retailers.

The draft rule specifies that the new version of the National Electricity Rules would start on 1 December 2017. The final rule will take effect in Victoria, NSW and South Australia on this date. Its application in Queensland, Tasmania and the ACT is dependent upon those governments making relevant legal changes to recognise the metering and other arrangements regarding embedded networks.

Submissions to the draft determination are due by 22 October 2015.

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