

EMBEDDED NETWORK FREQUENTLY ASKED QUESTIONS

1. Who are Sustainable Savings?

Sustainable Savings Pty Ltd (ABN: 21 604 401 103) are an Authorised Energy retailer located in Norwood, South Australia. We specialise in servicing customers in embedded networks via our brand, Utility Shop. <u>https://www.aer.gov.au/retail-markets/authorisations/</u>

2. What is an Embedded Network?

An Embedded Network can be created where a building containing a number of tenants is fed through a single supply point to the grid. A gate (or parent) meter is installed between the incoming supply and the main switch board (MSB) to record all incoming supply to the building. The site owner, strata or their agent then purchases electricity at the gate meter, as a large market user, and on-sells this energy to tenants at small market rates via their own meter.

The local network service provider legally only manages electricity supply to the lot boundary of a site. The MSB and all electrical infrastructure downstream of it remains the responsibility of the site owner or strata. Hence, supply interruptions and other electrical risks at the site do not change whether the site is operating as an Embedded Network or not. As such, there are no additional liabilities in managing an Embedded Network that do not already exist at site.

3. What is the benefit of an Embedded Network?

As the site owner or strata purchases electricity at the gate meter as a large market user, this lower bulk purchase rate provides flexibility to on-sell this energy to tenants at cheaper small market rates then available if individual meter connections are made as a standard small customer.

It also has the benefit that where energy efficiency upgrades are made to the building, or solar is installed, this can further help to reduce the gate meter costs and allow further savings to flow through to the tenants and common areas.

In instances where a centralised hot water service is used to supply your apartment and was not previously metered, the upgrading of the infrastructure to install hot water meters allows a more equitable "user pays" principle to apply to cover the cost of the natural gas used to heat the water. This way a one-bedroom apartment does not subsidise a threebedroom apartment. Note that the cost of the actual water consumed (cold & hot) is still covered by the building owner/strata.

4. Who is the owner of the Embedded Network?

The building owner or strata owns the Embedded Network. Sustainable Savings, via Utility Shop, will manage the connection of services, billing services and meter readings. Where required, we will install, maintain, test or repair meters.



5. Do I still have my own meter to measure my consumption in an Embedded Network?

Yes. You may have one or two meters, depending if both electricity and/or hot water are measured. Unmetered appliance services such as your natural gas cooktop and oven will be charged as part of your hot water account

6. Are there any costs and/or fees for transferring to Sustainable Savings?

No. Any costs are covered by Sustainable Savings. This includes the initial connection fee for all existing residents. This includes covering any contract break fees from your present retailer, if applicable. If you incur such a fee from your retailer, you are required to send the final bill to <u>contact@utilityshop.com.au</u> and we will credit this fee on your next electricity bill.

New residents after the establishment of the Embedded Network will be treated as a new connection and a connection fee applies.

7. Under what circumstances can the utility rates offered to customers be varied (+ or -)?

The usual price change period for SA residents is from the 1st of July each year. This includes regulatory prices changes for distribution and transmission networks or any other changes including new taxes or levies. 30 days' notice will be given to residents.

8. Are there any costs associated with changing providers (from Utility Shop) in the future if the existing meter is "abolished"?

The only fee from Utility Shop is the disconnection fee. Your new retailer may have other charges. Please consult with them over their fees.

9. Do Government concession credits apply on electricity consumption provided by Utility Shop?

Yes, we need to be made aware if you are eligible and a new application needs to be lodged. If you are currently receiving a concession you will receive a letter from the Department of Human Services. We will provide them the details of your NMI and meter. These funds will now be transferred to your bank account directly via EFT rather than being part of your bill.

10. Is there is anything like a 'pay on time' discount available?

No. Utility Shop have kept it simple and has not placed any further conditions to obtain the low rate offered, other than our standard 14 days payment time. Late payment fees may apply after the due date.

11. Who will pay for the natural gas used to heat hot water and supply cooking gas to each apartment? Will this system continue?

The building owner or strata have elected to move to a fairer "user pays" principle. This means Sustainable Savings will pay for, install and maintain the new hot water meters, conduct hot water meter reads and manage the billing. This will be billed quarterly, in alignment with electricity. All utilities are contained on the one bill managed via Utility Shop.

12. At the moment my energy retailer is billing us on a 3-monthly basis. Will this continue?

Yes.



13. Is the general energy supply rate quoted in the supply agreement a flat rate?

Yes, it is a single flat rate. Other retailers can charge a rate for the first 10.95 kWh then a different rate for the balance, or even multiple steps that can make it confusing. Utility Shop have kept it simple by offering one simple low rate, applied to all consumption at all times.

14. In the event of a dispute, will we be able to contact the Energy Ombudsman?

Yes. We will follow the complaints handling process available on our website.

15. Do I have a cooling off period? if so, what is it?

Yes. 10 business days as per the AER website: https://www.aer.gov.au/consumers/switching-retailers/comparing-offers

16. If I decide I do not wish to participate at the start of the project will I be able to join later and if so, will there be any extra cost?

For residents who have opted in at the beginning of the project, all costs will be absorbed for electricity. If current residents decide not to opt in at this stage, costs may apply at a later date.

For centralised hot water, residents have no choice but to join if the building owner or strata move forward to embed this component and all costs will be absorbed for hot water.

17. What options are available to pay my invoice?

Cash, cheque, direct debit and EFT - we can take credit cards but would need to recover the fees imposed on us. We presently do not offer PostPay.

18. What is the expected start date?

Around 4-6 weeks once all agreements are in place for the embedded network commencement. Any temporary loss of services will be clearly communicated during site works conducted daytime between Monday and Friday.

19. If the utility rates change, how much notice will I receive?

30 days.

20. Who is my agreement with? The Supply Agreement branding is with Utility Shop but the definition of Supply Agreement states that it is with Sustainable Savings?

Utility Shop is a brand owned by Sustainable Savings, so your agreement is with Sustainable Savings Pty Ltd as the authorised Energy Retailer. <u>https://www.aer.gov.au/retail-markets/authorisations/</u>

21. There is no mention of the current SA Government Concession. Will you be notifying them on our behalf of the changeover so that the concession will be transferred to our Electricity account?

No, the application must be made by the account holder, but we will assist and aid you as much as we can in the process.

22. Is the General Supply Rate likely to change in the near future and if so, what factors will determine what the new fee will be?

The price is affected by the cost of electricity at the 'gate meter' (the one meter that still has a direct connection to the electricity grid), which is mainly driven by the wholesale price of electricity and regulated network costs. See FAQ 6.



23. Governments of all persuasions indicate that electricity prices should reduce. Will the General Supply Rate reflect this when that takes place?

Yes. See FAQ 6.

- 24. Will Sustainable Savings arrange abolishment of meters with residents' existing retailers? Yes.
- 25. What is the anticipated or likely change over date from residents' current providers?

Around 4-6 weeks once all agreements are in place.

26. What is the anticipated or likely completion date for the Embedded Network?

Around 4-6 weeks once all agreements are in place.

27. Will I be notified once Sustainable Savings formally takes over the billing of my meter?

Yes. As per National Energy Rule 58, A retailer must, within five business days of receiving notification that it has become the financially responsible retailer for the customer, notify you. You will receive communications via Utility Shop.

28. Supply Agreement.

The entity named as Utility Shop has neither an ABN nor an ACN when searched on the online ABN lookup web tool nor on ASIC. Utility Shop is a brand owned and operated by Sustainable Savings. This is stated on the top of the agreements: Utility Shop a division of: Sustainable Savings Pty Ltd ABN 21 604 401 103

29. Why are the Defined and Supplementary Terms not included with the Supply Agreement as they constitute a part of the terms of this Agreement?

As a certified carbon neutral company, Sustainable Savings' must reduce their GHG footprint and by minimising printing and paper use. This is one of the ways we can do this. From our experience, few people read them, and it is a waste of paper to print them all out. The information is available electronically from the Utility Shop website. If you require a printed copy, just contact us and we will supply one free of charge.

30. When must a customer pay a Security Deposit?

As per the Utility Shop website Definitions_and_Supplementary_Terms.pdf, the Security Deposit will be detailed on the agreement.

31. What is the value of the Security Deposit?

\$250 per connection. This means that if both electricity and hot water are supplied, the total will be \$500.

32. Under what conditions is the Security Deposit required to be paid?

In general, if you have a poor credit history, are a non-permeant resident or a customer who is continually late in paying their invoice outside of the standard 14 days terms, Sustainable Savings may request a security deposit.

33. Are there any hardship procedures provided?

Yes. You can find our AER approved policy at: <u>https://utilityshop.com.au/Utility_Shop_Hardship_Policy</u>



34. Are there any negative impacts on customers if they accept this supply agreement?

Utility Shop will always match or better any other authorised energy retail offers a customer could access.

An offer by another retailer must be assessed on balance, covering all fees and charges that apply to the supply. That is, the energy rates and supply charges across a whole billing period incorporating any applied discounts.

If a customer wanted to leave the embedded network, they can move to what is called a 'Child Meter' so nothing changes with the wiring, but they must get a new retailer under an energy only contract which may be difficult to secure.

If a tenant/resident moves to a child meter, Utility Shop will still need to bill the regulated network component to the tenant/resident as this fee is still payable by Utility Shop, not the new retailer, as all the electricity supplied to the building is via the gate meter covered by Utility Shop.

If you obtain a standard offer from the retailer, you will be billed twice for the network component. Utility Shop is legally obliged to collect the network distribution component as it is covered through the single connection point of the gate meter.

Alternately, to be wired out of the embedded network after its creation, a direct connection to the grid would have a cost attached to this for the work to be done. It is estimated to be around \$1000 but varies site by site.