

License Exemptions
Markets and Regulations Division
Public Utilities Office
Department of Finance
Locked Bag 11
Cloisters Square WA 6850

By email: licence-exemptions@finance.wa.gov.au

To whom it may concern.

Diamond Energy Asset Holdings Pty Ltd – solar PPA retail exemption application.

Please find enclosed Diamond Energy Asset Holdings Pty Ltd's Solar PPA Retail Licence Exemption Application to the Western Australian Department of Finance.

Diamond Energy Asset Holdings Pty Ltd (DEAH) is a wholly owned subsidiary of Diamond Energy Pty Ltd and is aiming to operate solar systems installed at residential and commercial properties in Western Australia. Diamond Energy Pty Ltd is a licensed electricity retailer and operates in states across the National Electricity Market. Diamond Energy currently provides solar PPA's to customers across multiple states.

DEAH is seeking exemption from the requirement to hold a retail licence to sell electricity under the *Electricity Industry Act (2004)* to allow the sale of electricity to customers under solar PPAs in Western Australia (WA), in accordance with the Solar Power Purchase Agreement Providers – Retail Licence Exemptions framework published in August 2016.

Kind Regards



Anthony Sennitt – Managing Director

Diamond Energy Asset Holdings

Applicant Details	
Legal name	Diamond Energy Asset Holdings Pty Ltd (DEAH)
Trading name (if different to legal name)	
Registered office (if a corporation)	Level 1, 695 Burke Road, Camberwell, VIC, 3124
Principal place of business (if different to registered office)	
Contact Details	
Name of primary contact	Stephen White
Postal address	Level 1, 695 Burke Road, Camberwell, VIC, 3124
Telephone number	Business: 0390069030
	Mobile: 0432 072 187
Email	swhite@diamond-energy.com
Company Structure	
ABN or ACN	30 144 525 333
Legal structure (corporation, partnership, or sole proprietor)	Australian Proprietary Company
Company directors	Anthony Sennitt – Managing Director
Description of primary business activities	Diamond Energy Asset Holdings Pty Ltd is a fully owned subsidiary of Diamond Energy Pty Ltd who supplies electricity to small, medium and large customers in NSW, Victoria, South Australia and Queensland.
Associated entities	Diamond Energy Asset Holdings (DEAH) is a wholly owned subsidiary of Diamond Energy Pty Ltd (Diamond Energy). DEAH has no subsidiaries.

1- Diamond Energy Asset Holdings Business Model:

Summary:

Access to solar power has shown a positive effect both environmental and for customers across Australia. The continuing growth in solar panel have been seen not only a reduction in demand being placed on the electricity network but also an overall reduction in customer's usage and therefore a positive effect on customers electricity bills.

Diamond Energy Asset Holdings is a wholly owned subsidiary of Diamond Energy Pty Ltd. Diamond Energy is a licensed electricity retail company currently active in New South Wales, Victoria, South Australia and Queensland and is also authorised and licensed but not currently active in Tasmania and the Australian Capital Territory.

Initially Diamond Energy Asset Holdings will offer Solar PPA's to approximately 38 customers only in Western Australia. These will consist of 37 residential customers and 1 commercial customer. Each customer will have an off market generation meter installed at their property to measure the gross output of the meter. The customer will then be charged an agreed rate per kWh for the gross generation of the solar system. Diamond Energy Asset Holdings will be responsible for ongoing maintenance of the customer's solar panel system.

Diamond Energy Product Offering:

This offering would allow customers in Western Australia to access the Diamond Energy Asset Holdings solar PPA's under an agreement that has been successfully rolled out by Diamond Energy for a number of customers across the NEM. It would allow customers to receive ongoing benefits from solar generation at their property.

Under the Solar PPA's new customers will have the opportunity to either;

- purchase a rooftop Solar Panel PV System (System) from Diamond; or
- have Diamond provide and own a Solar Panel PV System, to be installed at your premises and you will pay:
 - a fixed energy charge for a fixed amount of energy in a given period; or
 - a variable energy charge for all energy generated by the System.

The length of the agreement will usually between 5 to 15 years, however it can be terminated early in certain specific circumstances outlined in the Product Disclosure Statement. Solar energy which is not consumed by the customer may be exported to the electricity grid, subject to the technical requirements of the distribution network service provider.

The applicable solar energy/electricity price per kWh and how it applied being either for all solar energy produced (Gross) or only the energy consumed (Net), the first year estimated generation output (KWh) and monthly payments are disclosed in the PPA agreement

Diamond Energy Asset Holdings Servicing:

Currently Diamond Energy Asset Holdings does not have any physical presence in Western Australia and will engage locally based third party contractors to carry out any work related to the installation or servicing of Solar Panel Systems at customers properties.

Diamond Energy Asset Holdings will engage Diamond Energy Pty Ltd's current staff in the locally based call centre to provide customers with ongoing customer service inquiries related to the solar panel systems performance, installation or maintenance. Customers will also have access to Diamond Energy's billing and complaints handling facilities.

Sales Forecast:

Initially Diamond Energy will only service 38 customers in Western Australia who have solar panels PPA systems installed at their properties. This will include 38 residential and 1 commercial customers across WA.

This group will remain as the only current customers for the 2017/18 financial year with the possibility of further installations being rolled out across WA in the 2018/19 financial year depending on the success and popularity of this offering with WA customers.

2- Experience in selling energy products and services

Diamond Energy Asset Holdings Pty Ltd (DEAH) is a wholly owned subsidiary of Diamond Energy Pty Ltd (Diamond Energy). Diamond Energy is a licensed retail electricity supplier as well as a registered electrical generator supplying electricity to customers across National Electricity Market.

The company began operations in 2003 as a Renewable Energy Generation company. It was subsequently granted electricity retail licenses in the following jurisdictions;

- ***Victoria – 17th October 2007 – granted by the Essential Services Commission Victoria.***

- **South Australia** – 22nd December 2009 – approved by the Essential Services Commission South Australia.
- **New South Wales** – 05th May 2010 – approved by the Independent Pricing and Regulatory Tribunal New South Wales.
- **Queensland** – 26th May 2010 – approved by the Department of Mines and Energy.

Diamond Energy is also approved and licensed to operate in the ACT and Tasmania under the National Electricity Consumer Framework however has not begun selling to customers in these markets.

Since these dates Diamond Energy has been successfully selling electricity to Residential and Commercial customers across the National Electricity Market.

Diamond Energy also has previous experience selling and managing solar PPA's with both commercial and residential customers across multiple jurisdictions the staff directly experienced in this area will be working with customers directly supplied a solar PPA by Diamond Energy Asset Holdings.

3- Financial Information Statement:

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RE: Solar PPA retail licence exemption Financial Information Statement

To whom it may concern,

As Managing Director of Diamond Energy Asset Holdings Pty Ltd I wish to make the following written declaration in relation to the Financial Information pertaining to Diamond Energy Asset Holdings Pty Ltd;

- An administrator, receiver or insolvency official has not been appointed to control any part of the business or its property;
- No application or resolution has been passed or steps taken to wind down the applicant's company; and
- The applicant is not aware of any other factors that may impede its ability to finance and service solar PPA customers under the proposed business model.

Should you have any questions in regards to the statement above please feel free to contact myself at any time;

Kind Regards

Signed



*Anthony Sennitt – Managing Director
Diamond Energy Asset Holdings*

Witness



*Mark Bertoncello – Chief Operations Officer
Diamond Energy Pty Ltd*

PUBLIC INTERESTS INFORMATION:

<i>Environmental</i>	The approval of this exemption will allow residential customers to access solar energy at their property. This will help the customers reduce their environmental footprint as well as help continuing to support and grow the use of renewable energy in Western Australia.
<i>Social Welfare</i>	Diamond Energy's offer provides a low up front cost to the customer and allows customers to access the benefits of solar energy which in turn can assist them to reduce their electricity usage and overall reduce their bills.
<i>Regional Development</i>	Diamond Energy will use locally based technicians to carry out any maintenance or installation work related to the solar panels increasing employment opportunities in all areas of WA
<i>Customer Interests</i>	These offers from Diamond Energy will empower customers to take control of their electricity bills and not only reduce their usage but also reduce their environmental impact. The customers will be serviced by the locally based and experienced Diamond Energy customer care team.
<i>Licensee Interests</i>	This offer and exemption allows Diamond Energy to expand its customer base and expand its innovative product offerings across Australia. This will also allow Diamond Energy to develop further innovative products for Western Australia as well as the rest of Australia.
<i>Competition in the Market</i>	Approval of this exemption application will increase customer choice by providing a new option to customers to access Solar PPA's from an Australian based company that specialises in renewable energy.
<i>Policy Objectives</i>	Approval of this application will improve Western Australian's access to alternative energy sources and contractual arrangements.

5- Confidentiality:

This application does not contain confidential information.

6- Public Disclosure Statement:

Please see attached document (Product Disclosure Statement) between Diamond Energy Asset Holdings Pty Ltd and the customer for the solar Power Purchase Agreement