

Submission on the AES Regulation – EnergyTec Response

EnergyTec is a specialist service provider delivering embedded network utility solutions to the WA property sector, including government agencies, retail, commercial office, industrial assets, strata communities, and retirement living. Our core services span data acquisition and meter reading, utility accounting, energy procurement, advanced metering network upgrades, renewable energy integration, and advisory services. We work proactively with stakeholders to promote best-practice standards through utility-grade metering technologies, improved data accuracy, robust reconciliation and cost-allocation methodologies, and data access platforms.

As a service provider operating within embedded networks, the introduction of the AES regulation will directly influence the services we deliver. We also acknowledge the regulatory shift in terminology whereby embedded networks will now be defined as *Single Property Networks (SPNs)*.

Industry Engagement and Sector Preparedness

EnergyTec has been actively involved throughout the development of the Voluntary Embedded Network Code of Practice (VEN CoP) and the current regulatory reforms. Our engagement includes meetings with Energy Policy WA (EPWA), the Minister for Energy's office, the Economic Regulation Authority (ERA), and the Energy and Water Ombudsman, as well as participation in EPWA consultation workshops and submissions alongside property sector stakeholders and industry peak bodies.

Concurrently, we have undertaken extensive communication with our clients to ensure early preparedness; hosting workshops, information sessions, direct client briefings, and written updates to support informed transition to the new regulatory framework.

Comments on the Exposure Draft of the AES Regulation

EnergyTec recognises that the Exposure Draft aims to clarify the broader intent of the forthcoming regulation, including the incorporation of Solar PPAs and other relevant energy service entities within the new framework, and the introduction of new regulatory terminology.

However, we emphasise that the current draft does **not** address several key elements previously outlined within the Voluntary Embedded Network Code of Practice. The Department of Energy and Economic Diversification (DEED) has advised that these matters will be formalised in a forthcoming "AES Code of Practice" to be released for separate consultation. The delayed release of this updated Code is a material concern. Without visibility of the revised provisions, the property sector remains uncertain about whether the issues raised during earlier consultations have been adequately resolved. Similarly, service providers are unable to determine the scale or nature of operational changes that may be required.

Ensuring Proportionate and Sustainable Regulation

EnergyTec wishes to stress that the majority of properties with embedded networks operate in a manner that is fair and equitable for tenants and lot owners, while also generating essential revenue streams used to maintain and enhance assets, including investment in renewable energy technologies. The ongoing deployment of embedded networks and renewable assets is largely underpinned by the financial viability of these models. As such, we encourage the State Government to ensure that the final regulatory requirements are not so cost-prohibitive as to discourage property owners from continuing to invest in sustainable energy infrastructure.

Public Consultation Feedback and the Need for Clarity

During the public consultation phases for the VEN CoP in 2024, forming the basis of the forthcoming AES Code of Practice, industry participants, peak bodies (including SCA WA), service providers, the Ombudsman's office, and the ERA raised a range of practical concerns. These included:

- restrictive or unworkable tariff structures
- impractical arrears-reporting requirements
- administrative and commercial feasibility issues
- regulatory inconsistencies
- significant implementation costs affecting both property owners and strata communities

Throughout these workshops, EPWA acknowledged several of these concerns and indicated that various practical adjustments or compromises were being considered.

EnergyTec seeks confirmation that these previously discussed solutions have indeed been incorporated into the forthcoming AES Code of Practice. We would welcome the opportunity to meet with DEED to further discuss the matters raised during earlier consultation rounds, as well as additional issues outlined within this submission, to ensure that the final regulatory instruments achieve their objectives without imposing unnecessary burden on the sector.