B/STRATA

POSITION PAPER

SPN AES Regulated Strata Schemes

Protecting Consumers While Controlling Costs for Owners and Occupiers

A practical lot-based policy framework for SPN AES compliance, owner responsibility, consumer protections and debt recovery in strata schemes.



Stronger SPN AES consumer protections are supported and will require additional administration. The challenge is to implement them through a strata-specific, lot-based model that preserves the existing liability framework while requiring targeted AES by-law amendments for unpaid utility billing, lot financial status, customer protections and general meeting governance. If that model is not adopted, existing utility by-laws and associated strata accounting processes may need to be reviewed, reframed or replaced.

Position Paper

Author: Scott Bellerby, Managing Director, B Strata and B Complex

Purpose: Prepared to support Ministerial clarification, regulatory guidance and industry consultation on the SPN AES framework in strata schemes.

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This paper is prepared for policy discussion and governance planning. It is not legal advice. Any future targeted AES by-law amendments, prescribed, regulator-endorsed or scheme-approved customer documents, lease or tenancy clauses, contractor arrangements or implementation guidance should be reviewed by legal counsel against the final legislation, scheme-specific by-laws, current regulator guidance and the relevant tenancy or lease documents before adoption or use.

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A separate companion implementation paper has been completed and should be read in conjunction with this Position Paper. It provides the detailed scheme-level material removed from this key Position Paper, including proposed targeted AES by-law amendments, customer document detail, lease and tenancy clauses, SPN AES billing controls, operational tables, contractor protocols and tenant-facing adjustment guidance.

This Position Paper should also be read in conjunction with, and as supplementing, the author's May 2026 submission on the AES Exposure Draft. That earlier submission raised broader policy concerns regarding owners and occupiers, the absence of clear utility billing and enforcement powers, the administrative burden on strata managers and the need for a strata-specific compliance framework. This Position Paper builds on that submission by focusing on the integrated lot-based responsibility model, debt recovery, customer protections, targeted AES by-law amendments and the Ministerial clarification required before schemes can implement the AES framework confidently.

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1. Executive Summary

The Alternative Electricity Services (AES) framework is supported as a necessary reform to improve consumer protections for billing, hardship, family violence, life support, complaints, dispute resolution and disconnection in alternative electricity supply arrangements, including SPN AES arrangements in strata schemes.

The published *Electricity Industry (Alternative Electricity Services) Regulations 2026* and draft *Alternative Electricity Services Code of Practice 2027* confirm that strata and community schemes are expressly recognised within the SPN framework where the relevant supply arrangements apply, and that scheme by-laws may form part of the SPN agreement for residents. The remaining issue is not whether the framework applies, but how it should operate in strata schemes without undermining established lot-based liability and recovery arrangements.

This paper recommends an integrated lot-based responsibility model. Under that model, occupiers receive the AES customer protections required by the final Code; the SPN service provider, AES provider or other legally accountable AES entity remains responsible for applicable AES compliance obligations; and owners remain responsible to the strata company for SPN AES charges attributable to their lot where legally permitted.

This approach preserves consumer protections while avoiding a fragmented customer-only recovery system for non-owner occupiers who may vacate, default or have no ongoing relationship with the strata company. Without clarification, schemes risk duplicated billing and recovery processes, increased administration costs, uncertain bad-debt treatment and inconsistent local interpretations.

Ministerial clarification is sought to confirm how unpaid lot-attributable SPN AES charges may be recovered, how by-laws and SPN agreements should operate, how tenant recovery limits should be managed, and how strata managers and contractors may support compliance without assuming inappropriate legal responsibility.

A strata-specific implementation pathway is recommended, supported by targeted AES by-law guidance, customer and tenancy disclosure material, SPN AES billing and recovery controls, contractor authority protocols and a safe-harbour pathway for schemes that implement the required controls in good faith.

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2. Purpose and Core Position

The purpose of this paper is to support Ministerial advocacy, regulatory clarification and industry consultation on applying the published AES/SPN framework and draft *Alternative Electricity Services Code of Practice 2027* to strata schemes. It supplements the author's May 2026 submission and focuses on the practical interface between SPN registration concepts, lot-based liability, customer protections, debt recovery, by-laws and the need for a strata-specific compliance pathway.

The integrated lot-based model is the organising principle for the paper. The objective is not to replace the existing strata liability framework, but to update it through targeted AES by-law amendments and regulatory guidance so SPN AES obligations can be administered through the lot-based framework without creating a duplicated customer-only billing and recovery system.

A core practical assumption is that a strata company should be able to administer one scheme-approved SPN AES billing framework for the scheme. Any tenant-facing recovery, credit, exclusion or adjustment should be managed separately through the relevant lease, tenancy agreement, property manager process or legal advice, rather than requiring the strata company to operate multiple customer-only recovery systems.

The companion implementation paper contains the detailed by-law drafting, supporting clauses, SPN AES billing controls, operational tables and scheme-level adoption guidance. If the integrated model is not adopted, existing utility by-laws and accounting processes may need to be reviewed or replaced to keep liability, recovery, owner account status and voting consequences legally coherent.

The position is deliberately constructive and practical:

- **The AES Code, once finalised with appropriate strata-specific guidance, is supported because stronger consumer protections are necessary and appropriate.**
- Where the parent-meter account holder, the person supplying electricity within the SPN, or the strata company is registered or otherwise legally responsible for the relevant AES category, that entity should be recognised as the legally accountable SPN service provider or AES provider, depending on the applicable regulatory context.
- Third-party contractors or persons engaged by the AES provider may support metering, consumption data, billing files, bill preparation, customer onboarding, portals and technical billing functions, but should not independently control customer protections, payment plans, hardship, complaints, dispute resolution or debt recovery unless expressly registered, authorised and legally permitted.
- Debt recovery should remain lot-based so unpaid SPN AES charges attributable to a lot remain recoverable from the relevant owner where properly attributable to the lot and legally recoverable, rather than becoming a collective burden for other owners.
- Lease, tenancy and occupation arrangements should support, but not replace, the strata company's lot-based by-law framework.

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3. Legislative Context and Terms Used

This section explains how the published AES/SPN framework applies to strata electricity supply where the relevant supply arrangement is an SPN AES. The Regulations clarify key SPN matters, including strata and community schemes, SPN agreements, registration eligibility, exclusions and transition dates. The remaining issue is how those confirmed concepts interact with owner responsibility, lot-based recovery, tenant-facing adjustments and consumer cost control.

3.1 AES framework

The published Regulations, draft *Alternative Electricity Services Code of Practice 2027* and August 2026 SPN reading guide use defined terminology that should be retained in scheme documents. This paper uses AES as the umbrella term and refers to OPS AES or SPN AES where the regulatory category requires more specific treatment. The Regulations are the operative instrument for scope, registration, exemptions, commencement and transition, while the draft Code should be treated as consultation material unless and until the final Code is made.

For strata schemes, the key development is that the Regulations and August 2026 SPN reading guide now expressly recognise SPN arrangements in strata and community schemes, including by-laws as part of the SPN agreement for residents. This makes targeted AES by-law amendments central to implementation, customer disclosure and the scheme-approved SPN AES billing framework.

Term	Meaning	How it applies in a strata scheme
OPS AES	On-site power supply AES: an OPS system that produces, stores, or produces and stores electricity for use by a customer.	Use only where a scheme-controlled or third-party on-site generation or storage arrangement gives a customer a right to consume or use electricity from that system, subject to the published Regulations.
SPN AES	Single property network AES: supply of electricity within a private or nested network, unless excluded under the Regulations.	Use where electricity is supplied through a private or nested network on land within a strata or community scheme, including scheme-controlled embedded network arrangements, unless an exclusion applies.
AES provider / SPN service provider	An AES provider is registered under the AES framework. For an SPN AES, the draft Code uses SPN service provider.	Identify the parent-meter account holder, the person supplying or intending to supply within the SPN, and the one-registration rule.
Third-party contractor / person engaged by provider	A person engaged by the provider to act on its behalf or support metering, data, billing, onboarding or administration.	May perform authorised support functions, but does not become the provider merely by providing support. The provider remains responsible for applicable Code compliance obligations.

Table 1: Key AES/SPN terminology, provider responsibilities and strata-scheme application under the published Regulations, draft Code and August 2026 SPN reading guide.

For strata schemes, these AES categories must be read alongside the *Strata Titles Act 1985* (WA), which governs the strata company, owners, by-laws and common property, and the *Residential Tenancies Act 1987* (WA), which governs what residential tenants may be required to pay under a tenancy agreement.

3.2 SPN registration concepts and exclusions

Table 2 provides a quick-reference summary of the confirmed SPN registration, exemption, transition and inconsistent-terms concepts most relevant to strata schemes under the published Regulations and the August 2026 SPN reading guide.

Confirmed Regulation concept	Relevance for strata schemes
Single property includes land subdivided by strata and community schemes.	Strata and community scheme land is expressly included in the single-property concept, making SPN analysis directly relevant where the supply arrangement is an SPN AES.
SPN AES applies to supply of electricity within an SPN unless excluded.	Schemes with private or nested networks should assess whether supply is an SPN AES and whether an exclusion applies.
Parent-meter account holder or supplier within the SPN may be eligible for registration.	Focus on who buys electricity at the parent meter and who supplies electricity within the network.
Only one registration may be granted for a particular SPN.	Avoid fragmented assumptions about multiple responsible providers for the same SPN.
SPN agreements may include strata or community scheme by-laws for residents.	Treat targeted AES by-law amendments as central to the SPN agreement and customer disclosure framework.
Limited small residential strata exemption.	An exclusion may apply for qualifying small residential strata schemes. Larger, mixed-use, commercial, short-stay or non-residential schemes need separate analysis.
SPN commencement and application window.	Key SPN provisions commence on 1 July 2027. Certain existing SPN AES providers may be treated as temporarily registered but must apply before 31 July 2027.
Transitional SPN Code compliance relief.	Certain SPN AES Code obligations have transitional relief until 31 December 2027. Schemes should still prepare customer documents, billing systems and by-law updates before commencement.
Inconsistent SPN agreement terms may be of no effect.	Review by-laws, contracts, SPN agreements, customer documents and billing terms because inconsistent terms may be of no effect once relevant provisions apply.

Table 2: Quick-reference summary of confirmed SPN registration, exemption, transition and inconsistent-terms concepts under the published Regulations and August 2026 SPN reading guide.

3.3 Practical significance for strata schemes

The confirmed SPN matters in Table 2 should frame scheme-level registration analysis, by-law review, customer document preparation and transition planning.

The practical significance is that strata schemes now have clearer regulatory markers, but still require Ministerial or regulator guidance on how those markers interact with owner responsibility, occupier protections, tenant-facing recovery, contractor support and bad-debt risk.

3.4 Payment plans and provider authority

The payment plan provisions remain relevant as customer-protection obligations, but they are no longer the primary indicator of registration responsibility. Following publication of the Regulations and release of the draft *Alternative Electricity Services Code of Practice 2027*, registration analysis should focus first on the SPN, the parent-meter account holder, the person supplying within the SPN, the one-registration rule and any applicable exclusion.

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Payment plan, hardship, billing dispute, disconnection and recovery decisions should remain with the SPN service provider, AES provider or authorised strata manager where properly delegated, depending on the applicable regulatory context and delegation. Third-party contractors should perform only authorised support functions unless expressly registered, authorised and legally permitted to perform provider functions.

3.5 Potential statutory interface between AES, strata and tenancy law

The AES framework may create a statutory interface issue for strata schemes because it applies customer protection obligations to the AES provider, while the *Strata Titles Act 1985* (WA) regulates the internal governance, cost recovery and owner responsibility structure of the strata company.

The *Residential Tenancies Act 1987* (WA) separately regulates what may be recovered from residential tenants. In schemes where electricity is supplied through common property or scheme-controlled infrastructure, the AES framework may treat the occupier or tenant as the relevant customer, while the strata framework ordinarily operates through the lot owner and the strata company's by-laws.

This creates uncertainty, and possible conflict, where customer-facing protections, billing obligations, tenancy recovery limits and strata debt recovery rights do not align. The issue should be clarified through Ministerial guidance, further regulatory amendments if required, Energy Policy WA guidance, Landgate guidance, Consumer Protection guidance or other applicable regulatory guidance. Without clarification, disputes may need to be determined by the Energy and Water Ombudsman, the State Administrative Tribunal or another competent tribunal or court, depending on the dispute.

For that reason, this paper recommends that the AES framework expressly recognise a strata-specific governance pathway: the strata company may be the SPN service provider, AES provider or other legally accountable entity under the AES framework, the occupier may receive customer protections, and the owner should remain responsible to the strata company for SPN AES charges attributable to the lot, subject to lawful recovery from the tenant or occupier under applicable tenancy law, lease terms and any future approved guidance or reform.

A lease may require a residential tenant to comply with scheme by-laws, but by-laws cannot override the *Residential Tenancies Act 1987* (WA) or authorise recovery from a tenant of amounts tenancy law does not permit. The default role split should therefore be explicit: the strata manager administers the strata company's SPN AES governance framework, targeted AES by-law amendments and lot-based recovery framework, while the property manager administers the owner-to-tenant recovery pathway. This should be addressed through separate implementation guidance once the policy position is settled.

Integrated lot-based SPN AES model. Under the recommended model, consumer protections flow through the AES framework, the strata company administers one scheme-approved SPN AES billing framework, the owner remains responsible to the strata company through the lot-based recovery pathway where properly attributable to the lot and legally recoverable, and tenant-facing credits or adjustments are managed separately through the owner/property manager relationship.

3.6 Privacy, hardship and information-sharing tension

A further issue requiring guidance is the interaction between SPN AES customer protections and owner responsibility for lot-attributable charges. If the occupier is treated as the customer for hardship, payment plan, family violence, life support, billing review or dispute purposes, but the owner remains responsible to the strata company for the lot account, the framework must clarify what information may be shared with the owner and what must remain confidential.

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This is particularly important where recovery action against the owner is paused, deferred or affected because of an occupier's hardship, payment plan, family violence arrangement, life support status, billing complaint or external dispute process. The owner may be financially responsible for the debt, but the strata company and strata manager may be limited in what they can disclose about the occupier's personal circumstances. Without clear guidance, schemes may face competing obligations: protecting the occupier's privacy and safety, maintaining accurate owner accounts, preserving the strata company's cash flow, and explaining recovery delays or account treatment to councils and owners.

The preferred approach is for the AES framework or regulatory guidance to prescribe a limited information-sharing protocol for SPN AES-regulated strata schemes. That protocol should identify what information can be disclosed to an owner, property manager, strata manager, council of owners, billing contractor or dispute body, and when recovery action must be paused or may continue. This would protect vulnerable customers while allowing schemes to manage owner liability, recovery holds, accounting records and bad debt risk in a consistent and lawful way.

3.7 Interaction with residential tenancy guidance and SPN AES-regulated strata arrangements

Current Consumer Protection guidance is relevant but appears to address traditional landlord reimbursement or sub-metering arrangements, rather than the full SPN AES-regulated strata model. Further guidance is needed to align SPN AES customer protections, owner responsibility, tenant recovery limits and lot-based strata recovery.

Once government confirms whether unpaid SPN AES charges remain recoverable through the lot-based strata framework, tenancy guidance can explain how owners and property managers should manage tenant-facing recovery, credits, exclusions and adjustments.

Pending clarification, schemes should preserve one scheme-approved SPN AES billing framework, with any tenant-facing credit, exclusion or adjustment applied separately by the owner or property manager. This should be addressed through separate implementation guidance once the policy position is settled.

3.8 Residential Tenancies Act reform required

The *Residential Tenancies Act 1987* (WA), associated regulations and Consumer Protection guidance should be reviewed and updated to align with the AES framework and the draft *Alternative Electricity Services Code of Practice 2027*. The latest residential disclosure material draws an important distinction between a residential tenant who is charged for electricity by their landlord and a residential tenant who is charged separately by a strata company or another SPN service provider. That distinction should now be expressly addressed in tenancy guidance, strata guidance and any model SPN customer documents.

Where a residential tenant is charged for electricity by their landlord under a lease governed by the *Residential Tenancies Act 1987* (WA), the draft disclosure material indicates that the tenant may only be required to pay usage or consumption charges. By contrast, where the residential tenant is charged separately by someone else, such as a strata company or another SPN service provider under a separate SPN agreement, the tenant may be charged a fixed daily supply charge, subject to tenancy law and the final Code. This distinction supports the integrated lot-based model but requires clear legislative and guidance alignment so owners, property managers, strata companies and strata managers understand which recovery pathway applies.

The reform should require clear disclosure in the tenancy agreement, prescribed utility clauses, regulator-endorsed tenancy material or SPN customer documents. That material should explain whether the tenant or customer is being

charged by the landlord or separately by the strata company or another SPN service provider, the identity of the SPN service provider or other AES provider, the scheme-approved SPN AES billing framework, the applicable standard tariff or special tariff, any fixed daily supply charge, complaint rights, hardship support, family violence protections, life support processes and how move-in and move-out meter readings will be managed.

This clarification is essential because residential tenancy recovery and SPN AES customer billing may not always operate through the same legal relationship. The strata company may be the SPN service provider or may administer a scheme-approved SPN AES billing framework, while the owner remains the party with the tenancy relationship. Guidance should therefore confirm when the strata company may bill the occupier directly, when the owner or property manager must manage tenant-facing recovery separately, and how credits, exclusions or adjustments should be applied where the tenant cannot lawfully be charged the same amount as the owner.

For schemes, targeted AES by-law amendments are a critical risk-control measure. Without targeted AES by-law amendments confirming owner responsibility for lot-attributable SPN AES charges, unpaid tenant or occupier charges may become difficult to recover, with bad debts absorbed by the strata company and ultimately funded by other owners through levies.

The preferred reform should preserve one scheme-approved SPN AES billing framework where legally appropriate, while recognising that tenant-facing recovery may need to be administered separately through the owner, property manager and tenancy-law pathway. This approach protects tenants through the SPN AES customer-protection framework, preserves owner responsibility to the strata company for lot-attributable charges, and avoids forcing schemes into impractical parallel billing systems unless required by the final Code or tenancy law.

3.9 Commercial lease context

Commercial leases can generally deal more directly with utility recovery than residential tenancies, but they should still align with the lease type, retail shop legislation where applicable, the AES framework, disclosure obligations and strata by-laws. Detailed commercial lease drafting and operational tables should be addressed in the companion implementation paper.

3.10 Tariff clarification and billing relevance

At a high level, the tariff framework should be clearly explained in any strata-specific guidance. The draft Code distinguishes between the **standard tariff** and **special tariff** pathways. The standard tariff is linked to the relevant residential or non-residential tariff category, including A1, L1 and L3 references, while a special tariff must be set out in the SPN agreement and may require customer opt-in by written request or apply in specified Code circumstances. Concerns have been raised within the sector that the standard tariff framework may constrain time-of-use access, EV supply, metering-enabled innovation and cost-reflective recovery considerations for SPN service providers. Those issues are relevant to strata schemes because tariff structure affects how charges are explained to customers, allocated to lots, recovered from owners or occupiers, and reconciled through the scheme-approved SPN AES billing framework.

This paper does not put forward tariff reform as a central submission point. The narrower point for this position paper is that any tariff, fixed daily supply charge, EV supply charge, metering cost, special tariff component or other permitted fee or charge must be capable of being identified, disclosed through the relevant disclosure statement or customer document, billed, allocated and recovered through a coherent SPN agreement and lot-based responsibility framework. Government guidance should therefore explain how tariff options interact with strata by-laws, owner liability, tenant recovery limits, customer consent requirements and SPN AES billing controls.

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3.11 Key takeaways

- The published Regulations, draft Code and August 2026 SPN reading guide now clarify several core regulatory concepts, but strata legislation and residential tenancy law still require alignment through a strata-specific implementation pathway.
- Registration should be assessed by reference to the published SPN concepts, including the parent-meter account holder, the person supplying electricity within the SPN, the one-registration rule, applicable exclusions and whether the scheme involves an OPS AES, SPN AES or both.
- The integrated lot-based model preserves occupier customer protections while maintaining owner responsibility to the strata company for lot-based SPN AES charges where properly attributable to the lot and legally recoverable.
- Payment plan, hardship, complaints, disconnection, recovery and contractor-support functions require clear authority boundaries so customer-protection decisions remain with the SPN service provider, AES provider, other legally accountable AES entity or properly authorised strata manager.
- Targeted AES by-law amendments and tenancy guidance will be required to support one scheme-approved SPN AES billing framework, lawful tenant-facing recovery, SPN AES billing controls and reduced bad debt risk.
- Detailed by-law drafting, lease clauses, SPN AES billing controls, operational tables and tenant-facing adjustment processes should be addressed in the companion implementation paper.

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4. The Owner, Occupier and Debt Recovery Problem

This section identifies the central policy problem: how unpaid SPN AES charges should be recovered when the customer or occupier receives Code protections, but the owner remains the party connected to the strata company's governance, lot account and recovery framework. The latest draft Code makes this issue more important because it contains detailed billing obligations, including issue of bills, required bill contents, record-keeping and retention of billing data, review of bills, undercharging, overcharging, payment methods and limits on estimated consumption for billing purposes.

4.1 Ministerial clarification required: lot-based liability and bad debt risk

Ministerial clarification is required because strata schemes need to know whether unpaid SPN AES charges remain connected to the lot when the customer or occupier receives Code protections. The answer determines whether the AES framework can operate fairly and practically where the strata company is the SPN service provider, AES provider or other legally accountable AES entity, the occupier is the practical electricity consumer, and the owner remains the party with the enforceable strata relationship to the scheme.

The clarification sought goes to fairness, scheme solvency, strata accounting, hardship administration, privacy, debt recovery and owner confidence in adopting targeted AES by-law amendments. If unpaid occupier charges cannot remain connected to the relevant lot where properly attributable to that lot and legally recoverable, those charges may be absorbed by the scheme and funded by owners who did not incur the consumption.

The draft Code's billing provisions reinforce the need for a lot-based recovery model. SPN service providers must issue compliant bills, retain billing data, manage bill reviews, undercharging, overcharging, credits, refunds, adjustments and limits on estimated consumption. In strata schemes, those obligations interact with owner accounts, occupier bills or invoices, move-in and move-out meter readings, payment plans, billing disputes, recovery holds and council reporting. Without a clear lot-based pathway, compliant billing may become disconnected from practical debt recovery.

The policy position advanced in the accompanying Ministerial letter should therefore be that the AES framework expressly recognise an integrated lot-based model: customer protections follow the occupier or end user, the SPN service provider, AES provider or other legally accountable AES entity remains responsible for applicable AES compliance obligations, and debt responsibility remains anchored to the lot owner through the existing lot-based liability framework, supported by targeted AES by-law amendments and lawful lease recovery where available.

Strata schemes already recover lot-based liabilities through known owners, lot accounts and established arrears processes. A customer-only model would require a parallel system for non-owner occupiers, including customer tracing, vacate reconciliations, bill review requests, billing adjustments, payment plans, hardship and dispute controls, recovery assessment and write-off management. Those costs would ultimately be borne by owners and consumers.

For that reason, departing from the integrated lot-based model would require schemes to review, and possibly reframe, utility by-laws, debtor controls, account coding, arrears reporting, financial-status determinations and any voting-right consequences permitted by the scheme by-laws and the legal characterisation of unpaid utility charges.

If government does not clarify the integrated model before commencement, schemes, strata managers, contractors and advisers may adopt inconsistent assumptions about customer status, owner liability, by-law enforceability, payment plan holds, dispute handling, voting rights and bad debt treatment. This would increase administration costs, disputes and uncertainty for owners, occupiers, councils and strata managers.

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4.2 Three options for liability and recovery

The following figure compares the three main liability and recovery models available for SPN AES-regulated strata schemes. It shows why the integrated lot-based model is preferred: it preserves customer protections for occupiers while keeping unpaid lot-attributable charges connected to the lot where legally permitted.

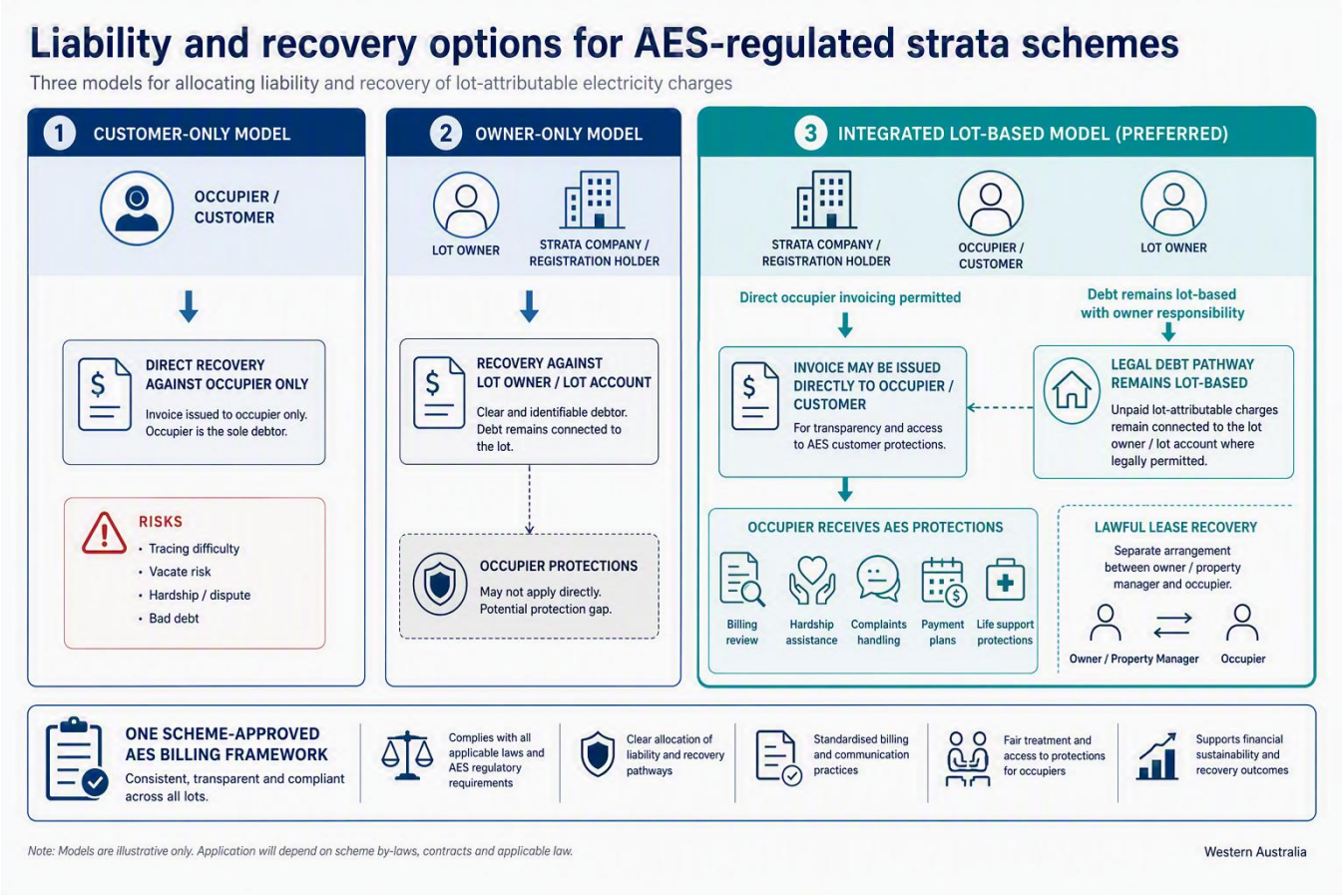


Figure 1: Liability and recovery options. The integrated lot-based model is preferred because it preserves occupier protections while keeping unpaid lot-attributable charges connected to the lot where legally recoverable.

4.3 Recommended option: integrated lot-based model

The integrated model is the recommended policy position. It recognises that the occupier may be the practical electricity consumer and should receive customer information, required bill contents, bill review rights, hardship support, family violence protections, life support safeguards, disconnection protections and complaint pathways, while the owner remains responsible to the strata company for the lot and for unpaid SPN AES charges properly attributable to that lot and legally recoverable.

It is therefore not merely a debt recovery preference; it is a practical cost-control model that delivers SPN AES customer protections through the existing strata structure and avoids duplicated recovery costs.

This creates a workable chain of responsibility: the tenant is responsible to the owner where recoverable under the lease and applicable tenancy or lease law; the owner is responsible to the strata company under the lot-based liability framework as updated by targeted AES by-law amendments; and the SPN service provider, AES provider or other legally accountable AES entity remains responsible for applicable AES compliance obligations.

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Contractor support should remain limited to authorised technical, billing and administrative functions unless the contractor is expressly registered, authorised and legally permitted to perform provider functions. Customer-protection decisions, including payment plans, hardship, recovery holds, complaint and dispute resolution, external dispute referral and debt recovery, should remain with the SPN service provider, AES provider, strata company or authorised strata manager where properly delegated.

Lot-based recovery should remain subject to any required payment plan, hardship, family violence, life support, complaint, bill review or external-dispute hold required by the final Code, applicable law or approved guidance. The integrated model should not be read as allowing recovery action to proceed where customer-protection obligations require recovery to be paused, modified or carefully controlled.

Existing third-party contractor or support provider models involving individual occupier contracts should also be reviewed where electricity supply liability, billing responsibility or customer protection obligations are proposed to shift back to the strata company.

Where the lot is occupied by a residential tenant, the integrated model does not assume every amount recoverable from the owner is automatically recoverable from the tenant. The owner, property manager or adviser should apply the *Residential Tenancies Act 1987* (WA), the lease, approved tenancy material and current guidance to determine whether a tenant-facing credit, exclusion or adjustment is required.

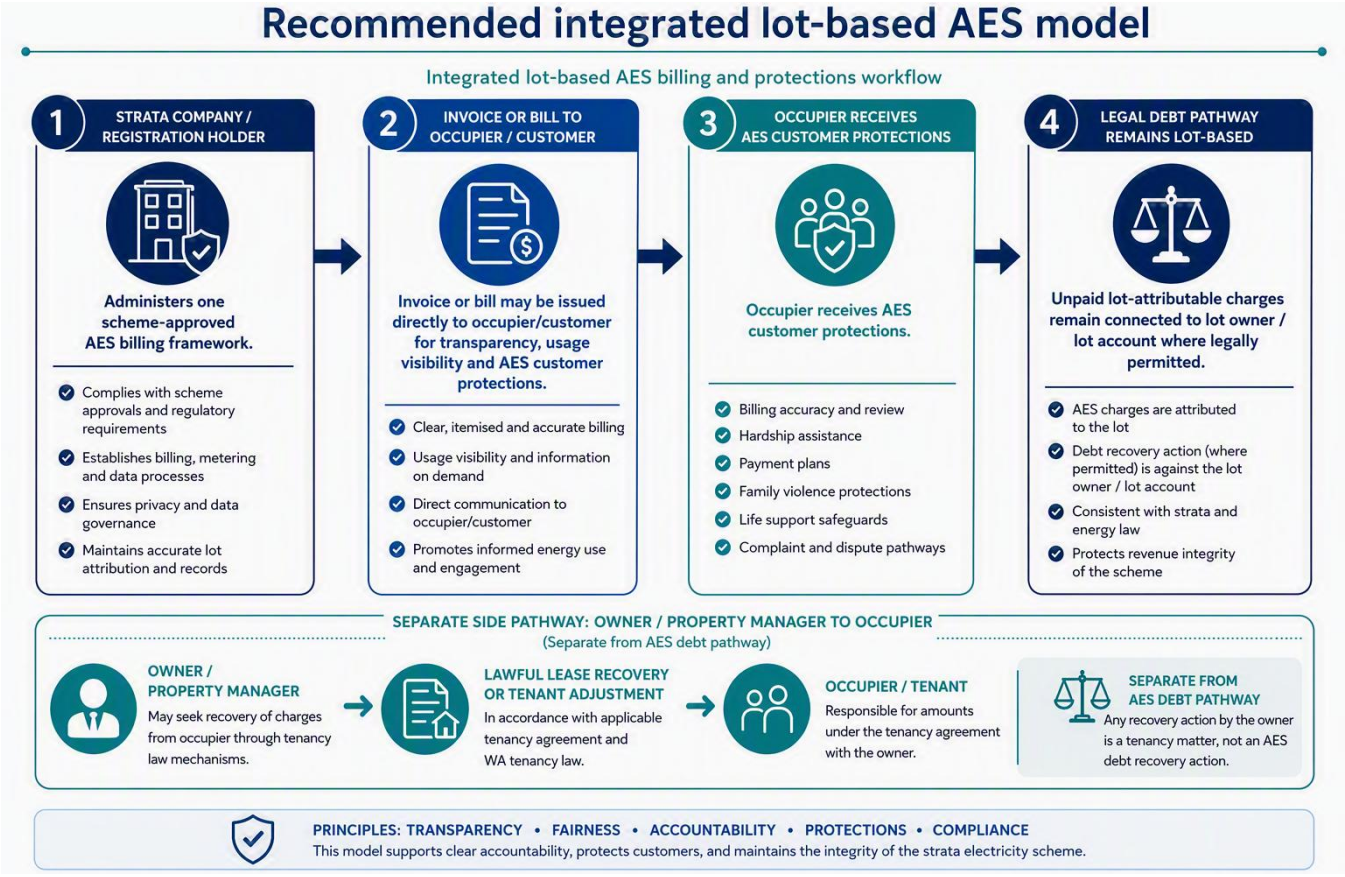


Figure 2: Integrated lot-based SPN AES model. One scheme-approved SPN AES billing framework supports occupier transparency and customer protections while preserving owner responsibility for unpaid lot-attributable charges where legally recoverable.

4.4 Key takeaways

- Ministerial clarification is needed on lot-based liability, draft Code billing obligations, customer protections and debt recovery in SPN AES-regulated strata schemes.
- The integrated lot-based model should be recognised because it preserves customer protections for occupiers while maintaining owner responsibility to the strata company where properly attributable to the lot and legally recoverable.
- Bad debt risk should remain connected to the relevant lot where properly attributable to the lot and legally recoverable, supported by targeted AES by-law amendments and one scheme-approved SPN AES billing framework that can manage issue of bills, billing data retention, review of bills, payment plans, undercharging, overcharging, credits, refunds, adjustments and recovery holds.
- Third-party contractors or support providers should remain limited to authorised technical, billing and administrative support unless registered, authorised and legally permitted to perform SPN service provider, AES provider or other legally accountable provider functions.
- Detailed tenant-facing recovery, liability mechanics and contractor controls should be addressed in the companion implementation paper.

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5. Strata Manager Resourcing, Authority and Applicable Fees

This section explains the resourcing consequences of SPN AES compliance under the integrated lot-based model. Where the strata company is the SPN service provider, AES provider or other legally accountable AES entity, strata managers need clear authority, systems and resourcing to administer customer records, billing controls, customer-protection obligations and lot-based recovery. That authority should be confirmed through the strata management agreement, scheme resolutions, targeted AES by-law amendments, delegated authority and applicable law.

This should not transfer tenancy-law administration to the strata manager. The strata manager should administer the strata company's SPN AES governance framework, one scheme-approved SPN AES billing framework, lot-based recovery, contractor coordination and council reporting. The owner, property manager or relevant adviser should remain responsible for tenant recovery, tenancy-specific credits or exclusions and tenancy-law advice.

Schemes should expect transparent SPN AES administration fees for document preparation, issue of bills, required bill contents, meter data reconciliation, billing data retention, review of bills, payment plans, customer-status records, undercharging, overcharging, credits, refunds, adjustments, hardship, family violence and life support controls, complaint and dispute controls, recovery holds, contractor coordination and reporting. The amount, basis and recoverability of those fees should be approved and disclosed through the strata management agreement, scheme-approved SPN AES billing framework, targeted AES by-law amendments and relevant customer documents where appropriate.

The published Regulations set the application fee at nil, which is welcome. However, annual fees or other ongoing regulatory costs may apply depending on the final framework and ERA cost-recovery settings. Schemes should therefore budget for scheme-level administration, customer-protection compliance and potential ongoing registration costs.

A clear distinction should also be maintained between scheme-level SPN AES administration fees and amounts that may lawfully be recovered from customers or tenants. Some professional administration costs may be scheme costs or owner costs rather than customer pass-through charges, unless expressly authorised by the AES framework, tenancy law, targeted AES by-law amendments, the SPN agreement or the applicable lease. This further supports the need for Ministerial clarification and a recognised strata-specific AES pathway.

5.1 Key takeaways

- SPN AES consumer protections are supported but require a strata-specific administration model.
- Where the strata company is the SPN service provider, AES provider or other legally accountable AES entity, strata managers need clear authority, systems and resourcing to administer billing, customer-protection and lot-based recovery functions.
- SPN AES administration creates additional customer-status, billing, billing data retention, bill review, hardship, family violence, life support, complaint, dispute, recovery hold and recovery obligations.
- Fees and cost allocation should be transparent, approved and distinguished from amounts lawfully recoverable from customers, occupiers, tenants or owners.
- Detailed fee-setting, billing, customer-status and administration procedures should be addressed in the companion implementation paper.

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6. Ministerial Clarification Questions

This section converts the paper's policy position into clarification questions for government, grouped by implementation theme. The questions address registration, by-laws, legal accountability, tenancy recovery, dispute jurisdiction, contractor authority, disconnection controls, transition and safe-harbour arrangements before schemes implement the AES framework as it applies to SPN strata schemes.

1. **Registration threshold and AES category**
    a. Will government publish practical guidance confirming when a strata scheme is required to register, or be treated as, an AES provider or SPN service provider, including examples for master-metered strata schemes, solar and battery arrangements, EV charging systems, single property networks, and schemes where electricity is recovered through levies, owner accounts or occupier bills/invoices?
    b. How will the small residential strata exemption for schemes of no more than 10 lots be applied in practice, particularly where a scheme includes mixed-use lots, embedded network infrastructure, short-stay accommodation or non-residential occupation?
2. **SPN agreements and by-laws**
    a. Given the Regulations recognise strata and community scheme by-laws as part of the SPN agreement for residents, will government publish model or regulator-endorsed AES by-law guidance for strata schemes?
    b. Will government confirm whether by-laws forming part of an SPN agreement can preserve lot-based owner responsibility for SPN AES charges attributable to the lot, while ensuring occupiers receive the customer protections required by applicable Code obligations?
3. **Legal accountability and lot-based liability**
    a. Will the AES framework, scheme by-laws or guidance confirm that, where a strata company is the SPN service provider, AES provider or other legally accountable AES entity, the owner remains responsible to the strata company for SPN AES charges attributable to the lot, subject to the published Regulations, final Code, scheme by-laws and applicable law?
    b. Will the framework expressly allow an occupier or tenant to receive AES customer protections while unpaid SPN AES charges remain recoverable from the owner through the lot-based strata framework, where permitted by law, including where recovery is deferred because of an occupier's payment plan, hardship arrangement, review of bill, billing dispute, family violence protection or life support status? If government expects a separate customer-only recovery pathway, how are the additional administration, hardship, dispute, recovery and bad debt costs to be funded?
    c. If the occupier defaults on a payment plan, vacates the lot or cannot be located, do unpaid SPN AES charges remain recoverable from the owner through the lot-based strata framework, where permitted by law?
4. **Tenancy recovery, tariff disclosure and Consumer Protection guidance**
    a. How is the AES framework intended to interact with the *Residential Tenancies Act 1987* (WA), particularly where current guidance may restrict recovery of supply or administration charges from residential tenants?
    b. May lawful and transparently disclosed SPN AES usage charges, fixed daily supply charges or other charges permitted under the final Code be recovered from residential tenants where those charges would ordinarily be payable in a directly billed property?
    c. Will Consumer Protection guidance be updated to distinguish traditional landlord reimbursement arrangements, directly billed retailer arrangements and SPN AES-regulated strata arrangements?

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   d. Will prescribed, regulator-endorsed or legally approved tenancy and lease material be developed or endorsed for SPN AES-regulated strata schemes?
   e. Will guidance address mixed-use schemes, short-stay accommodation, serviced apartments, commercial lots, retail premises and common infrastructure such as EV charging?
   f. Will guidance confirm how one scheme-approved SPN AES billing framework may operate where different lots or occupiers are subject to different tenancy, lease or occupation arrangements?
   g. Will government guidance clarify how the standard tariff and special tariff pathways, including EV supply and any other permitted fees or charges, should be disclosed, billed, allocated and recovered in strata schemes without undermining the lot-based owner responsibility model?

5. **Dispute jurisdiction**
   a. Which body has primary jurisdiction, depending on the nature of the dispute, where AES customer protections, strata by-laws, owner recovery rights and tenancy law point to different outcomes: the Energy and Water Ombudsman, the State Administrative Tribunal, another regulator, or a court?
6. **Contractor support and authority boundaries**
   a. Will government confirm that third-party contractors or support providers may assist with authorised technical, metering, billing, portal, onboarding and SPN agreement support functions, without becoming the SPN service provider, AES provider or other legally accountable AES entity merely by performing those support functions?
   b. Will government confirm that policy adoption, by-laws, customer-protection decisions, complaint and dispute resolution, payment authority, hardship controls, family violence controls, life support controls and debt recovery must remain with the SPN service provider, AES provider, other legally accountable AES entity or authorised strata manager where properly delegated?
   c. Where a strata company is the SPN service provider, AES provider or other legally accountable AES entity, who has authority to approve and administer payment plans: the strata company, its authorised strata manager where properly delegated, or a third-party contractor or support provider only if expressly authorised and legally permitted?
7. **Disconnection, reconnection and supply restriction**
   a. Who has authority to approve disconnection, reconnection or supply restriction decisions in an SPN AES-regulated strata scheme: the strata company, authorised strata manager where properly delegated, SPN service provider, third-party contractor or support provider only if expressly authorised and legally permitted, or another party?
   b. How do disconnection, reconnection or supply restriction powers interact with hardship protections, family violence protections, life support obligations, payment plans, billing disputes and tenancy law?
   c. If disconnection or supply restriction is not available, or is suspended because of customer protections, how should schemes manage unpaid lot-attributable SPN AES charges and bad-debt risk?
8. **Transition, commencement and legacy arrangements**
   a. Will government provide practical implementation guidance before 1 July 2027 so strata schemes can assess registration, amend by-laws, review contracts and prepare customer documents before the SPN commencement date?
   b. How should existing contracts, by-laws and customer documents be treated where terms become ineffective because they are inconsistent with registration terms or conditions, or the applicable Code provisions?
   c. Will government clarify the scope of the transitional SPN compliance provision ending on 31 December 2027 and how it applies to strata scheme issue of bills, required bill contents, billing data

retention, review of bills, payment plans, hardship, complaint and dispute obligations, and customer document obligations?

9. **Safe-harbour pathway**
    a. Will government develop or endorse regulatory guidance or templates for strata schemes on targeted AES by-law amendments, prescribed or regulator-endorsed customer documents, hardship and family violence processes, SPN AES billing controls, contractor protocols and debt recovery procedures?
    b. Will government provide a deemed-compliance or safe-harbour pathway for strata schemes that follow that guidance and implement the required governance, billing, customer protection and recovery controls in good faith?

7. Conclusion

SPN AES consumer protections should proceed through a strata-specific implementation pathway that preserves occupier rights, maintains lot-based owner responsibility where properly attributable to the lot and legally recoverable, and controls avoidable scheme costs.

The central policy position is the integrated lot-based model: the occupier receives AES customer protections; the strata company, SPN service provider, AES provider or other legally accountable AES entity remains responsible for applicable AES compliance obligations; and the owner remains responsible to the strata company for SPN AES charges attributable to the lot, with tenant-facing recovery or adjustment managed separately through the lease, property manager review or relevant legal advice.

Ministerial clarification is needed before commencement so schemes are not forced into inconsistent local interpretations, unmanaged bad debt risk or duplicated or inconsistent billing and recovery models. A strata-specific pathway should be recognised through targeted AES by-law amendments, regulator-supported customer and tenancy guidance, clear contractor and customer-status controls, transparent administration fees and a safe-harbour compliance pathway.

The broader policy issue is whether SPN AES consumer protections can be implemented in strata schemes without creating a fragmented, costly and inconsistent compliance model. The integrated lot-based model provides the clearest pathway because it preserves consumer protections, recognises strata governance, keeps responsibility connected to the lot, and leaves tenant-facing recovery or adjustment issues to the appropriate owner, property manager and tenancy-law framework.

7.1 Key takeaways

- The AES framework's stronger consumer protections, as they apply to SPN strata schemes, are supported, but strata schemes need a compliance pathway that reflects strata ownership, by-laws and tenancy relationships.
- The integrated lot-based model should be recognised so occupiers receive customer protections while owners remain responsible to the strata company for lot-based SPN AES charges where properly attributable to the lot and legally recoverable.
- Targeted AES by-law amendments, regulator-supported customer and tenancy guidance, SPN AES billing controls and contractor protocols will be necessary to preserve the existing lot-based liability framework, recovery rights and bad debt controls.
- Residential tenancy law should be reviewed so lawful and transparently disclosed SPN AES usage charges, fixed daily supply charges or other charges permitted under the final Code can be recovered from tenants where legally appropriate.
- Third-party contractors or support providers may provide authorised support functions, including technical, onboarding, platform, SPN agreement and billing support, but should not perform SPN service provider, AES provider or other legally accountable provider functions unless expressly registered, authorised and legally permitted.
- A Ministerial or regulatory safe-harbour pathway should support properly resourced, transparent and consistent SPN AES scheme implementation.

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Appendix A - Source Notes

This appendix identifies the principal source materials and legal references relied on in preparing the paper. It should be reviewed against final legislation, current regulator guidance, scheme-specific by-laws and legal advice before implementation.

- *Electricity Industry (Alternative Electricity Services) Regulations 2026*, official version SL 2026/163, published 5 August 2026, relied on for scope, registration, exemptions, commencement, transitional arrangements, fees and inconsistent contractual terms.
- *Alternative Electricity Services Code of Practice 2027* — Draft Code for Public Comment, reviewed for proposed operational consumer-protection obligations including disclosure statements, SPN agreements, standard and special tariffs, billing, payment plans, hardship, family violence, disconnection, reconnection, complaints, life support and customer information requirements; final Code status, structure and commencement to be checked against the final published Code.
- Energy Policy WA / Department of Energy and Economic Diversification, *Reading Guide — Single Property Networks AES*, August 2026, relied on for the current explanation of SPN AES obligations, commencement timing, transitional arrangements, SPN agreement treatment and changes from the Voluntary Embedded Networks Code.
- Energy Policy WA / Department of Energy and Economic Diversification, *Customer information on proposed new Single Property Network protections*, August 2026, relied on for customer-facing explanations of disclosure, SPN agreements, tariffs, billing protections, hardship, family violence, disconnection, complaints, life support and renter billing distinctions.
- WA Consumer Protection guidance: Paying bills, rates and utilities when renting, last updated 15 April 2026.
- Prior B Strata submission material noting owners versus occupiers, absence of utility billing and enforcement powers, strata manager burden and need for strata-specific framework.
- Author's previous submission on the Alternative Electricity Services Exposure Draft, submitted May 2026.
- *Strata Titles Act 1985* (WA), including section 143(1) concerning strata manager authorisation to perform scheme functions.
- *Residential Tenancies Act 1987* (WA), including residential tenancy utility recovery and lease compliance considerations.

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