INFRARED SERVICES
EC10059

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Re: Response to the draft Single Property Network (SPN) Code of Practice made under the proposed Alternative Electricity Services (AES) regulations

To whom it may concern

We write to provide our response to the second draft of the SPN Code of Practice, released under the proposed AES regulations and currently open for consultation.

About Us

We are electrical contractors and systems integrators. We have deep expertise in electricity metering, and in the maintenance, operation and installation of metering systems for embedded networks (or "SPNs") in particular. One service we provide is the automated ingestion of electricity metering data to assist operators of SPNs with on-charging electricity to tenants, or residents, within their SPN. Our clients include small, medium, and large commercial buildings, and a number of aged care and independent living facilities. Our systems and platforms are currently used to monitor and on-sell, on average, more than 5 million kWh of electricity each month. As one of a limited number of providers of specialist services to SPN operators in Western Australia, we stand to gain from the passage of this CoP through increased demand for our services. We nevertheless have significant concerns.

In general

The regulations and CoP are well intentioned, and we recognise the need to protect consumers of electricity within SPNs from unfair practices, particularly as many of those residential consumers — those in retirement villages and permanent residents of caravan parks, for example — are among the most vulnerable members of our community. However, attempting to provide protections to at-risk private citizens who are residential consumers of electricity within an SPN using the same regulatory and compliance instruments as those applied to medium and large commercial and industrial consumers is inherently flawed.

The second draft of the SPN CoP appears rushed. As an interested party we have subscribed to the mailing list to receive notifications throughout the process. We were watching carefully for the release of the second draft, but received no notification. We did subsequently receive a reminder that the consultation period was due to close, so it is unlikely that the first notification was filtered as spam. Moreover, a simple side-by-side visual comparison of the reading guide for the second draft vs. the first shows stark differences. The second document lacks the visual polish that would normally be expected, and that has been present in every previous collateral document associated with this matter. A consultation period of only 30 days also seems needlessly short, especially when considering that there was such a long interval between the first "voluntary CoP" and this subsequent draft.

The updated CoP introduces a substantial administrative burden and challenges for SPN operators, and considerable time is required to introduce sufficient processes and procedures to ensure adequate compliance. The argument that this regulatory change was first communicated in 2024, and that industry has therefore had adequate time to prepare, does not withstand scrutiny. While it is true that the draft CoP was released in 2024, there was no indication as to which, if any, of its provisions would be included in the final document. Furthermore, there has been no timeline provided for the release of the

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final CoP pending the close of this consultation period, and no indication of what, if any, of the feedback provided during it will be reflected in the final CoP. Developing and implementing a sufficient compliance framework, or identifying and selecting a partner who can provide one, might take an SPN operator several months. If the intended compliance date of 31 July 2027 is maintained, SPN operators will have very little time to prepare. An implementation date 12 months following the release of the final CoP would provide SPN operators with certainty and sufficient time to prepare.

The choice to change terminology from "embedded network", which the industry has been using for decades, to "single property network" appears arbitrary, and we have not been able to find any proposed justification for it. Within the NEM, "embedded network" remains the standard terminology. The change in regulation is already likely to cause confusion among industry stakeholders; why introduce new and previously unused terminology at the same time?

Suggestion(s):

1. Separate CoPs should be produced for residential and commercial consumers within SPNs.
2. The commencement date should be no earlier than 12 months after the date of publication of the final CoP.
3. The choice to adopt the term "SPN" should be reversed, given that "embedded network" has been in use for decades in Western Australia and remains in use throughout the NEM.
4. The consultation period be extended to allow all industry stakeholders sufficient time to provide a considered response. Many asset managers affected by these changes are still unaware of the release of the final draft of the CoP and cannot craft and submit a response in under 30 days. The response must originate with senior leadership, and be carefully vetted at multiple levels of the organisation. This takes considerable time.

Specific concerns

Clause 14(2) – Pricing and charging (page 10)
14. Pricing and charging

> (2) An SPN service provider must not charge unreasonable late payment fees for late payment of an amount due under the SPN agreement.

This will be a recurring theme. The words "reasonable" and "unreasonable" appear 33 times throughout the CoP. In only a few places is the scope of either term defined, or a framework for defining it provided.

Suggestion(s):

1. Clarify the term "unreasonable"

Clause 14(3) – Pricing and charging (page 10)
14. Pricing and charging

> (3) An SPN service provider must not demand payment of any amount from a customer otherwise than in accordance with –
>
> (a) the SPN agreement to which the provider and customer are both parties; or
> (b) this code.

As written, this clause could be read as preventing an SPN provider from charging rent or outgoings. While the intent appears clear, the scope should be stated expressly.

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Suggestion(s):

1. Clarify the scope of this restriction

Clause 16 — Obligation to notify customer of change of SPN service provider (pages 11–12)

16. Obligation to notify customer of change of SPN service provider

(1) This clause applies if —

(a) a person becomes the SPN service provider for an SPN because the person is granted a registration for the SPN AES under Part 3A of the Act; and

(b) immediately before the person becomes the provider for the SPN, another person was the provider for the SPN.

(2) The person must, within 48 hours after becoming the provider for the SPN —

(a) give the customer in relation to the SPN written notice that the person is the provider for the SPN; and

(b) provide the customer with the name and contact details of the provider; and

(c) request a copy of the life support register kept by the other person who was the provider for the SPN; and

(d) if the customer's supply address is included in the life support register — establish whether a person residing at the customer's supply address requires life support equipment.

Change of ownership of a commercial asset is a time-consuming, complicated and often messy process. This is true for large and small asset owners alike. Forty-eight hours is not long enough. The clause also makes no allowance for weekends or public holidays. If a new owner were to take possession of an asset on a Friday, and not provide notice to the tenants until Monday, they would already be in breach. It is uncontroversial that this information is necessarily urgent where an SPN customer is utilising life support equipment, however this would almost never be the case in a commercial situation.

Suggestion(s):

1. Extend the requirement to 10 business days for commercial customers (in the absence of a separate commercial CoP).

Clause 18 — Information about meter types (pages 12–13)

18. Information about meter types

An SPN service provider must, on the request of a customer, give the customer information about the following —

(a) the type of meter installed at the customer's supply address, including whether it is an interval meter;

(b) whether any other type of meter is capable of being installed at the supply address;

(c) the cost to the customer of the installation of another type of meter.

Many, if not most, SPN operators, commercial and residential alike, do not hold these records. Even large blue-chip asset managers often do not have records to this level of detail, nor can experienced facility or property managers immediately determine what capabilities a given electricity meter has. In most cases, to give a factual response, the SPN operator will need to engage a third-party specialist to attend site each time a customer makes this enquiry, at the operator's cost. Whether a meter is capable of recording interval data cannot always be determined by visual inspection alone, and SPN operators and their agents cannot reasonably be expected to hold the technical expertise required to make that assessment. It is an assessment many licensed electricians would also be unable to make.

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Suggestion(s):

1. The SPN operator should be able to recover any cost associated with providing this information, if it is not immediately available; or
2. A grandfathering period should be allowed so that SPN operators can engage third-party specialists to compile registers containing this information before this clause becomes effective

Clause 19 – Meter testing (page 13)

19. Meter testing

(1) This clause applies if a customer requests an SPN service provider to test an SPN meter connected to the customer's supply address.

(2) The provider must –

(a) advise the customer of the amount payable to the provider if the test determines that the SPN meter is not faulty; and

(b) test the SPN meter no later than 10 business days after the request is made; and

(c) keep a record of the result of the test and provide the customer with a copy of the record.

(3) The test must –

(a) determine whether the SPN meter is measuring the consumption of electricity within the SPN at the supply address; and

(b) measure the accuracy of the SPN meter.

(4) If the test determines that the SPN meter is not faulty, the provider may require the customer to pay a reasonable fee for carrying out the test.

(5) If the test determines that the SPN meter is faulty, the provider must, as soon as reasonably practicable, repair or replace the meter.

This is a sensible provision in principle. However, 10 business days is not long enough. Validating the accuracy of an electrical meter is a specialised task requiring highly specific knowledge, training, and equipment. It can only be completed by a licensed electrical contractor, or a qualified electrical engineer. Only a small number of electrical contractors in Western Australia hold this experience and capability. Finding one and confirming a booking could easily take 10 business days on its own, particularly where the SPN operator has never needed these services before – and the passage of this regulation is itself likely to increase demand for them.

This clause does not specify how accuracy will be determined. What threshold would be considered accurate – ±1%, ±2%, ±5%? The NABERS metering validation rules, for example, permit a tolerance of ±10%, which many consumers would find unacceptable. Nor is it clear who determines what constitutes a "reasonable" fee.

Suggestion(s):

1. The SPN operator should have 10 business days to seek pricing and availability from a third party specialist to provide this service; and
2. The SPN consumer has the option to either accept that specialist's pricing or then attempt to find their own specialist; and
3. An accuracy threshold and test procedure should be clearly defined, in consultation with industry experts with practical and demonstrated experience in this area

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Clause 22 — Terms used: "standard tariff" (pages 15–16)

22. Terms used

In this Division —

business 50 to 160 tariff means tariff L3, being the tariff set out in the Energy Operators (Electricity Generation and Retail Corporation) (Charges) By-laws 2006 Schedule 1 clause 2;

business under 50 tariff means tariff L1, being the tariff set out in the Energy Operators (Electricity Generation and Retail Corporation) (Charges) By-laws 2006 Schedule 1 clause 1;

residential tariff means tariff A1, being the tariff set out in the Energy Operators (Electricity Generation and Retail Corporation) (Charges) By-laws 2006 Schedule 1 clause 6;

standard tariff means a tariff comprising —

(a) for a non-residential customer who consumes no more than 50 MWh of electricity within the SPN in any 12-month period —

(i) a fixed daily supply charge that does not exceed the fixed charge daily rate of the business under 50 tariff; and

(ii) a per unit charge for metered consumption that does not exceed the per unit charge for metered consumption under the business under 50 tariff;

or

(b) for a non-residential customer who consumes more than 50 MWh, but no more than 160 MWh of electricity within the SPN in any 12-month period —

(i) a fixed daily supply charge that does not exceed the fixed charge daily rate of the business 50 to 160 tariff; and

(ii) a per unit charge for metered consumption that does not exceed the per unit charge for metered consumption under the business 50 to 160 tariff;

or

(c) for a residential customer —

(i) a fixed daily supply charge that does not exceed the fixed charge daily rate of the residential tariff; and

(ii) a per unit charge for metered consumption that does not exceed the per unit charge for metered consumption under the residential tariff.

Clause 24 — Standard tariff (pages 16–17)

24. Standard tariff

(1) An SPN service provider must calculate the charges payable by a small use customer for the supply of electricity in accordance with the standard tariff unless clause 25 applies in relation to the customer.

(2) The fixed daily supply charge component of the standard tariff must include all fees and charges in relation to the supply of electricity to the customer other than the following —

(a) a charge for metered consumption;

(b) a fee for testing a SPN meter charged under clause 19(4);

(c) a fee for reading a SPN meter charged under clause 21(3)(a);

(d) a fee for disconnecting or reconnecting a supply address;

(e) a late payment fee;

(f) any fee the provider is charged by a financial institution in relation to the customer paying, or failing to pay, a bill.

These provisions require SPN operators who do not have access to competitive wholesale electricity tariffs, or who are bound by wholesale supply agreements on unfavourable terms, to supply electricity at a loss. For example, an SPN operator who has negotiated an "unbundled" supply tariff based on a certain level of occupancy within their premises, but currently finds the premises partly vacant, could easily be paying an average cost per kWh in excess of $0.50 because of capacity charges for capacity they are not currently utilising. The assumption that all SPN operators are large funds with free cashflow sufficient to absorb those losses does not hold.

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Many, if not most, SPN operators are small "mum and dad" superannuation funds or investment vehicles holding comparatively few assets. Even the large funds are ultimately owned not only by institutional investors, but by superannuation funds managing the retirement savings of everyday West Australians. AEMO data shows that the benchmark reserve capacity price in Western Australia more than doubled between 2024 and 2026, with further increases forecast. This flows directly through to wholesale electricity supply charges. We already have customers who are locked into wholesale electricity contracts that cost more, on average, than the regulated Synergy tariffs.

Many small SPN operators purchase electricity at the regulated Synergy tariffs. Here is an example of how this clause might work out in practice:

- A commercial property consumes 100 MWh per year in total, and never exceeds 1,650 kWh in a day.
- The property purchases electricity from Synergy on the L3 tariff. This means they pay $0.389075 inc. GST per kWh, and a supply charge of $1.915541 inc. GST per day.
- Their total energy buy cost over 12 months is $38,907.50 inc. GST, with an additional supply charge of $699.17 inc. GST for a total of $39,606.67 inc. GST
- They have 5 tenants. They are not exempt from the regulation because the owner does not "ordinarily reside at the property". Each tenant consumes 20 MWh per year in total. This makes the tenants eligible for the L1 tariff.
- The L1 tariff is $0.331278 inc. GST per kWh, and a supply charge of $2.128808 inc. GST per day.
- Each tenant pays $7,402.57 inc. GST per year; there are 5 tenants for a total of $37,012.87.
- The SPN operator has lost $2,593.80 inc. GST supplying electricity to its tenants, before accounting for the cost of operating the SPN, reading the meters (physically or electronically) and complying with the AES regulations. Those additional costs run to thousands of dollars per year, even for a small SPN, and the limited pool of service providers in Western Australia able to offer them means increased demand will only drive those costs higher in the short and medium term.

If SPN operators are forced to sell energy at a loss, those losses and the cost of operating the SPN will ultimately be recovered through increased rents, increased outgoings, or both. As rents are fixed by contract while outgoings are not, outgoings are the most likely method of recovery. This would unfairly benefit consumers with "energy dense" operations to the detriment of consumers using less energy. For example, a 50sqm bakery might consume more than four times the energy of a 500sqm gym in a given period. But outgoings (and rent) are apportioned based on NLA, not energy use. The 500 sqm gym therefore picks up ten times the additional cost in outgoings that the bakery does, while being directly responsible for only one fifth of the combined consumption that caused it. This is the opposite of fair.

The regulation proposes exemptions to these provisions on the basis of the number of consumers of electricity on a site, and the requirement that one of those consumers is also the SPN operator. This is arbitrary. On this basis it is possible for a site to consume 1000GWh of electricity per annum and remain fully exempt from these provisions so long as the owner "resides" (presumably for commercial purposes conducting business on the site meets this requirement, though the CoP is unclear on this) on site.

Suggestion(s):

1. A more balanced approach would be to permit SPN operators to on-charge their average unit cost ("AUC") of electricity, plus a permitted mark-up of 10–20%. This would allow an SPN operator to recover the cost of owning and operating the SPN. Alternatively, the regulated Synergy tariffs could apply, at the SPN operator's

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discretion. There is precedent for this. When the State Government divested the Canning Vale market site (previously Market City, now Perth Markets), the incoming operator was permitted to on-sell electricity to customers within the embedded network only on a similar formula. Importantly, that formula recognised the commercial reality that operating an embedded network costs money, and that property owners are entitled to generate positive cashflow.

2. Set an exemption threshold based not on "owner-occupancy" and an arbitrary number of consumers, but the total electricity consumption for the entire SPN. For example, 1GWh per annum.

Clause 26 — Electric vehicle supply (pages 18–19)

26. Electric vehicle supply

(1) In this clause —

additional dwelling amount means the amount charged for an additional dwelling under tariff A1, being the tariff set out in the Energy Operators (Electricity Generation and Retail Corporation) (Charges) By-laws 2006 Schedule 1 clause 6.

(2) An SPN service provider may separately charge a small use customer for EV supply to the customer as a standard tariff or special tariff.

(3) Any fixed daily supply charge component of the tariff for the EV supply must —

(a) not exceed the additional dwelling amount; and

(b) include all fees and charges in relation to the EV supply to the customer other than the following —

(i) a charge for metered consumption;

(ii) a fee for testing a SPN meter charged under clause 19(4);

(iii) a fee for reading a SPN meter charged under clause 21(3)(a);

(iv) a fee for disconnecting or reconnecting a supply address;

(v) a late payment fee;

(vi) any fee the provider is charged by a financial institution in relation to the customer paying, or failing to pay, a bill.

(4) The provider may limit the amount of electricity supplied for the EV supply only if the provider gives the customer prior written notice of when the EV supply will be limited.

This clause belongs in a residential regulatory instrument, not a commercial one. Setting that aside, subclause (4) does not reflect how EV charging equipment actually works. As written, this would prevent SPN operators from using the load management capability of EV charging systems without first giving the customer written notice on each occasion. These systems operate dynamically and independently — that is their entire purpose — and may limit supply to a given charger a dozen times in a day to prevent overloading the installation. In many cases the use of dynamic load management with an OCPP smart-charging profile continuously adjusting the current supplied to the individual chargers is the only way that a sufficient number of EV chargers to service all occupants can be installed in a building. As drafted, this subclause would effectively rule out large-scale electrification of building carparks.

Suggestion(s):

1. Subclause (4) should be deleted in its entirety, or amended to make clear that it is not intended to apply to dynamic load management systems used to electrify multiple parking bays while preventing overloading of the electrical installation.

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Clause 27 — SPNs wholly supplied from renewable sources (page 19)

27. SPNs wholly supplied from renewable sources

(1) This clause applies to an SPN service provider for an SPN that is supplied with electricity only from renewable sources.

(2) Before supplying the electricity, the provider must notify each customer that —

(a) the SPN is supplied with electricity only from renewable sources; and

(b) the customer will be charged a special tariff to recover the reasonable costs for the supply of electricity from renewable sources; and

(c) the provider's standard tariff is not available to the customer.

(3) The provider must, on the request of a customer, give the customer —

(a) further details about the special tariff; and

(b) written evidence of the reasonable costs for the supply of electricity from renewable sources.

(4) The provider may recover the reasonable costs for the supply of electricity from renewable sources by clearly identifying the costs on the customer's bill as part of a special tariff.

(5) In this clause, reasonable costs for the supply of electricity from renewable sources do not include any costs incurred by the provider for the installation of a distributed energy resource.

If the use of renewable energy frees an SPN operator from the standard tariffs under clause 22, this may encourage property owners to enter into costly PPAs in order to avoid on-charging tenants at those tariffs. An operator could instead enter into a renewable energy supply agreement and rely on the ambiguity around "reasonable costs". It takes little imagination to conceive of an arrangement where a property owner agrees to purchase renewable energy at an inflated rate to be on-sold to their tenants under this clause, then accepts a "rebate" from the renewable energy retailer for doing so. Clause 27(5) attempts to protect against this however an inflated PPA rate with a rebate that flows back to the SPN operator is not caught. As at clause 14(2), the term "reasonable" is left undefined.

Suggestion(s):

1. Reasonable costs recoverable under 27(4) should be evidenced on an "arms-length" basis and rebates or other consideration received from the renewable energy retailer should be netted off.

Clause 28 — Request to offset supply (page 20)

28. Request to offset supply

(1) This clause applies if a customer requests that an SPN service provider offset electricity generated by renewable sources against the carbon or associated emissions produced by the generation of the electricity supplied to the customer's supply address.

(2) The provider must, with the written consent of the customer, take reasonable steps to comply with the request, including by negotiating with the entity that supplies electricity to the SPN.

(3) After taking the reasonable steps, the provider must give the customer —

(a) written evidence that the provider has taken the reasonable steps; and

(b) written evidence of the reasonable costs, if any, incurred by the provider in complying with the request; and

(c) written notice that the provider's standard tariff is not available to the customer in relation to the request; and

(d) written notice that the customer will be charged a special tariff to recover the reasonable costs incurred by the provider in complying with the request.

(4) The provider may recover the reasonable costs incurred by the provider in complying with the request by clearly identifying the costs on the customer's bill as part of a special tariff.

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The administrative burden this would impose on small SPN operators is substantial. Tenants could, whether intentionally or not, generate a volume of requests that a small operator has no practical capacity to meet.

Suggestion(s):

1. Subclause 28(4) is unclear as to whether the time and effort of the SPN operator or their agent is recoverable. This should be clarified as a recoverable cost and it should apply irrespective of whether the customer ultimately elects to proceed with the offset arrangement. It should not fall to the SPN operator or their agents to facilitate these requests without compensation for their time or effort. It should be permissible for the SPN operator to charge a reasonable administrative fee for making these enquiries on behalf of the customer.

Clause 29 – Request to supply electricity with certain characteristics (pages 20–21)

29. Request to supply electricity with certain characteristics

(1) This clause applies if a customer requests, or consents to, a supply of electricity with certain characteristics not ordinarily offered by the SPN service provider.

(2) The provider must, with the written consent of the customer, take reasonable steps to facilitate the supply of electricity, including by negotiating with the entity that supplies electricity to the SPN.

(3) After taking the reasonable steps, the provider must give the customer —

(a) written evidence that the provider has taken the reasonable steps; and

(b) written evidence of the reasonable costs, if any, incurred by the provider in facilitating the supply of electricity; and

(c) written notice that the provider's standard tariff is not available to the customer for the supply of electricity; and

(d) written notice that the customer will be charged a special tariff to recover the reasonable costs incurred by the provider in facilitating the supply of electricity.

(4) The provider may recover the reasonable costs incurred by the provider in facilitating the supply of electricity by clearly identifying the costs on the customer's bill as part of a special tariff.

This clause is unbalanced. As drafted, it reads as though the SPN provider must incur the capital costs associated with a change of supply characteristics, but may recoup those costs only through a special tariff.

Suggestion(s):

1. If this clause is considered necessary, it should be made clear that the customer will be responsible for the payment of any capital costs associated with the change of supply characteristics.
2. The SPN operator's responsibility should extend only so far as providing access to licensed/qualified contractors/consultants to the necessary documentation and on-site infrastructure. Finding and engaging consultants and contractors for this kind of work is time consuming and expensive. It should not be the SPN provider's responsibility to meet every such request and absorb the cost of doing so.

Clause 30 – Request for supply from licensed network (pages 21–23)

30. Request for supply from licensed network

(1) In this clause —

facilitate a connection to a licensed network supply includes the following for the purposes of enabling the connection to the licensed network supply —

(a) undertake preliminary investigations;

(b) deal with the relevant distributor or retail licensee for the supply;

(c) obtain the necessary consents and approvals, including, if relevant, from the owner of the land or building;

(d) make arrangements for electrical and other works to be carried out;

(e) provide access to the relevant site;

licensed network supply means a direct supply of electricity from a distributor or retail licensee through a connection point to a licensed network for the use or consumption of a person at the registered address of an SPN.

(2) This clause applies in relation to a person who —

(a) consumes, or is reasonably expected to consume, more than 50 MWh of electricity within a private network in any 12-month period; and

(b) is a customer of, or taking steps to enter into a SPN agreement with, a SPN service provider.

(3) The SPN service provider must, on the request of, or with the consent of, the person —

(a) facilitate a connection to a licensed network supply for the person; and

(b) give the person, free of charge, information about the provider's obligation to facilitate the connection; and

(c) give the person general information about the work involved in facilitating the connection.

(4) Before facilitating a connection to the licensed network supply for the person, the SPN service provider must —

(a) give the person detailed written information about the reasonable costs to be charged to the person for facilitating the licensed network supply; and

(b) obtain the written consent of the person to proceed with facilitating the licensed network supply for the person.

(5) If the provider facilitates a connection to the licensed network supply for the person, the person must pay the provider's reasonable costs for facilitating the connection to the licensed network supply, as set out in the information given to the person by the provider under subclause (4)(a).

(6) An SPN service provider is not required to comply with subclause (3)(b) and (c) in relation to a person more than once in a 12-month period.

(7) The person is not, at any time, required to arrange or pay for a connection to the SPN only because the provider facilitated a connection to a licensed network supply for the person.

This clause does not account for the technical and physical realities of establishing a new or altered electrical connection in Western Australia. In practice, the Western Power Service and Installation Requirements (WASIR), the Western Australian Electrical Requirements (WAER), AS/NZS 3000 and AS/NZS 61439.1 combine to make it effectively impossible for a customer to exit an SPN. Requiring the SPN operator to entertain these requests ignores the fact that responding to them with sufficient technical detail and justification costs time and money, and requires expert technical advice.

Setting that aside, the definition of "facilitate a connection to a licensed network supply" in subclause (1) effectively nominates the SPN provider as project manager and coordinator on behalf of the customer. While subclauses (4) and (5) allow the provider to recover its reasonable costs once a scope and estimate are agreed, the preliminary investigation needed to produce that estimate must be carried out first, and the information obligations in subclause (3)(b) and (c) must be met free of charge. Even in the rare circumstance where a customer could feasibly exit an SPN, establishing that fact is itself costly: consultants and contractors charge for their advice. Facility and property managers, where an asset has them, are not technical experts in this area and cannot be expected to assess feasibility or provide indicative pricing for works of this nature. Experienced consultants and contractors struggle to do so.

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Suggestion(s):

1. This clause should be removed entirely, or significantly narrowed in scope. This provision would make some sense if small electricity consumers in Western Australia had "power of choice", which they do not. This provision would make some sense if Western Power's technical rules around the installation of electricity meters connected to the licensed electricity network were not highly prescriptive, which they are.

Clause 32 — Issue of bills (pages 23–24)

32. Issue of bills

(1) An SPN service provider must issue a bill to a customer —

(a) if the provider and the customer agree to a billing period — once in each billing period; or

(b) otherwise — at least once every 2 months.

(2) The bill must be issued to the customer —

(a) in paper form or electronic form; or

(b) using a mobile application or an electronic communication portal, but only if the customer consents to its use.

(3) If a bill is issued under subclause (2)(b), the SPN service provider must also notify the customer that the bill has been issued, whether by email to the customer's email address or otherwise.

(4) The provider must not charge the customer a fee to provide a bill in paper form.

This is inconsistent with the government retailer's own practice: Synergy charges a paper bill fee. Producing and posting paper bills is materially more costly than issuing them electronically, and regulation should not encourage that practice. The CoP should follow the government's own example.

Suggestion(s):

1. Subclause (4) should be removed and replaced with a clause that permits a cost-reflective paper bill fee. In a separate residential CoP, or separate residential clause, this could be carved out with hardship or concessional exemptions.

Clause 36 — Payment methods (page 27)

36. Payment methods

(1) An SPN service provider must accept payment for a bill —

(a) by electronic funds transfer; and

(b) by at least 1 other method of payment nominated by the provider.

(2) This clause does not limit the use of any other method for the payment of a bill that may be agreed between the provider and the customer, including the option of payment by direct debit.

Subclause (1)(b) is at odds with how commercial properties operate. Commercial property management teams are not set up to accept payment by credit card, BPAY, cash or cheque; electronic funds transfer is the only practical method by which they receive funds. As drafted, this clause would require a commercial asset management team to engage a third-party billing provider simply to offer a second payment method and, in combination with other provisions of the CoP, to absorb the cost of doing so.

Suggestion(s):

1. This would be best addressed by separating the residential and commercial CoPs entirely. Failing that, the "and" joining subclauses (1)(a) and (1)(b) should be replaced with "and/or".

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Clause 41 — Non-residential small use customers (page 31)
41. Non-residential small use customers

> An SPN service provider must consider a reasonable request for a payment plan from a non-residential small use customer that is experiencing payment difficulties due to financial hardship.

Financial hardship is a residential consumer protection concept and this clause attempts to apply it to a business customer, with no guidance on how an SPN operator or landlord should assess a tenant's finances.

Suggestion(s):

1. A clearly defined framework for assessing such requests in a commercial context.

Clause 50 — Complaints and dispute resolution procedure (pages 37–38)
50. Complaints and dispute resolution procedure

> (1) An SPN service provider must develop, maintain and implement a complaints and dispute resolution procedure.
>
> (2) A complaints and dispute resolution procedure must include the following information —
>
> > (a) how complaints may be made by customers;
> >
> > (b) how complaints and disputes will be handled by the provider;
> >
> > (c) how and when the provider will respond to the complaint or dispute, including the provider's obligation under clause 51;
> >
> > (d) if the customer is a small use customer — how the customer may escalate a complaint or dispute to the electricity ombudsman.
>
> (3) The complaints and dispute resolution procedure must be consistent with AS 10002:2022 Guidelines for complaint management in organizations published by Standards Australia.
>
> (4) The provider must not charge the customer a fee for dealing with a complaint or resolving a dispute.

This requirement is fair in principle, but template or pro-forma documents should be provided so that the burden of developing these procedures does not fall on small commercial property owners.

Suggestion(s):

1. A clearly defined framework that small SPN operators are able to follow to facilitate good-faith compliance with the requirements of the CoP without the significant administrative and cost burden of developing, or licensing, these procedures from others.
2. Subclause 50(3) references AS10002:2022; this is a standard which the SPN operator must purchase, at a cost, in order to ensure compliance. This standard should be made available at no cost alongside the CoP.

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Conclusion

While we welcome sensible and fair protection for consumers within SPNs and a clearly defined framework within which to operate, we remain concerned that the draft CoP tilts the balance too far against SPN operators. It gives them limited rights and no means of recovering either the cost of compliance or the existing cost of operating an SPN. It also overlooks the fact that many SPN operators are already running at a loss, and that the regulated Synergy tariffs against which they would be capped are themselves government subsidised. As a business we stand to benefit substantially from the CoP in its current form, and yet we still find many provisions gravely concerning.

Yours sincerely

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