

Embedded electricity

Information for electricity customers in embedded networks

What is an embedded network?

In some sites (typically apartment blocks, retirement villages, caravan parks and shopping centres), the electrical wiring is configured in such a way as to enable the owner of the site to sell energy to all the tenants or residents based there. This is known as an embedded network.

The owner of a site with an embedded network usually buys energy from an energy retailer and then 'onsells' the energy to the different customers at the site. In some situations, the energy sold by the owner may be generated on site. Most people that sell energy in embedded networks are known as exempt sellers because they do not need to become authorised by the AER as energy retailers. However, exempt sellers and owners and operators of embedded networks have to follow certain rules. These rules are there to protect your rights.

How does being in an embedded network affect your energy rights?

All energy customers have protections and rights, but they may be different if you are in an embedded network and buy your energy from an exempt seller; compared to when you buy your energy from an authorised energy retailer.

Choosing who you buy energy from

If you are in an embedded network, you may be able to buy your electricity from either an authorised energy retailer or an exempt seller. However often customers in an embedded network have difficulty buying energy from a seller other than from the exempt seller. This may be because of the way the site's network has been wired or because energy retailers may not want to sell to a customer inside an embedded network.

If you can choose, and decide to buy from an energy retailer instead of the site's exempt seller, you will need to be careful that you don't

pay twice for network charges. Network charges are the fixed part of supplying energy to your home or business. Normally in an embedded network, the owner or operator of the site pays the network charges and will then bill you for your share. This is not a problem if you buy your electricity from the owner or operator of the site. However a retailer would similarly normally charge you a network charge. To make sure you don't pay twice you should check that the energy retailer will give you an 'energy only' offer or that the owner or operator of the site is able come to an arrangement with the energy company about who will bill you for your network charges.

Your energy rights as a customer of an authorised energy retailer

If you buy your electricity from an authorised energy retailer you will have access to all the protections that retailers are obliged to provide you under the National Energy Retail Law and National Energy Retail Rules.

You can find lots of information about your rights in relation to energy retailers on the 'Get energy smart' sections of the [Energy Made Easy website \(link is external\)](#).

To find out if your energy seller has been authorised by the AER, check to see if they are listed on our [public register of authorised retailers](#).

Your energy rights as a customer of an exempt seller

If you buy your electricity from an exempt seller in an embedded network, you have protections and rights. These are part of the 'exemption conditions' that the seller must comply with to sell energy in an embedded network and may be different to those of customers outside an embedded network.

Your energy seller must inform you about your rights at the beginning of your contract or agreement. Your energy seller must also give you a copy of their exemption conditions and explain their obligations to you.

Rights for residential customers

If you are a residential customer (for example, a long term resident in a caravan park, a resident in a retirement village or apartment building, or a tenant), your customer protections will include:

- flexible payment options if you are experiencing financial difficulty**
- clear and set time frames for receiving and paying bills**
- complaints handling arrangements**

- energy charges that are no greater than the standing offer prices a local area retailer can charge contracted customers
- clear and reasonable disconnection procedures.

If you are a tenant you may also have energy related rights and obligations under your tenancy agreement.

Rights for retail or commercial customers

If you are a retail or commercial customer (for example you operate a small business in a shopping centre), your protections will include:

- clear and reasonable disconnection procedures
- clear and set time frames for receiving and paying bills
- energy charges that are no greater than the standing offer prices a local area retailer can, in certain circumstances, charge their customers (only small retail and commercial customers)
- complaints handling requirements.

Can the energy ombudsman help with a problem?

In New South Wales, customers of exempt sellers can contact the [Energy and Water Ombudsman NSW \(link is external\)](#) if they are unable to resolve an issue with their energy seller. Customers of exempt sellers in South Australia may be able to contact the [Energy and Water Ombudsman SA \(link is external\)](#) but only if the exempt seller has become a member. In all other states and territories, energy customers in embedded networks can only contact their ombudsman if they buy their energy from an authorised retailer.

The AER and the Australia and New Zealand Energy and Water Ombudsman Network (ANZEWO) are working collaboratively to consider changes to the regulation of exempt sellers and scheme participation requirements respectively to improve exempt customer access to energy ombudsman schemes where it is required.