Submission No 11

EMBEDDED NETWORKS IN NEW SOUTH WALES

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The existing legal framework regulating embedded networks provides insufficient protection for tenants and insufficient incentives for embedded network operating entities to decarbonise their energy supplies. I urge the Parliament of NSW to legislate the following:

- 1. New residential and commercial buildings and other developments may only establish embedded networks if their sources of energy are 100 percent renewable. The total energy demand of the building or development may be supplied by a mix of on-site solar power, a local renewable energy micro-grid, or renewable energy Power Purchase Agreements.
- 2. Impose a legal maximum percentage cap on markup that an embedded network entity may charge tenants above the rate the entity pays its energy suppliers, applicable to all new and existing embedded networks. Only embedded networks using 100 percent renewable energy supplies may charge tenants any markup. An embedded network entity using any non-renewable energy sources must charge tenants the same price the entity pays its energy suppliers. For example, fossil gas is a non-renewable energy source. An embedded network that provides fossil gas to tenants must charge tenants the same energy prices the embedded network entity pays to its energy suppliers.