

**Submission  
No 16**

## **EMBEDDED NETWORKS IN NEW SOUTH WALES**

**Organisation:** Real Utilities

**Date Received:** 24 June 2022

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Caroline Hopley – Committee Manager

Dear Caroline Hopley

## NSW State Legislative Embedded Network Inquiry

Real Utilities welcomes any inquiry into embedded networks and the impact they have on the consumer, their freedoms, rights, and protections. As a licensed retailer and a sustainability focused business, Real Utilities prides itself on our customers' energy experience and delivery of cheaper, greener, simpler energy solutions via the embedded network model.

The interests of owners and occupants have been built into the process Frasers Property Australia and Real Utilities undertake throughout the development lifecycle.

- Developers selling apartments with embedded networks (including Frasers Property Australia) are subject to a number of disclosure requirements, including those arising under fiduciary duties in favour of purchasers of strata and community title lots and statutory vendor disclosure requirements. Real Utilities considers that these disclosure requirements provide adequate consumer protection..
- As contracts for sale approach settlement Frasers Property Australia are in contact with purchasers and provide details about Real Utilities.
- Approaching settlement, the Real Utilities value proposition is communicated to purchasers, as outlined below
  - Cheaper – Real Utilities benchmarks its electricity rates quarterly against the current publicly advertised discount rates of each of the 3 biggest electricity retailers in the customer's local area.
  - Greener – Real Utilities use a combination of on-site renewable energy sources and/or purchased carbon offsets to make all electricity and gas usage carbon neutral, at no extra cost to customers, and Real Utilities provides 100% carbon neutral energy as certified by the Australian Government's Climate Active program.
    - Through Real Utilities, Frasers Property Australia has made significant progress towards its 2028 Net Zero Carbon Target
    - 
    - From 2023, all Real Utilities customers will be supplied with 100% renewable energy at zero additional cost
  - Simpler – Real Utilities make the sign-up process simple, with a Brisbane-based customer service team available to answer all customer queries. Real Utilities residential customers also benefit from no lock-in contracts
    - At settlement, Real Utilities attend the key-handover ceremony and provide one point of contact for all customers to answer any questions and provide clarity around power of choice

In parallel to the high-level settlement process outlined above, the fundamental activities of Real Utilities include:

- Real Utilities is an authorised energy retailer by the Australian Energy Regulator for New South Wales and Queensland
- Real Utilities is an authorised energy retailer by the Essential Services Commission for Victoria
- Real Utilities ensure the installation of Power of Choice compliant infrastructure, meaning:
  - Smart metering for all customers

- Appointment of Australian Energy Market Operator accredited service providers to fulfil the roles of
  - Embedded Network Manager
  - Metering Coordinator
  - Metering Provider
  - Metering Data Agent
- Thereby ensuring customer protection through compliance to energy retailer licence requirements

At a high-level, Real Utilities believes all Embedded Network Operators should be required to hold an energy retail licence within the jurisdiction that they are operating. This approach levels the playing field and ensures consumers receive the same protections as they would with any other market participant, whilst ensuring an industry standard level of compliance.

As evidence of the results obtained by having the interests of our customers front and centre, Real Utilities has achieved the following to date:

- 100% acceptance at First Annual General Meetings across 11 residential embedded networks
- 100% customer sign up and retention, inclusive of large chain retailers and supermarkets
- NPS survey results of +31, versus an industry benchmark of -9

Please feel free to contact us on the below details

Regards,

**Paolo Bevilacqua**  
General Manager - Real Utilities  
Fraser's Property Australia

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