



Summary of Electricity Retail Licence Application

APPLICATION DETAILS

Applicant Details

Applicant Name	Amanda Energy Pty Ltd
Registered Office	10 Mews Road, Fremantle, WA 6160
ABN	45 163 376 163
ACN	163 376 163

Contact Details

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Licence Details

Licence Type	Electricity Retail Licence
Service Type	Electricity retail to large use customers on the SWIS who consume in excess of 200 MWh per annum
Licence Area	South West Interconnected System (SWIS)

Associated Companies

Amanda Australia Pty Ltd	Demand Side Management provider
Amanda Power Pty Ltd	Demand Side Management provider

Mission Statement

Amanda Group commits to providing its existing clients and other commercial energy users a comprehensive service in energy requirements, encompassing Demand Side Management, Electricity Retail and on-site renewable electricity with an aim to produce cost effective and environmentally friendly energy solutions.

Background

Amanda Australia and Amanda Power have achieved certification of 14.9MW of DSM capacity, which is supplied by several electricity consumers consuming electricity through several meters. Amanda Energy will additionally supply electricity to these customers, thereby achieving efficiency and cost benefits by integrating their DSM activities with their electricity consumption.

Services Provided to Clients

Many existing Amanda DSM clients have Amanda-supplied on-site diesel generators and would be advantaged by using this generation ability to lower grid demand during peak use periods and to complement PV generation, especially in areas where electricity supply from the SWIS grid is limited. Our services will include:

- DSM participation;
- “Cost of supply” consultancy to help educate clients on ways to shift historical energy consumption from the grid away from peak demand periods;
- Competitive retail pricing, including through reduction of peak demand by on-site generation;
- Inform clients of the benefits of the Wholesale Electricity Market; research has shown this sector has largely remained with the legacy retailer, often because of a lack of understanding of the de-regulated market.
- Assessment of the price benefit of PV and other renewables on-site installations, and the long term benefit to the grid in reducing peak demand.

Target market

The target market is primarily Amanda’s existing DSM clients plus relatively small (R3 Tariff type) businesses.

Experience and Track Record

The directors of Amanda Energy are also directors of Amanda Australia, which is registered with the IMO as a Market Customer and supplies DSM-capacity to the Wholesale Electricity Market. In addition, Amanda Energy has engaged a consultant to provide retail services and support and training to Amanda Energy staff.

Serving the Public Interest

Grant of the licence will serve the public interest by promoting the Wholesale Electricity Market Objectives as follows:

Market Objective (a) *“to promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the SWIS”.*

Grant of the licence will support this by increasing the uptake of behind-the-meter on-site distributed generation, thereby improving economic efficiency through avoidance of losses and reducing the use of network infrastructure (producing electricity where it is to be consumed);

Market Objective (b) *“to encourage competition among generators and retailers in the SWIS, including by facilitating efficient entry of new competitors”.*

Grant of the licence will support this by:

- a. Facilitating behind-the-meter on-site distributed generation, enable generating technology providers to work with end-users without needing to develop non-core capabilities in electricity retailing, or be subject to the cost and complexity of regulatory compliance;
- b. Encourage traditional retailers to match the more holistic approach that Amanda Energy will offer with on-site renewable generation and Demand Side Management.

Market Objective (c) *“avoid discrimination against particular energy options and technologies, including sustainable energy options and technologies such as those that make use of renewable resources or that reduce overall greenhouse gas emissions”.*

Grant of the licence will support this by:

- a. Promoting the development and uptake of behind-the-meter on-site distributed generation, enabling the production of energy where it is used. Users are free to adopt their own criteria and utilise the technology of their choice (subject to compliance with the Technical Rules), be it renewable, financially-focussed, or sustainable (such as utilising production waste, PV);
- b. Minimise greenhouse gas emissions by producing energy where it is used and avoiding network transportation losses;

Market Objective (d) *“to minimise the long-term cost of electricity supplied to consumers from the SWIS”.*

Grant of the licence will promote this by:

- a. Facilitating end-user direct access to the Wholesale Electricity Market costs and price signals at a range of risk-return combinations;
- b. Facilitating participation in the financial benefits of Demand Side Management where such users are below the threshold for commercially viable participation in a certified DSM program. This entails the end-user operating as a behind-the meter negative load (displacing the Individual Reserve Capacity Requirement charge) rather than as a scheduled pseudo generator (paid on the basis of MW capacity);
- c. Reducing the need for network investment and transportation losses by facilitating the production of energy where it is consumed.

Market Objective (e) *“to encourage the taking of measures to manage the amount of electricity used and when it is used.”*

Grant of the licence will promote this by facilitating end-user direct access to:

- a. The Wholesale Electricity Market energy costs and price signals so that consumers will be aware of their real-time energy price and its forecast evolution. This will enable them to plan the timing of their consumption so as to minimise cost;
- b. Direct exposure to the Individual Reserve Capacity Requirement cost so that the cost of the system capacity requirement can be identified and compared with the costs of strategies for displacing it (such as load curtailment or installation of onsite generation).

In addition to promoting the Wholesale Market Objectives, grant of the licence will:

- a. Extend participation in the Wholesale Electricity Market to a greater number of stakeholders, both end-users and technology and service providers.
- b. Increase community understanding of the potential benefits of markets in general and promote the conceptual development and acceptance of markets for other services, such as water;

- c. Improve the standing of and confidence in the market institutions that have been created to reduce costs and improve service and choice (such as the IMO) through greater participation in those institutions.

