

Section A: Applicant Details

Applicant Details	
Name	Change Energy Pty Ltd
Registered office (if a Corporation)	10 Milly Court Malaga WA 6090
Principal Place of Business (if different from Registered Office)	10 Milly Court Malaga WA 6090
Contact Details	
Primary contact name	Geoff Gaston
Mail Address	10 Milly Court Malaga WA 6090
Email	Geoff.gaston@changeenergy.com.au
Telephone	1300 924 140
Mobile	0401 903 210
Company Structure	
ABN or ACN	610 674 881
Legal structure of applicant	Private, proprietary limited company
Place of Incorporation	Perth, Western Australia
Company Directors or Principals	Domenic Mercuri, Geoff Gaston
A description of the entity's core business	Change Energy will provide Energy Management services that include grid electricity retail sales, solar sales, and energy efficiency to contestable customers in the SWIS.

Section B: New Licence

Licence Classification

Electricity Licence		
Type of licence application	Generation Transmission Distribution Retail Integrated Regional	
For Generation and Integrated Regional Licences	Installed capacity <i>N/a</i>	megawatts <i>N/a</i>
For Transmission and Integrated Regional Licences	Transmission system length <i>N/a</i>	kilometres <i>N/a</i>
For Distribution and Integrated Regional Licences	Distribution system length <i>N/a</i>	kilometres <i>N/a</i>
For Retail and Integrated Regional Licences	Number of large use customers	Approx. 320 at the end of an initial 5-year period
For Retail and Integrated Regional Licences	Number of small use customers	Approx. 100 at the end of an initial 5-year period
Gas Licence		
Type of licence application	Distribution Trading <u><i>N/a</i></u>	
For Distribution Licences	Distribution system length <u><i>N/a</i></u>	kilometres <i>N/a</i>
For Trading Licences	Number of large use customers	<i>N/a</i>
Water Licence		
Type of licence application	Water Supply (potable) Water Supply (non-potable) Drainage Services Irrigation Services Sewerage Services <u><i>N/a</i></u>	

For all Water Licence Classifications	Water system length <u>N/a</u>	meters / kilometers <u>N/a</u>
For all Water Licence Classifications	Number of standard terms and conditions customers	<u>N/a</u>
For all Water Licence Classifications	Number of non-standard terms and conditions customers	<u>N/a</u>

Areas to be covered by the licence

Electricity Licence	
Licence area(s) and/or address to be covered by this licence	SWIS
Gas Licence	
Gas supply area(s) and/or address to be covered by this licence	Kimberley Pilbara Gascoyne Mid-west Wheatbelt Goldfields-Esperance Great Southern Coastal <u>N/a</u>
Water Licence	
Water Services Operating Area(s) and/or address to be covered by this licence	Operating area name Address/location <u>N/a</u>

Summary of description of licence activity

Services/service model	
Brief description of services(s) or service model intended	Change Energy will provide Energy Management services that include grid electricity retail sales, solar sales, and energy efficiency to contestable customers in the SWIS.
Services/infrastructure works	

Brief description of services(s) or service/infrastructure works	<u>N/a</u>
Other regulatory approvals	
Provide summary information of status of other regulatory approvals required	Change Energy understands there will be a number of regulatory approvals that will be required following obtaining an energy retail licence, including AEMO Market Participant registration; an ETAC with Western Power in order to enable network access in the SWIS and joining the Energy Ombudsman scheme Change Energy does not anticipate any issues or delays in obtaining such regulatory approvals.

Change Energy Pty Ltd

Electricity Retail Licence Application Summary (For Public Release)

Applicant Details

Change Energy Pty Ltd
ACN 610 674 881

Address:
10 Milly Court,
Malaga WA 6090

Contact Person:
Geoff Gaston
10 Milly Court
Malaga WA 6090
Ph. 1300 924 140

Summary

Change Energy intends to actively promote and sell grid electricity, solar PV, energy efficiency and energy management to all contestable customers in the SWIS.

Change Energy's target market will be small to medium businesses, specifically RT4, RT5 and RT6 customers. According to information from Western Power, there are approximately 17,500 customers in this segment using approximately 4,000,000 MWh. Change Energy's market share target is approximately 2.5% in both customers and volume.

Change Energy expects to enter the residential market segment upon the de-regulation of that market in the near future.

Public Interest Information

a) environmental considerations:

It is anticipated that Change Energy will facilitate the greater penetration of solar PV on the SWIS, increasing the production and use of renewable energy. Energy efficiency and energy management will reduce customer usage. Both of these will result in a positive impact on the environment.

b) social welfare and equity considerations, including community service obligations:

Increased competition will result in lower grid energy costs. The higher uptake of renewable energy and energy efficiency also indirectly increases competition which will lead to lower overall costs. Energy management services will empower customers to make more informed choices, giving them greater control.

- c) economic and regional development factors, including employment and investment growth:

Lower energy costs as a result of competition (direct and indirect) may release funds which could be used for further investment in the customer's underlying business and therefore facilitate economic and employment growth.

- d) the interests of customers generally or of a class of customers

Competition in the SWIS will be increased/enhanced by the entry of a new energy retailer and solar/energy efficiency provider which will benefit customers who are contestable and able to source energy from Change Energy. Specifically, RT4, RT5 and RT6 customers which encompass approximately 17,500 customers in WA.

- e) the interests of any licensee, or applicant for a licence, in respect of the area or areas to which the order, if made, would apply:

Competition in the SWIS will be increased/enhanced by the entry of a new energy retailer and solar/energy efficiency provider, which may be to the detriment of existing licence holders. The entry of Change Energy may result in loss of market share by other energy retailers in the SWIS. Further, increased renewable energy penetration may delay or eliminate the investment in other energy sources, resulting in reduced returns for those plants.

- f) the importance of competition in electricity and gas industry markets:

Grant of this licence to Change Energy will directly and indirectly enhance competition in the electricity market. Competition drives efficiency in both the production and use of energy.

- g) the policy objectives of government in relation to the supply of electricity and gas

Grant of this licence to Change Energy will promote the Wholesale Electricity Market Objectives:

- *Promote the economically efficient, safe and reliable production and supply of electricity and electricity-related services in the SWIS.*
 - Through increased competition which increases efficiency and increased solar generation which will increase reliability
- *Encourage competition among generators and retailers in the SWIS, including by facilitating efficient entry of new competitors.*
 - A retail licence will result in Change Energy becoming a market participant, trading with existing participants, improving market efficiency and transparency.
- *Avoid discrimination in that market 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.*
 - Change Energy's approach will use all technologies in order to provide the best outcome to customers. This will include solar, which will reduce greenhouse gas emissions.
- *Minimise the long-term cost of electricity supplied to customers from the SWIS.*

- Increased competition will improve market efficiency and transparency will reduce long term costs
- *Encourage the taking of measures to manage the amount of electricity used and when it is used.*
 - Change Energy will offer energy efficiency and energy management services.

Additionally, greater private sector investment in renewable generation and energy efficiency will reduce (or delay) the need for investment on additional network and generation capacity/infrastructure.

- h) any other matters considered appropriate and relevant which may impact on the public interest.

Grant of this licence will provide customers with a new offering in market. Change Energy will work with customers to provide a complete solution that will use all types of technologies that will save the customer money and increase efficiency of their operations. Increasing the use of renewable energy as well as energy efficiency benefits the environment. More competition will also provide economic benefits to the wider community.