

Embedded Networks – entering energy contracts, utility billing and regulatory compliance

Following the finance sector, Energy, in particular Electrical Embedded Networks, must be one of the most regulated industries providing utility services to multi residential and commercial customers. With numerous regulatory bodies to keep pleased, our compliance teams are definitely kept busy.

The last few years in particular have called for sellers of electricity to register their activities with the Australian Energy Regulator (AER), abide by new rules surrounding security deposits, the removal of additional charges imposed on customers such as Late Payments Fees & Reminder Charges etc, obtaining explicit informed consent (EIC) and the appointment of an Embedded

Network Manager to administer *Power of Choice* reforms.

Under these *Power of Choice* reforms, the regulators are calling for transparency within the Industry and we welcome it.

The regulator has written the rules so that it is simple for a customer, supplied by the Body Corporate or Network Owner, to be able to easily compare their charges to that of an authorised retailer (the likes of Origin, Alinta, AGL for example).

The charges applied by the on-billing agent should mirror that of a retailer without the additional extras and need of a maths degree.

They must be clear and concise to the end customer in order for them to compare apples with apples.

With so many changes, it's not surprising Body Corporates in particular are waiving the white flag.

Is there a light at the end of the tunnel? That would be a crystal ball moment but one thing is for certain, changes will continue to keep us on our toes.

Participating in regulatory requirements and being ahead of industry changes is key, or at least ensuring on-billing companies that you use actively participate to give Body Corporates protection and a competitive edge to be at the forefront of compliance with their billing services.

It's all about customer protection and so it should be.

Having an experienced team of experts to work closely with body corporates and strata companies is key to ensuring that residents have peace of mind and access to consistent and competitive pricing.

Smart procurement of bulk contracts not only provides competitive pricing to customers directly, but indirectly can help reduce levies across common property areas too.

As the exemption holder, in most cases, the Body Corporate holds all responsibility for the running of the Electricity Network and the service they provide the owners & residents. This includes unpaid accounts and the replacement of faulty meters.

Not only is it imperative to have an effective and current strategy in place to best manage the energy tariff, it is also beneficial to factor in future industry changes, future compliance changes and improvements that can be made to a sites infrastructure going forward.

We understand how the rising price of electricity is hitting the wallets hard which means that industry needs to find ways to innovate and solve problems.

Whether a site has adopted a third party agency billing model

or is looking for an authorised retailer, it is in the best interest of the Body Corporate owners to take a proactive approach to any contract engagement or re-engagement of a contract to ensure that they are aware of the current and future benefits each model may have to the site. This allows for benefits to the end consumer and overall community.

No matter what the industry, we all look for experts in their respective fields to guide us in making the correct decisions for the community as a whole. For example, you wouldn't contact a Body Corporate Manager or an Insurance Broker for instance and request they advise on Energy Rules or the state of the wholesale electricity market.

Equally, an energy expert wouldn't be your first point of call for *Body Corporate Act* matters or insurance quotes. We need these industry experts and their respective resources to ensure compliance in those sectors they operate within, removing any threat of large fines imposed by the regulators.

Ensuring you are with a compliant billing agent is imperative.

A good billing agent will be able to provide both on-billing style model and a Retail model and be able to provide the appropriate billing system in order to comply with the strict requirements under National Energy Retail Rules (NERR) and Performance and Compliance Reporting to the Australian Energy Regulator (AER).

In an industry constantly in the spotlight, we can help you make that right choice to ensure your energy costs remain as low as possible, offering a compliant service and structure operating within your embedded network.

No matter which model your site falls under, Retailer or Billing Agency, our focus is on the end consumer and community alike. ★

By Richard Claus, Meter2Cash



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