

Victoria's Embedded Networks Review

Issues Paper Webinar



3 February 2021



Environment,
Land, Water
and Planning

Today's agenda

	Welcome and introductions	5 mins
	Background and context	5 mins
	Review's primary focus	10 mins
	Three key issues	10 mins
	Inter-related issues and supplementary considerations	5 mins
	Q&A	20 mins
	Next steps	5 mins

The Victorian Government's election commitment

In October 2018, the Government announced an election commitment to **ban embedded networks in new residential apartment buildings, with appropriate exemptions** for buildings that use renewable energy microgrids to deliver low-cost renewable energy to apartment blocks

The purpose of the commitment

To ensure that Victorian consumers living in residential embedded networks can access the same competitive retail offers and customer protections as other Victorian consumers



Expert Panel

An Expert Panel (supported by DELWP's Secretariat) has been appointed to assist with providing recommendations to the Minister on implementation of the election commitment:

- Ms Jo Benvenuti (chair), Ms Andrea Steele, Mr Gerard Brody and Mr Neil Gibbs

1

Advise the Minister on how best to implement the election commitment

2

Gather information on issues related to the review and present to the Minister

Principles to guide the Review

The Panel has developed the following set of principles to guide the Review

1

Place benefits to consumers at the centre

2

Prioritise equitable pricing outcomes and consumer protections

3

Future-proof the design of the system

4

Ensure that Victoria's regulatory framework will mirror or enhance the national standards

Review's primary focus

Primary focus

Implement a ban on embedded networks in new residential apartment blocks with appropriate exemptions

Consider how such a ban would intersect with legacy embedded networks in residential apartment blocks and other forms of embedded networks (e.g. retirement villages, caravan parks)

Ensure that, to the fullest extent practicable, Victorian consumers in residential embedded networks can access the same competitive retail offers and consumer protections as other consumers

1

Lack of access to competitive retail offers



Embedded network customers may find it difficult to exercise their rights to choose between their exempt seller and a licensed electricity retailer

2

Lack of consumer protections



Embedded network customers are not afforded the same customer protections as on-market customers

3

Lack of information disclosure requirements



Embedded network customers are not always adequately advised of their rights or associated ownership and commercial arrangements

Secondary outputs

How exemptions to the ban may allow for innovative new technologies or new/existing applications and other appropriate uses of embedded electricity networks

Recommended actions for regulators, particularly in relation to compliance and enforcement

Expected impacts of the Review's recommendations

Steps to implementation, including the time and sequencing of recommended changes

Key issues

Implications of a ban

Compliance and enforcement

Transitional arrangements

Supplementary issues for consideration

Any amendments necessary to ensure that Retailer of Last Resort type arrangements extend to embedded network customers

Infrastructure and contractual barriers/opportunities to retrofit or remove legacy embedded networks

Outcomes of government reviews on embedded networks, including from DELWP, the Essential Services Commission and the Australian Energy Market Commission

The interaction of the Panel's recommendations with the national energy framework and relevant building and planning legislation

The interaction of the Panel's recommendations with reforms related to the Victorian Government's Energy Fairness Plan

You may ask a question by following one of the options below:

1

Type a question into the meeting chat

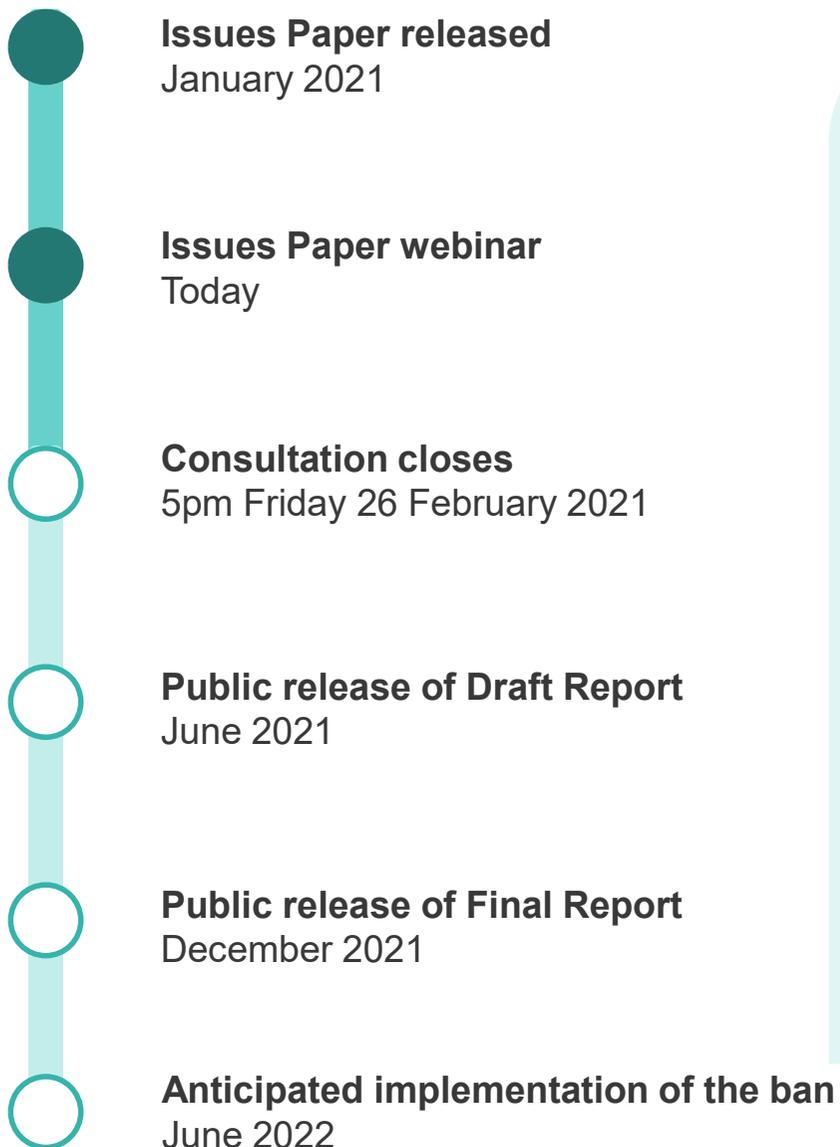
Use the speech bubble symbol to open the meeting chat. Type a question into the chat and it will be addressed by a presenter.



2

Raise your hand to speak

Please select the hand symbol to raise your hand if you would like to speak. Your microphone will then be unmuted by a presenter.



Submissions on the Issues Paper close **5pm 26 February 2021**

<https://engage.vic.gov.au/embedded-networks-review>

You are welcome to:

- raise other concerns or considerations not related to the specific questions posed in the questionnaires
- raise any other matters relevant to implementing the Government's election commitment
- upload your electricity bills
- provide comments on your experience with embedded networks

Please email:

EmbeddedNetworks.Review@delwp.vic.gov.au
if you have any questions