

RETAILER ENERGY EFFICIENCY SCHEME GUIDELINE – STATISTICAL INFORMATION

Energy Industry Guideline No. 6 (EG6/2)

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Amendment Record

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The Essential Services Commission of South Australia is the independent economic regulator of the water, electricity, gas, ports and rail industries in South Australia. The Commission's primary objective is the *protection of the long-term interests of South Australian consumers with respect to the price, quality and reliability of essential services*. For more information, please visit www.escosa.sa.gov.au.

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1 NATURE OF THE GUIDELINE

1.1 Authority

1.1.1 The *Electricity (General) Regulations 2012* and *Gas Regulations 2012* (**Regulations**) give the Commission the functions and power to administer the **Retailer Energy Efficiency Scheme** and ensure that retailers comply with the relevant requirements of the **Regulations**.

1.1.2 The **Commission** has made this Guideline, pursuant to section 8 of the Essential Services Commission Act 2002 (**ESC Act**).

1.2 Purpose of the Guideline

1.2.1 In accordance with the requirements of the Retailer Energy Efficiency Scheme Code (**REES Code**), this Guideline specifies the requirements that apply to **energy retailers** when collecting, recording and reporting energy data to the **Commission** that is required to determine an **energy retailer's** obligations under the **Retailer Energy Efficiency Scheme**.

1.2.2 Information collected under this Guideline will only be used for the purpose stated in clause 1.2.1.

1.3 Confidentiality

1.3.1 Any confidential information submitted to the **Commission** by an **energy retailer** pursuant to this Guideline must be clearly identified at the time of submission. Confidential information will not be publically released unless agreed by the **Commission** and the **energy retailer** in writing.

1.4 Data variations

1.4.1 An **energy retailer** must report a variation to data previously submitted to the **Commission** in circumstances where an error has been discovered in the data previously reported.

1.4.2 An **energy retailer's** data variation report must:

- (a) be in the format approved by the **Commission**;
- (b) be acknowledged and explained, including reasons for the variation, in a covering letter accompanying the data variations template; and
- (c) be accompanied by a signed and dated responsibility statement in accordance with Annexure A of the Guideline.

1.4.3 A copy of the data variation report must be sent electronically to the **Commission** at rees@escosa.sa.gov.au.

1.5 *Processes for revision of this Guideline*

- 1.5.1 The **Commission** may, at its absolute discretion, amend or vary this Guideline from time to time when it considers such action necessary.
- 1.5.2 The **Commission** will undertake consultation with relevant **energy retailers** and other stakeholders as necessary in accordance with the **Commission's** Charter of Consultation and Regulatory Practice before making any significant revisions to this Guideline. If the amendments are of a routine nature, or required by law, the **Commission** may elect to modify the Guideline without consultation.
- 1.5.3 For all revisions to this Guideline, a commencement date will be nominated on the Amendment Record on the inside front page. The **Commission** will generally give an **energy retailer** not less than 45 days prior notice of the commencement of any significant revisions of this Guideline.

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2 STATISTICAL INFORMATION REPORTING

2.1 *Use of proformas to report information*

2.1.1 Annexure A of this Guideline, sets out the statistical information that has been identified by the **Commission** as necessary for the purpose of performing its statutory functions. Annexure A also details the timing requirements for the provision of statistical information by an **energy retailer**.

2.2 *Summary of reporting requirements*

2.2.1 An **energy retailer** must report the following information to the **Commission** (as detailed in Annexure A):

- (a) total number of South Australian **residential customers** as at 30 June of the previous financial year;
- (b) sum of sales (**MWh**) to each South Australian electricity **customer** in the 12 months to 30 June of the previous financial year where each of those **customers** consumes 1,000 MWh or more through an individual contract for sale with the **energy retailer** during that period;
- (c) sum of sales (**GJ**) to each South Australian gas **customer** in the 12 months to 30 June of the previous financial year where each of those **customers** consumes 3,600 GJ or more through an individual contract for sale with the **energy retailer** during that period;
- (d) total electricity and gas purchases by the **energy retailer** in the 12 months to 30 June of the previous financial year; and
- (e) details of sales to electricity **customers** included in 2.2.1(b), to include:
 - (i) electricity consumption, as billed, relating to each site aggregated under an individual contract for sale;
 - (ii) the **distribution loss factor** applied to each site supplied; and
 - (iii) the total energy consumption for each site grossed up by the **distribution loss factor**.
- (f) details of sales to gas **customers** included in 2.2.1(c), to include gas consumption, as billed, relating to each site aggregated under an individual contract for sale.

2.2.2 The **Commission** will use the data in 2.2.1(a) to determine whether **energy retailers** are **primary obliged retailers** for the purposes of the **Retailer Energy Efficiency Scheme**.

2.2.3 The **Commission** will use the data in 2.2.1(b) and 2.2.1(c) to determine:

- (i) whether other **energy retailers** are **secondary obliged retailers** for the purposes of the **Retailer Energy Efficiency Scheme**; and

- (ii) the apportionment of the annual energy efficiency target to **obliged retailers**.
- 2.2.4 The **Commission** will compare the data reported in 2.2.1(d) to that reported to the **Commission** by the Australian Energy Market Operator, and will investigate any material differences.
- 2.2.5 For the purposes of 2.2.1(b) and (e):
 - (i) electricity sales made under one individual contract for sale to multiple sites can be aggregated;
 - (ii) where an individual contract for sale covers sites in various states, only the South Australian portion of electricity sales for the financial year are relevant;
 - (iii) electricity sales is the actual electricity consumption, as billed, by **customers** in **MWh**; where a contract for sale with a new **customer** is executed by an **energy retailer** during the financial year, only electricity consumed in the financial year under that contract for sale that exceeds 1,000 **MWh** is relevant;
 - (iv) electricity sales may be grossed-up by the appropriate **distribution loss factor** (as published by the Australian Energy Market Operator) applying to the sites supplied; and
 - (v) the financial year is 1 July to 30 June.
- 2.2.6 For the purposes of 2.2.1(c) and (f):
 - (i) gas sales made under one individual contract for sale to multiple sites can be aggregated;
 - (ii) where an individual contract for sale covers sites in various states, only the South Australian portion of gas sales for the financial year are relevant;
 - (iii) gas sales is the actual gas consumption, as billed, by **customers** in **GJ**; where a contract for sale with a new **customer** is executed by an **energy retailer** during the financial year, only gas consumed in the financial year under that contract for sale that exceeds 3,600 **GJ** is relevant; and
 - (iv) the financial year is 1 July to 30 June.

2.3 Reporting deadline

- 2.3.1 The Statistical Information return must be provided to the **Commission** by an **energy retailer** by no later than 31 August immediately following the end of each financial year (unless agreed otherwise by the **Commission**), and in the form set out in Annexure A.

2.4 *Information provided shall be verifiable*

- 2.4.1 An **energy retailer** must maintain records and reporting arrangements which enable information provided to the **Commission** to be verified. Records should include but are not limited to:
- (a) customer invoices relating to amounts included in 2.2.1(b) and (c);
 - (b) contracts for sale that verify aggregation of sales relating to multiple sites, as detailed in 2.2.5(i) and 2.2.6(i).
- 2.4.2 An **energy retailer** must document the process used to collate the data reported under 2.2.1(b) and (c).

SCHEDULE 1 – DEFINITIONS

In this Retailer Energy Efficiency Scheme Guideline:

customer has the meaning given to that term in the **National Energy Retail Law**.

Commission means the Essential Services Commission of South Australia established under the Essential Services Commission Act 2002 (SA).

distribution loss factor means the average electrical energy losses for electricity distributed to an end-user's connection point through a distribution network from the relevant transmission network connection point or virtual transmission node, during the financial year in which they apply, as reported by the Australian Energy Market Operator.

electricity retailer means the holder of a licence authorising the retailing of electricity, issued pursuant to Part 3 of the Electricity Act 1996 (SA), or a **NERL retailer** authorised to sell electricity, which is bound by the provisions of Part 4 of the Electricity (General) Regulations 2012 in respect of a **REES year**.

energy retailer means either or both of (as the case may be) an **electricity retailer** and a **gas retailer**.

ESC Act means the *Essential Services Commission Act 2012*.

gas retailer means the holder of a licence authorising the retailing of gas, issued pursuant to Part 3 of the Gas Act 1997 (SA), or a **NERL retailer** authorised to sell gas, which is bound by the provisions of Part 4 of the Gas Regulations 2012 in respect of a **REES year**.

GJ means gigajoules of energy.

Minister means the **Minister** responsible for the administration of the Electricity Act 1996 (SA) and/or the Gas Act 1997 (SA).

MWh means megawatt hours of energy.

National Energy Retail Law means the Schedule to the National Energy Retail Law (South Australia) Act 2011.

NERL retailer has the meaning given to that term in the Electricity Act 1996 and Gas Act 1997, being the holder of a retailer authorisation under the **National Energy Retail Law** or an exempt seller within the meaning of the **National Energy Retail Law**.

obligation threshold is the threshold number set by the **Minister** of **residential customers**, or electricity or gas purchases which an **energy retailer** must have before any obligations under the **Retailer Energy Efficiency Scheme** arise.

obliged retailer is an **energy retailer** with an obligation to meet one or more targets in a **REES year**.

primary obligation threshold is the **obligation threshold** of **residential customer** numbers set by the **Minister**.

primary obliged retailer refers to an **energy retailer** which has **residential customer** numbers equalling or exceeding the **primary obligation threshold** as at 30 June immediately prior to the commencement

of a **REES year**. A **primary obliged retailer** will be set an energy reduction target, a priority group energy reduction target and an energy audit target.

REES year means each consecutive twelve-month period 1 January to 31 December, commencing on 1 January 2009.

regulations means the *Electricity (General) Regulations 2012* and the *Gas Regulations 2012*.

residential customer means a natural person who is a **small customer** and purchases, or proposes to purchase, energy primarily for domestic purposes.

Retailer Energy Efficiency Scheme means the scheme of that name established by the combined operation of the provisions of Part 4 of the Electricity (General) Regulations 2012 and Part 4 of the Gas Regulations 2012.

REES Code means the industry code, made by the **Commission**, relating to the **Retailer Energy Efficiency Scheme**.

sales means the quantity of electricity (**MWh**) or gas (**GJ**) consumed by a **customer** under an individual contract for sale, as billed by the **energy retailer**.

secondary obligation threshold is the **obligation threshold** of electricity and/or gas purchases set by the **Minister**.

secondary obliged retailer refers to **gas** or **electricity retailers**, which are not **primary obliged retailers**, that purchase, in the year immediately prior to the commencement of a **REES year**, an amount of electricity or gas equalling or exceeding a **secondary obligation threshold** for on-selling to South Australian **customers**. A **secondary obliged retailer** is set an energy reduction target.

small customer has the meaning given to that term in the Electricity Act 1996 or the Gas Act 1997 (as the case may be), or on commencement of the National Energy Retail Law (South Australia) Act 2011 in South Australia, the meaning given to that term under section 5 of the **National Energy Retail Law**.

supply means the physical delivery of electricity or gas.

ANNEXURE A – STATISTICAL INFORMATION

In accordance with clause 5.4.2 of the **REES Code**, all **energy retailers** are required to complete the following Annual Return for the provision of statistics to the **Commission**, with the appropriate officer completing the responsibility statement below.

Statistical Information Proforma⁽¹⁾

	Financial Year [insert period]	Electricity	Gas
(a)	Total number of South Australian residential customers as at 30 June [insert year]		
(b)	Total sales to South Australian electricity customers of 1,000 MWh or more through an individual contract for sale for the financial year ⁽²⁾	(MWh)	
(c)	Total sales to South Australian gas customers of 3,600 GJ or more through an individual contract for sale for the financial year ⁽²⁾		(GJ)
(d)	Total electricity and gas purchases for the financial year ⁽²⁾	(MWh)	(GJ)
(e)	Details of sales to electricity (MWh) or gas (GJ) customers included in figures (b) and (c) provided above, to include: <ul style="list-style-type: none"> - energy consumption relating to each site aggregated under a single customer contract - for (b), the distribution loss factor applied to each site supplied - for (b), the total energy consumption for each site grossed up by the distribution loss factor 		

Responsibility Statement

Having reviewed this Annual Return containing the operational results of [insert name of **energy retailer**] in my opinion the data provided in this report are true and accurate.

Signed: _____

Name of Chief Executive⁽³⁾ _____ (please print) _____

Energy retailer: _____ (please print name of retailer) _____

Date: _____

When completed, this return should be sent to the **Commission** via email to rees@escosa.sa.gov.au⁽⁴⁾. Please note that this return needs to be received no later than **31 August** of the relevant year, to enable the **Commission** to advise individual REES targets for the subsequent year by 31 October.

Notes:

- (1) Required to be provided by retailers under clause 5.4.2 of the **REES Code**. Definition of customer to be consistent with that used by **NERL retailers** in reporting to the Australian Energy Regulator (AER) under AER reporting guidelines (e.g. *AER (Retail Law) Performance Reporting Procedures and Guidelines, June 2012, version 2*).
- (2) Financial year to be the same as stated in the heading to the column.
- (3) Or other person as authorised under clause 5.1.2 of the **REES Code**.
- (4) Providing the emailed version consists of a Portable Document Format (PDF) of the entire return as a single PDF file, including a signed responsibility statement.

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ANNEXURE B – WORKED EXAMPLES

The following examples are given as a guide to energy retailers in deciding whether energy sales to a customer meet the requirements of clauses 2.2.1(b) or 2.2.1(c) of this Guideline.

Example 1

An energy retailer supplies electricity, under one customer contract for sale, to three different sites. The actual billed sales in the year to 30 June 2014 to each site were 400 MWh.

The total actual billed sales of 1,200 MWh meet the threshold in 2.2.1(b) of this Guideline and should be included in the Statistical Information return to the Commission.

Example 2

An energy retailer has a gas contract for sale with a customer that covers multiple sites in Australia. The total actual billed sales in the year to 30 June 2014 to the sites were 10,000 GJ, however; only 2,000 GJ related to sites in South Australia.

The South Australian portion of the actual billed sales does not meet the threshold in 2.2.1(c) of this Guideline and should not be included in the Statistical Information return to the Commission.

Example 3

An energy retailer entered into an electricity contract for sale with a customer on 1 February 2014 and sold 900 MWh of electricity to that customer in the period 1 February to 30 June 2014.

The actual billed sales to that customer for the financial year ending 30 June 2014 does not meet the threshold in 2.2.1(b) of this Guideline and should not be included in the Statistical Information return to the Commission.



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