



Gas retail licence

Real Utilities Pty Ltd (ACN 150 290 814)

As varied on 22 June 2022 (with effect from 12 September 2022)



Gas Retail Licence

This Licence is issued pursuant to section 26 of the *Gas Industry Act 2001* (Vic).

Date

This Licence was last varied on 22 June 2022 with effect from 12 September 2022.

Licensee

This Licence is issued to:

Real Utilities Pty Ltd (ACN 150 290 814) (the Licensee)

Level 2, 1C Homebush Bay Drive

Rhodes NSW 2138

**THE COMMON SEAL of the
ESSENTIAL SERVICES COMMISSION**
was affixed pursuant to the authority
of the Commission 8 July 2022

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A handwritten signature in blue ink, appearing to read "Kate Symons".

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Kate Symons

CHAIRPERSON

Part A - Interpretation

1 Definitions

1.1 Unless the contrary intention appears, a term has the meaning shown opposite it:

Act	the <i>Gas Industry Act 2000</i> (Vic)
Administrator	means an administrator appointed by the Commission under section 41 of the Act in respect of the Licensee's Retail Business
AEMO	the Australian Energy Market Operator Limited (ACN 072 010 327)
Business Day	a day other than a Saturday, Sunday or a public holiday in Victoria
Code of Practice	means a Code of Practice made under Part 6 of the ESC Act or relevant legislation
Commission	the Essential Services Commission established under the ESC Act
Energy Retail Code of Practice	means the code of practice of that name made under Part 6 of the ESC Act
ESC Act	the <i>Essential Services Commission Act 2001</i> (Vic)
Licensee	Real Utilities Pty Ltd (ACN 150 290 814)
Minister	the person who is, from time to time, the Minister administering the Act
Objectives	the objectives of the Commission specified in section 18 of the Act and section 8 of the ESC Act
Retail Business	means the business that a Retailer carries on under its Retail Licence or exemption granted under the Act
Retail Licence	a licence, granted under the Act, authorising the holder thereof to sell gas
Retailer	a person who holds or is exempt from holding a Retail Licence
Standard Gas Licence Conditions for Gas Retail	the document of that name as published by the commission on 12 July 2022 (as varied from time to time in accordance with law)
Term	The period commencing on 21 October 2020 and concluding on the date that is the 5 th anniversary of that date, unless this Licence is

revoked earlier in accordance with clause 6 of this Licence

1.2. In this Licence, unless the context otherwise requires:

- i. headings and footnotes are each for convenience only and do not affect the interpretation of this Licence;
- ii. words importing the singular include the plural and vice versa;
- iii. words importing a gender include any gender;
- iv. an expression importing a natural person includes any company, partnership, trust, joint venture, association, corporation or other body corporate and any governmental agency;
- v. a reference to a condition, clause, or part is to a condition, clause, or part of this Licence;
- vi. a reference to any statute including the Act and regulation, proclamation, Order in Council, ordinance, code, guideline, procedure or by-law includes all statutes, regulations, proclamations, Orders in Council, ordinances, codes, guidelines, procedures or by-laws varying, consolidating, re-enacting, extending or replacing them and a reference to a statute includes all regulations, proclamations, Orders in Council, ordinances, by-laws and determinations issued under that statute;
- vii. a reference to a document or a provision of a document includes an amendment or supplement to, or replacement or novation of, that document or that provision of that document;
- viii. a reference to a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns;
- ix. other parts of speech and grammatical forms of a word or phrase defined in this Licence have a corresponding meaning;
- x. a period of time:
 1. which dates from a given day or the day of an act or event is to be calculated exclusive of that day; or
 2. which commences on a given day or the day of an act or event is to be calculated inclusive of that day;
- xi. an event which is required under this Licence to occur on or by a stipulated day which is not a Business Day may occur on or by the next Business Day.

2 Notices

2.1 A notice under this Licence is only effective if it is in writing, and dealt with as follows:

- i. if given by the Licensee to the Commission – addressed to the Chief Executive Officer of the Commission at the physical or email address specified below or as otherwise notified by the Commission:

Essential Services Commission
Level 8, 570 Bourke Street
Melbourne VIC 3000

licences@esc.vic.gov.au

- ii. if given by the Commission to the Licensee – given by the Chief Executive Officer of the Commission and addressed (and marked for attention of) the Chief Executive Officer of the Licensee at the physical or email address specified below or as otherwise notified by the Licensee:

c/o Mr Paolo Bevilacqua
Real Utilities Pty Ltd
Level 2, 1C Homebush Bay Drive
Rhodes NSW 2138
Info@realutilities.com.au

A notice is to be:

- iii. signed by or on behalf of the person giving the notice and delivered by hand; or
- iv. signed by or on behalf of the person giving the notice and sent by pre-paid post; or
- v. transmitted electronically by or on behalf of the person giving the notice by electronic mail.

2.2 A notice is deemed to be effected:

- i. if delivered by hand – upon delivery to the relevant address;
- ii. if sent by post, in accordance with section 160(1) of the Evidence Act 2008 (Vic);
- iii. if transmitted electronically – in accordance with the Electronic Transactions (Victoria) Act 2000 (Vic).

2.3 A notice received after 5.00pm, or on a day that is not a Business Day, is deemed to be effected on the next Business Day.

Part B – Licence

3 Grant of the Licence

3.1 This Licence was first granted on 21 October 2020 and has been varied on the dates set out in Schedule 1 of the Licence.

3.2 Subject to clauses 3.3 and 9, in exercise of its powers under section 26 of the Act, the Commission grants the Licensee a licence to sell gas by retail on the terms and conditions set out in this Licence.

3.3 This Licence is subject to any prohibition set out in any Order in Council issued and in force under the Act.

4 Variation

4.1 The Commission may vary this Licence in accordance with section 38 of the Act.

5 Transfer

5.1 This Licence may be transferred in accordance with section 40 of the Act.

6 Revocation

6.1 The Commission may revoke this Licence:

- i. at any time at the request of, or with the consent of, the Licensee; or
- ii. in accordance with the Act.

6.2 Where the Commission proposes to revoke this Licence, the Commission will issue a notice to the Licensee, specifying:

- i. the basis upon which the Commission proposes to revoke the Licence; and
- ii. the date upon which the revocation is proposed to take effect, such date to be:
 1. in the case of a breach of clause 8 of the Standard Gas Licence Conditions for Gas Retail, or where in the Commission's opinion it is appropriate that the Licence be revoked in a shorter time frame having regard to its Objectives and the events or circumstances that gave rise to the notice being issued, no less than 5 Business Days after the date upon which the notice is issued; and
 2. in all other cases, no less than 20 Business Days after the date upon which the notice is issued;
- iii. that the Licensee has the opportunity to make representations on the matter and the time and date and manner in which those representations must be made.

6.3 The Commission must consider any submissions received by the licensee prior to making a decision to revoke the licence.

6.4 Where the Commission decides to revoke this Licence, the Commission will issue a notice to the Licensee specifying:

- i. the basis upon which the Commission is revoking the Licence; and
- ii. the date upon which the revocation takes effect, being no earlier than the date specified in the notice issued pursuant to clause 6.2;

and this Licence will be revoked on the date specified in the notice.

Part C – Licence Conditions

7 Status of the requirements in this part

7.1 A failure by the Licensee to meet any of the requirements set out in this Part C is a breach of a civil penalty requirement for the purpose of the ESC Act.

8 Standard Gas Licence Conditions for Gas Retail

- 8.1 The Licensee must comply with the Standard Gas Licence Conditions for Gas Retail as may be varied from time to time in accordance with section 38 of the Act.

9 Special Licence Conditions

- 9.1 This licence authorises the Licensee to on-sell gas within an embedded network for the Term.
- 9.2 This licence does not permit the Licensee to:
- i. purchase or sell gas through the wholesale gas market; or
 - ii. sell gas outside an embedded network.
- 9.3 The Licensee must comply with the requirements set out in the Schedule 2 – Embedded network retail licence conditions.
- 9.4 The Licensee must not enter into a contract for the sale of gas with a customer unless the contract also provides of the provision of, or procurement by the Licensee of, related distribution services within both:
- i. the distribution system of the licensed distributor within whose distribution licence area the customer is located; and
 - ii. the embedded network to which the customer is connected, or from which the customer is otherwise supplied gas.
- 9.5 The Licensee must notify the Commission as soon as practicable, and no later than within one business day of becoming aware:
- i. of a last resort event with respect to the retailer responsible for the supply of gas at a parent connection point; and
 - ii. of any circumstances which may threaten continuation of supply of gas to its customers, including but not limited to, the Licensee entering into administration.

Note: The conditions identified in Part C of this Licence are not an exhaustive list of a Licensee's obligations. A licensee is required to comply with additional obligations as set out in the Act and instruments made under that Act. In particular, obligations are placed on the Licensee in Codes of Practice, including the Energy Retail Code of Practice.

Schedule 1 – Variations to the Licence

Date	Variation
22 June 2022	Varied (with effect from 12 September 2022) to reflect the decision published by the Commission on 12 July 2022 following completion of the energy retail licence review.

Schedule 2 – Embedded network retail licence conditions

1. Compliance with laws and regulatory instruments

- 1.1 Without limiting the application of clause 6 of the Standard Gas Licence Conditions, where all or part of a law is restricted in its application to:
- i. a retailer that is a financially responsible retailer; or
 - ii. a customer that is supplied gas from a connection point at which the gas last leaves a distribution system owned or operated by a licensed distributor,
- yet is capable of being applied with modification to the Licensee in the context of on-selling gas within an embedded network, the Licensee must comply with such law with only those modifications required to enable compliance in the context of on-selling gas within an embedded network.
- 1.2 For example, and without limitation, sections 42, 43, 46, 48A, 48C and Division 4AA of the Act and any associated Orders made under those sections apply in respect of the Licensee, and the Licensee must comply with those sections and associated Orders as if an embedded network customer was a 'relevant customer', 'specified customer' or a 'prescribed customer', and the Licensee was a 'specified retailer' or 'specified licensee' for the purposes of those sections and associated Orders.

2. Use of system agreement

- 2.1 The Licensee must have a use of system agreement with an embedded network operator, that is the holder of a distribution licence or is exempt from this requirement, for each embedded network on which the supply point of any customer of the Licensee is located.
- 2.2 Each use of system agreement with an embedded network operator must:
- i. be in writing;
 - ii. require the embedded network operator to hold a distribution licence, or be exempt from this requirement;
 - iii. authorise the Licensee to on-sell gas to any customer connected to the embedded network operator's embedded network;

- iv. not unreasonably discriminate, or have the effect of creating unreasonable discrimination, between retailers or customers of any retailer;
- v. require the embedded network operator to make arrangements for the continued supply of gas to the Licensee's customers within the embedded network if the Licensee cannot, for reasons including but not limited to the Licensee entering into administration or suspension or revocation of this Licence; and
- vi. procure from the embedded network operator all necessary acts and obligations to ensure the Licensee's compliance with paragraphs 4, 5 and 7 of this Schedule.

3. Customer protections

- 3.1 The Licensee must comply with clause 74 of the Energy Retail Code of Practice as if it were an exempt person to which that clause applies.
- 3.2 The Licensee must not require a residential customer to provide a security deposit.
- 3.3 Within 5 business days after being advised by a customer that a life support resident resides, or is intending to reside, at the customer's premises, advise the customer that if gas is supplied to the customer's premises by an exempt distributor, the customer should advise the exempt distributor that a life support resident resides, or is intending to reside, at the customer's premises.
- 3.4 Within one business day after receiving relevant information about the life support equipment requirements for the customer's premises (including medical confirmation) or any relevant contact details, advise the customer that if gas is supplied to the customer's premises by an exempt distributor, the customer should also provide the same information to the exempt distributor, unless the relevant information was provided to the retailer by the exempt distributor.

Note 1: These obligations in clauses 3.3 and 3.4 are in addition to those obligations in respect of the registration of life support customer details and that must be met by reason of the Licensee complying with clause 1.1 of this Schedule.

Note 2: in these clauses 3.3 and 3.4 the terms "life support resident", "life support equipment" and "medical confirmation" have the same meaning as in the Act.

4. Contestability

- 4.1 The Licensee must not engage, and must procure that the embedded network operator does not engage, in any conduct that prevents a customer who is, or seeks to be, supplied gas through an embedded network from purchasing gas from a licensed retailer of its choice.

4.2 The Licensee must provide potential customers with information on how such potential customer can exercise choice of retailer, including how to obtain alternative offers from other licensed retailers for the supply of gas to the relevant child connection point.

5. Embedded network charges

5.1 Unless expressly permitted by law, the Licensee must ensure that no charge, fee or levy is payable by a customer of the Licensee with respect to the customer's access to the embedded network on which its supply point is located, or for the distribution or supply of gas by the embedded network operator.

6. External network charges

6.1 The Licensee must ensure that any external network charges:

- i. clearly attributable to a specific customer of the Licensee are passed through at cost to that customer;
- ii. not clearly attributable to a specific customer of the Licensee are charged to the customer on the basis that they are no greater than the published regulated charge which the local licensed distributor would have charged that customer, had the customer been supplied directly by the local licensed distributor; and
- iii. are included in a single invoice for both retail gas and external network charges, with the amount of external network charges separately identified.

7. Metering

7.1 The Licensee must, in respect of each child connection point (other than a child connection point for which another retailer is the financially responsible retailer), ensure that meters are installed and maintained in a manner which complies with the Gas Distribution System Code of Practice and Retail Market Procedures and promotes contestability, as if:

- i. the Licensee is a financially responsible retailer in respect of that child connection point;
- ii. the embedded network operator is the holder of a distribution licence; and
- iii. sections 6.1(b) and 6.1(d) of the Gas Distribution System Code of Practice are not applicable.