



Gas retail licence

Telstra Energy (Retail) Pty Ltd (ACN 645 100 447)

As varied on 4 August 2023



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 4 August 2023.

Licensee

This Licence is issued to:

Telstra Energy (Retail) Pty Ltd (ACN 645 100 447) (the Licensee)

Level 41, 242 Exhibition Street

Melbourne VIC 3000

**THE COMMON SEAL of the
ESSENTIAL SERVICES COMMISSION**
was affixed pursuant to the authority
of the Commission on 8 August 2023

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A handwritten signature in blue ink, appearing to be "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	Telstra Energy (Retail) Pty Ltd (ACN 645 100 447)
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)

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:

Telstra Energy (Retail) Pty Ltd
Level 41, 242 Exhibition Street
Melbourne VIC 3000
TelstraEnergyCompliance@team.telstra.com

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 15 December 2021 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 The Licensee must comply with the requirements set out in Schedule 2 – Gas retail special conditions.

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.
4 August 2023	Varied to amend the dates in clause 1 of the Special Licence Conditions in Schedule 2 of the Licence. Varied to amend clause 2 of the Special Licence Conditions in Schedule 2 of the Licence to limit the number of customers to 1,000 up to 31 May 2024. Varied clauses 4 and 6 of the Special Licence Conditions in Schedule 2 of the Licence to update language to First Nations Australians.

Schedule 2 – Gas retail special conditions

Definitions

Excepted Duty	means: <ul style="list-style-type: none">a. administrative changes to the details of a customer’s account including contact name, phone number, contact details, credit card details (but excluding contact details necessary for life support communications), which can be undertaken by Telstra Group personnel generally;b. undertaking actions or performing duties that the Telstra Group is required or mandated by law or a relevant regulator / governmental authority to undertake; andc. responding to or making arrangements in relation to any matter or incidence of urgency to avoid serious risk of damage to property, injury, or death to any person.
Senior Executive	the Chief Executive Officer of the Licensee or a person who directly reports to the Chief Executive Officer.
Type 1 Breach	a breach, or potential breach, of a matter designated as a Type 1 breach in the commission’s Compliance and Performance Reporting Guideline as amended from time to time.
Type 2 breach	a breach, or potential breach, of a matter designated as a Type 2 breach in the commission’s Compliance and Performance Reporting Guideline as amended from time to time.
Compliance and Reporting Guideline	means the Guideline published by the Commission pursuant to section 23A(4) of the Electricity Industry Act 2000 (Vic) (EIA) and section 33(4) of the Gas Industry Act 2001 (Vic) (GIA) as amended from time to time.
Telstra Group	Telstra Corporation Limited (ACN 051 775 556), or if applicable, any other entity which is the ultimate parent of the Licensee, and the entities it Controls.

1. Compliance Review

- 1.1. By 15 June 2026, the Licensee is to have arranged for the completion of an independent review in relation to its compliance with Victorian energy laws and a copy of the report to be provided to the commission. The review must:
- i. commence no earlier than 15 December 2025;
 - ii. be undertaken by a person approved by the commission;

- iii. be undertaken at the cost of the Licensee.
- 1.2. By 15 September 2025, the Licensee must nominate a person or persons to conduct the review (reviewer), that has demonstrated experience in assessing or advising in relation to regulatory and legal requirements.
- 1.3. The commission may reject the nominated reviewer and direct the Licensee to engage an alternative reviewer.
- 1.4. By 15 September 2025, the Licensee must provide the commission with a proposed scope of the review and must include the Licensee's compliance with its regulatory obligations in relation to:
 - i. the payment difficulty framework;
 - ii. life support customers;
 - iii. customers who may be affected by family violence; and
 - iv. de-energisations for non-payment.
- 1.5. The commission may reject the proposed scope and decide a new or varied scope of review in its full discretion. The commission is not limited, in deciding the scope of the review, to the matters in clause 1.4 (i) to (iv) of this Schedule
- 1.6. The Licensee must fully co-operate with the reviewer and grant the reviewer access to any materials reasonably required to conduct the reviewer.
- 1.7. The Licensee shall pay the full costs of the review.
- 1.8. Nothing in clause 1 of this Schedule limits the operation of clause 22 of the Licence.
- 1.9. The commission acknowledges that it will review the conditions at clauses 2 to 6 of this Schedule within six months of receipt of the report referred to in clause 1.1 and will consider any submissions made by the Licensee in relation to the continued operation of the conditions.

2. Customer numbers

- 2.1. The Licensee must not sell gas to more than 1,000 Victorian customers before 31 May 2024.

3. Enhanced senior executive accountability

- 3.1. The Licensee must not arrange for de-energisation of the premises of a small customer for non-payment unless a Senior Executive has approved the arrangement of that de-energisation.
- 3.2. The Licensee must arrange for its board of directors to review a report on all type 1 and type 2 breaches under the Compliance and Performance Reporting Guideline at least once every six months. That report must include:
 - i. a summary of the circumstances of the breach or potential breach;
 - ii. action, if any, taken by the Licensee to address the cause of any breach or potential breach

4. Specialist Energy Team

- 4.1. The Licensee must:
- i. establish prior to the commencement of its activities under this licence, a team of persons to respond to customer enquiries in relation to its activities under this licence (Energy Specialist Team);
 - ii. subject to clause 5 and 6, direct all small customer enquiries and complaints received by Telstra Group either in-store, over the phone or via online chat, which are predominately related to the sale of energy in Victoria, to the Energy Specialist Team unless the enquiry or complaint falls within an Excepted Duty. The Licensee will not be in breach of this Licence if a person who contacts Telstra Group ceases or terminates contact before the enquiry or complaint can be directed to the Energy Specialist Team; and
 - iii. ensure that persons on the Energy Specialist Team do not undertake duties on behalf of other businesses in the Telstra Group unless the duty performed is an Excepted Duty.
- 4.2. The Licensee must ensure that training is provided to all persons on the Energy Specialist Team on an annual basis in relation to:
- i. identification and escalation of compliance issues; and
 - ii. First Nations Australians cultural awareness.
- 4.3. Nothing in clause 4.1(iii) prevents the Energy Specialist Team undertaking duties pertaining to: the sale of energy in other jurisdictions; or, activities pursuant to any other licence granted by the commission.

5. Customers affected by family violence

- 5.1. Nothing in clause 4.1, prevents the Licensee arranging for customers who may be affected by family violence being provided support by Telstra Group.

Note: Part 3A of the Energy Retail Code of Practice provides obligation in relation to training and account security that must be complied with.

6. First Nations Australians

- 6.1. Nothing in clause 4.1, prevents the Licensee arranging for customers who may identify as First Nations Australians being provided support by Telstra Group.
- 6.2. The Licensee must, within six months of commencing its activities pursuant to this licence, make available a dedicated telephone service for First Nations Australian Customers (First Nations Hotline) where customers may obtain assistance in relation to:
- i. the terms and conditions of their energy contract with the Licensee; and
 - ii. assistance available under the Energy Retail Code of Practice.

- 6.3. The Licensee must, within six months of commencing its activities pursuant to this licence, appoint a person with responsibility for the Licensee's engagement with First Nations Customers.