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Electricity Industry Act 2000

RED ENERGY FEED-IN TERMS AND CONDITIONS

Effective as at: 26 June 2008.

The **Electricity Industry Act 2000** (Vic.) has recently been amended to include an obligation on licensed electricity retailers, including Red Energy Pty Limited, to publish the terms and conditions on which they will purchase electricity from small renewable energy generation facilities. The offer is generally referred to as a 'feed-in offer'.

Red Energy Pty Limited has set out below its additional terms and conditions on which it will provide feed-in offers to customers. These feed-in terms and conditions supplement Red Energy's Customer Charter and each customer's product and pricing schedule.

1. Definitions

Capitalised terms not defined in this clause 1 have the same meaning as given in the Customer Charter, except:

- (1) 'Act' means the **Electricity Industry Act 2000** (Vic.);
- (2) 'Bill' means a tax invoice issued by Red Energy for payment of Electricity Charges under an Electricity Supply Contract;
- (3) 'Billing Period' means the frequency upon which Bills are issued by Red Energy to customers, which is either Monthly or Quarterly;
- (4) 'Connection' is as defined in clause 6(2) of these Feed-In Terms and Conditions;
- (5) 'Connection Charge' is as defined in clause 6(3);
- (6) 'Connection Request' is as defined in clause 6(1);
- (7) 'Customer Charter' means the Red Energy Customer Charter which sets out the standard terms and conditions for the sale and purchase of Energy to Red Energy customers;
- (8) 'Distribution System' means a network of pipes, poles and wires, meters and controls used to deliver electricity to and from Your Property;
- (9) 'Electricity Charge' means the charge per megawatt of electricity supplied by Red Energy and consumed by You at Your Property and any associated charges;
- (10) 'Electricity Supply Contract' means an Agreement between You and Red Energy for the supply of electricity by Red Energy to You at Your Property;
- (11) 'Eligibility Criteria' is as defined in clause 4 of these Feed-In Terms and Conditions;
- (12) 'Expiry Date' means the expiry date of Your Feed-In Contract as set out in Your Product and Pricing Schedule;
- (13) 'Feed-In Contract' is as defined in clause 3;
- (14) 'Feed-In Credit' means a credit on Your Bill for generating Feed-In Electricity in a Billing Period;
- (15) 'Feed-In Electricity' means the electricity generated by Your SREGF at Your Property and transmitted into the Distribution System from Your Property;
- (16) 'Feed-In Offer' means an offer made by Red Energy to purchase Your Feed-In Electricity on and subject to the terms of a Feed-In Contract;
- (17) 'Feed-In Tariff' means the price per kilowatt hour of Feed-In Electricity as set out in clause 8(2);

SPECIAL

- (18) ‘**Feed-In Offer Terms and Conditions**’ means these terms and conditions which are Additional Terms and Conditions for the purposes of the Customer Charter;
- (19) ‘**Government Agency**’ includes a department of State, statutory or public authority, instrumentality, corporation, body or person whether Commonwealth, State, territorial or local;
- (20) ‘**KW**’ means kilowatts;
- (21) ‘**Meter Data**’ means the measurements and data obtained from Your Metering Equipment;
- (22) ‘**Metering Equipment**’ means a electricity meter and ancillary equipment that records measurements from Your SREGF which may include the quantity of electricity consumption at Your Property and the quantity of Feed-In Electricity generated at Your Property and transmitted into the Distribution System;
- (23) ‘**Metering Data Provider**’ is as defined in the National Electricity Rules;
- (24) ‘**Month**’ means calendar month and ‘**Monthly**’ means each calendar month;
- (25) ‘**National Electricity Law**’ means the **Electricity Industry Act 2000**;
- (26) ‘**National Electricity Rules**’ means the national electricity rules made under the National Electricity Law;
- (27) ‘**Net System**’ means the system of netting off of electricity generation with electricity consumption at Your Property in intervals whereby, the Property consumes the Feed-in Electricity first and then to the extent that the Feed-In Electricity does not satisfy the electricity usage requirements of the Property, then electricity will be obtained from the Distribution System and vice versa;
- (28) ‘**Quarterly**’ means each period of three Months;
- (29) ‘**Red Energy**’ means Red Energy Pty Limited, ABN 60 107 479 372, of 2 William Street, East Richmond, Vic. 3121;
- (30) ‘**Renewable Energy Certificate**’ is as defined in the **Renewable Energy (Electricity) Act 2000** (Cth);
- (31) ‘**Representative**’ means any officer, employee, agent, contractor or subcontractor of Red Energy;
- (32) ‘**Small Renewable Energy Generation Facility**’ or ‘**SREGF**’ is as defined in the Act; and
- (33) ‘**You**’ means the customer of Red Energy and the person residing at Your Property.

2. Interpretation

In these Feed-In Terms and Conditions,

- (1) a clause reference it to these Feed-In Terms and Conditions unless otherwise stated;
- (2) a reference to:
 - (a) the singular includes the plural and the plural includes the singular;
 - (b) a person includes a firm, an unincorporated association, a Government Agency or body corporate;
 - (c) a party includes:
 - (i) in the case of a body corporate, its successors, assigns and substitutes (including persons taking by novation); and
 - (ii) in the case of a natural person, the person’s executors, administrators, assigns and substitutes (including persons taking by novation);
 - (d) a statute, regulation or provision of a statute or regulation (‘Statutory Provision’) includes any amendment or replacement;

- (e) a Government Agency includes a Government Agency to which the functions of a former Government Agency are or have been allotted or assumed; and
- (f) a monetary amount is to Australian dollars, unless otherwise stated;
- (3) if a party consists of more than one person, these Feed-In Terms and Conditions binds each of them separately and any two or more of them jointly;
- (4) an obligation, representation or warranty in favour of more than one person is for the benefit of them separately and jointly;
- (5) 'including' and similar expressions are not words of limitation; and
- (6) headings are for convenience only and do not form part of these Feed-In Terms and Conditions or affect its interpretation.

3. Feed-In Terms and Conditions

- (1) These Feed-In Terms and Conditions only apply in respect of electricity generated by Your SREGF under a Net System.
- (2) You agree to sell, and Red Energy agrees to purchase, Your Feed-In Electricity in accordance with Your Feed-in Contract.
- (3) Your Feed-In Contract comprises:
 - (a) these Feed-In Terms and Conditions;
 - (b) the Customer Charter; and
 - (c) Your Product and Pricing Schedule.
- (4) Your Feed-In Contract commences on and takes effect in accordance with the Customer Charter.
- (5) Your Feed-In Contract will continue in force until:
 - (a) it is terminated by either party under clause 13 or in accordance with the Customer Charter; or
 - (b) the Expiry Date,whichever is earlier.

4. Eligibility

You are eligible to take up the Feed-In Offer if You:

- (1) have installed a SREGF at Your Property which is less than 100 kilowatts in capacity;
 - (2) consume a quantity of electricity per calendar year that is less than 160 megawatt hours;
 - (3) generate, or propose to generate, Feed-In Electricity at the same Property at which you consume and purchase electricity; and
 - (4) have written consent from Your Distributor to connect Your SREGF into the Distribution System,
- ('Eligibility Criteria').

5. Conditions Precedent to the Commencement of Your Feed-In Contract

- (1) The commencement of Your Feed-In Contract is subject to and conditional upon You:
 - (a) satisfying the Eligibility Criteria;
 - (b) at Your cost, installing and connecting Your Metering Equipment to Your SREGF at Your Property;
 - (c) at Your cost, installing and connecting Your SREGF into the Distribution System;

- (d) if you are not already a customer of Red Energy, becoming a customer of Red Energy for the purchase of Your electricity that is consumed at Your Property; and
 - (e) fulfilling any other conditions imposed by Red Energy or by Your Distributor, as notified to You.
- (2) You are not obliged to, in addition to purchasing electricity, purchase gas from Red Energy in order to be eligible to enter into a Feed-in Contract with Red Energy.

6. Connection

- (1) At Your request and subject to clause 6(4), Red Energy may arrange for, and have connected for You, Your Metering Equipment to the Distribution System and to Your SREGF, subject to You:
- (a) providing Red Energy with:
 - (i) Your contact details;
 - (ii) the address of the Property at which the SREGF and Metering Equipment is installed; and
 - (iii) if You are not the owner of the Property:
 - (A) the contact details of the owner of the Property or the details of the real estate agent managing the Property; and
 - (B) a copy of a letter from the owner of the Property consenting to the installation and connection of the Metering Equipment;
 - (iv) all documents and other information to Red Energy as required under the **Electricity Safety Act 1998** including a copy of a certificate of electricity safety in respect of the SREGF and the Metering Equipment; and
 - (b) complying with and satisfying the obligations set out in clause 1 of the Retail Code,
(‘Connection Request’).
- (2) As soon as practicable, but by no later than the next Business Day following receipt of Your Connection Request, Red Energy will request that the relevant Distributor or Metering Data Provider, as the case may be, for the area in which Your Property is located (‘Connector’), connect Your Metering Equipment into the Distribution System and to the SREGF (‘Connection’) in accordance with that Connection Request.
- (3) Red Energy will notify you of any charges, costs or expenses likely to be incurred by the Connector in carrying out the Connection (‘Connection Charges’), prior to any work being carried out.
- (4) You will be responsible for and liable to pay Red Energy any and all Connection Charges invoiced by the Connector to Red Energy and those Connection Charges will be passed through to You by Red Energy as a separate charge on Your Bill in the next Billing Period.

7. Measurement of Electricity Generation and Equipment

- (1) The quantity of Feed-in Electricity in a Billing Period calculated by Red Energy or the Meter Provider, as the case may be, will be based on Your Meter Data and will be:
- (a) prima facie evidence of the amount of electricity that is generated by Your SREGF in that Billing Period; and
 - (b) the quantity of electricity for which You will be credited on Your Bill for that Billing Period in accordance with clause 9 of these Feed-In Terms and Conditions.

- (2) The Metering Equipment and the SREGF are not owned, operated or controlled by Red Energy and Red Energy excludes all liability arising, whether directly or indirectly in connection with Your Metering Equipment or Your SREGF.
- (3) Red Energy does not give any express or implied warranty to You about the adequacy, safety or other characteristics of Your own SREGF, electrical installation or Metering Equipment.

8. Property Feed-In Tariffs

- (1) In consideration for the quantity of Feed-In Electricity You transmit into the Distribution System in a Billing Period, Red Energy will credit You the Feed-In Tariff.
- (2) As at the date of these Feed-In Terms and Conditions, for each Distributor set out in column one of the table below, the corresponding Feed-In Tariff is as set out in column two of the table below.

Distributor	Feed-In Tariff (GST excl) in c/kWh
SP Ausnet	14.46
United Energy	15.42
Citipower	14.17
Powercor	15.96
Alinta AE	15.61

- (3) Red Energy will credit You the Feed-In Tariff which is applicable to You based on the location of Your Property and the corresponding Distributor operating in that location.
- (4) Red Energy will credit You the Feed-In Tariff at the same frequency that Red Energy seeks payment from You for Your Electricity Charges on Your Bill.
- (5) If Red Energy is not able to obtain Meter Data for the relevant Billing Period, or Red Energy is not able to reliably base Your Bill on the Meter Data, Red Energy will estimate the amount of Feed-In Electricity generated by Your SREGF based on the relevant provisions in the Retail Code.
- (6) Red Energy will provide Feed-In Tariffs that are equal to or greater than the equivalent Electricity Charge charged by Red Energy for the same quantity of electricity consumed at Your Property.

9. Your Electricity Bill

- (1) If, at the end of a Billing Period, Your Metering Equipment records a positive amount of Feed-In Electricity that has been transmitted into the Distribution System from Your SREGF, Red Energy will insert a Feed-In Credit on Your Bill in the next Billing Period which is calculated in accordance with the following formula:

$$C = E \times T$$

where:

C = the Feed-In Credit for a Billing Period for generating the Feed-In Electricity;

E = the quantity of Feed-In Electricity generated by You in that Billing Period; and

T = the applicable Feed-In Tariff in cents per KW hour.

- (2) If the Feed-In Credit in a Billing Period is:
 - (a) less than the Electricity Charge for the same Billing Period, Red Energy will invoice You on Your Bill in the next Billing Period, for payment of the difference between the total Electricity Charge and the Feed-In Credit; or

- (b) more than the total Electricity Charge for the same Billing Period, Red Energy will credit Your Bill in the next Billing Period, the difference between the Feed-In Credit and the Electricity Charge.
- (3) If You believe Your Bill contains an error, is inaccurate or incomplete, You may request that Red Energy review Your Bill in accordance with the Customer Charter.

10. Costs

- (1) You are responsible for and liable to pay any and all costs associated with:
 - (a) the installation, connection, services and ongoing maintenance of Your SREGF; and
 - (b) the installation, connection, metering services and ongoing maintenance of Your Metering Equipment.
- (2) If a Government Agency imposes any Distribution System charges, expenses or costs on Red Energy that relate to Your Feed-in Contract, Red Energy may, at any time, pass through those charges, expenses or costs to You, at the same rate as it was imposed on Red Energy, which You will be liable to pay.

11. Customer Obligations

- (1) You must:
 - (a) comply with all Relevant Laws and the terms of Your Feed-In Contract at all times;
 - (b) maintain and comply with Your agreement with Your Distributor at all times for electricity metering connection, disconnection, reconnection and metering services;
 - (c) not increase the energy capacity of Your SREGF without Red Energy's prior written consent;
 - (d) provide Red Energy and its Representatives with access to Your SREGF at Your Property for inspection purposes at all reasonable times and on reasonable notice, and You agree to provide Red Energy with prior notice of any safety hazard which could in any way pose a risk to the health or safety of any Representative of Red Energy at Your Property;
 - (e) not tamper or interfere with the Metering Equipment; and
 - (f) keep the Metering Equipment and any ancillary equipment or connections in good condition and repair.
- (2) You warrant that Your supply of Feed-In Electricity is wholly of a private or domestic nature, within the meaning of the **Taxation Administration Act 1953**.
- (3) If Your supply of Feed-In Electricity is not of a private or domestic nature, You must provide Red Energy with a valid Australian Business Number relevant to Your supply of Feed-In Electricity to Red Energy.
- (4) You will indemnify Red Energy for any loss, cost, damage, expense or claim suffered by Red Energy as a result of Red Energy failing to withhold any amount in respect of tax from any payment or credit to be made to You under Your Feed-In Contract.

12. Your Records

- (1) You may request that Red Energy provide You with copies of records relating to your Feed-In Contract retained by Red Energy at any time.
- (2) If Red Energy receives a request from You for copies of records relating to Your Feed-In Contract, Red Energy will process Your request in the same manner as a request for historical data relating to a supply of electricity to a customer under the Retail Code.
- (3) If You request copies of Your records relating to Your Feed-In Contract after you are no longer a customer of Red Energy, Red Energy may charge You a fee for providing such records to You.

- (4) If You cease to be a customer of Red Energy at any time, Red Energy will retain historical records relating to Your Feed-In Contract for a period of 2 calendar years following the date on which you ceased to be a customer of Red Energy in accordance with the Customer Charter.

13. Termination

- (1) You may elect to terminate Your Feed-In Contract at any time prior to the Expiry Date for any reason by notifying Red Energy, without terminating any Electricity Supply Contract.
- (2) Subject to clause 13(3), Red Energy may, at any time, terminate Your Feed-In Contract by providing not less than 28 days written notice to You if:
- (a) Your Electricity Supply Contract with Red Energy is terminated for any reason;
 - (b) You vacate the Property;
 - (c) You enter into an electricity feed-in contract with another retailer;
 - (d) the generating capacity of Your SREGF exceeds 100 kilowatts in capacity; and/or
 - (e) You breach a provision of Your Feed-In Contract and/or these Feed-In Terms and Conditions and You fail to remedy that breach within 10 calendar days of being notified of the breach by Red Energy,
- but only where You have either:
- (f) entered into a new Feed-In Contract with Red Energy in respect of the SREGF at Your Property; or
 - (g) transferred Your feed-in arrangements in respect of the SREGF at Your Property to another retailer.
- (3) Termination of Your Feed-In Contract under this clause 13 takes effect on:
- (a) where You have entered into a new Feed-In Contract with Red Energy, the expiry of any cooling-off period;
 - (b) if You terminate Your Feed-In Contract in order to transfer Your feed-in electricity arrangements to another retailer, the date Your new retailer becomes responsible for the feed-in contract; or
 - (c) if Your Electricity Supply Contract has been terminated, the date when You no longer have a right under the Retail Code to be reconnected,
- whichever is later.

14. Consequences of Termination

If Your Feed-In Contract is terminated at any time in accordance with Your Feed-In Contract or the Retail Code:

- (1) You may be required to pay an early termination fee to Red Energy of an amount which is specified in Your Product and Pricing Schedule;
- (2) and as at the date of termination You have a positive Feed-In Credit, Red Energy will pay You the amount of the Feed-In Credit, by the method nominated by You; and
- (3) Red Energy may arrange to have Your SREGF and Metering Equipment disconnected immediately following the date of termination under clause 13.

15. Expiry of the Feed-In Contract

- (1) If Your Feed-In Contract is a Fixed Term Contract, by no later than 1 Month prior to the Expiry Date, but no earlier than 2 Months prior to the Expiry Date, Red Energy will notify You:

- (a) that Your Feed-In Contract is about to expire in accordance with the Expiry Date;
 - (b) of Your options in respect of Your feed-in electricity arrangements at Your Property, following the Expiry Date; and
 - (c) the Feed-In Tariff and terms and conditions that will otherwise apply following the Expiry Date,
- (‘Expiry Notice’).
- (2) If, following receipt of an Expiry Notice, You do not notify Red Energy in respect of Your feed-in electricity arrangements following the Expiry Date, Your Feed-In Contract will continue after the Expiry Date on the terms and conditions notified to You in that Expiry Notice, subject to the Feed-In Tariffs and Feed-In Offer taking effect in accordance with section 40H of the Act.

16. Disconnection

Red Energy may request that the Distributor disconnect Your SREGF and Metering Equipment from the Distribution System at any time and without any prior notice, at Your cost, if:

- (1) Your electricity supply has been or will be disconnected by Red Energy in accordance with provisions of the Retail Code or the Customer Charter;
- (2) You have vacated the Property;
- (3) the capacity of Your SREGF exceeds 100 kilowatts;
- (4) You have breached a provision of Your Feed-In Contract; or
- (5) Your Feed-In Contract has been terminated under clause 13.

17. Reconnection

If Your Metering Equipment and SREGF has been disconnected from the Distribution System by Your Distributor at the request of Red Energy in accordance with clause 16 or in accordance with the Customer Charter, You may request that Red Energy arranges for Your Metering Equipment and SREGF be re-connected to the Distribution System subject to You:

- (1) complying with Your Feed-In Contract including (but not limited to) the Eligibility Criteria;
- (2) paying any re-connection charges imposed on Red Energy by the Distributor; and
- (3) You remedying any breach by You of Your Feed-In Contract as notified to You by Red Energy.

18. GST

- (1) In this clause 18, except for defined terms, capitalised expressions have the same meaning as given in **A New Tax System (Goods and Services Tax) Act 1999** Cth.
- (2) All amounts payable or the value of other consideration provided in respect of Taxable Supplies made in relation to this Feed-In Contract are exclusive of GST (if any).
- (3) If a GST is levied or imposed on any Taxable Supply made (or deemed to have been made) under or in accordance with this Feed-In Contract, the amounts payable or the value of the Consideration provided for that Taxable Supply (‘**Payment**’) must be increased by such amount as is necessary to ensure that the amount of the Payment net of GST is the same as it would have been prior to the imposition of GST.
- (4) Where any amount is payable as a reimbursement, indemnification or similar payment calculated by reference to a loss, cost, expense or other amount incurred, then that amount must be reduced by any Input Tax Credit available to that party and, if a Taxable Supply, must be increased by the GST payable in relation to the Taxable Supply and a Tax Invoice will be provided by the party being reimbursed or indemnified.

- (5) Subject to clause 18(6) of these Feed-In Terms and Conditions, all GST payable must be payable at the time any payment to which it relates is payable. Where any GST payable is not referable to an actual payment then it shall be payable within 10 calendar days of a tax invoice being issued by the party making the Taxable Supply.
- (6) Where in relation to this Feed-in Contract a party makes a Taxable Supply, that party must provide a Tax Invoice in respect of that Taxable Supply before the GST payable in respect of that Taxable Supply becomes due.
- (7) If:
 - (a) You are registered, or required to be registered for GST; and
 - (b) in any Billing Period You receive a:
 - (i) Feed-In Credit;
 - (ii) an amount of money; or
 - (iii) a credit against sums that would otherwise be payable by You to Red Energy,
from Red Energy in accordance with clause 9 of these Feed-In Terms and Conditions, unless you have entered into an arrangement with Red Energy allowing Red Energy to issue recipient-created tax invoices on Your behalf, within seven calendar days of receiving the payment or the credit (as the case may be), You must send to Red Energy a valid Tax Invoice for the advised amount of the Feed-In Credit and applicable GST.
- (8) If:
 - (a) You are registered, or are required to be registered for GST; and
 - (b) You are legally able to enter into an arrangement with us allowing us to issue receipt created tax invoices, You must (at Red Energy's sole discretion) enter into such an arrangement.

19. Red Energy Liability

You acknowledge and agree that:

- (1) as an electricity retailer, Red Energy does not operate or control the Distribution System in any way and accordingly Red Energy cannot and does not warrant or make any representations to You regarding:
 - (a) the quality or the frequency of electricity produced by You or supplied to You;
 - (b) interruptions to the flow of electricity;
 - (c) the occurrence of any power surges or power dips;
 - (d) the ability of the Distributor to accept Your Feed-In Electricity; or
 - (e) the ability of Your Feed-In Electricity to be transmitted into the Distribution System; and
- (2) to the fullest extent permitted by law, Red Energy will not be liable to You for any loss, cost, damage, liability, expense or claim arising directly or indirectly in connection with:
 - (a) Your Feed-In Contract;
 - (b) Your Metering Equipment;
 - (c) Your SREGF;
 - (d) Your lack of ability to generate and transmit Feed-In Electricity into the Distribution System; or
 - (e) any and all Feed-In Electricity You generated and transmitted into the Distribution System.

20. Miscellaneous

- (1) Subject to clause 20(2) of these Feed-In Terms and Conditions, these Feed-in Terms and Conditions may only be varied by agreement in writing between You and Red Energy.
 - (2) Red Energy may vary Your Feed-in Tariff by providing You with prior written notice of Your new Feed-In Tariff as soon as reasonably practicable, but by no later than Your Bill in the next Billing Period.
 - (3) Unless otherwise agreed with Red Energy in writing, Your Feed-in Contract does not assign to Red Energy any rights or interests in Renewable Energy Certificates generated by Your SREGF.
 - (4) Red Energy will issue any and all notices in writing to You at your current billing address notified by You to Red Energy from time to time and by no later than the date of Your Bill in the next Billing Period.
 - (5) Red Energy may set off or deduct any amount owing to it from You under any agreement in place between You and Red Energy, from amounts payable by Red Energy to You.
 - (6) Despite any other provision of this Feed-In Contract, if there is any inconsistency between:
 - (a) Your Product and Pricing Schedule;
 - (b) these Feed-In Terms and Conditions; or
 - (c) the Customer Charter,whether wholly or in part, then to the extent of any such inconsistency, the relevant sections of the Feed-in Contract will prevail in the order set out above.
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