

Embedded network

This Fact Sheet explains what embedded networks are and your rights if you are a customer in a private electricity network that supplies your apartment building, retirement village, caravan park or shopping centre.



What is an embedded network?

Most customers buy electricity from an authorised retailer, but some are supplied by embedded network operators, which are also known as 'exempt sellers' or 'on-sellers'.

An embedded network is a private network that supplies residents or businesses within a specific area, such as an apartment building, a shopping centre, a caravan park or a retirement village. Embedded networks are connected to the wider electricity network – the grid.

The embedded network operator usually buys electricity in bulk from a retailer through the connection point and on-sells it to its customers inside the network.

Some residents and businesses located within embedded networks are able to choose to have their electricity supplied by an authorised retailer, instead of the embedded network operator.



Changes to regulations

Due mainly to their small size and the fact that the on-selling of electricity is usually not a major part of their business, operators of embedded networks are exempt from becoming authorised retailers. That means they do not have to comply with national electricity and energy retail laws. Instead, they are subject to guidelines administered by the Australian Energy Regulator (AER).

The guidelines ensure that embedded network operators on-sell electricity in a safe and reliable way and that their customers enjoy many of the same customer protections provided to customers of authorised retailers through the national electricity and energy retail laws.

The prices the operators of embedded networks can charge their customers for electricity are also regulated.

Previously customers of embedded networks did not have access to the free dispute resolution services of an energy ombudsman. Customers who couldn't resolve their complaints directly with their embedded network operator had to contact the South Australian Civil and Administrative Tribunal or another dispute resolution body to help them with their complaint.

The good news is that the AER recently changed the dispute resolution obligations applying to embedded network operators so that they now have to be members of an approved ombudsman scheme.

Embedded network operators who supply electricity to residential customers – for example residents in an apartment building, a caravan park or a retirement village – are now required to become members of the ombudsman scheme in the state they operate in; in South Australia it is the Energy and Water Ombudsman SA.

Residential customers in South Australia who buy their electricity from an embedded network operator can now make a complaint to us if they can't resolve their complaints directly with their supplier.

How do I make a complaint about an embedded network?

The first thing you must do is try to resolve your issue with your embedded network operator. If that isn't successful, you can contact us to make a complaint.

There are four simple options for lodging a complaint with us.

- use the online complaint form on our website at www.ewosa.com.au
- free call 1800 665 565 (calls from mobile phones may attract charges - let us know you're calling from a mobile and we'll call you back)
- free fax 1800 665 165
- write to GPO Box 2947, Adelaide SA 5001.