



**Matt Kean**  
Treasurer  
Minister for Energy

## **MEDIA RELEASE**

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### **A BETTER DEAL FOR EMBEDDED NETWORK CUSTOMERS**

People living in apartment blocks, retirement villages and caravan parks are among the 150,000 energy customers set to benefit from tough new rules to lower energy bills and increase consumer protections for people living in embedded networks.

The NSW Liberal and Nationals Government today announced its Embedded Network Action Plan to cut energy bills, which includes:

- Introducing a maximum, IPART determined price for gas and for hot and chilled water supplied through embedded networks.
- Initiating an IPART review into electricity prices in embedded networks, to recommend whether the maximum price within embedded networks should be set below the Commonwealth's default market offer.
- Initiating an IPART review on whether the NSW Government should ban the establishment of new hot and chilled water embedded networks.

The NSW Government will also write to the Australian Energy Regulator requesting that it only approve new electricity and gas embedded networks that are in the interests of consumers, and offering to initiate changes to the National Electricity and Gas Rules if necessary in order to achieve that outcome.

Treasurer and Minister for Energy Matt Kean said that embedded networks have failed to deliver for many energy consumers, adding complexity and holding back customers from getting the best deals the market has to offer.

“Whether you’re living in a free-standing home, or in an apartment block, caravan park or retirement village, every family should be able to access essential services at a fair price,” Mr Kean said.

“These reforms will help ensure that embedded network customers are no longer disadvantaged simply because of where they choose to live.”

Embedded networks are private energy networks which on-sell energy from retailers to households and small businesses in multiple premises like apartment blocks, retirement villages, caravan parks and shopping centres.

The Energy and Water Ombudsman estimated 95,400 households lived in residences within electricity embedded networks and there are a further 64,000 hot water embedded network customers.

The number of embedded networks in Australia has increased recently due to a new business model where developers outsource the ownership of the energy infrastructure beyond the connection point with the electricity or gas distributor.

This can lower building costs for developers and in return the third party can become the monopoly provider of energy to the building.

These reforms build on recent work by the NSW Liberal and Nationals Government to:

- Put downward pressure on bills through delivery of the Electricity Infrastructure Roadmap
- Provide a range of energy rebates including rebates for low income households, family tax benefit recipients and seniors, along with energy account payment assistance
- Commit to \$250 rebates under the NSW Energy Bill Saver program for households who compare their current energy deal

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