



## Application Solar Power Purchase Agreement (PPA) Retail Licence Exemption

### Appendix A

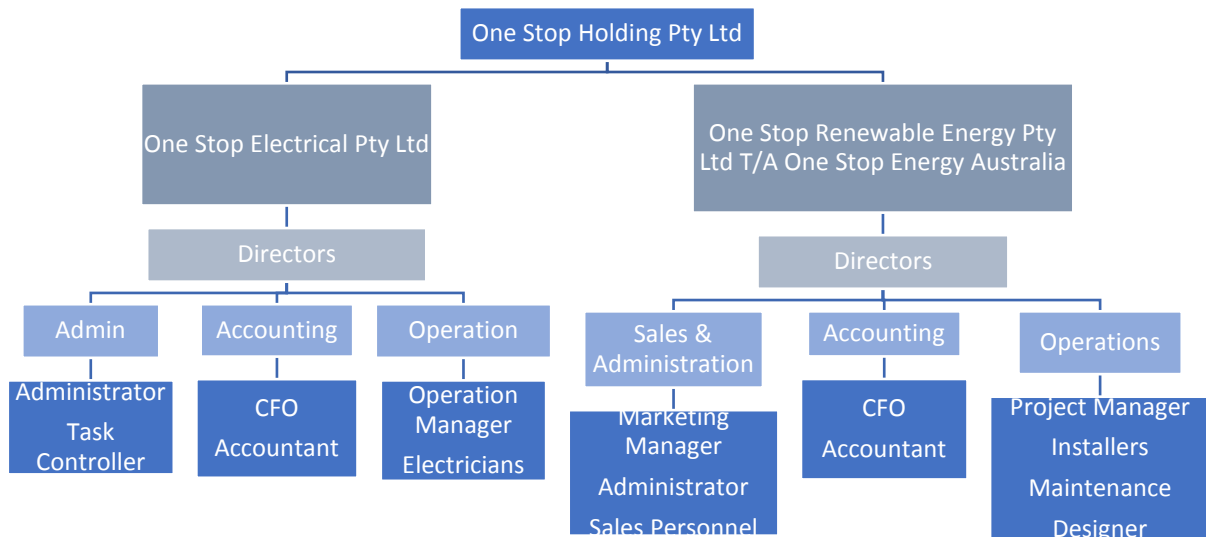
Applicant Details	
Legal Name	One Stop Renewable Energy Pty. Ltd. T/A
Trading Name	One Stop Energy Australia
Registered Office	16/200 Camboon Road, Malaga WA 6090
Principal Place of Business	16/200 Camboon Road, Malaga WA 6090
Contact Details	
Name of Primary Contact	John McIlhone
Postal Address	16/200 Camboon Road, Malaga WA 6090
Telephone Number	0422 274 731
Email	John.m@onestop-energy.com.au
Company Structure	
ABN or ACN	62 624 317 264
Legal Structure	Corporation
Company Directors	Mr Soon Chul Hong Mr Thomas Won Ho Kim Mr Craig Pointing
Description of Primary Business Activities	One Stop Energy Australia is transitioning into solar with a focus on commercial solar and the provision of PV systems to generate and provide for sale renewable energy. Further details provided in Corporate Information Ref. Appendix C
Associated Entities	One Stop Electrical Holdings One Stop Electrical
Business Requirements	
Brief description of the business model, including forecasted type (commercial and residential) and number of businesses.	Details provided in Corporate Information Ref. Appendix C
Details of experience in selling energy products and services	Details provided in Corporate Information Ref. Appendix C

## Appendix B – Retail Licence Exemption Application Checklist

A version of the application suitable for publication on the Department of Finance website.	<input checked="" type="checkbox"/>	Appendix C – Pg.3
An overview of the applicant’s corporate structure.	<input checked="" type="checkbox"/>	Appendix C – Pg.3
Identity information, including legal and trading name (if relevant) and ABN or CAN.	<input checked="" type="checkbox"/>	Appendix A – Pg.1
Registered postal address and contact details of the applicant.	<input checked="" type="checkbox"/>	Appendix A – Pg.1
Name and contact details of the applicant’s main contact person.	<input checked="" type="checkbox"/>	Appendix A – Pg.1
An overview of the applicant company’s profile and a description of the company’s main business activities.	<input checked="" type="checkbox"/>	Appendix C – Pg.3
Description of the company type (public, private, joint venture, other body corporate partnership, sole trader or other entity).	<input checked="" type="checkbox"/>	Appendix C – Pg.3
A list of associated or controlled entities, including the degree of control exercised.	<input checked="" type="checkbox"/>	Appendix C – Pg.3
A description of the applicant’s business model, including forecasts for the number of customers expected to be serviced under a solar PPA over the next three (3) years.	<input checked="" type="checkbox"/>	Appendix C – Pg.3
A written declaration from the applicant attesting to the applicant’s financial solvency.	<input checked="" type="checkbox"/>	Appendix C – Pg.3
A copy of the applicant’s proposed solar PPA Product Disclosure Statement.	<input checked="" type="checkbox"/>	Appendix C – Pg.6
A description of the applicant’s previous experience selling energy or solar PPA products.	<input checked="" type="checkbox"/>	Appendix C – Pg. 3
Details of whether the applicant holds or has previously held or been subject to an energy selling retail licence, licence exemption or retailer authorisation in any Australian State or Territory including Western Australia.	<input checked="" type="checkbox"/>	Appendix C – Pg.3
Details about any breaches of those licences, exemptions or authorisations where a penalty or enforcement order was applied.	<input checked="" type="checkbox"/>	Appendix C – Pg.3
Details of any current or ongoing investigations about an alleged breach of a licence, exemption or authorisation.	<input checked="" type="checkbox"/>	Appendix C – Pg.3
Statements and evidence to enable the Governor to consider whether granting a licence exemption would be contrary to the public interest.	<input checked="" type="checkbox"/>	Appendix C – Pg.3

## Appendix C – Referenced Information

### Corporate Structure



### Company Profile & Description of Primary Business Activities

One Stop Energy Australia views itself as the next generation of energy companies focused entirely on the renewable and sustainable energy sector with solar at its core. The business has emerged from a company called One Stop Electrical, an electrical services company that has been meeting the electrical needs of mostly commercial and industrial companies in Western Australia since 1991. It provides the full range of electrical works and services, including maintenance and repair to commercial and industrial clients as well as some residential customers. This organisation continues to trade as a related but separate business unit, a business that values its customers and works hard at maintaining effective customer service and relationships.

One Stop Energy Australia is a relatively new company that is focused on a sustainable energy future. It works closely with One Stop Electrical and where it can, offers to add value to existing customer

operations by enabling businesses to better understand their energy options, gain more control of their energy needs and importantly assist them reduce their electricity costs.

The growing shift to renewables, particularly Solar PV makes economic sense for individuals and business while the environment benefits from lower emissions, thereby providing dividends to the community. One Stop Energy Australia's renewable energy solutions will make use of technology to deliver cost-effective clean energy options for business customers.

The organisation has expanded into Solar PV with a particular emphasis on larger commercial solar systems. One Stop Energy Australia is building capability and is engaging the people, the expertise, the technology and the systems and has the investment capital required to succeed in the renewable energy market. The organisation has also recently become a member of a specialist finance provider network that only provides funding and financial services and support to renewable energy projects.

## **Company Description & Business Model**

The One Stop Energy Australia **Vision** is....satisfied customers benefiting from cheaper sustainable energy.... It is a clear and fundamental statement about what motivates and drives the organisation, a statement of intent which is followed closely by the **Mission Statement**....the design and delivery of Solar PV Systems that encourage and enable affordable renewable energy solutions.....

The business model is premised on the growth of the commercial solar market where companies are only now seeking assistance to understand their energy needs and how they can gain more control over their increasing energy costs, particularly contestable customers. The PPA product will be offered to customers as an additional option to the traditional offer to purchase or lease their commercial Solar System.

Under the terms and conditions of a One Stop Energy Australia PPA, it will install and retain ownership of the power generation system, with all energy output to be offered at a contracted price over agreed time-periods. Capital investment, management support and procurement assistance and expertise from Korean company, Hephzibah enables pricing competitiveness which will be reflected in customer tariff rates. Solar components procurement will be demand led with quantities secured on a just-in-time basis to avoid the cost and burden of carrying large quantities of inventory. Only quality and compliant components (CEC approved panels and inverters) will be installed with all metering including billing to performed by engaging third-party expertise from Meterwise Pty Ltd or a similar service. Outsourcing allows One Stop Energy Australia to be cost and therefore price competitive, responsive and flexible and focused on the business of providing affordable electricity as well as Solar PV System installation and maintenance.

The One Stop Energy Australia PPA contract price will always be less than the principal electricity provider tariff rate. This lower-cost commitment will enable smaller businesses in particular to benefit from improved cash-flows. A landlord agreement and waiver has been developed and will be negotiated where the business owner does not own the premises. The One Stop Energy Australia business model is based upon mutual gain, sustainable low-cost power generation, low-cost investment capital, quality components for superior performance, service excellence and customer satisfaction.

### **Financial Solvency**

See letter attached.

### **Previous PPA Experience**

One Stop Energy Australia or related entity has not yet provided energy services via a PPA agreement or contract and has never applied for nor previously obtained a retail licence to supply electricity. The organisation currently sells and installs solar systems to the commercial market as well as some larger residential systems.

### **Previous Retail Licence Holder Details**

One Stop Energy Australia has never before obtained a retail licence authorisation or exemption.

### **Details of Breaches of Licence Held**

One Stop Energy Australia has never before obtained a retail licence authorisation or exemption and therefore has never been subject to any related breaches.

### **Current or Ongoing Alleged Breaches**

One Stop Energy Australia has never before obtained a retail licence authorisation or exemption and therefore has never been subject to any related breaches, be they current, ongoing or otherwise.

### **Public Interest Statement**

One Stop Energy Australia is a renewable energy company that is seeking a retail licence exemption to provide sustainable, affordable solar energy to commercial businesses. In doing so it is advancing this aim on the back of a Government policy change that saw the Office of Public Utilities assess and recommend such an exemption in order to reduce regulatory burden, the cost of compliance and importantly, to enable and encourage competition. While it is understood the exemption being sought will relieve One Stop Energy Australia of a number of obligations covered by existing law, which seeks to protect the interests of consumers, the consumer protection safe-guards in ACL remain, while competition and private sector market discipline usually result in greater choice, competitive pricing and superior products and service(s) for consumers.

### **The Economics**

The prospects of growing business opportunities in this emerging electricity market-segment will attract new entrants but in any competitive market place, businesses are exposed to forces which encourage fair trading practices and which are also deemed desirable if not essential for customers to be engaged and retained.

Aside from the discipline and trading principles businesses are subject to in a competitive market the increased cost and subsequent burden placed upon businesses due to electricity price rises in the last decade in WA will be somewhat alleviated. The PPA Contract will provide commercial customers with

a lower-cost energy option that will also provide them with some control over their energy needs. Reduced operational costs is an immediate benefit, while some of the indirect benefits include increased investment in WA, improved local employment prospects and opportunities in a sustainable, innovative and technology focused market. There is no down-side to the economics of, the renewable energy sector, it offers choice, an alternative supply of electricity at a lower cost from an organisation that is itself a small business, operating in a de-regulated market that understands the cost pressures facing small business.

### **The Environment**

In relation to any Public Interest Test, it is arguably the environment that is the primary beneficiary from the installation of solar power generation. For example, the annual electricity production values from a 30kWp solar system equates to a 28,908 kg or 28.9 metric tonne reduction in carbon emissions which is the amount of CO<sub>2</sub> grid-electricity generation produces when burning coal and firing gas. Solar power is good for the environment, it is good for the community which means it's good for people and is the future for sustainable, affordable energy generation globally.

### **The Business-Consumer**

The primary benefit of solar electricity provided via a solar generation agreement is that it's a no-up-front-cost or out-of-pocket-expense alternative energy choice based upon its benefits, which for most businesses will primarily be its guaranteed lower cost. Businesses which do not have the cash flow to purchase a system will be able to gain the benefits of having a solar system. The Product Disclosure Statement document very clearly and in plain English states the benefits, rights, protections and obligations of a business customer as party to the agreement. The generation values of the system are estimated and explained as is the cost of the electricity over the period of the contract. The obligations One Stop Energy Australia has to maintain the system to ensure it operates at its optimum generation capacity is also emphasised, as it is of mutual benefit. We provide further details on where a full and complete understanding of the rights and protections afforded by Australian Consumer Law can be obtained, which includes unfair contract terms and our customer satisfaction credentials are supported by a policy that will deal with and seek to resolve any and all complaints as a time-bound priority.

## Product Disclosure Statement

### About this Solar Power Purchase Agreement (PPA)

This document is a Product Disclosure Statement and provides information and guidance on an alternative electricity supply offering from One Stop Energy Australia called a solar Power Purchase Agreement (PPA). As an alternative and additional electricity supply, it is important that you acknowledge that you understand this document and are fully aware of your rights and obligations before we can offer you your Power Purchase Agreement.

### Providing Power via a PPA

A solar Power Purchase Agreement (to be referred to as a PPA) is another means of purchasing electricity. One Stop Energy Australia will install a solar system at no cost to you and you will agree to purchase all of the electricity produced by the system for a contracted price over a period of time. You will also retain an electricity supply agreement with an existing electricity retailer which will be your principal electricity supplier. The PPA will provide electricity to your premises at a cost that will typically be lower than the electricity supplied by your retailer. In addition to the bill you receive from them you will be billed for the cost of electricity you use that is generated by the solar system. This solar system should be viewed as an additional source of electricity and a way of reducing your electricity costs but it will not provide all of your electricity.

### Electricity Retailer Licence Exemption

In order to sell electricity a provider, referred to as a retailer must be licenced. There are compliance obligations and codes under legislation (*WA Electricity Industry Act 2004*) for licenced retailers in relation to the services provided which includes protection for consumers. Licenced electricity retailers also have an obligation to become a member of the Electricity Ombudsman Scheme. One Stop Energy Australia has sought and obtained a retail licence exemption and so you need to be aware that One Stop Energy Australia is not subject to nor bound by the aforementioned obligations or by subsidiary legislation applied to licenced retailers of electricity.

### Consumer Protection

The supply of electricity under this PPA is subject to consumer protection mechanisms under Australian Consumer Law (ACL), namely the *Competition and Consumer Act 2010*. In addition to any protection or warranties afforded you in this PPA, the provision and operation of this PPA is subject to consumer protection provisions under Australian Consumer Law and to learn more about these protections and to understand your rights you can visit the Australian Consumer Law website for further information at: <http://consumerlaw.gov.au>

Australian Consumer Law provisions ensure your consumer rights are protected from:

- Misleading and/or deceptive conduct
- Unfair terms and conditions in a consumer contract
- Conduct that is unconscionable

Australian Courts will enforce Australian Consumer Law to protect and uphold the rights of consumers and they have enforcement powers including prosecution for breaches.

## The PPA Contract Period

The term of this PPA is negotiable but generally it is for ten years. At the end of this contract the system will be transferred to you. During the term the system will be owned and maintained by One Stop Energy Australia.

The Agreement includes an option for you to purchase the system during the term of the agreement. A buy-out schedule is included in the Agreement showing the system's purchase price during each year of the contract. When you exercise this option to purchase the system and pay the residual purchase price this Agreement will be terminated. The buy-out schedule is an appendix to the PPA which we will provide to you. The buy-out price in each year of the contract is based upon the full capital cost of the system depreciated over the term of the contract.

At the end of the contract period you become the system owner and all of the electricity generated will be yours or you have the option of entering into a new contract with One Stop Energy Australia.

## Moving Premises

If you move from the premises where the system is installed you must provide a minimum notice period of 3 weeks before vacating the premises. If this occurs you have several options including:

- You may transfer the PPA to a new owner or occupant of the building provided that that new occupant is acceptable to One Stop Energy
- Request the systems removal and relocation to new premises. One Stop Energy will provide a quotation for the cost to remove and relocate the system.
- Exiting the PPA contract by purchasing the system for its buy-out value.

## The PPA Cost per Kilowatt Hour

The cost of electricity generated by the system is [ ] cents per kWh. This price will remain fixed in the first three years of the contract. In subsequent years the cost per kWh will then be adjusted by the Consumer Price Index except in the event that the CPI exceeds the periodic increases in the tariffs offered by Synergy, in which case your contract price will be increased by the lesser of the two.

The daily supply charge which covers the costs of metering and billing will be \$0.30 per day.

## Terms of payment

Invoices will be sent monthly and payment is due 14 days from invoice. In the event that you agree to pay by direct debit, the daily supply charges will be waived.

## System Size and Estimated Generation

The size of your solar system will be determined in agreement with you as the Power Purchase Agreement provides that you will purchase all of the electricity produced by the system.



## Power Purchase Agreement

One Stop Energy Australia will analyse your detailed electricity consumption over the most recent full year and recommend a system size which best matches your consumption pattern. The objective of this is to minimize energy that would be exported or otherwise not used by you.

In the event that your electricity retailer purchases any exported electricity, they will show a credit to you on their account.

The Power Purchase Agreement which we will prepare for you will show the recommended system size and the expected output of that system as well as the amount of electricity which you may not use. It will also show the total cost of electricity for the first twelve months of the agreement.

### Measuring Electricity Generation

One Stop Energy Australia will install an approved meter, compliant with all Australian Accuracy Standards to measure the amount of electricity generated by your solar system. It will enable remote reading of the system's energy generation for billing purposes and also enable output monitoring for you and One Stop Energy Australia. The meter will only provide a reading of your solar generation. The amount of grid-electricity provided by your principal retailer to continue to be metered, maintained and billed separately.

### Grid Connection & Protection

One Stop Energy Australia will manage all of the requirements to obtain grid-connection approval from Western Power and in doing so will seek your authorisation to achieve this on your behalf. We will comply with Western Power requirements for network connection approval including system design and all electrical, engineering and network protection measures. The existing grid-connection to the Western Power network is provided via your principal electricity retailer. One Stop Energy Australia will only install fully compliant components and equipment and will adhere to all grid-connection requirements, which means any risk to the electricity network from the solar system is negligible.

### Maintenance and Repair

One Stop Energy Australia is responsible for the maintenance and repair of the solar system throughout the PPA contract period. The output of the system will be monitored to gauge system performance and from the first year after installation, annual system health-checks will be conducted to make sure the system is operating at its optimum. The PPA requires you to pay for the electricity generated by the solar system so there is an incentive for One Stop Energy Australia to maintain optimum output and performance.

If you believe there is an issue affecting the system's output and performance we ask that you inform One Stop Energy Australia at your earliest convenience so the system can be accessed, inspected and if faulty rectified quickly.

### Output and Performance Warranty

Due to factors beyond its control or influence One Stop Energy Australia does not warrant nor provide a minimum system performance guarantee.

## Power Purchase Agreement

However, the equipment installed by One Stop Energy has an output performance guarantee backed by the manufacturer which extends for 25 years the rights of which are transferred to you when you become the owner of the system

### Complaints and Dispute Resolution

One Stop Energy Australia seeks to deliver customer service excellence and a policy for managing customer complaints and/or disputes is in place. We will respond to your complaint immediately, we will aim to resolve the complaint immediately and if we cannot do this we will advise you of the time it will take to offer a resolution. If this is unsatisfactory you have access to a dispute resolution processes including the right to have the complaint referred to an independent Arbiter for mediation and resolution.

### Fees and Charges

There is no charge for installing the solar system. You will be billed monthly for the solar electricity generation and while you will have a choice on your preferred method of payment, including credit card and paper-based bill payment options, One Stop Energy Australia prefers electronic billing and payments. In the event One Stop Energy Australia incurs costs in processing acceptable payments that cost will be passed on to you as will any costs incurred due to reversed or dishonoured payments for which you are liable.

### Tariff Rate per Unit or kWh & Increases

You have agreed to pay One Stop Energy Australia for all of the electricity generated by the system at the rate of [ ] cents per kWh which is the cost of generation plus all other applicable fees and charges including:

#### Taxes

All applicable taxes including GST, any levies or regulatory charges and all other charges that One Stop Energy Australia incurs in relation to the generation and supply of electricity which will be itemised and charged to you at cost.

#### Meter Installation-Modification-Costs

If One Stop Energy Australia is required to change, modify or install another type of electricity meter, the cost will be charged to you unless the change of meter is required to comply with any new or modified industry standards.

If at any time you believe that the meter is faulty, an independent body will test the meter. If found to be faulty One Stop Energy Australia will meet the cost of the test and meter replacement and determine appropriate compensation for the faulty meter. If the meter was found to be accurate then you will meet the cost of the testing.

#### Card Payments Fees

There is a levy charged on all eligible credit card payments which is VISA and MASTER CARD only with a cost recovery surcharge for bill payment using a credit card is 0.7%

#### Late Payments

A fee for paying a bill after the due date may result in a late payment fee.



## Power Purchase Agreement

### System Reactivation Fee

A reactivation fee will be charged if the system has been isolated or shut-down by One Stop Energy Australia due to non-payment of contractual charges with the fee to reflect the cost of re-activating the system.

### ACKNOWLEDGEMENT

I acknowledge that I fully understand this Disclosure Statement and am fully aware of my rights and obligations as they relate to a Power Purchase Agreement.

Signed \_\_\_\_\_

Date \_\_\_\_\_

Position \_\_\_\_\_

Company \_\_\_\_\_