

Our Ref: 62290  
Contact Officer: Susan Faulbaum  
Contact Phone: (08) 8213 3463

29 January 2018

Ms Sherri Meade  
Legal Counsel  
Hamilton Island Enterprises Limited  
PO Box 149  
HAMILTON ISLAND QLD 4803

By email:  
[REDACTED]

Dear Ms Meade

**Re: Hamilton Island Services—application for an individual exemption**

I refer to your application of 13 November 2017 for an individual exemption under the National Energy Retail Law (Retail Law) for Hamilton Island Services Pty Ltd / ACN 010 254 234 (HIS) to sell electricity to small electricity customers through an embedded network at Hamilton Island and Dent Island, Queensland.

I am writing to inform you that on 29 January 2018, the Australian Energy Regulator (AER) considered and approved HIS' individual exemption application in accordance with s. 110 of the Retail Law.

The AER has considered the policy principles relating to exempt selling in s. 114 of the Retail Law, being:

- regulatory arrangements for exempt sellers should not unnecessarily diverge from those applying to retailers,
- exempt customers, should, as far as practicable, be afforded the right to a choice of retailer in the same way comparable retail customers in the same jurisdiction have that right, and
- exempt customers, should, as far as practicable, not be denied customer protections afforded to retail customers under this Law and Rules.

The AER's decision is guided by the objective of the Retail Law,<sup>1</sup> the exempt seller factors,<sup>2</sup> the customer related factors,<sup>3</sup> and the assessment approach outlined in the AER (Retail) Exempt Selling Guideline.

Having regard to the considerations outlined above, the AER is satisfied that HIS should be exempt from the requirement to hold a national retailer authorisation for the sale of electricity to small electricity customers at Hamilton Island and Dent Island, Queensland.

If HIS decides to change the way it sells electricity, it should contact the AER as it may need to apply for an authorisation or another exemption to do so. Please be aware that selling energy outside of the scope of the present exemption may contravene s. 88 of the Retail Law and we may take enforcement action or otherwise seek to ensure compliance.

Please note that the exemption is subject to your acceptance of the conditions set out at Attachment A. HIS must advise the AER in writing by **28 February 2018** whether it accepts these conditions.

If you have any further queries, or would like to discuss this further, please contact Susan Faulbaum on (08) 8213 3463.

Yours sincerely



Sarah Proudfoot  
General Manager, Retail Markets

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<sup>1</sup> The national energy retail objective is to 'promote efficient investment in and efficient operation and use of energy services for the long term interests of energy consumers with respect to price, quality, safety, reliability and security of supply of energy' (s. 13, National Energy Retail Law (Retail Law)).

<sup>2</sup> s. 115, Retail Law.

<sup>3</sup> s. 116, Retail Law.