



MTA Energy

# APPLICATION FOR ELECTRICITY RETAIL LICENCE

**Submission - 13 August 2020**  
**Amended - 11 November 2020**

**MTA Energy Pty Ltd** ACN: 622 895 274  
Suite 103, 349 Pacific Highway North Sydney, NSW 2060  
Phone:

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## 1. INTRODUCTION

### 1.1 About MTA Energy

MTA Energy Pty Ltd (“MTA”) is a privately-owned company currently operating as a Market Participant in the National Energy Market and is proposing to extend its Integrated Electricity Supply retail business model to Victoria by providing retail electricity services to Commercial and Industrial customers. Our mission is to develop and deliver innovative solutions and services that reduce the overall energy costs for our customers over the long-term and provide our customers with greater certainty and control of those energy costs on an ongoing basis.

### 1.2 Nature and Scope of Operations

MTA is an integrated energy services and energy supply company, focussed on the medium sized Commercial/Industrial sector. MTA is able to provide to clients a single integrated service which combines Energy Efficiency Technologies (including load control, monitoring and reporting via IoT devices), with Distributed Energy Resource Technologies (Solar PV & Storage) coupled with an ‘in front of meter’ Retail solution. This “wrapping” of multiple elements enables customers to rapidly reduce their electricity costs and obtain greater control of their costs at the reduced cost level.

Through the development of customer-based Distributed Energy Resource networks (across multiple sites) incorporating demand management, solar generation and batteries, MTA provides its customers with renewable energy, at a lower price and with high levels of predictability. This approach coupled with the emerging grid need for substantial Distributed Energy Resources and Demand Management capability to provide Dispatchable Energy Capacity to the NEM, provides MTA with multiple avenues to develop cost reduction strategies for its customers. The retail electricity licence allows MTA to co-ordinate client consumption energy efficient strategies and generation across multiple sites from a single platform.

MTA is seeking a licence to retail electricity in Victoria and is not seeking any non-standard licence conditions.

MTA currently holds a Retailer Authorisation from the Australian Energy Regulator (effective 4<sup>th</sup> November 2019 - **Attachment G**)

MTA is a Registered Market Participant in the National Energy Market (effective 20 January 2020 - **Attachment H**)

MTA is approved as a Special Purpose Participant of the ASX, Austraclear System 3 December 2019 (**Attachment I**)

MTA proposes to offer its retail electricity supply to commercial and industrial customers in Victoria from 1 December 2020 or from a date when this application is approved. MTA is currently operating as a retailer in other NEM jurisdictions and will be able to commence operation in Victoria once the licence is granted.

## 2. THE APPLICANT

### 2.1 Legal Name of Applicant

MTA Energy Pty Ltd

### 2.2 ACN/ABN

The ACN for MTA Energy Pty Ltd is 622 895 274.

The ABN for MTA Energy Pty Ltd is 41 622 895 274.

### 2.3 Registered Business Address and Address for Correspondence

Suite 103, 349 Pacific Highway North Sydney, NSW 2060

### 2.4 Nominated Contact Person

Name: Gareth Mann  
Position: Managing Director  
Phone:  
Email:

### 2.5 Nature of Application

MTA Energy is seeking a retail licence to sell electricity to Commercial/Industrial customers in Victoria and consequently enable those customers to take full advantage of embedded energy generation capability, energy efficiency measures and demand management technologies across multiple customer sites.

MTA Energy began operating the business in New South Wales, Queensland, South Australia and Tasmania in May 2020 and is therefore able to commence operations in Victoria from when the retail licence is granted.

### 2.6 Incorporation Details

Certificate of Registration is included in **Attachment A**

MTA Energy Constitution is included in **Attachment B**

Register of Members is included in **Attachment C**. That Register is correct as at the date of this application.

### 2.7 Type of Customers

MTA Energy intends to sell electricity to commercial and industrial customers who would be considered a Medium (greater than 40 MWh/a) or Large Customer (greater than 160 MWh/a) under the Energy Retail Code (Victoria) definition.

### 2.8 Licence Conditions

MTA Energy does not seek any non-standard licence conditions.



## 2.9 About MTA Energy

MTA provides a fully integrated service which combines Energy Efficiency Technologies (including load control, monitoring and reporting via IoT), with Distributed Energy Resource Technologies (Solar PV & Battery Storage) coupled with an 'in front of meter' Retail solution. This integration of traditionally separated components of a client's electricity supply requirement, coupled with direct access to the experienced energy sector expertise of MTA enables customers to rapidly reduce their current electricity costs and carbon emissions, then establish ongoing energy procurement & technology strategies to maintain or improve these levels.

MTA has been operating with retail sites, implementing the above strategy, in NSW, QLD and SA since May 2020.

## 2.10 Officers and Key Personnel

Gareth Mann	Managing Director
James Groombridge	Director, Head of Risk & Markets
Fredrick Mwenye	Financial Controller

MTA Energy's senior executives have a very broad array of skills and experience, specifically in the energy sector both internationally and domestically.

Mr. Gareth Mann, MTA's Managing Director, in addition to his power generation technical and development expertise, has direct experience with the industrial sector and the industrial clients the business is targeting. Mr. Mann was the Chief Executive of Transfield Services, Resources and Industrial division prior to taking up the position as Chief Executive Officer of joint venture company Transfield Worley Power Services in 2012. TWPS is the largest independent operator and maintainer of power generation installations of all technology types in Australia with over 12,000 MW under contract.

Mr. James Groombridge, MTA's Head of Risk and Markets, has significant direct experience in the Australian Energy Retail market from his past experience with Australian Power & Gas and Mojo Power. At both these companies Mr. Groombridge managed significant portfolios of supply and hedge contracts totalling more than \$300 million.

Mr Mwenye, MTA's Financial Controller, is a Chartered Accountant, accomplished in accounting and finance with broad industry experience and strong systems skills. His industry experience spans Energy Technology, IT, Professional Services, Manufacturing, Mining, Agro-industry, Financial Services, Freight and Logistics, Media, and Marketing and Distribution. With 25+ years growing businesses across Asia Pacific and Southern Africa, Mr Mwenye possesses significant leadership experience across Strategic Planning, Finance, Business Transformations, Business Development, Board, Governance & Compliance and Technology & Innovation.

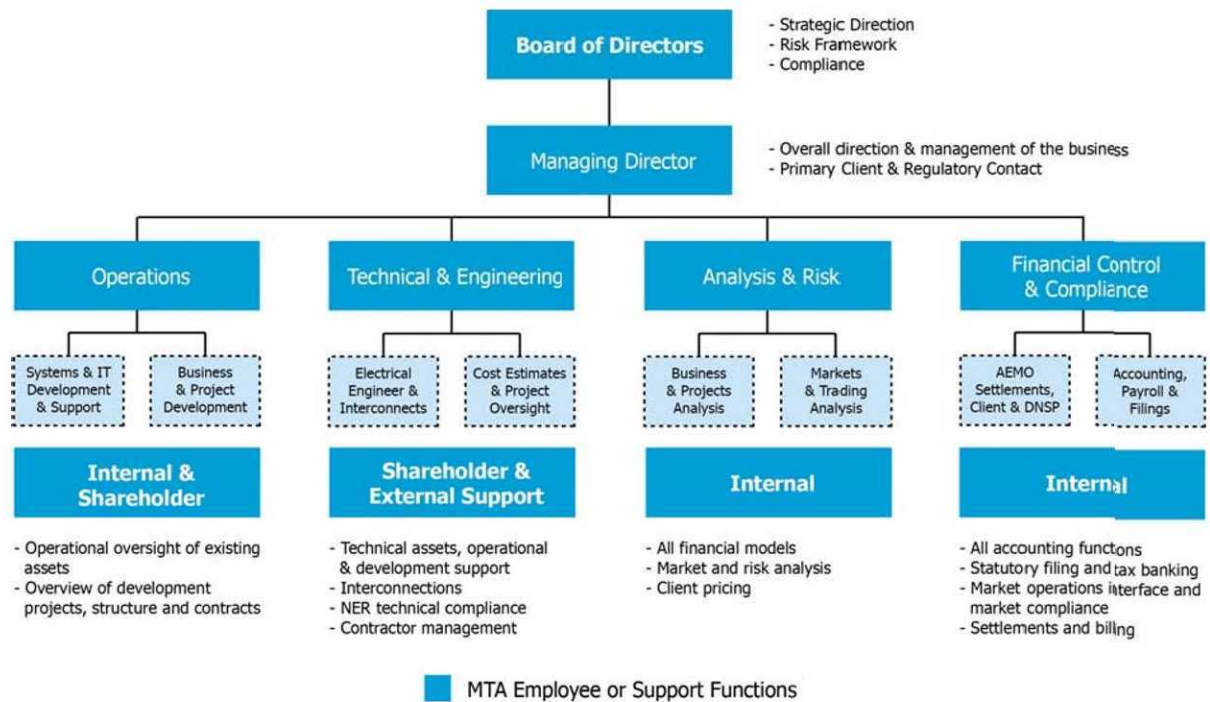
In addition to this Australian electricity market experience, MTA will leverage the its shareholder relationship with 22ROCK LLC of Houston Texas. MTA Shareholder, Mr. Jeffery Starcher (22ROCK LLC Principal) is a veteran of the deregulation of the US electricity industry and the competitive retail environment which has developed. Mr. Starcher has over 30 years' experience in de-regulated energy markets internationally and specifically electricity retail markets in the United States through his establishment of MPower and MP2 electricity retail businesses in Houston, Texas and the ERCOT energy market in the USA. At the time of the sale of MP2 to Shell North America Inc in September 2017, MP2 was a major independent integrated electricity retailer in the US with over 1.7 GW Power generation under management, including 550 MW of Demand Response, 550 MW of Wind and 70 MW of Solar and the associated integrated retail Commercial and Industrial customer base.

## 2.11 Organisational Structure

The MTA Shareholder Structure and MTA Organisation Chart at **Attachment J** (commercial in confidence) provides an overview of MTA Energy’s organisational structure, personnel and shareholder resources which support the operations of MTA Energy. These are confidential for personal privacy reasons.

Accordingly, MTA has the expertise, knowledge and skill base to operate its business.

The below diagram outlines the functional structure for the business along with key roles and responsibilities



The Managing Director and Board of MTA Energy are responsible for the corporate strategy, corporate governance, standards of conduct and compliance across the MTA Energy business. The MTA Board has approved and adopted the Code of Conduct, which then directs the expected behaviours of the business and its employees, suppliers. The Code of Conduct and Privacy Policy is provided in **Attachments D**, which contains public, policy documents relevant to target customer base of MTA.

The key operational areas of MTA Energy that will support the day-to-day operations of MTA Energy include:

- **Operations** – Existing Projects, Energy Monitoring and Control Systems (IoT) plus New Solar Power development, Energy Storage and project management, including metering provider services; and
- **Technical & Engineering** – Development of technical solutions and pricing to support existing and new business opportunities, NER compliance and Contractor Management
- **Analysis and Risk** – Existing and new customer financial models, MTA Financial Business plan model, Risk and Market Analysis
- **Financial Control & Compliance** – Business accounting and reporting, billing, settlements and compliance services.

## 2.12 Details of Prosecutions or Regulatory Complaints

MTA confirms that;

- None of its directors or officers have been disqualified from the management of corporations
- No MTA director or officer has been involved with previously revoked authorisations or licenses held in the industry
- No MTA director or officer has been involved with past or present bankruptcy proceedings in Australia or overseas.
- There are no outstanding legal proceedings or compliance complaints against MTA, any directors or officers of MTA, any related bodies corporate, or shareholders of MTA.

Formal Statutory Declaration is contained in **Attachment E**

## 2.13 Declaration in Regard to Application

MTA declares that it is a fit and proper person to hold this licence.

MTA confirms the information contained in this application and attachments is accurate and complete.

Formal Statutory Declaration is contained in **Attachment F**.



### **3. THE COMMISSIONS OBJECTIVES**

#### **3.1 General**

The granting of an electricity retail licence to MTA Energy would be consistent with the objectives of the Commission set out in section 10 of the *Electricity Industry Act 2000* (Vic) and section 8 of the *Essential Services Commission Act 2001* (Vic).

#### **3.2 The Long-term Interests of Victorian Customers**

MTA's entry to the Victorian electricity retail market will provide long term benefits to Victorian customers by providing greater competition and allowing MTA's customers to fully integrate and optimise, energy efficiency technologies, renewable generation technologies and demand management technologies across their multiple site portfolios.

#### **3.3 The Price of Essential Services**

MTA's business model focuses on a customer segment (Medium sized, multi-site Industrial/Commercial) which isn't well supported by existing electricity retailers. As a consequence of MTA's entry, increased competition will reduce the cost of electricity in this segment of the Victorian economy. Then the integrated delivery of energy efficiency and renewable technologies coupled with the retail capability will further reduce costs to customers along with long-term improved environmental outcomes.

#### **3.4 The Reliability of Essential Services**

The electricity sector is undergoing significant challenges regarding reliability, as the sector transitions to lower carbon intensity generation sources. These challenges exist across the electricity delivery train, from generation through transmission and distribution to the end customer. The load side of the industry (Customers) can play a significant role in assisting the reliability of the grid as well as reducing carbon intensity and customer costs. In simple terms any reduction in load at critical times (Demand Management) will benefit the network and simple systems already exist to achieve this.

The importance of Demand Management is being recognised by regulators and so there are regulatory changes occurring in the NEM to facilitate two-sided markets for supply and demand.

The MTA model enables customers to integrate their multiple sites along with Demand Management capability and engage meaningfully in the demand management components of the anticipated market. This will lead directly to increased reliability of the grid and the essential electricity it delivers.

#### **3.5 Facilitating Effective Competition and Promoting Competitive Market Conduct**

MTA will provide services to medium-sized Victorian Industrial-Commercial electricity customers who operate across multiple sites, providing them with the benefits currently only available to large single site customers. The increased choice of retailers and increased use of customer based smart energy technologies will foster competition and prevent monopolistic behaviour and abuse of market power.

#### **3.6 Promoting Consistency in Regulation**

MTA currently holds a Retailer Authorisation from the AER and is serving sites in New South Wales, Queensland, South Australia. These sites operate under a consistent set of MTA compliance and business processes which accommodate the various jurisdiction requirements as well as the overarching NEM requirements. We intend to take the same consistent, but localised approach to our retail customers in Victoria.



## 4. FINANCIAL VIABILITY

### 4.1 Business Plan

MTA Energy's Business Plan (FY19-23 base plan) is attached at **Attachment K** (provided on a commercial in confidence basis). The original base plan is not changed but is reviewed annually. The summary of the 2020 review and update is also included in **Attachment K**. This shows the business is broadly tracking to the business plan targets and outcomes.

The Business Plan includes, but is not limited to, MTA Energy's strategic direction objectives, forecast results and detailed assumptions which are confidential.

The Business Plan addresses the following:

- The market and customer segments that MTA Energy will operate in;
- MTA Energy business model for retailing energy;
- MTA Energy operational forecasts and detailed assumptions; and
- MTA Energy's risk management framework.

The core of MTA Energy's Business Plan is to provide integrated energy services and energy supply to medium-large non-residential customers with multiple generation and consumption sites within the NEM.

### 4.2 Current Financial Position – Shareholder Support

MTA Energy has sufficient cash resources and financial facilities to settle our expected obligations for the initial identified projects in the 12 months from 1 July 2020. On this basis, MTA Energy is considered to be a "Going Concern".

The requirement for funding can be considered in two distinct categories;

- A. MTA Retail Business Operations Funding**, which consists of managing daily regulatory obligations, existing customer billing, employee obligations and cashflow as an ongoing business and;
- B. MTA Infrastructure Funding**, which is the debt and equity committed to the infrastructure elements such as Solar PV and Energy Storage components of the business.

As each new customer or project is established, the MTA Retail Business Operations funding requirement increases. These additional funding requirements specifically relate to the new customer and are identified and commercially structured in cooperation with the customer. When the project enters operations, the support for those Category A funding obligations are implemented as part of the project "go-live" and enter into routine Business Operations cashflows. The nature of the commercial agreements with the Commercial customers means the "go-live" costs are covered by the new client in advance of the "go-live" date.

The MTA Infrastructure funding is a larger component (since it involves capital to support plant such as Solar PV and battery installations), but establishment of the customer project and its supporting financing agreements need to be in place in advance of any MTA Electricity Supply Agreement coming into force with a specific customer.

The projects are structured as "de-risked" Infrastructure style projects underpinned by customer offtakes (Power Purchase Agreements) and established equipment suppliers. Because of this approach, significant financial resources exist from the general finance and funds industries both (locally and internationally) for this style of investment.

As a consequence of this structured approach to growth and the sequencing of customer

developments, MTA Directors believe adequate additional funding from debt or equity will be available to support the Business Plan.

#### 4.3 Financial Reports

MTA Energy is a recently created company and commenced business trading activities as an Electricity Retailer in May 2020. Prior to this date its activities have been focussed on project development and support for the initial projects and preparation for submission of this application. MTA financial reports for FY19 are attached in **Attachment L** (provided on a commercial in confidence basis).

#### 4.4 Written Declarations

Written declarations regarding MTA Energy's financial resources are included in this application as follows:

- MTA Energy's Managing Director and Chief Executive Officer confirming that MTA Energy is a going concern with no known impediments to its ability to operate as an electricity retailer – **Attachment M** (provided on a commercial in confidence basis).
- MTA Accountants (LBW & Partners) confirming that no insolvency action has occurred in respect to MTA Energy and that they are unaware of any other factor that would impede MTA Energy's ability to finance its energy retail activities under the authorisation – **Attachment M** (provided on a commercial in confidence basis).

#### 4.5 Arrangements for Access to Additional Capital

MTA Energy, its directors and shareholders have been successful in funding new projects through a combination of borrowings, government grants and equity from new and existing shareholders.

MTA Energy will utilise its access to current shareholder support, new equity and finance facilities as and when necessary to support the ongoing activities of MTA Energy.

#### 4.6 Bank Guarantees and Support

MTA Energy currently provides bank guarantees to AEMO to meet its Prudential obligations as an active Market Participant in the NEM. We also have approvals in place with the Local Network Service Providers (LNSPs) in the jurisdictions where we currently operate (NSW, QLD and SA).

We are aware that Victorian electricity distributors will require similar Use of System (UoS) agreements and have the appropriate mechanisms established to support our discussions.

MTA Energy has agreements with, clients, equity and banks and has structured its commercial arrangements, such that it can ensure all required financial guarantees are secured and provided to meet the AEMO prudential requirement and as appropriate trading counterparties.

MTA Energy and its shareholders has established relationships with banking and financial institutions and are confident that any required bank guarantees, and credit support can be secured by MTA Energy in the future to match the growth of the business

MTA's Dun and Bradstreet Dynamic Risk Report is included in **Attachment N** (provided on a commercial in confidence basis).

#### 4.7 Australian Financial Services Licence

MTA Energy is aware of its obligations to have an AFSL in place before dealing in financial derivatives otherwise than through a financial broker. Our current business model does not include any transactions or contracts requiring an AFSL.



## 5. TECHNICAL CAPACITY

### 5.1 Directors and Officers Experience

MTA Energy's management has extensive experience in the development, financing, construction and operations of electricity generation and distribution infrastructure on a national and international basis. This experience is strengthened by directors and senior management who have direct retail experience in the Australian National Energy Market (NEM). This energy sector experience is further balanced by the strategic client focus of MTA, which is not intended to be residential retail, but focussed on Medium Industrial and Commercial customers with multi-site, integrated electricity supply, Distributed Energy Resource (DER) and Demand Side Management solutions.

MTA Energy's Business Plan by its nature, allows for controlled expansion of the business as projects are developed specific to client needs and subsequently calls for a limited number of additional staff to manage project development, operations and financial compliance and reporting. In the early stages, MTA Energy will draw upon its Directors and shareholder companies to manage and operate the energy retail business.

The following table details the employees and support services of MTA Energy that will be involved in the retail operations of MTA Energy and indicates the business functions and company officers who are responsible for those functions within the business.

Business Function	Responsible Officer	Support Source	MTA Source
Strategy & Development	Gareth Mann	Board/Shareholder	Internal
Operations	Gareth Mann	MTA	Internal
Engineering	Gareth Mann	MTA/Shareholder	Consultant/Contractors
Risk and Analysis	James Groombridge	MTA	Internal
IT and Systems	James Groombridge	MTA	Consultant/Contractors
Finance & Control	Fredrick Mwenye	MTA	Internal
Legal, Regulatory & Company Secretarial	Gareth Mann	HWL - Ebsworth	Outsourced

Summaries of the qualifications, technical skills and experience of the key individuals within the MTA Energy who will be involved in the business are outlined below.

### 5.2 Directors

The Board of Directors of MTA Energy are responsible for governance, leadership, strategic direction and standards of conduct for MTA Energy.

MTA Energy management has extensive experience in ASX listed companies and as such are well experienced in systems of internal control and risk management. A brief overview of their experience is summarised below.



### **5.2.1 Mr Gareth Mann – Managing Director**

B.E. (Mech) Sydney University 1981,  
MIE Aust - 1986  
Dip AICD – 2009

A highly experienced CEO/MD with extensive international energy sector experience leading de-regulated market development, project development, financing, engineering, operations and asset management of complex, large scale, power, energy and infrastructure projects.

Gareth has strong management and team building skills and a demonstrated successful track record of growth and delivery from both an investor and contractor perspective.

Roles which are directly relevant to MTA's retail application are:

#### **TW Power Services Pty Ltd – CEO**

TWPS is a joint venture company held 50/50 by Broadspectrum and WorleyParsons. It is the largest independent power station Operations and Asset Services company in Australia & New Zealand, with more than 12000 MW of capacity under long-term contract for operations, maintenance and/or outages across 35 sites in Australia. This extensive contract base covers all major generation technologies, from large coal fired plant through utility scale gas turbines, wind, hydro, cogeneration and distributed/embedded generation.

#### **Transfield Services Ltd – CEO, Resources and Energy Division ANZ**

Full operational responsibility for Transfield Services activities in the above sectors in Australia and New Zealand.

#### **PSEG GLOBAL INC, New Jersey USA – Snr VP Europe, Africa, Middle East, India**

PSEG Global Inc. is the unregulated subsidiary of the Public Service Enterprise Group (NYSE: PEG), headquartered in New Jersey with total power sector assets of \$28.6 billion and revenues of US\$12.2 billion. PSEG Global as subsidiary owned and operated domestic and international power generation plants and distribution systems with total assets exceeding US\$3.7 billion.

#### **DESTEC ENERGY INC, Houston, Texas, USA – VP International Development**

Destec Energy Inc (NYSE: ENG), was a subsidiary of The DOW Chemical Company and one of the largest early non-utility generators and marketers of electricity in the United States.

### **5.2.2 Mr James Groombridge – MTA Head of Analysis and Risk**

BA (Hons) Business Management and Marketing – University of Gloucestershire (UK) 2009  
AFMA Financial Markets Core with Electricity Financial Markets, 2013  
Chartered Institute of Securities and Investments – Diploma 2019

Mr James Groombridge joined MTA in September 2018 and brings a depth of experience in the energy markets and managing electricity derivative portfolios for energy retailers both in the UK and Australia.

Within Australia he has managed a \$300m electricity derivative portfolios for Australian Power and Gas ("APG") prior to it being acquired by AGL and in more recent times held the role of Head of Wholesale at Mojo Power a role that came with the added responsibility of being a "Responsible Manager" under Mojo's AFSL obligations.

In-between APG and Mojo Mr. Groombridge worked for a boutique Private Equity firm whose portfolio of businesses included both small energy retailers and large-scale renewable energy assets.

Having departed Mojo in 2017, Mr. Groombridge provided independent consultancy services to a wide array of clients, which included large renewable energy asset owners, start-up energy retailers and large industrials. The advice provided covered the following areas;

- Overall energy market analytics
- Hedging strategy development and implementation
- Risk identification, mitigation and on-going management
- Portfolio construction and optimisation
- Load and demand forecasting techniques

### **5.2.3 Mr Fredrick Mwenye – Financial Controller**

Mr Mwenye is a CA accomplished accounting and finance professional with broad industry experience and strong systems skills. His industry experience spans Energy Technology, IT, Professional Services, Manufacturing, Mining, Agro-industry, Financial Services, Freight and Logistics, Media, and Marketing and Distribution.

With 25+ years growing businesses across Asia Pacific and Southern Africa, Mr Mwenye possesses significant leadership experience across Strategic Planning, Finance, Business Transformations, Business Development, Board, Governance & Compliance and Technology & Innovation.

Within the Energy Technology space, Mr Mwenye spent over four years with a US based global technology entity providing energy management solutions to businesses and professional services consulting.

Recognised as having a track record in company restructuring and a talent for building finance teams, including employee development and managing post acquisition requirements and advanced know-how relating to derivative and hedge financial undertakings, Mr Mwenye strategically developed and manage the finance function post acquisition.

Mr Mwenye's specialist expertise includes rigorous cost management, facilitating new product development, cash flow management, keeping finance costs to a minimum, productivity and embedding financial ownership across management teams to ensure superior budgetary performance.

### **5.2.4 Mr Jeff Starcher – Principal**

BBA, Finance (1981-1985) Texas A&M University  
BBA, Accounting (1981 - 1985) Texas A&M University

Mr. Starcher is a recognised senior energy executive with more than 30 years of diverse business and energy sector experience. He was an active participant and adviser in structuring the deregulation of the electricity supply sector in Texas. His subsequent business experience has been specifically focused on the independent



electricity retail part of this sector. He has been the founding member of two successful significant independent retailers (MPower and MP2 Energy) operating in the ERCOT market in the USA.

His expertise covers:

- Deregulated Energy Market Enterprise Operations
- Project Development
- Project Finance
- Risk Management
- Asset Management
- Asset Optimisation

### 5.3 Compliance Strategy

MTA Energy understands that electricity is an essential service. Retailing of such services is subject to various and wide-ranging legislative and regulatory instruments, and an industry framework that ensures efficient and effective market operations and management including reliable, open access to all end users.

MTA Energy will draw on the industry experience of internal resources and external advisors, including HWL Ebsworth and its shareholders to meet all the applicable retailer licence obligations and statutory, industry and technical requirements.

#### 5.3.1 Meeting Compliance Obligations

MTA Energy is committed to meeting its compliance obligations and implementing its Compliance Policies and Procedures Register appropriate to the business structure and client base. In addition, MTA Energy will leverage off the experience gained by the Directors of MTA Energy and shareholder businesses gained within ASX listed company compliance frameworks. The Compliance Plan and Register is contained in **Attachment O(i)** (provided on a commercial in confidence basis).

MTA Energy has established a Business Code of Conduct (**Attachment D**) which provides the over-arching philosophy of the Business operations. This document sets the framework and behaviours of the business and any Policy and Compliance process flows from this document. Additionally, MTA has put in place a Compliance Committee (comprised of internal and external resources) which regularly reviews and addresses both regulatory compliance obligations and more routine business operational compliance. MTA will also utilise the services of HWL Ebsworth to support its compliance management program. HWL Ebsworth provides both online and offline compliance management services. HWL Ebsworth has the experience and technical capacity and tools to assist MTA Energy to meet its regulatory obligations.

#### 5.3.2 Knowledge and Understanding of Obligations

MTA Energy understands the obligations imposed on authorised retailers under the Retail Law and Retail Rules and applicable statutory, industry and technical requirements of the jurisdictions in which we intend to operate. The Compliance Plan & Register forms part of MTA Energy's compliance framework and supports MTA Energy to manage compliance risks and ensure obligations are met, attached at **Attachment O** (provided on a commercial in confidence basis).



### 5.3.3 Complaint and Dispute Resolution Procedures

MTA Energy understands its obligation to ensure complaints and disputes are dealt with in a timely and compliant manner relevant to its target customer type. To ensure disputes are dealt with effectively MTA Energy has developed standardised Dispute Resolution processes within its contracts, which allow for independent arbitration in the event senior representatives of the parties cannot reach resolution.

In addition to the contractual dispute resolution mechanisms, if MTA starts to provide service to residential customers it will join the appropriate ombudsman scheme in each jurisdiction as projects arise.

### 5.3.4 Risk Management

MTA Energy has adopted the MTA Energy Risk Management Policy which defines the process flow to implement risk management strategies across all organisational activities consistent with AS/NZS ISO 31000: 2009 (Risk Management). The MTA Energy Risk Strategy which flows from the Risk Policy and Register and implements the high-risk elements of the business identified in the Risk Register, encompasses Health and Safety; Environment; Community & Reputation; Legal and Compliance; Financial and Commercial, attached at **Attachment O(ii)** (provided on a commercial in confidence basis).

### 5.3.5 Capacity to Operate a Business

MTA Energy's directors and officers have extensive experience operating large businesses (including ASX listed entities) in the energy sector. This experience underpins the company's capacity to operate the business. MTA Energy will develop, adopt and implement relevant operational policies and procedures when needed as the company grows. Similarly, MTA utilises a range of modern business applications and systems appropriate to the current business size and stage of development.

The main philosophical approach to MTA business systems design is anchored in leveraging modern cloud-based applications with broad commercial availability. These commercially open programs and applications enable greater resilience, systems access and integration.

The core business software programs are Microsoft based (Office 365, Dynamics 365, PowerBI) coupled with Python (Analysis, Risk & Data acquisition), Xero (ERP) and Simble (Energy Management & Controls). These are then integrated into MTA's business model and this represents MTA's unique Intellectual Property.

MTA has developed proprietary in-house systems and capabilities utilising these base systems relevant to;

- Regulatory compliance, including licence and industry reporting obligations, Environmental reporting and compliance.
- Business and operational risk management.
- Management systems for Energy Market engagement, supplier contracts including settlement of electricity purchased in the NEM (MSATS & NEMNET), environmental obligations and regulatory changes.
- Managing customer details and contracts, including reporting and customer engagement tracking.
- Billing and collections, inclusive of creation, tracking and completion
- Client Load Visualisation, Control Systems & Demand Response

### 5.3.6 Additional Risk Management Information

#### Retail and Support Contracts

MTA Energy has worked with HWL Ebsworth to develop an Electricity Supply Agreement and supporting documents to ensure that the long-term interests of its consumers have been considered and understood (the MTA Energy Electricity Supply Agreement Terms are attached at **Attachment P**), (provided on a commercial in confidence basis due to proprietary and pricing information).

### 5.3.7 Metering

MTA's business model leverages the increased visibility gained by emerging cloud and IoT technologies. As such we have a strategic agreement in place for energy monitoring, energy efficiency and control technology with supplier SIMBLE (ASX: SIS). This SaaS based cloud system is "white branded" to MTA and further developed with functionality specific to MTA requirements. As an extension of this expertise MTA also intends to leverage the benefits of smart meters deployed as the Network Meter Identifier (NMI) meters on client sites.

As part of our retail operations in NSW, QLD and SA, MTA has operating agreements in place with meter providers in the roles of MDP, MPC and MC at client sites. Also, as part of these current retail operations MTA has approvals to operate from the appropriate DNSP and LNSP in the relevant jurisdictions.

If granted a retail licence in Victoria, MTA will similarly engage via the Market protocols (MSATS & NEMNET) and contract with the relevant DNSP and LNSP organisations covering client sites.

Contracts and Agreements are included in **Attachment Q**. (commercial in confidence due to inclusion of proprietary and pricing information)

### 5.3.8 Insurance

A key risk mitigation is to ensure appropriate insurance coverage is in place for MTA Energy Limited and its subsidiaries. Insurances are managed by the Managing Director and include at implementation:

- Workers compensation
- Professional indemnity
- Directors and Officers liability insurance
- Public liability insurance
- Product liability
- Business assets insurance

Certificates of currency can be provided on request.

### 5.3.9 Corporate Policies (Public)

MTA Energy has developed broad corporate governance and responsibility policies (Business Code of Conduct) which set out the business behaviour philosophy of the board. These public policies also include a Privacy Policy with which MTA Energy will comply with to ensure any personal information gathered by the business is handled correctly (attached at **Attachment D**). At this stage MTA is targeting Large Industrial/Commercial Customers, consequently its policies are tailored to this market. If in the future MTA were to commence marketing to residential and small industrial/commercial customers, we will produce appropriate public policies for this

segment of the market.

Most notable in this would be Hardship policies and Payment plans.

MTA has made commitments in this in this regards to the AER and would seek approval of any Hardship Policies prior to commencement of marketing to this segment.



## 6. ATTACHMENTS

Attached is the supporting documentation in relation to this application. The attached documents include:

Attachments	Confidential
A. MTA Energy Certificate of Registration	No
B. MTA Energy Constitution	No
C. MTA Register of Members	No
D. MTA Corporate Policies (Public)	
i. Business Code of Conduct	No
ii. Privacy Policy	No
E. Officers Statutory Declarations – Good Standing	No
F. Managing Director Declaration – Application Accuracy	No
G. Electricity Retailer Authorisation from the Australian Energy Regulator	No
H. Registered Market Customer in the NEM from AEMO	No
I. Special Purpose Participant of the ASX	No

Attachments	Confidential
J. MTA Shareholder Structure and Organisation Chart	Yes
K. MTA Energy Business Plan	Yes
L. Financial Statements	Yes
M. Director Declaration	
i. Financial Resources & Suitability	Yes
ii. Accountant Support Letter	Yes
N. MTA DUN and Bradstreet Dynamic Risk Report – 18 June 2020	Yes
O. MTA Corporate Policies (Confidential)	
i. Compliance Plan and Register	Yes
ii. Risk Management	
a. MTA Risk Management Policy and Register	Yes
b. MTA Risk Management Strategy	Yes
P. MTA Energy Electricity Supply Agreement	Yes
Q. MTA Metering Support Contracts	Yes