

APPLICATION GUIDELINES FOR A GENERATION AUTHORITY
[Sections 25 to 28 and 178 to 185 of *Electricity Act 1994* (Qld) refer]

A Generation Authority issued by the Regulator under the *Electricity Act 1994* ('the Act') authorises its holder to:

- (a) connect the generating plant specified in the Authority to a transmission grid or supply network specified in the Authority; and
- (b) sell electricity generated through the spot market in accordance with the National Electricity Rules or as otherwise specified in the Authority.

Under the Act, 'the Regulator' is the Director-General, Department of Employment, Economic Development and Innovation. Queensland Mines and Energy within the Department administers the electricity licensing functions on behalf of the Regulator.

The Act specifies a number of things the Regulator is required to do or consider before issuing a Generation Authority, including:

- publishing in a newspaper circulating in the State, a notice of the application and inviting submissions within the time and manner stated in the notice;
- considering any submissions received;
- being satisfied the applicant will operate the generating plant stated in the application;
- being satisfied the generating plant will be able to provide electricity of a quality suitable for the transmission grid or supply network to which it is to be connected;
- being satisfied the applicant is a suitable person to be a generation entity, which includes the applicant's competence to be the operator of the generating plant;
- being satisfied the owner of the generating plant (whether or not the applicant) is a suitable person to be the owner;
- considering relevant government policies about environmental and energy issues; and
- considering the likely environmental effects of building and operating the generating plant.

An application for a Generation Authority must be in writing (no prescribed form) to the Electricity Regulator, c/- Queensland Mines and Energy, Department of Employment, Economic Development and Innovation, PO Box 15216, City East, Qld, 4002, Attention: Energy Regulation and Legislation Unit, be accompanied by the prescribed transfer fee (presently \$1,259.00 – GST does not apply – cheques to be made payable to the Department of Employment, Economic Development and Innovation, ABN 24 830 236 406) and state:

- the generating plant to which the application relates;
- the transmission grid or supply network to which it is proposed to connect the generating plant; and
- whether the applicant intends to sell electricity and, if so, the basis on which the applicant intends to sell.

The application should also contain sufficient information to enable the Regulator to properly consider the matters mentioned above. As a guide, this should include:

1. A description of the applicant, the nature of its business and its experience in the electricity industry.
2. Information about the applicant's competence to operate the generating plant, including details of any existing or proposed contractual arrangements for operating and maintenance services to be provided by another party.
3. If the owner of the generating plant is not the applicant, a description of the owner, the nature of its business and its experience in the electricity industry.
4. If the applicant and/or owner is a registered company, a certified copy of the Certificate of Incorporation of the applicant and/or owner.
5. If the applicant and/or owner is a registered company, a copy of the current Company Extract as issued by the Australian Securities and Investments Commission.
6. Particulars of the managers and staff who are to be involved in the applicant's and the owner's electricity business/es.
7. If the owner is subject to the *Corporations Act 2001*, copies of the returns and accounts of the owner for the last three (3) years under the *Corporations Act 2001*.
8. A description of the generating plant, including fuel type and capacity (nominal or name-plate rating), and details of how much electricity is expected to be exported.
9. Details of any agreements for connection of the generating plant to the transmission grid or supply network specified in the application, including agreements under negotiation.
10. If it is proposed to sell the electricity generated other than through the spot market, details of any agreements for sale of the electricity, including agreements under negotiation.

11. Details of any registration or exemptions granted by or being sought from Australian Energy Market Operator (AEMO) in relation to the generating plant.
12. Details of any approvals granted by or being sought from local government, environmental or other authorities in relation to the construction and ongoing operation of the generating plant, including copies of any environmental impact studies undertaken.

In some instances, additional information may be requested during the course of considering the application.

Applicants are encouraged to consult with the Energy Regulation and Legislation Unit (telephone - 07 3235 4164) within Queensland Mines and Energy before submitting an application in its final form.

As a guide, in view of the requirement to undertake a public consultation process, generally applicants should allow a period of at least four (4) months for consideration of an application. In some instances, the period may be considerably longer, depending upon the issues raised during the consultation process and environmental and other considerations.

A proforma Generation Authority can be downloaded from the Queensland Mines and Energy web page (<http://www.dme.qld.gov.au/Energy/licensing.cfm>). The document needs to be read in conjunction with the Act and the *Electricity Regulation 2006*, which contain conditions applicable to Generation Authorities.

While it is expected most Generation Authorities will be issued in the form of the proforma, it may be that individual Authorities may have additional or other conditions.

Special Approval for person operating generating plant of 30 megawatts (MW) or less

Under section 130 of the *Electricity Regulation 2006*, a person who operates generating plant with a capacity of 30 MW or less is deemed to have a Special Approval to connect the generating plant to a transmission grid or supply network and sell electricity generated by that plant.

In such a circumstance, the person operating the generating plant does not need a Generation Authority and may rely on the 'deemed' Special Approval.