

APPLICATION GUIDELINES FOR A SPECIAL APPROVAL **[Sections 56 to 61A and 208 to 213 of *Electricity Act 1994* (Qld) refer]**

The purpose of Special Approvals is to enable, in special circumstances, electricity entities and other persons to perform activities normally authorised by a Generation, Transmission, Distribution or Retail Authority, without the Authority.

Special Approvals may be issued by the Regulator¹ under the *Electricity Act 1994* ('the Act') to authorise the holder to do anything stated in the Special Approval that a generation entity, distribution entity or retail entity may do under the Act. For example, in special circumstances, a Special Approval may authorise a person to connect specified generating plant to a supply network, supply electricity using a supply network and/or sell electricity to specified persons.

Generally, Special Approvals are issued only when special circumstances apply such that authorisation of the proposed activities by a Generation, Transmission, Distribution or Retail Authority, as the case may be, is not appropriate. Usually, this is when the electricity activities proposed to be carried out are incidental to the main business of the applicant.

For example, a Special Approval may authorise the operator of an island resort, which is generating its own electricity, operating its own supply network and selling electricity to third parties within the resort, to perform those generation, distribution and retail activities. Also, a Special Approval may authorise the operator of a mine, who takes supply of electricity at a bulk supply substation some distance from the mine and operates its own electric line between the substation and the mine, to perform that distribution function.

Because of the unique nature of Special Approvals, i.e. they are issued in special circumstances, any person considering applying for a Special Approval should first discuss the proposal with the Energy Regulation and Legislation Unit within Queensland Mines and Energy's (telephone 07 3235 4164).

Similarly, because of the range of activities that could be authorised by a Special Approval, the information required to be submitted in any application for a Special Approval will vary from case to case. For this reason, potential applicants should first discuss the application requirements for their particular circumstances with the Energy Regulation and Legislation Unit (telephone - 07 3235 4164).

¹ 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.

Generally, an application for a Special Approval 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 \$367.80 – GST does not apply – cheques to be made payable to the Department of Employment, Economic Development and Innovation, ABN 24 830 236 406), and clearly state the things proposed to be done under the Special Approval.

The application should also contain sufficient information to enable the Regulator to properly consider the matters the Act requires the Regulator to consider before issuing a Special Approval (see Section 210 of the Act). As a guide, this should include:

1. A description of the applicant, the nature of its business and its experience relevant to the electricity activities proposed to be performed under the Special Approval.
2. Information about the applicant's suitability to hold a Special Approval, including competence to perform the activities proposed under the Special Approval.
3. If the application relates to generation, transmission or distribution activities, information about the technical suitability of the subject generating plant/transmission grid/supply network and relevant environmental considerations.
4. If the application relates to the supply and/or sale of electricity to third parties, details of those third parties and any agreements in place or being negotiated between the applicant and the third parties about the supply and/or sale of electricity.

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

As a guide, applicants should allow a period of around two (2) months for consideration of an application. In some instances, however, the period may be considerably longer, depending upon the particular matters the Regulator needs to consider, whether consultation with third parties is necessary and environmental considerations.

A proforma Special Approval can be downloaded from the Queensland Mines and Energy website (<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 Special Approvals.

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