

**GUIDELINES FOR TRANSFER  
OF A GENERATION / TRANSMISSION / DISTRIBUTION AUTHORITY OR  
SPECIAL APPROVAL  
[Sections 184 to 184C, 193 to 193C, 201 to 201C and 212 to 212C of the  
*Electricity Act 1994* (Qld) refer]**

A Generation Authority, Transmission Authority, Distribution Authority or Special Approval issued under the *Electricity Act 1994* ('the Act') may be transferred<sup>1</sup> to a new operator by the Regulator. 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 deciding whether to transfer a Generation/Transmission/Distribution Authority or Special Approval. In considering the application for transfer, the Regulator must consider the application having regard to the objects of the Act and may transfer, or refuse to transfer, the Generation Authority.

The Regulator may only transfer the Authority/Special Approval if satisfied:

1. the proposed transferee will operate the electricity infrastructure (i.e. generating plant, and/or transmission or distribution lines) to which the Authority/Special Approval relates; and
2. the proposed transferee is a suitable person to be an Authority/Special Approval holder; and
3. the proposed transferee meets any additional criteria prescribed under a regulation (no additional criteria are prescribed).

In deciding whether the proposed transferee is a suitable person to be an Authority/Special Approval holder, the Regulator may consider the matters mentioned in the following sections of the Act:

- section 180(3) for Generation Authorities;
- section 189(3) for Transmission Authorities;
- section 197(3) for Distribution Authorities; and
- sections 180(3), 189(3), 197(3) and 205(3) (to the extent they are relevant) for Special Approvals.

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<sup>1</sup> Under the Act, Retail Authorities cannot be transferred. For a new Retail Authority, refer to Application Guidelines for a Retail Authority at <http://www.dme.qld.gov.au/Energy/licensing.cfm>

The matters mentioned in these sections of the Act include:

- the proposed transferee's previous commercial and other dealings and the standard of honesty and integrity shown in the dealings; and
- any failure by the proposed transferee to perform commercial or statutory obligations and the reasons for the failure; and
- the proposed transferee's criminal history; and
- if the proposed transferee is a corporation—the matters mentioned above for persons who are shareholders, directors or holders of other interests in the corporation; and
- the proposed transferee's competence to be the operator of the electricity infrastructure to which the Authority/Special Approval relates; and
- additional matters prescribed under the regulations (no matters are prescribed).

An application for transfer of an Authority or 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 \$117.00 – 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:

1. the Authority or Special Approval to be transferred;
2. details of why and when the transfer is needed;
3. written agreement of the existing Authority or Special Approval holder for the transfer to proceed; and
4. the electricity infrastructure to which the transfer relates.

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

- A description of the proposed transferee, the nature of its business and its experience in the electricity industry.
- Information about the proposed transferee's competence to operate the electricity infrastructure, including details of any existing or proposed contractual arrangements for operating and maintenance services to be provided by another party.
- If the proposed transferee is a registered company:
  - a certified copy of the Certificate of Incorporation of the transferee; and
  - a copy of the current Company Extract as issued by the Australian Securities and Investments Commission.
- Particulars of the managers and staff who are to be involved in the proposed transferee's electricity business.

- Details of any change of ownership of the electricity infrastructure and, if the new owner of the electricity infrastructure is not the proposed transferee:
  - a description of the new owner, the nature of its business and its experience in the electricity industry; and
  - if the new owner is a registered company:
    - a certified copy of the Certificate of Incorporation; and
    - a copy of the current Company Extract as issued by the Australian Securities and Investments Commission.
- Details of any agreements for connection of the electricity infrastructure to a transmission grid or supply network, including agreements under negotiation.
- If it is proposed to sell electricity from generating plant to which the transfer application relates, whether sale will be through the national electricity spot market and, if not, details of any agreements for sale of the electricity including agreements under negotiation.
- Details of any registration or exemptions granted by or being sought from the Australian Energy Market Operator (AEMO) in relation to the electricity infrastructure.

Additional information may be requested by Queensland Mines and Energy during the course of considering the application for transfer.

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 for transfer in its final form.

As a guide, applicants should allow a period of at least two months for consideration of an application for transfer. In some instances, the period may be considerably longer, depending upon any considerations raised during the course of the application process.