

**APPLICATION FORM FOR
THE ISSUE OF AN
ELECTRICITY
GENERATION LICENCE BY
THE
ESSENTIAL SERVICES
COMMISSION OF SA
UNDER THE *ELECTRICITY*
*ACT 1996***

July 2012



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INFORMATION FOR APPLICANTS BEFORE FILLING OUT THIS FORM

Purpose of this form

This form is to be completed by persons making application to the Essential Services Commission of South Australia (the Commission) for the issue of a licence to authorise electricity generation operations in the electricity supply industry in South Australia.

The Commission can also consider joint applications from two or more persons who wish to hold a licence jointly. Persons making joint applications must ensure that each of the applicants completes a separate application form, together with a covering letter explaining that the application is for a licence to be jointly held.

Generation operations which require a licence

Section 15(2)(a) of the *Electricity Act 1996* (the Act) is explicit in that it requires a person that carries on the operation of the generation of electricity to hold a licence. This requirement applies to all generators with the exception of a generator that can rely on:

- (1) one of the statutory exemptions specified in the *Electricity (General) Regulations 1997* (Regulations) outlined below;
- (2) an individual exemption issued by the Commission (with the approval of the Minister) pursuant to section 80(1) of the Act; or
- (3) an exemption made by Governor under a regulation pursuant to section 98(2)(e) of the Act.

Pursuant to Regulations 6(1) and (2), the following generators are exempt from the requirement to hold a generation licence:

- ▲ a generator whose generating plant has a rated nameplate output of 100kVA or less;
- ▲ a generator that does not supply electricity for reward to or by means of a transmission or distribution network;
- ▲ a generator that generates electricity for the sole consumption of that generator or a designated body (such bodies must be designated by the Minister¹); or
- ▲ a generator that generates electricity for a person at a premises occupied or used by the person as a tenant or licensee (whether directly or indirectly) of the generator (or a designated body) where that person is not charged for the supply of electricity except by a licensed retailer/generator or as an unspecified part of rent or charges for the occupation or use of the premises.

It is important for generators (or proposed generators) to carefully consider whether they can rely on a statutory exemption from the requirement to be licensed. If the reliance on a statutory exemption is queried by the Commission, the onus to provide evidence that a particular exemption can be relied upon is on the relevant generator.

¹ To date, the Minister for Energy and Resources has not designated any bodies for the purposes of Regulations 6(1).

In addition, in the event that the operations of a generator change so that it can no longer rely on one of the three exemptions specified above, it will need to apply to the Commission for a generation licence immediately in order to continue those operations.

Basis for this form

Section 16(1)(a) of the Act provides that an application for the issue of a licence must be made to the Commission in a form approved by the Commission. This is the form approved by the Commission.

Prior reading

It is essential that licence applicants read the Commission's Advisory Bulletin No 4 – "*Licensing Arrangements for the Electricity and Gas Supply Industries*" before they fill out this form. This Bulletin is available on the Commission website www.escosa.sa.gov.au under electricity/licensing.

Use of this form and applicant's responsibilities

An application for a licence may be made by any legal person including, without limitation, individuals, partnerships, incorporated associations, unit and other forms of trusts and corporations. Entities that are not a legal person (for example, an unincorporated joint venture) cannot apply for a licence.

For the purpose of this application form, reference to the term "Officer" include the applicant's directors and secretary, and other persons who make or participate in making decisions that affect a substantial part of the business of the applicant (e.g. Chief Executive Officer, Chief Financial Officer, General Manager etc.).

Applicants should list the information requested in the spaces provided in this form and enclose additional information when required. Applicants must take all reasonable steps to ensure the information provided in the application form is complete, true and correct and are required to make a declaration to that effect in the application form. Failure to disclose information or misrepresent any matter relevant to such information may result in a licence not being issued or in the suspension or cancellation of a licence at a later time.

Applicants are responsible for providing the Commission with current, accurate and relevant documentation. This will ensure that the application is processed promptly and without delay. All applications are assessed on a case-by-case basis. If insufficient information is provided with an application, the Commission will request additional information to be submitted before the application is considered further.

Licence conditions

Sections 21(1) and 22 of the Act requires the Commission to place certain mandatory conditions in generation licences. The Commission strongly recommends that applicants review these mandatory conditions. Applicants must be familiar with the relevant conditions and confident that they can comply with the conditions.

Special licence conditions for wind generation licensees

Applicants for a wind generation licence should also familiarise themselves with the *Commission's Statement of Principles for Wind Licensing*.² The key special licence conditions that are to be imposed on wind generation licensees as a result of the Statement of Principles are summarised below.

Fault Ride-Through Capability

1. Each generating unit which the licensee is authorized to operate under this licence must comply with:
 - (a) the automatic access standards for generating system response to disturbances following contingency events specified in clause S5.2.5.5(b)(1) of the NER; and
 - (b) subject to clause 2, the automatic access standards for generating system response to disturbances following contingency events specified in clause S5.2.5.5(b)(2) of the NER; and
 - (c) subject to clause 3, the automatic access standards for generating system response to voltage disturbances specified in clause S5.2.5.4 of the NER.
2. The licensee is not required to comply with clause 1(b) in respect of a generating unit which the Licensee is authorized to operate under this licence where:
 - (a) the minimum access standard requirements specified in clause S5.2.5.5(c)(2) of the NER in relation to generating system response to disturbances following contingency events; and
 - (b) the requirements of clauses S5.2.5.5(d), (e) and (f) of the NER are satisfied in respect of that generating unit.
3. The licensee is not required to comply with clause 1(c) in respect of a generating unit which the licensee is authorized to operate under this licence where:
 - (a) AEMO and the relevant network service provider have agreed, pursuant to clause 5.2.5.4(c)(3) of the NER, that there would be no material adverse impact on the quality of supply to other network users or of power system security as a result of that non-compliance; and
 - (b) The requirements of clauses S5.2.5.4(c), (d), (e) and (f) of the NER are otherwise satisfied in respect of that generating unit.

Reactive Power Capability

1. The electricity generating plant operated by the licensee must at all times be capable of continuous operation at a power factor of between 0.93 leading and 0.93 lagging at real power outputs exceeding 5 MW at the connection point.
2. The electricity generating plant operated by the licensee must at all times be capable of providing:
 - (a) subject to clause 4(b), at least 50% of the reactive power required to meet the power factor referred to in clause 1 on a dynamically variable basis; and
 - (b) the balance of the reactive power required to meet the power factor referred to in clause 1 on a non-dynamic basis.

² Statement of Wind Principles can be found at <http://www.escosa.sa.gov.au/library/100430-LicenceConditionsWindGenerators-FinalDecision.pdf>.

3. At generation levels below full rated output the electricity generating plant operated by the licensee must be capable of:
 - (a) absorbing reactive power at a level at least pro-rata to that of full output; and
 - (b) delivering reactive power at a level at least pro-rata to that of full output.
4. For the purposes of clause 2(a):
 - (a) dynamically variable means continuous modulation of the reactive power output over its range, with an initial response time or dead time < 200 milliseconds and a rise time (as defined in clause S5.2.5.13 of the NER) < 1 second following a voltage disturbance on the network; and
 - (b) for a period of ≤ 2 seconds on any single occasion, a short-term overload capability may be used to meet the 50% requirement, provided that use of that short-term overload does not cause a breach of any other licence condition.
5. The reactive power capability of the electricity generating plant operated by the licensee must be capable of control by a fast-acting, continuously variable, voltage control system which is able to receive a local and remote voltage set point.
6. The electricity generating plant operated by the licensee must be able to operate at either a set reactive power, or a set power factor, which is able to be set locally or remotely at any time.
7. The power factor or reactive power control mode of the electricity generating plant operated by the licensee must be capable of:
 - (a) being overridden by voltage support mode during power system voltage disturbances; and
 - (b) automatically reverting to power factor or reactive power mode when the disturbance has ceased.

Further information

Applicants should note that the Commission may ask applicants who have submitted an application form to provide further information to the Commission, or to clarify the information that they have already provided if required.

Please note that, in the event that an application lacks sufficient detail and the Commission is required to request additional information from an applicant, delays in the assessment of the application may occur.

Consultation and Confidentiality

The Commission will consult with relevant government, industry and consumer groups in the conduct of its licensing functions through a public consultation process. Consequently, applications and/or supporting information will be made available on the Commission's website and in hard copy from the Commission's office for this purpose.

If applicants believe that they are providing confidential information when completing this form they should write "this information is confidential" after any such information. It is the applicant's responsibility to ensure this is clearly highlighted on the form. Applicants should also provide a 'non-confidential' version of the form capable of publication on the Commission's website.

The Commission will use information supplied in applications and in support of applications in accordance with the requirements of Part 5 of the *Essential Services Commission Act 2002*.

Applicants claiming confidentiality are encourage to familiarise themselves with Part 5. Applicants should note that the Commission may disclose confidential information in some circumstances.

How to lodge an application

Applicants should send their completed application form in writing and electronically.

- ▲ In writing to: Essential Services Commission of SA
 GPO Box 2605
 Adelaide SA 5001
- ▲ Electronically to: licensing@escosa.sa.gov.au

Application fees and annual licence fees application

Applicants should also enclose the application fee (presently set by the Minister for Resources and Energy at \$1,000 per licence) with their application.

Holding a licence incurs annual licence fees. The licence fees determined by the Minister for Resources and Energy are administered by the Commission. At annual intervals, the Commission, on behalf of the Minister, will send to each licensee, depending on the category within the sector, an invoice for the licence fee. Licence fees are to be paid on receipt of an invoice via one of the payment options set out in the invoice.

The initial licence will not be issued until the first annual licence fee (or approved licence fee instalment) has been paid.



LICENCE APPLICATION FORM

1. THE APPLICANT

Applicants must answer all questions in this section.

1.1 Identity of Applicant

State the full name of the applicant. The applicant is the person who will be undertaking the electricity generation operations that will be the subject of the licence. Joint applicants should each complete an application form, and submit their application forms at the same time, with a covering letter explaining that a joint application is being made.

Name: AGL Energy Services Pty Limited

1.2 Legal Identity of Applicant

Provide information about the applicant, (i.e. whether the applicant is a natural person, private limited company or partnership, etc). If the applicant is a body corporate, please also state the jurisdiction in which the applicant is registered, and the applicant's ABN/ACN.

AGL Energy Services Pty Limited

ABN: 57 074 821 720

Registered in New South Wales

1.3 Address and Contact Details of Applicant

Business Address: 101 Miller Street, North Sydney

State: New South Wales

Post Code: 2060

Postal Address (if different to Business Address):

Locked Bag 1837 St Leonards NSW 2065

State: NSW

Post Code: 2065

Telephone: 0386336988

Facsimile: 0369886882



Email: kyep@agl.com.au

1.4 Contact Person on behalf of Applicant

The full name, title and contact details of a person to whom the Commission can direct enquiries and correspondence about the application.

Full Name: Kong Min Yep
Title: Wholesale Compliance Advisor
Business Address: 699 Bourke Street, Dockland
State: VIC
Post Code: 3007
Postal Address (if different to Business Address):
Locked Bag 14120 MCMC
State: VIC
Post Code: 8001
Telephone: 03 8633 6988
Facsimile: 03 8633 6882
E-mail: kyep@agl.com.au

1.5 Contact Person for Licence Fees

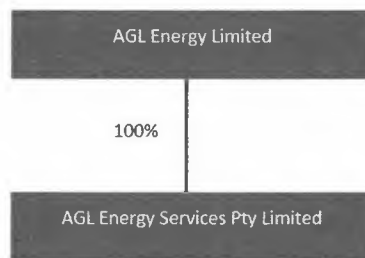
The full name and/or title of the person to whom the Commission can direct enquiries and correspondence about licence fees.

Full Name: Doug Landfear
Title: Head of Commercial Solar
Business Address: 101 Miller Street, North Sydney
State: NSW
Post Code: 2093
Postal Address (if different to Business Address):
Locked Bag 1837 St Leonards
State: NSW
Post Code: 1837
Telephone: 0475 831 036
Email: doug.landfear@agl.com.au

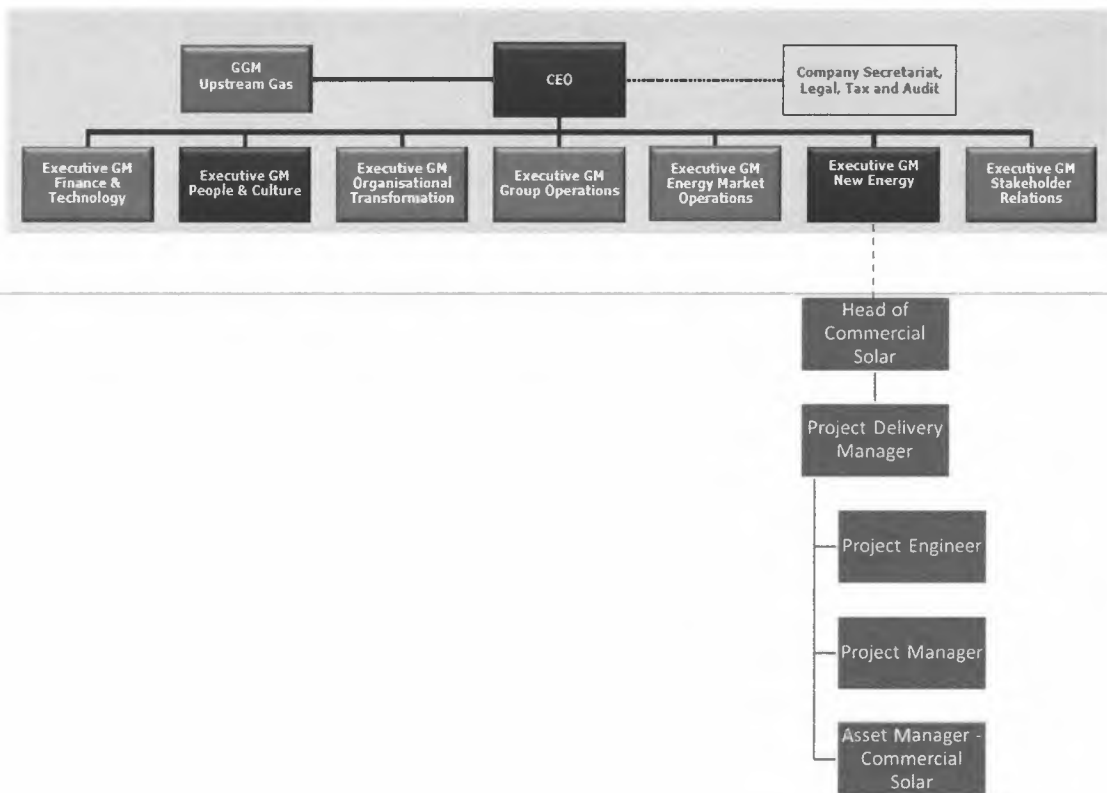
1.6 Diagram of Corporate or other Structure

Please attach with this application form details of the corporate or other structure, including details of any related companies within the meaning of the Corporations Act 2001; and a diagram of the organisational chart, including composition of the board, management and other key personnel responsible for the key functions of the business.

Corporate Structure



AGL Executive Leadership Team and Business Units Organisation Chart



2 THE LICENCE

Applicants must answer all questions in this section.

2.1 *Date from which Licence is sought*

If the applicant seeks to have the licence issued by a certain date, provide this date. Please note that the Commission does not undertake to issue the licence by this date. Applicants should usually allow the Commission a minimum of eight weeks to consider an application, as a public consultation period of several weeks forms part of the Commission's consideration of licence applications.

AGL seeks to have the licence issued as soon as possible.

2.2 *Nature and scope of operations for which Licence is sought*

Applicants for a generation licence must state the location of the generation plant, the expected name plate capacity of the generation plant, the type of generation and fuel used and some details about how the generator is to be connected to the network. Applicants for a wind generation licence must attach a map showing the location of the wind turbines.

The licence application is for four PV generators.

1. Generator is located at 42 Grand Junction Road Kilburn South Australia. The plant was commissioned on 29 July 2016.

The generator is a 201.6kWp DC rated Solar Photovoltaic power plant with a maximum AC output of 200kVA. It is connected to the electricity grid via a PV Distribution board which features a Woodward relay in accordance with the specification received by SA Power Networks. In addition to the anti-islanding protection built into the inverters themselves, 535the Woodward relay provides secondary protection against anti-islanding, under- and over- voltage and frequency, and rate of change of frequency. The fuel used for generation is solar energy. The generation unit is therefore fully self-contained, relies on no external solid fuel and generates no emissions. The plant has been commissioned.

Attached is an Operation and Maintenance Manual from AGL which covers maintenance and equipment protection (**CONFIDENTIAL**)

We have attached the following documents:

1. Single Line Diagram (**CONFIDENTIAL**)
2. Panel Layout Diagram (**CONFIDENTIAL**)
3. Photograph showing system in its geographical context (**CONFIDENTIAL**)

(Note: All the attached documents are confidential and must not be published without a written consent from AGL)

2. Generator is located at 535 Grand Junction Road Kilburn South Australia. The plant was commissioned on 29 July 2016.

The generator is a 201.6kWp DC rated Solar Photovoltaic power plant with a maximum AC output of 200kVA. It is connected to the electricity grid via a PV Distribution board which features a Woodward relay in accordance with the specification received by SA Power Networks. In addition to the anti-islanding protection built into the inverters themselves, the Woodward relay provides secondary protection against anti-islanding, under- and over-voltage and frequency, and rate of change of frequency. The fuel used for generation is solar energy. The generation unit is therefore fully self-contained, relies on no external solid fuel and generates no emissions.

Attached is an Operation and Maintenance Manual from AGL which covers maintenance and equipment protection (**CONFIDENTIAL**)

We have attached the following documents:

1. Single Line Diagram (**CONFIDENTIAL**)
2. Panel Layout Diagram (**CONFIDENTIAL**)
3. Photograph showing system in its geographical context (**CONFIDENTIAL**)

(Note: All the attached documents are confidential and must not be published without a written consent from AGL)

3. Generator is located at Yallumba Wines, 40 Eden Valley Road, Angaston, SA 5353. The plant is yet to be commissioned.

The generator is an 1159.3 kWp DC rated Solar Photovoltaic power plant with a maximum AC output of 1 MVA. It is connected to the electricity grid via a PV Distribution board which features a Woodward relay in accordance with the specification received by SA Power Networks. In addition to the anti-islanding protection built into the inverters themselves, the Woodward relay provides secondary protection against anti-islanding, under- and over-voltage and frequency, and rate of change of frequency. The fuel used for generation is solar energy. The generation unit is therefore fully self-contained, relies on no external solid fuel and generates no emissions.

Operation and Maintenance Manual from AGL which covers maintenance and equipment protection is being prepared.

We have attached the following documents:

1. Single Line Diagram (**CONFIDENTIAL**)
2. Panel Layout Diagram (**CONFIDENTIAL**)
3. Photograph showing system in its geographical context (**CONFIDENTIAL**)

(Note: All the attached documents are confidential and must not be published without a written consent from AGL)

4. Generator is located at Yallumba Oxford Landing, Pipeline Road, Uriootpa, South Australia 5355. The plant is yet to be commissioned.

The generator is a 201.6kWp DC rated Solar Photovoltaic power plant with a maximum AC output of 200kVA. It is connected to the electricity grid via a PV Distribution board which features a Woodward relay in accordance with the specification received by SA Power Networks. In addition to the anti-islanding protection built into the inverters themselves, the Woodward relay provides secondary protection against anti-islanding, under- and over-voltage and frequency, and rate of change of frequency. The fuel used for generation is solar energy. The generation unit is therefore fully self-contained, relies on no external solid fuel and generates no emissions.

Operation and Maintenance Manual from AGL which covers maintenance and equipment protection is being prepared.

We have attached the following preliminary design and site documents for:

1. Single Line Diagram (**CONFIDENTIAL**)
2. Panel Layout Diagram (**CONFIDENTIAL**)
3. Photograph showing system in its geographical context (**CONFIDENTIAL**)

(Note: All the attached documents are confidential and must not be published without a written consent from AGL)

3 SUITABILITY OF APPLICANT TO HOLD A LICENCE

Applicants must answer all questions in this section.

3.1 Standard of honesty and integrity shown by Applicant

In deciding whether the applicant is a suitable person to hold a licence, the Commission may:

- ▲ consider the applicant's previous commercial and other dealings, and
- ▲ the standard of honesty and integrity shown in those dealings.

Please provide information that will assist the Commission in its consideration of this matter.
If the applicant:

- ▲ has been found guilty of any criminal offence,
- ▲ has been successfully prosecuted under any Territory, State or Commonwealth legislation (such as the Australian Securities and Investments Commission Act 2001 or the Competition and Consumer Act 2010) or
- ▲ has been the subject of disciplinary action,
- ▲ has been the subject of any past or present administrative or legal actions in relation to an authorisation, authority, or licence in any industry,

details of such matters must be disclosed. Failure to disclose such information or misrepresent any matter relevant to such information may result in the cancellation of a licence.

The Commission may use the service of an external expert to assist with the assessment of the applicant's standard of honesty and integrity.

AGL Energy Services Pty. Limited has not been prosecuted, found guilty of any criminal offence or been the subject of disciplinary, administrative or legal action.

3.2 Standard of honesty and integrity shown by Officers and major shareholders of Applicant

Applicants should address responses to this question in the same manner as 3.1 above except here it relates to officers and major shareholders of the applicant.

Please also supply details of any policies and procedures addressing the probity and competence of officers and other key management staff.

The Directors of the AGL Energy Services Pty Limited are John Fitzgerald, Stephen Mikkelsen, Brett Redman and the Company Secretary is Natasha Vyrnwy-Jones who are executives with experience in managing energy businesses. A brief summary of the officers' experience are provided below.

Brett Redman BCom, FCA, GAICD: Chief Financial Officer

Brett joined AGL in 2007 and variously led finance in Merchant Energy, Upstream Gas, Corporate and Group Strategy before being appointed CFO in 2012. He was also Chairman of Loy Yang Power and led its acquisition by AGL. Brett has previously worked locally and internationally for BOC, Email and CSR, having originally qualified with Deloitte

Stephen Mikkelsen CA, BBS: Executive General Manager - Energy Market Operation

Stephen has over 18 years' experience in senior positions in the Australian and New Zealand electricity markets. Prior to being appointed to his current role, Stephen was Group General Manager Retail Energy where he had overall responsibility for sales, marketing, and servicing AGL's 3.7 million residential and small business gas and electricity customers. Prior to this, Stephen served as AGL's Chief Financial Officer for six years

John Fitzgerald BA, LLB, MA: General Counsel and Company Secretary

John joined AGL after nearly 10 years in private practice where he specialised in mining and energy law, renewable energy projects and regulations. He has been with AGL since 2006.

The above officers have not been subject to prosecutions or have committed any criminal offences.

3.3 *Names and addresses of the Officers of Applicant*

State the names and addresses of the officers of the applicant. "Officers" of the applicant include the applicant's directors and secretary, and other persons who make or participate in making decisions that affect a substantial part of the business of the applicant.

Full Name: Brett Redman

Date of Birth: 28 May 1970

Office Held: Director

Address: 11 Mins Road, Gordon

State: NSW

Post Code: 2072

Full Name: Stephen Mikkelsen

Date of Birth: 19 January 1964

Office Held: Director

Address: 2A Garden Sq. Gordon

State: NSW

Post Code: 2072

Full Name: John Fitzgerald
Date of Birth: 09 May 1971
Office Held: Director
Address: 1 Leys Avenue, Lilyfield
State: NSW
Post Code: 2040

Full Name: Natasha Vyrnwy-Jones
Date of Birth: 03 Dec 1981
Office Held: Secretary
Address: 2/167-183, Brougham Street, Woolloomooloo
State: NSW
Post Code: 2011

(Note: Contact details are confidential and must not be published without a written consent from AGL)

3.4 Names and addresses of major shareholders of Applicant

State the full names and addresses of the major shareholders of the applicant

AGL Energy Limited is the 100% shareholder of AGL Energy Services Pty Limited (refer to Corporate Structure in Section 1.6).

3.5 Details of the group members

This is information about entities controlled by the applicant, or by the ultimate parent entity of the applicant (if applicable).

AGL Energy Limited is the 100% shareholder of AGL Energy Services Pty Limited (refer to Corporate Structure in Section 1.6).

3.6 Additional information

Please answer the following questions.

- ▲ Is the applicant a resident of, or does it have permanent establishment in, Australia?
Where the answer to this question is no, please provide further detail.

Yes

- ▲ Is the applicant under external administration (as defined in the Corporations Act 2001) or under a similar form of administration under any laws applicable to it in any jurisdiction? Where the answer to this question is yes, please provide further detail.

No

- ▲ Is the applicant immune from suit in respect of the obligations under the Electricity Act 1996? Where the answer to this question is yes, please provide further detail.

No

- ▲ Is the applicant capable of being sued in its own name in a court of Australia? Where the answer to this question is no, please provide further detail.

Yes

(attach additional pages if necessary)

3.7 Financial resources available to the Applicant

Provide information about the financial resources available to the applicant. If the applicant is a company, please also enclose:

- ▲ copies of all audited profit and loss statements and balance sheets for the last three financial years (including all notes), and
- ▲ director's declaration that the financial statements comply with accounting standards, give a true and fair view, have been made in accordance with the Corporations Act and that there are reasonable grounds to believe the company/entity will be able to pay its debts as and when they fall due; and
- ▲ the director's report and the audit opinion.

If the applicant is a subsidiary company, please also provide:

- ▲ copies of all audited profit and loss statements and balance sheets of the applicant's parent company for up to the last three financial years.

The applicant should also submit copies of:

- ▲ its business plans including at least strategic direction and objectives, identified opportunities in the market place and forecast results; and
- ▲ evidence of capital and liquidity support in place, including any bank or cross guarantees, to support the business and evidence of negotiations with the network service provider concerning credit support arrangements.

AGL Energy Services Pty Limited is 100% owned by AGL Energy Limited (refer to Section 1.6) and does not prepare a separate financial report. Its financial accounts are consolidated in the AGL Energy Limited Annual Financial report, which can be accessed from this link:

<https://www.agl.com.au/about-agl/investor-centre/reports-and-presentations/financial-results>

3.8 Additional Details of Structure of Applicant

If the applicant is part of a group of related companies, and/or party to a partnership, joint venture or alliance agreement with another company, please provide:

- ▲ contractual arrangements (e.g. alliance contracts, associate contracts, establishment contracts) that define relationships within the group – including shared resources, guarantees, revenue flows, obligations and or responsibilities.

Refer to section 1.6 for the Corporate Structure.

3.9 Human resources available to the Applicant

Provide information about the human resources available to the applicant. This includes:

- ▲ the experience and qualifications of those employees outlined in the organisational chart (see point 1.6); and
- ▲ if the applicant will employ contractor/s to assist with the licensed operations, the name of that contractor/s, details about the experience of the contractor/s in such operations and details of the processes in place to ensure the contractor/s complies with the regulatory obligations imposed by the licence.

Head of Commercial Solar – Doug Landfear

Doug is an internationally experienced professional engineer with 20 years of project management experience in renewable energy and environmental sectors in Australia, Europe and North America. Doug was previously responsible for developing AGL's utility scale solar portfolio, including the Nyngan (102 MW) and Broken Hill (53 MW) solar plants. Doug currently heads the Commercial Solar team at AGL.

Project Delivery Manager – Ronan Purcell

Ronan is an internationally experienced professional engineer with 15 years of experience in renewable energy, project and operations management and logistic sectors in Australia, Europe and the Middle East. Ronan is presently responsible for AGL's commercial solar delivery team which incorporates the project management and project engineering teams.

Project Engineer – Gautam Vimalanathan

Gautam is a qualified Professional Engineer (MIEAust) with 4 years of experience in design, installation and commissioning of commercial scale Solar PV projects throughout Australia. He is a Clean Energy Council (CEC) approved designer and holds a Master degree in Renewable Technology. Gautam is currently responsible for designing and delivering bespoke commercial solar projects at AGL.

Project Manager – Vaughan Buckingham

Vaughan has worked in the renewables sector in the U.K. and Australia in both project development and project management and brings over 6 years' experience to the AGL Commercial Solar team. Vaughan is responsible for the management and delivery of PV systems to AGL's commercial and industrial customers.

Asset Manager – John Min

John is a qualified PV engineer with a strong background in project management. He has 4 years' experience in the solar industry ranging from system design to project management of solar systems across Australia, and was previously involved in a solar PV maintenance program across 500 government sites. John is currently responsible for Asset Management of AGL's commercial PV systems.

3.10 Technical resources available to the Applicant

Applicants for a generation licence are asked to provide details about the availability of technical resources to be used in carrying out the operations for which a licence is sought. The information should include details about the technically qualified staff available to the applicant and (if relevant) details of experience gained in similar operations.

Where applicants are relying on a third party to provide staff and resources to meet the technical requirements of the generation licence, please provide:

- ▲ a list of all functions and activities being proposed to outsource;
- ▲ details of any formal agreement/s to provide services, including confirmation that the third party possess relevant technical competencies to conduct the proposed activities;
- ▲ a summary of the third party's technical capacity to meet relevant obligations, including relevant accreditations; and
- ▲ a summary of the third party's experience and knowledge in the relevant area.

The PV generators have been designed and installed by qualified AGL engineers and licenced electricians and staff. AGL will be responsible for the operation, monitoring, system trouble shooting and maintenance of the PV generator for 10 years.

AGL has provided training to the customer on the safe operation of the generator including a system shutdown in the event of an emergency. Where rectification or maintenance work is required, AGL will engage a third party licenced contractor to perform required activities.

After 10 years, the customer will rely on qualified electrician with Clean Energy Council accreditation to service the generator if and when required.

AGL technical resources and responsibilities are described below:

Asset Manager

Generator production, safe operation, system monitoring and financial modelling. An online monitoring portal provides live data feeds and system performance alerts.

Project Engineer

Operation of the photovoltaic generator, maintenance of protection devices and compliance to standards.

Third Party Licenced Contractor

Electrician

AGL will engage Safewire Electrical to carry out electrical work required for system maintenance or repair, with activities to be performed under supervision of the AGL Asset Manager or Project Engineer.

The Director of Safewire Electrical is David Adams. David is a licenced and CEC accredited solar electrician and has been involved in the construction of several commercial scale solar generators in South Australia.

3.11 Quality of Electricity Produced/Connection Agreement

The Commission may not issue a generation licence unless it is satisfied that the generating plant (or proposed generating plant) will generate electricity of the appropriate quality for the relevant transmission or distribution network. The Commission will be satisfied that the electricity is of an appropriate quality if the applicant has entered into a connection agreement which meets the Commission's technical requirements with the licensed operator of the relevant transmission or distribution network. Applicants are therefore required to submit a copy of such a connection agreement.

Please find the attached to this application SA Power Networks Connection Agreements for Generators located at 42 Grand Junction Road Kilburn, and 535 Grand Junction Road, Kilburn, South Australia.

(CONFIDENTIAL. The Connection Agreements must not to be published without a written consent from AGL)

3.12 Risk Management

Provide confirmation and reasonable evidence that the applicant's management has identified the risks associated with electricity operations and has established, utilises and relies upon risk management systems and processes which are adequate, accurate and current to address those risks. A copy of the applicant's risk management strategy should be submitted.

AGL's *Hazard and Risk Management Standard* (attached) ensures that all health, safety and environmental hazards associated with any of AGL's business operations are assessed in an appropriate manner.

The standard is based on the principles of AS/NZS 31000:2009 Risk Management and AS 4801-2000 Occupational health and safety management systems.

AGL's *Hazard and Risk Management Compliance Guideline* assists business groups to perform risk assessments on identified hazards. The probability, frequency and possible consequences of each risk are assessed. A Risk Score Calculator is used to determine the overall Risk Score and associated category.

3.13 Development Act Approval

Please advise if the applicant has or is applying for approval under the Development Act 1993 (SA). If so, provide details, including the date on which approval was or will be granted.

Development approval is not required.

3.14 Registration with AEMO

Please advise if the applicant will apply to register with AEMO. If so, provide details. Applicants for a wind generation licence should note that registration as a semi-scheduled market participant is required for all new generators and all expansions to existing wind generation plant.

There is a standing exemption from AEMO on the registration of generators less than 5 MW in size and therefore registration with AEMO is not required.

3.15 Licences held by the Applicant in other Australian jurisdictions.

If the applicant holds, or has previously held, electricity and/or gas licences in other Australian jurisdictions please provide details. If a licence previously held has been suspended or cancelled, please provide details.

AGL Energy Services Pty Limited does not hold any other generation licence but is the owner and operator of a number of generators in Queensland, Victoria and Tasmania.

3.16 Previous unsuccessful licence applications in other Australian jurisdictions

Please state whether the applicant has applied for an electricity or gas licence in another Australian jurisdiction and not been issued with a licence, and provide details if relevant.

None

3.17 Licences held by Associates of the Applicant

If an associate of the applicant (within the meaning of the Corporations Act) holds an electricity or gas licence in South Australia or in other Australian jurisdictions, please provide details.

None.

3.18 Compliance Plans

Applicants are required to submit a copy of their Compliance Plan which demonstrates how the compliance systems the applicant has (or will have) in place will ensure compliance with all of the applicable regulatory obligations imposed by the relevant licence.

Compliance management of the PV generators with respect to ESCOSA licence will be in accordance with AGL's Compliance Management Policy (April 2016). AGL is not aware of other licences that are relevant to the ongoing operation of this system.

3.19 Additional Information

The Commission encourages applicants to provide any additional information they consider would be of assistance in supporting the application. Please provide below.

1. For PV generator located at Yallumba Wines, Eden Valley Road, Angaston, the Power Purchase Agreement was executed with customer, and the Consultancy Agreement was executed with SAPN to conduct a network study.
 2. For PV generator located at Yallumba Oxford Landing, Pipeline Road, Uriootpa, the Power Purchase Agreement was executed with customer.
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4 FACTORS SPECIFIED IN THE ESSENTIAL SERVICES COMMISSION ACT 2002

In considering a licence application, the Commission must have as its primary objective protection of the long term interests of consumers with respect to the price, quality and reliability of electricity supply, and must also have regard to the need to:

- (a) promote competitive and fair market conduct;
- (b) prevent misuse of monopoly or market power;
- (c) facilitate entry into relevant markets;
- (d) promote economic efficiency;
- (e) ensure consumers benefit from competition and efficiency;
- (f) facilitate maintenance of the financial viability of regulated industries and the incentive for long term investment;
- (g) promote consistency in regulation with other jurisdictions.

If the applicant believes that information about their application would assist the Commission in its consideration of these factors, the applicant should provide such information below.

The granting of the licence is consistent with these objectives as it allows AGL to provide competitive renewable electricity generation and choices to customers in South Australia, promote competition that benefits consumers through innovation and efficient energy services.

5 APPLICATION FEES

Applicants for a licence must pay to the Commission an application fee fixed by the Minister for Energy from time to time. This fee is presently set at \$1,000 per licence. Please enclose this fee with the application. An application cannot be considered until this fee has been received and cannot be refunded.

Please raise and mail an invoice for \$1,000 application fees to the contact provided.

6 DECLARATION

All information in this application for the issue of a licence to authorise electricity generation operations in the electricity supply industry in South Australia must be verified by a Statutory Declaration of the applicant, in accordance with the provisions of the *Oaths Act 1936* (SA)³, stating that the information contained in the application is true and correct to the best of the applicant's knowledge, information and belief.

Where the applicant is a body corporate, evidence of the relevant authority of the declarant to sign on behalf of the body corporate must also be provided to the Commission.⁴

Statutory Declaration

I Douglas Landfear
of North Balgowlah NSW 2093

do solemnly and sincerely declare that the information contained in this Application for the issue of a licence to authorise electricity generation operations in the electricity supply industry in South Australia is true and correct to the best of my knowledge information and belief.

And I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the *Oaths Act 1936*.

Date 19 September 2016

Signature Douglas Landfear

(Where the applicant is a body corporate, the declaration must be made by a person authorised by body corporate to sign on its behalf)

Declared at: MSydney this 19 day of September 2016

Before me: Emma Warbhi-Coxon, Janger

(Signature of Justice of the Peace or other person authorised under the *Oaths Act 1936*)

³ or equivalent legislation in other Australian jurisdictions.

⁴ The Commission will accept a copy of a Board minute (or circulating resolution) giving approval for the declarant to sign on behalf of the applicant as evidence of the relevant authority.