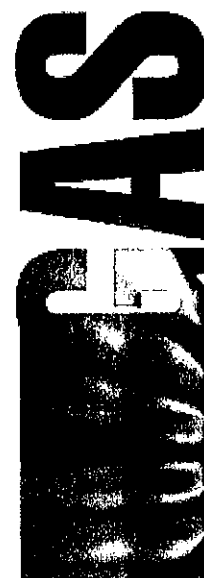




**APPLICATION FORM FOR  
THE ISSUE OF A GAS  
DISTRIBUTION LICENCE  
BY THE  
ESSENTIAL SERVICES  
COMMISSION OF SA  
UNDER THE *GAS ACT*  
*1997***

July 2018

The Essential Services Commission of South Australia  
Level 8, 50 Pirie Street Adelaide SA 5000  
GPO Box 2605 Adelaide SA 5001  
Telephone 08 8463 4444 Facsimile 08 8463 4449  
E-mail [escosa@escosa.sa.gov.au](mailto:escosa@escosa.sa.gov.au) Website [www.escosa.sa.gov.au](http://www.escosa.sa.gov.au)



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## **INFORMATION FOR APPLICANTS BEFORE FILLING OUT THIS FORM**

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### **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 gas distribution operations in the gas 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.

### **Basis for this form**

Section 20(1)(a) of the *Gas Act 1997* (the Act) provides that an application for the issue of a licence must be made to ESCOSA in a form approved by the Commission. This is the form approved by the Commission.

### **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.

### **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](http://www.escosa.sa.gov.au) under gas/licensing.

Holding a licence incurs annual licence fees. The licence fees determined by the Minister for 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 conditions

Part 3 of the Act requires the Commission to place certain conditions in licences. The Commission strongly recommends that applicants review these mandatory conditions. Applicants must be familiar with the relevant conditions and be confident that they can comply with the conditions.

## Further information

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

## 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 encouraged 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: [escosa@escosa.sa.gov.au](mailto:escosa@escosa.sa.gov.au)

## Application fees and annual licence fees application

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



## 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 gas distribution 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: *Enwave Tonsley Pty Ltd*

#### 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.

*Enwave Tonsley Pty Ltd, ACN 623 288 175, incorporated in Victoria*

#### 1.3 Address and Contact Details of Applicant

Business Address: *Level 22, 135 King Street, Sydney*

State: *NSW*

Post Code: *2000*

Postal Address (if different to Business Address): *Level 13, 15 Blue Street, North Sydney*

State: *NSW*

Post Code: *2060*

Telephone: *0417 126 940*

Facsimile:

E-mail: *richie.sheather@enwave.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.

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



Full Name: *Richard James Sheather*  
Title: *Chief Executive Officer*  
Business Address: *Level 13, 15 Blue Street, North Sydney*  
State: *NSW* Post Code: *2060*  
Postal Address (if different to Business Address):  
State: Post Code:  
Telephone: *0417 126 940* Facsimile:  
E-mail: *richie.sheather@enwave.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: *Richard James Sheather*  
Title: *Chief Executive Officer*  
Business Address: *Level 13, 15 Blue Street, North Sydney*  
State: *NSW* Post Code: *2060*  
Postal Address (if different to Business Address):  
State: Post Code:  
Telephone: *0417 126 940* Facsimile:  
E-mail: *richie.sheather@enwave.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.

*Please refer to the Enwave Australia Corporate Structure Chart attached as Annexure "A" and Enwave Organisational Chart attached as Annexure "B".*

*Please note both Annexures A and B are Commercial In Confidence documents.*



## 2 THE LICENCE

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*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.

*As soon as possible*

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

Applicants for a gas distribution licence must state the location of the distribution system, the expected capacity of the distribution system, the type of distribution system and some details about how the distribution system is to supply the retail network. Applicants should attach a map showing the proposed route for the network.

**Location:** *The natural gas distribution system will be located at the Tonsley Innovation District, 1284 South Road, Clovelly Park, South Australia 5042. (Tonsley Network).*

**Capacity:** *The Tonsley Network will have sufficient capacity to supply approximately 850 residential customers and 20 commercial customers*

**Supply:** *Natural gas will be supplied to the Tonsley network by the existing AGN/AGIG distribution network via a non-pressure regulated metered supply point.*

**Map:** *The attached map (Annexure "C") sets out the overall site in which the natural gas distribution system will be located.*

**Residential Development:** *The attached plans (Annexure "D") show the natural gas reticulation for the residential development at Tonsley. The proposed position of the "parent meter" and the meter sets are also indicated on the plan.*

### 3 SUITABILITY OF APPLICANT TO HOLD A LICENCE

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*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.

*Enwave Tonsley Pty Ltd is part of the Enwave Australia group, which is part of the Brookfield Infrastructure Group (including the New York Stock Exchange and Toronto Stock Exchange listed Brookfield Infrastructure Partners L.P.), one of the largest owners and operators of global infrastructure networks which facilitate the movement and storage of energy, water, freight, passengers and data. All employees are required to comply with the Code of Business Conduct and Ethics, and the Anti-Bribery and Corruption Policy of Brookfield Asset Management Inc. (Brookfield), which employs over 70,000 people in more than 30 countries. Throughout its operations, Brookfield is committed to environmental social and governance practices that have a positive impact on the communities in which it operates. These principles and associated practices ensure that Brookfield manages its investments with integrity, balancing economic goals with good corporate citizenship, and include the following:*

- *Ensuring the well-being and safety of employees.*
- *Being good stewards in the communities in which we operate.*
- *Mitigating the impact of our operations on the environment.*
- *Conducting business according to the highest ethical and legal/regulatory standards.*

*Enwave Tonsley has not been found guilty of any criminal offence, nor been successfully prosecuted under any Territory, State or Commonwealth legislation, and is not and has not been the subject of any administrative or legal actions in relation to an authorisation, authority, or licence in any industry.*

### **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.

*See section 3.1, together with the following annexures:*

*- Annexure "E" – Environmental, Social and Governance at Brookfield (ESG at Brookfield)*

*- Annexure "F" – Code of Business Conduct and Ethics (Code of Conduct)*

*- Annexure "G" – Anti-Bribery & Corruption Policy*

*As noted in the ESG at Brookfield annexure, Brookfield's governance framework for portfolio companies (such as the companies in the Enwave Australia group) includes three noteworthy components that reflect its high standards:*

*- adoption of the Code of Conduct;*

*- a zero tolerance approach to bribery; and*

*- every portfolio company to have a whistle-blower hotline in operation within 6 months of acquisition.*

*The officers and major shareholders of Enwave Tonsley and Brookfield have not been found guilty of any criminal offence, nor been successfully prosecuted under any Territory, State or Commonwealth legislation, and is not and has not been the subject of any administrative or legal actions in relation to an authorisation, authority, or licence in any industry.*


### **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: *Cameron Renwick Evans*

Date of Birth: 

Office Held: *Director, Enwave Tonsley Pty Ltd  
and Enwave Energy Pty Ltd (and  
Chief Executive Officer, Enwave  
Australia)*

Address: 



State: [REDACTED]

Post Code: [REDACTED]

Full Name: *Murray Christopher Cook*

Date of Birth: [REDACTED]

Office Held: *Director, Enwave Tonsley Pty Ltd, Enwave Energy Pty Ltd and Enwave Australia Pty Ltd (and Vice President, Operations, Brookfield Infrastructure Group)*

Address: [REDACTED]

State: [REDACTED]

Post Code: [REDACTED]

Full Name: *Richard James Sheather*

Date of Birth: [REDACTED]

Office Held: *Director, Enwave Tonsley Pty Ltd (and Chief Executive Officer, Enwave Energy)*

Address: [REDACTED]

State: [REDACTED]

Post Code: [REDACTED]

Full Name: *Kathryn Ann Howe*

Date of Birth: [REDACTED]

Office Held: *Secretary, Enwave Tonsley Pty Ltd and Enwave Energy Pty Ltd (and Assistant Company Secretary, Brookfield Infrastructure Group)*

Address: [REDACTED]

State: [REDACTED]

Post Code: [REDACTED]

Full Name: *Dean Robert Moore*

Date of Birth: [REDACTED]

Office Held: *New Projects Delivery Manager.*

Address: [REDACTED]

State: [REDACTED]

Post Code: [REDACTED]

Full Name: *Fraser Andrew Kirkpatrick*

Date of Birth: [REDACTED]

Office Held: *Operations Manager*

Address: [REDACTED]

State: [REDACTED]

Post Code: [REDACTED]

Full Name: *Adam Michael McCall*

Date of Birth: [REDACTED]

Office Held: *Commercial Manager*

Address: [REDACTED]

State: [REDACTED]

Post Code: [REDACTED]

### **3.4 Names and addresses of major shareholders of Applicant**

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

Full Name: *Enwave Energy Pty Ltd, ACN 147 370 527*

Date of Birth:

Office Held:

Address: *Level 22, 135 King Street, Sydney*

State: *NSW*

Post Code: *2000*

### **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).

*Enwave Tonsley Pty Ltd is a wholly owned subsidiary of Enwave Energy Pty Ltd, which is part of the Enwave Australia group. Enwave Australia is part of the Brookfield Infrastructure Group.*

*The ultimate parent entity of the applicant is Brookfield Infrastructure Partners L.P., a limited partnership incorporated in Bermuda and listed on the New York Stock Exchange and Toronto Stock Exchange.*

### **3.6 Additional information**

Please answer the following questions and, where the answer to any question is "no", provide further detail.

▲ Is the applicant a resident of, or does it have permanent establishment in, Australia?  
*Yes, the applicant is a resident of Australia.*

▲ 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?  
*No*

▲ Is the applicant immune from suit in respect of the obligations under the Gas Act 1997?  
*No*

- ▲ Is the applicant capable of being sued in its own name in a court of Australia?

*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.

*Enwave Tonsley Pty Ltd (Enwave Tonsley) is a newly incorporated company and has not been required to prepare and lodge audited financial statement with the Australian Securities and Investments Commission (ASIC). To date, Enwave Tonsley's parent, Enwave Energy Pty Ltd (Enwave Energy) has been a small proprietary company and also not required to prepare and lodge audited financial statements with ASIC. Attached as Annexure "H" are Enwave Energy's management accounts and audited financial statements for Enwave Energy's parent, Enwave Australia Pty Ltd, for the years ended 31 December 2015, 31 December 2016 and 31 December 2017.*

*Also attached as Annexure "I" is a copy of Enwave Energy's current Business Plan.*

*Please note both Annexures H and I are Commercial In Confidence.*

### **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.

*Please refer to Annexures “A” for details of corporate structure. Shared services including: Safety and Compliance; Corporate Services and HR; and Finance are provided by teams from Tas Gas Networks Pty Ltd a subsidiary of Enwave Australia. Legal services are provided by the Brookfield legal team*

### **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);
- ▲ 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; and

*Please refer to Annexure “J” for biographical details.*

*Please note Annexure J is Commercial In Confidence.*

### **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 distribution 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.

### **Background**

*Enwave Tonsley was selected by the South Australian Government to be the preferred supplier of utilities at Tonsley. They were selected through a competitive tendering process and will be providing electricity (including generation), natural gas, recycled water and thermal hot and chilled water throughout the Tonsley district.*

*Enwave Tonsley has warranted in an agreement with Renewal SA that it is able and qualified to provide services (which include the development, operation and maintenance of an electricity distribution network) and has access to all necessary resources to do so.*

### **Enwave**

*The Enwave Group of companies own and operate a number of networks throughout Australia (see section 3.17 for a comprehensive list of licences and authorisations) including natural gas networks in Tasmania and Victoria; and electrical embedded networks, thermal hot and chilled water plants and recycled water networks in New South Wales.*

*Enwave are experienced in customer management both as a retailer and network operator and are well versed in the philosophies and challenges involved in managing often complex energy and water solutions for retail and commercial customers.*

### **Engagement of third Parties**

*Enwave Tonsley engaged LCI/Precinct Solutions to provide a Design and Construct Performance specification for the works at Tonsley. The scope of works included the development of a Central Energy Masterplan and a performance based design and construction specification to create a natural gas network for the residential development being developed by PEET and to be extended over time to the MAB, TAFE SA, Flinders University buildings together with a new Eastern Precinct.*

*LCI/Precinct Solutions is an engineering consultancy firm, based in Australia, providing services to the global market. It offers innovative, fit for purpose multi discipline engineering services and design solutions to government clients as well as private industry. LCI/Precinct Solutions specialises in complex energy distribution systems including integration of Renewable Power Generation, Co-generation and Tri-generation systems with site wide electrical and gas distribution systems (both HV and LV).*

*LCI/ Precinct Solution and their sub consultants recently provided the gas network design for the following projects:*

- *Melbourne Convention Centre*
- *La Trobe University Campus, Melbourne*
- *Macquarie Park Commercial Precinct*
- *Market Square Shopping Centre Geelong*
- *Vic Schools PPP (12 schools primary and secondary)*
- *Royal Melbourne Hospital Campus*



- **Austin Hospital Campus**

*Their Australian based experienced engineers have the technical expertise and experience to provide innovative and cost effective design solutions whilst ensuring design standards are maintained or exceeded to meet the optimised needs of the project.*

*Enwave Tonsley will now engage a third party to provide staff and resources to meet the technical and safety requirements of the distribution licence and to design, construct, operate and maintain the Tonsley Network.*

*A 24 hour electronic monitoring system will be installed and connected to an Enwave's central control room as well as available to the on-site operations team including the contracted third party.*

*The functions and activities to be carried out by the third party include:-*

*Asset Management*

- Strategic Planning
- Reliability and quality monitoring
- Inspections and patrols
- Condition monitoring
- Asset register

*Planned Maintenance*

- Prioritised defects
- Asset condition monitoring
- Analysis of non-critical breakdowns

*Emergency Management*

*Capital Works*

- New customer connections
- System augmentation
- System upgrades

*Enwave Tonsley have engaged Tas Gas Networks Pty Ltd (ACN 104 499 569) (TGN) for this purpose and their details are set out below. If in the future an alternative contractor is engaged to provide the services Enwave Tonsley will ensure that they will have appropriate experience and expertise which is comparable to TGN.*

*TGN, also a wholly owned subsidiary of Enwave Australia, is a natural gas distributor with over 15 years experience in construction, operation and maintenance of natural gas distribution networks in Tasmania and Victoria.*

*TGN began operations in Tasmania in May 2003. The construction of its network was divided into two major stages. The first stage of the project, which was completed in July 2005, involved the laying of 100 km of gas pipe in the urban areas of Hobart, Launceston, Longford, Westbury, Bell Bay, Wynyard and Devonport. The second stage, which was completed in April 2007, involved laying a further 612 km of gas pipe across Hobart, Launceston, Burnie and Devonport. Since this time further extensions have resulted with more than 1,500km of pipe laid in Tasmania. TGN's primary focus is on owning and*

*operating the gas network. The network makes gas available to approximately 46,500 of Tasmania's commercial and residential customers.*

*In 2014, three Enwave Australia owned companies entered into a development agreement with the Victorian Government to construct, operate and maintain distribution networks in 11 regional towns in Victoria. The reticulated networks receive gas via a virtual pipeline solution which involves the compression of natural gas at a CNG compression station located on the Victorian Transmission System, trucking the compressed gas to the outskirts of each town to a receiving station where gas is stored and depressurised and injected into the network.*

*Construction of the reticulated networks is now almost complete and TGN's subsidiary company Enwave Victorian Networks commenced supplying natural gas to customers in May 2017.*

*Enwave Regional Energy operate and maintain the virtual pipeline and Tas Gas Retail is the sole retailer on the networks.*

*TGN has appropriate governance arrangements in place and a suite of policies to ensure that the business has people, processes and systems to deliver its full range of services in a manner that is compliant with all industry, regulatory, legislative and best practice requirements.*

*All TGN distribution functions are conducted in-house including:*

- Network Operations;*
  - Maintenance and Incident Management;*
  - Contract Management;*
  - Compliance Functions;*
  - Asset Management / Engineering; and*
  - Meter reading and Billing*
  - Legal, Risk and Compliance;*
  - Corporate Services i.e. Human Resources and Administration;*
  - Financial Services;*
  - Information Technology; and*
  - Administration.*
- 
- Construction and maintenance capability – construction of the network will be undertaken by an experienced and competent contracting firm with demonstrated experience in delivering projects in a timely manner. Maintenance of the network will be undertaken by Field Technicians strategically located in order to respond to any issues in accordance with nominated protocols and response requirements.*

- **Emergency response management** – a call handling facility has already been established. This service will provide 24/7 emergency response handling and tracking via TGN's On Call and Emergency management structure. This structure includes, but is not limited to, the following key roles; Duty Engineers, First Response Technicians, Contracted service providers, Media Management specialists and Senior Management colleagues. Localised and broader industry support (i.e., mutual aid agreements) will be in place with the CFA, SES, and Marion City Council as well as other distribution companies within South Australia. The Emergency Response phone number will be broadly advertised and communicated within the appropriate brochures and retailer information packages.
- **Billing System** –TGN's existing billing and customer management system will be used. Through this system, customer interactions are managed and recorded for enhanced customer experience, compliance and reporting functionality. This software is specifically designed for utility billing and is supported by our finance software package installed in 2009. This system completes multiple functions including:
  - accounts payable;
  - accounts receivable;
  - asset management;
  - inventory;
  - job costing;
  - cash management; and
  - general ledger and financial reporting.
- **Metering** – meters will be installed in compliance with the installation standards, testing, and recording and provision of metering data. TGN will read the meters as frequently as is required to enable retailers to discharge their obligations and exercise their rights under the National Energy Retail Rules.
- **Customer protection** – TGN has appropriate policies and procedures in place to ensure that personal information is collected and managed in accordance with the Privacy Act 1988 and the Australian Privacy Principles.
- **Complaints procedures** – All complaints are handled in line with the TGN complaints and handling policy and procedures, which ensures that requirements set in the Australian Standard ISO 10002 (2006) Complaint Handling are met. Customer complaints are recorded and handled in the first instance by customer service representatives with the ability to immediately escalate to the team leader. If complaints are unable to be resolved at this level a direct escalation path exists to management.
- **Disputes** – Established protocols for dispute resolution processes are consistent with the Australian Standards and will include membership with the Energy and Water Ombudsman of South Australia (EWOSA) if required.
- **Safety and Compliance, Corporate Services and Finance** – Tasmanian based corporate shared service teams will provide the necessary policies and procedures for a safe and effective working environment for Enwave's staff, systems and compliance activities.

*These policies govern staff behaviours within the business and risk is managed through the knowledge and adherence to these policies. The policies are endorsed and supported and by Enwave Tonsley senior management and the Board.*

- *Document retention* – Document control, amendments, review and retention is managed through our controlled document store “Sharepoint”. A hierarchy of access and user functionality is in place to manage Sharepoint access.
- *Staff capabilities* – The project team comprises: Project Manager, Asset Manager, Operations Manager, Technical Specialist and Field Technicians. Additional contract specialists and support roles will be engaged as and when the work demands necessitate.

*All our employees are required to have suitable qualifications relevant to their position and duties. In addition, all employees receive regular training and maintain continuing education in their area of expertise. Enwave Tonsley has a company code of conduct that sets out acceptable behaviour and interaction with colleagues, customers and other external parties.*

- *Workforce planning*

*Human Resource specialists from the Corporate Service team will assist with workforce planning issues and the recruitment of staff. The major considerations for staffing levels and skills required are:*

- *Job role and tasks required across the network;*
- *The size of the network and its geographic dispersal;*
- *Mix of skills and numbers of staff needed to undertake the safe operation of the network;*
- *Forecast workload and demand for gas;*
- *HSE considerations including Formal Safety Assessment and ALARP plans;*
- *Reliability of supply considerations;*
- *Maintenance and operational compliance requirements;*
- *Response times and emergency response requirements;*
- *Absences caused by sick leave annual holidays and training days for our team;*  
*and*
- *Budget implications*
- *Policies*

*TGN has a range of policies that will be applied to the Enwave Tonsley project. These are included as appendices as outlined below:*

- *Risk management policy (Annexure “K”)*
- *Asset Management Plan (available on request).*
- *Compliance Plan (Annexure “L”)*
- *Other systems – In addition to the risk management policy noted above, the following policies are available:*

- *Health and safety policy*
- *Corporate Code of Conduct and Code of Conduct Policy*
- *Recruitment and Selection Policy*
- *Training Policy*

*TGN complies with the Privacy Act 1998, and in line with the National Information Privacy Principles 2014 ensures that all information is held in accordance with and only for the purpose of providing energy goods and services. A privacy statement is available on the TGN website: [www.tasgasnetworks.com.au](http://www.tasgasnetworks.com.au).*

### **3.11 Safety of Network**

The Commission may not issue a distribution licence unless it is satisfied that the distribution network (or the proposed network) will have the necessary capacity for distributing gas safely. Applicants are therefore asked to verify that the network has been (or will be) developed in accordance with relevant Australian Industry Codes and Australian Standards.

*Enwave Tonsley has developed a Safety, Reliability, Management and Technical Management Plan (SRMTMP) which will be approved by the Technical Regulator before commencing the construction and operation of the natural gas network which will be constructed in accordance with the relevant Australian Industry Codes and AS ISO standards, including AS 4645:2018 - Gas distribution networks, and the Gas Distribution Code.*

### **3.12 Risk Management**

Provide confirmation and reasonable evidence that the applicant's management has identified the risks associated with gas 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.

*Enwave Tonsley has implemented a risk management strategy in accordance with framework outlined in AS/NZS ISO 31000:2009 Risk Management. These objectives and organisational commitments are outlined in the company's Risk Management Policy, attached as Annexure "K".*

*The company's risk management process is designed to consider risks across all fronts, including strategic, operational, safety, financial, environmental and reputational. Risks identified are mitigated as far as reasonably practicable and controls are track through internal risk treatment action plans. The organisations risks are regularly reported to the company's management and board and relevant persons are held accountable for ensuring the ongoing management of risks.*

*Companywide and functional line risk management workshops are facilitated on a quarterly basis and are designed to provide constant engagement and management of risks.*

*Internal audits of Enwave's risk management strategy are undertaken in accordance with the company's audit schedule, which form part of the overall compliance strategy. Regular engagement in the risk management space occurs with the assistance and advice of external parties.*

*A Formal Safety Assessment workshop was conducted on site at Tonsley on Wednesday 30<sup>th</sup> May 2018 and a Risk Register developed in accordance with the guidelines of AS 4645.1:2018 Appendix B. Attendees at the workshop included representatives from TGN, PEET, RSA, Enwave and the OTR.*

### **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.

*The applicant is not applying for approval under the Development Act.*

*The site which is the subject of this licence application is being redeveloped by Renewal SA.*

### **3.14 Registration with AEMO**

Please advise if the applicant will apply to register with AEMO. If so, provide details.

*Enwave Tonsley will not be applying for registration with AEMO.*

### **3.15 Licences held by the Applicant in other Australian jurisdictions.**

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

*Enwave Tonsley does not hold any licences but other companies within the Enwave group do hold licences – see response in section 3.17.*

### **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.

*Enwave Tonsley has no unsuccessful energy licence applications in any Australian jurisdiction*

### **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.

*The following associated companies have electricity or gas licences:*

*Tas Gas Networks (ACN 104 499 569) has a gas distribution licence in Tasmania*

*Enwave Victorian Networks (ACN 163 231 696) has a gas distribution licence in Victoria*

*Tas Gas Retail (ACN 110 370 726) has gas retail licences in both Tasmania and Victoria*

*Enwave Mascot (ACN 100 209 354) has an electricity retail authorisation to retail electricity in ACT, NSW, Qld, Tas and SA*

*Flow Systems (ACN 136 272 298) has an electricity retail authorisation to retail electricity in ACT, NSW, Qld, Tas and SA.*

*In addition the following associated companies have various network exemptions from the AER for NSW:*

*Enwave Central Park (ACN 601 611 330)*

*Enwave Mascot (ACN 100 209 354)*

*Flow Systems (ACN 136 272 298)*

*Flow Systems also has Water Industry Competition Act (NSW) network operator's licences to construct, operate and maintain water services and water treatment facilities and retail licences to supply water services in NSW.*

*Meter 2 Cash Solutions (ACN 130 008 196), a wholly owned subsidiary of Flow Systems, is an accredited Embedded Network Manager.*

### **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.

**A Draft Compliance Management System is attached as Annexure "L".**

*Please note Annexure L is a Commercial In Confidence document.*

### **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.

**As part of their overall activities at Tonsley, Enwave Tonsley will also be submitting an application for an Electricity Distribution Licence, an Electricity Generation Licence and a Recycled Water Retail Licence.**



## 4 FACTORS SPECIFIED IN THE ESSENTIAL SERVICES COMMISSION ACT 2002

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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.

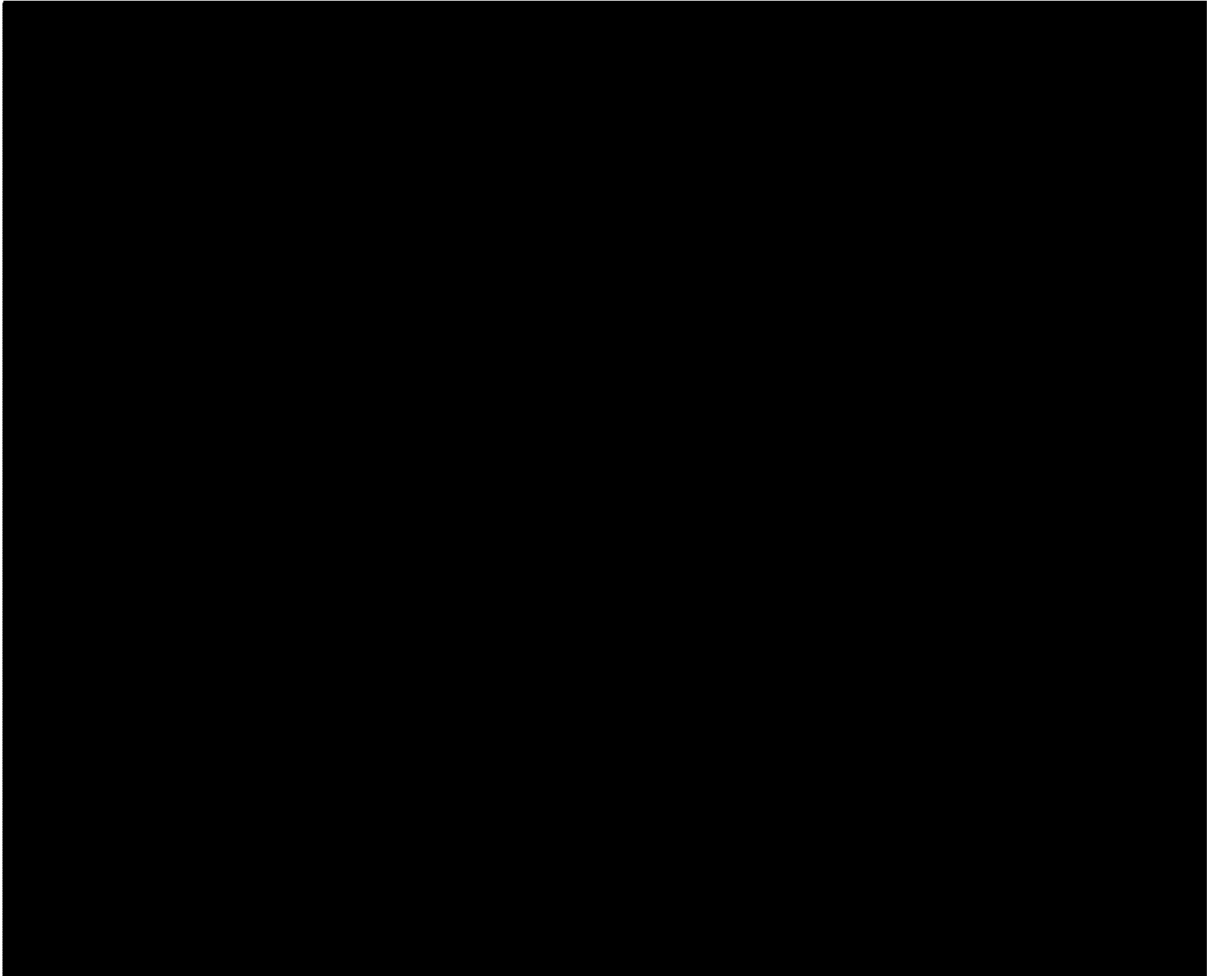
*Enwave Tonsley is a multi-utility provider exclusively dedicated to the Tonsley Innovation Precinct. As such we are in a unique position to develop and promote innovative energy solutions in accordance with the vision set out by Renewal SA. This will facilitate entry of innovative energy providers, including solar electricity generation and thermal heating and cooling systems into the relevant market, and recycled water.*

*Enwave Tonsley is owned by Brookfield Infrastructure one of the largest owners and operators of critical and diverse global infrastructure networks. Their financial backing and commitment as global asset investors will ensure financial viability and long term investment in the networks at Tonsley*

*Please note the below response is Commercial In Confidence:*







*A copy of the executed development agreements can be provided if required.*

## **5 APPLICATION FEES**

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Applicants for a licence must pay the Commission an application fee fixed by the Minister for Energy from time to time. This fee is presently set at \$1000 per licence. Please enclose this fee with the application. An application cannot be considered until this fee has been received.



## 6 DECLARATION

All information in this application for the issue of a licence to authorise gas distribution operations in the gas 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), 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.

### Statutory Declaration

I RICHARD SWEATHER

of ENWAUE TONSLEY

do solemnly and sincerely declare that the information contained in this Application for the issue of a licence to authorise gas distribution operations in the gas 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 25<sup>th</sup> July 2018

Signature R. S. Weather

(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: 5 KILN COURT ST LEONARDS 2250 this 25 day of JULY 2018

Before me: JARED BLACKWELL - CHARTERED ACCOUNTANT

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