

## **EXEMPTION**

## PURSUANT TO SECTION 80(1) OF THE ELECTRICITY ACT 1996

- 1. Throughout this exemption the term virtual power plant has the following meaning:
  - A virtual power plant is a network of distributed energy resources, under centralised control by an operator, all working together as a single power plant. For example, this includes homes with solar and battery systems.
- 2. Pursuant to section 80(1) of the Electricity Act 1996, the Essential Services Commission (Commission), with the approval of the Minister for Energy and Mining, grants virtual power plant operators an exemption from the requirement to hold an electricity generation licence, as required by Part 3 of the Electricity Act 1996 for the purposes of undertaking electricity generation operations associated with the operation of virtual power plants.
- 3. The exemption will remain in effect until 30 November 2023, unless the Commission revokes or varies the exemption, or the Minister revokes the approval given under section 80(1) of the Electricity Act, on an earlier date.
- 4. The grant of this exemption from the requirement to hold an electricity generation licence, under the Electricity Act 1996, is subject to the following conditions:
  - (a) A virtual power plant operator must provide to the Commission in a specified time and format any information regarding the operation of its virtual power plant(s) as requested by the Commission in writing.
  - (b) A virtual power plant operator must comply with all applicable laws of this State of South Australia and the Commonwealth of Australia, regarding the operation of virtual power plants.
  - (c) A virtual power plant operator must obtain and maintain adequate and appropriate insurance given the nature of the operations carried out under this exemption and the risks associated with those operations, and must provide the Commission with a certificate of the insurer or insurance broker by whom the insurance was arranged, certifying that the insurance is adequate and appropriate, if requested by the Commission in writing.

- (d) A virtual power plant operator must comply with any safety, reliability, maintenance and technical management requirements imposed by the Office of the Technical Regulator under the *Electricity Act 1996* from time to time.
- 5. Notwithstanding the above, if any conditions of the exemption are breached by a virtual power plant operator, the Commission may revoke the application of the exemption to that virtual power plant operator by advising the operator in writing.

Adam Wilson Chief Executive Officer and Commission authorised signatory
12 November 2021
Date
The COMMON SEAL of the  MINISTER FOR ENERGY  AND MINING was hereunto  affixed by authority of the  MINISTER FOR ENERGY  AND MINING in the  presence of:  Witness  Enza Pullino  Witness
24   11   2 i  Date