



Electricity

Licence



Electricity Generation Licence

Minister for Energy and Mining

Issued by the Essential Services Commission on 30 June 2010.
Last varied by the Essential Services Commission on 16 October 2019.

Variation history

Amendment number	Variation date	Reason
ESCOSA01	14 February 2012	Licence varied and transferred from Minister for Aboriginal Affairs and Reconciliation to the Minister for Energy.
ESCOSA02	4 November 2013	Licence varied adding facilities and communities that were previously removed.
ESCOSA03	15 September 2016	Licence varied removing facilities and communities that have transferred to Cowell Electric Supply Pty Ltd.
ESCOSA04	18 April 2018	Administrative variation to change the licensee's name from the Minister Mineral Resources and Energy to the Minister for Energy and Mining.
ESCOSA05	16 October 2019	Licence varied to reflect amendments to the Act and update outdated references.

General

1 Definitions and interpretation

- 1.1 Words appearing in bold like **this** are defined in Schedule 1.
- 1.2 This licence must be interpreted in accordance with the rules set out in Schedule 2.

2 Grant of a licence

- 2.1 The **licensee** is licensed under Part 3 of the **Act**, and subject to the conditions set out in this licence, to generate electricity using the electricity generating plants as specified in Schedule 3.

3 Term

- 3.1 This licence commences on the date it is issued and continues until it is:
 - (a) surrendered by the **licensee** under section 29 of the **Act**; or
 - (b) suspended or cancelled by the **Commission** under section 37 of the **Act**.

4 Switching manual

- 4.1 The **licensee** must:
 - (a) prepare and maintain an internal switching manual in accordance with the **regulations**; and
 - (b) comply with any other requirements relating to switching prescribed in the **regulations**.

5 Variation

- 5.1 This licence may only be varied in accordance with section 27 of the **Act**.

6 Transfer

- 6.1 This licence may only be transferred in accordance with section 28 of the **Act**.

7 Compliance with applicable laws and codes

- 7.1 The **licensee** must comply with all applicable laws, including, but not limited to, any technical or safety requirements or standards contained in regulations made under the **Act**.
- 7.2 The **licensee** must comply with any **codes** or **rules** made by the **Commission** from time to time, that the **Commission** has advised the **licensee** in writing as being applicable to the **licensee**.

8 Information to the Commission and AEMO

- 8.1 The **licensee** must, from time to time, in a manner and form determined by the **Commission**, provide to the **Commission**:

- (a) details of the licensee's financial, technical and other capacity to continue the operations authorised by this licence; and
- (b) such other information as the Commission may require.

8.2 If the licensee commits a **material breach** of a provision of an applicable law (as specified in clause 7), the licensee must notify the Commission of that breach within 3 days of becoming aware of that breach.

8.3 The licensee must, following a request from the AEMO, provide to the AEMO, such documents or information as it may reasonably require to perform its functions and exercise its powers under the Act.

9 Annual return

9.1 The licensee must submit an Annual Return to the Commission, pursuant to section 20(2)(a) of the Act, by 31 August each year in respect of the operations authorised by this licence during the preceding financial year.

9.2 Each Annual Return must contain at least the following information:

- (a) the names of the officers of the licensee;
- (b) the names of the major shareholders of the licensee;
- (c) in respect of generation operations:
 - (i) a description of the generating plant, including installed capacity (MW);
 - (ii) the total electricity produced (MWh) by the generating plant;
 - (iii) plant availability; and
 - (iv) the number of outages (planned and unplanned) for the generating plant.
- (d) in respect of the licensee's compliance with its regulatory obligations under this licence, a statement describing:
 - (v) any instances of non-compliance with those regulatory obligations; and
 - (vi) measures taken by the licensee to rectify reported non-compliance.

10 Operational and compliance audits

10.1 The licensee must undertake periodic audits of:

- (a) the operations authorised by this licence; and
- (b) the licensee's compliance with its obligations under this licence; and
- (c) any applicable codes; and
- (d) any other matter relevant to the operations authorised by this licence as specified by the Commission,

at the request of, and in accordance with the requirements specified by, the Commission.

10.2 The results of each audit conducted under clause 10.1 must be reported to the **Commission** in a manner approved by the **Commission**.

11 Confidentiality

11.1 The **licensee** must, unless otherwise required or permitted by law, this licence, or a **code**:

- (a) comply with any **rules** made by the **Commission** from time to time relating to the use of information acquired by the **licensee** in the course of operating the business authorised by this licence; and
- (b) ensure that information concerning a **customer** is not disclosed without the prior express consent of, or as agreed in writing with, the **customer**.

11.2 The **licensee** must not disclose confidential information to an intelligence or law enforcement agency unless requested to do so by an intelligence or law enforcement agency on the basis that:

- (a) disclosure is necessary under the terms of a warrant issued under Division 2 of the Australian Security Intelligence Organisation Act 1979 or under the terms of any other court order; or
- (b) disclosure is reasonably necessary for the enforcement of the criminal law or of a law imposing a pecuniary penalty or for the protection of the public revenue; or
- (c) disclosure is necessary to safeguard the national security of Australia.

11.3 The **licensee** may accept an assertion of an intelligence or law enforcement agency, without making further enquiry, for the purposes of clause 11.2(b) and clause 11.2(c) Community service

11.4 The **licensee** must comply with the requirements of any scheme approved and funded by the Minister for the provision by the State of **customer** concessions or the performance of community service obligations by the **licensee**.

12 Taking over operations

12.1 Where the **licensee** becomes the subject of a proclamation under section 38 of the **Act**, it must participate in the development and implementation of arrangements under section 38 for another person to take over the operations authorised by this licence (including, but not limited to, arrangements to ensure the remuneration of that person)

13 Safety, Reliability, maintenance and technical management plan

13.1 The **licensee** must:

- (a) prepare, maintain and periodically revise a safety, reliability, maintenance and technical management plan dealing with matters prescribed by **regulation**;
- (b) obtain the approval of the **Technical Regulator**:
 - (i) to the plan (prior to commencement of the operation of the electricity generating plant to which the plan relates); and
 - (ii) to any revision of the plan;

- (c) comply with the plan as approved from time to time in accordance with clause 13.1(b); and
- (d) undertake audits of its compliance with the plan from time to time and report the results of those audits to the **Technical Regulator**, in the form required by the **Technical Regulator**.

14 Interruption of supply

- 14.1 The licensee must, in undertaking the generation operations authorised by this licence, use its best endeavours to minimise the frequency and duration of supply interruptions.

15 Insurance

- 15.1 The licensee must undertake, and maintain during the term of this licence, insurance against liability for causing bushfires. The licensee must provide to the **Commission** a certificate of the insurer or the insurance broker by whom the insurance was arranged (in a form acceptable to the **Commission**) to the effect that such insurance is adequate and appropriate, given the nature of the licensee's activities conducted under this licence and the risks associated with those activities.

This licence was issued by the Commission on 30 June 2010 and last varied by the Commission on 16 October 2019.

The COMMON SEAL of the)
ESSENTIAL SERVICES)
COMMISSION of South)
Australia was hereunto)
affixed by authority of the)
ESSENTIAL SERVICES)
COMMISSION and in the)
presence of:)



Paul Power

Commissioner

16 October 2019

Date

Schedule 1: Definitions

In this licence:

Act means the *Electricity Act 1996* and includes any statutory instrument made under that Act;

AEMO means the Australian Energy Market Operator Limited (ACN 072 010 327);

Code means any code made by the Commission under section 28 of the *Essential Services Commission Act 2002 (SA)* from time to time;

Commission means the Essential Services Commission established under the *Essential Services Commission Act 2002*;

Customer means a customer (as defined in the Act) connected to the Network;

Electricity Distribution Code means the code of that name made by the Commission under section 28 of the *Essential Services Commission Act 2002 (SA)* from time to time which regulates connections to a distribution network and the supply of electricity by distributors;

Electricity Infrastructure means the electricity infrastructure used in connection with the Operations (but does not include an electrical installation);

Electricity Transmission Code means the code of that name made by the Commission under section 28 of the *Essential Services Commission Act 2002 (SA)* from time to time,

Industry Ombudsman Scheme means an ombudsman scheme the terms and conditions of which are approved by the Commission;

Industry Regulator means the South Australian Independent Industry Regulator under the *Independent Industry Regulator Act 1999 (SA)*;

Licensee means Minister for Energy and Mining;

meter does not include a meter the provision and operation of which is regulated by the National Electricity Rules; and "**metering**" means metering undertaken by means of a meter;

Minister means the person who is responsible for the administration of the Act;

National Electricity Law means the *National Electricity Law* referred to in the *National Electricity (South Australia) Act 1996 (SA)*;

National Electricity Rules means the National Electricity Rules, as defined in the National Electricity Law;

Network means the distribution network set out in item 1 of the Schedule;

Operations means the carrying on by the Licensee of the operation of the Network;

regulation means a regulation made under the Act;

Return Period means,

- (a) in respect of the first return under this licence, the period on and from the commencement of the licence until and including 30 June in the first twelve month period after the licence was issued;
- (b) in respect of each subsequent return (other than the last return) under this licence, the year commencing on the day following the last day of the immediately preceding return period; and

- (c) in respect of the last return period under this licence, the period on and from the day following the last day of the immediately preceding return period until and including the last day of the term;

Rule means any rule made by the Commission under section 28 of the *Essential Services Commission Act 2002 (SA)* from time to time;

Supply Interruption means an interruption in electricity supply affecting any customer and includes a supply interruption occurring as a result of:

- (a) an act or omission of another person; or
- (b) an outage,
but does not include:
 - (c) in respect of a customer, an interruption in electricity supply in accordance with an interruptible supply contract with that customer; or
 - (d) an interruption of supply rectified by an automatic fault clearing operation; and

System Controller means the person licensed under Part 3 of the Act to exercise system control over a power system;

Technical Regulator means the person holding the office of Technical Regulator under Part 2 of the Act;

Term means the term during which this licence operates set out in clause 3,

but otherwise, terms have the same meaning as in the *Electricity Act 1996*

Schedule 2: Interpretation

In this licence, unless the context otherwise requires:

- (a) headings are for convenience only and do not affect the interpretation of this licence;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include any gender;
- (d) an expression importing a natural person includes any company, partnership, trust, joint venture, association, corporation or other body corporate and any governmental agency;
- (e) a reference to any statute, regulation, proclamation, order in council, ordinance or bylaw includes all statutes, regulations, proclamations, orders in council, ordinances or by-laws varying, consolidating, re-enacting, extending or replacing them and a reference to a statute includes all regulations, proclamations, orders in council, ordinances, by-laws and determinations issued under that statute;
- (f) a reference to a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns;
- (g) a reference to a document or a provision of a document includes an amendment or supplement to, or replacement or novation of, that document or that provision of that document; and
- (h) an event which is required under this licence to occur on or by a stipulated day which is not a **business day** may occur on or by the next **business day**; and

Schedule 3: Generation facilities

The generating plants, their capacity and fuel source are as follows:

1. Oak Valley - 450 kW, diesel
2. Yalata - 640 kW, diesel



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