

License Application – Gas Trading License

1. Applicant Details

Applicant Details

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Trading As

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Contact Details

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2. Organisational Background

Launched in 2005, Simply Energy is one of Australia's fastest growing energy companies.

The business provides energy solutions to customers in Victoria, South Australia, New South Wales and Queensland and has more than 650,000 electricity and gas accounts.

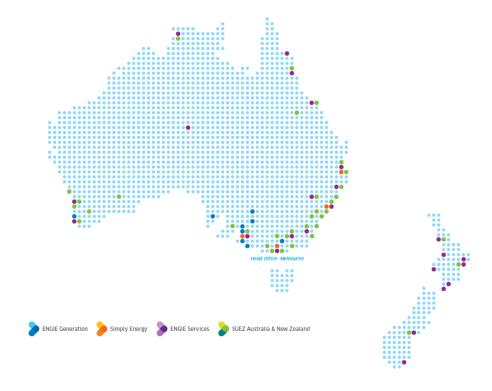
In addition to providing Australians with affordable energy, Simply Energy helps customers to identify simple, smart ways to manage their energy consumption, with a combination of energy efficiency, solar and battery technologies.

Simply Energy is part of the global ENGIE group, which employs more than 153,000 people in more than 70 countries. ENGIE is a forerunner in the new energy world and co-innovates with its communities to improve the sustainability of business and the lives of people, today and tomorrow.

3. ENGIE in Australia and New Zealand

In Australia, ENGIE operates about 2,000 MW (gross) of renewable, gas-fired and brown coal-fired plants in Victoria, South Australia and Western Australia. An emerging part of the business, ENGIE Services offers cost-saving smart energy services and specialises in multi-technical installation and maintenance.

ENGIE employs about 1,800 people across Australia and New Zealand across the below locations



Operational Assets

Kwinana

Kwinana is a 122 MW cogeneration plant, located 40 kilometres south of Perth. It supplies steam and electrical power to the BHP Kwinana Oil Refinery and electricity to Synergy. Jointly owned by ENGIE, Mitsui & Co Ltd (70%) and Ratch Australia (30%), trading as Perth Power Partnership

Hazelwood

Hazelwood was a brown coal-fired generation facility based in the Latrobe Valley of Victoria, which ceased generation and closed effective 31 March, 2017 and is currently in the process of being decommissioned and the mine rehabilitated.

Loy Yang B

Loy Yang B, also located in Victoria's Latrobe Valley, is Victoria's newest and most efficient coal-fired generation plant, generating 953MW, or 17% of Victoria's energy needs. Loy Yang B is jointly owned by ENGIE (70%) and Mitsui & Co Ltd (30%) trading as IPM Operations and Maintenance. Loy Yang B has also collaborated with Landcare resulting in the planting of 1.5 million native trees, shrubs and grasses throughout Gippsland, Victoria, South Australia and Western Australian creating a pioneering program in the form of Landcare Environmental Detectives Program.

Pelican Point

Pelican Point, located on the Port River, about 22 kilometres northwest of Adelaide, is one of Australia's most advanced, efficient and environmentally friendly power stations. The combined cycle power station, developed and constructed in 1999, is jointly owned by ENGIE (72%) and Mitsui & Co Ltd (28%) and is capable of producing 479 MW of electricity or 25% of South Australia's energy needs.

Canunda Windfarm

The Canunda Windfarm, located at Lake Bonney, near Millicent in South Australia's South East, comprises 23 turbines capable of generating 46 MW of electricity or enough to power 30,000 homes. Operated since 2005 and jointly owned by ENGIE (72%) and Mitsui & Co Ltd (28%), Canunda signifies a diversification in the Australian portfolio and a move towards increased generation from renewable resources.

Synergen

Synergen Power is a peaking 396 MW generator consisting of nine independent generation units located at four separate locations across South Australia and operates at times of high demand.

Synergen is jointly owned by ENGIE (72%) and Mitsui & Co Ltd (28%) with units situated at Dry Creek, Mintaro, Snuggery and Port Lincoln.

Willogoleche

The Willogoleche Wind Farm, near Hallett, in South Australia, represents a further development in renewable energy generation with a planned 32 turbines expected to be operational by mid-2018.

ENGIE Services

With more than 25 locations across Australia and New Zealand, ENGIE Services specialises in improving energy performance in the industrial, public and commercial building sectors through developing and implementing cost-saving smart energy and environmental efficiency services.

4. Western Australian Proposed Services

Simply Energy is seeking a Gas Trading License under Part 2A of the Energy Coordination Act 1994. Simply Energy plans to enter the Western Australian market in by July 2018 for Large (Greater than 1 terajoule) and Small Use Gas Customers on the ATCO Gas Australia Pty Ltd (ATCO) distribution network.

In support of those proposed services, Simply Energy submits the following information regarding financial position and modelling, technical capacity, vendor and contractor information, other jurisdictional licenses, compliance enforcement activity and general customer and account management information.

5. Other Licenses, Authorisations and Market Registration

Current License's and Authorisations:

Victoria:

- Gas Retail License, attached as Appendix 2 Victorian Gas License 2007.
- Electricity Retail License, attached as Appendix 3 Victorian Electricity License 2007.

National Energy Retail Law

- Gas Retail Authorisation <u>Public Register</u> TE12037 Effective 1 July 2012
- Electricity Retail Authorisation Public Register TE12037 Effective 1 July 2012

Market Registration

- National Electricity Market Registered Participant Market Customer
- Victoria Gas Registered Retailer Participant ID ENERGYAUST
- South Australia Gas Registered Retailer Participant ID ENERGYAUST

- New South Wales and Australian Capital Territory Gas Registered Retailer Participant ID
 SIMPLYUSR
- Short Term Trading Market Registered User Participant ID SIMPLYUSR
- National Gas Bulletin Board Registered Shipper

Simply Energy, as part of this application, authorises the Economic Regulatory Authority to contact any of the above Authorities in relation to any breaches and or enforcement activities. In the interests of transparency.

6. Public Interest Information

Simply Energy believes that the granting of a license would be in the public interest on the basis that Simply Energy is an established, competitive energy provider with sufficient financial resources to offer affordable competitive products into the Gas market in Western Australia.

Simply Energy, as part of the broader ENGIE Australia group, is already participating in a number of social programs and community investments across the areas of operation throughout Australia and New Zealand, and employs a number of people across the various group functions.

Simply Energy is and has been a strong competitor in the energy markets across Victoria, South Australia, New South Wales and Queensland and has grown organically to over 650,000 electricity and gas accounts and anticipates future growth as part of the expansion into emerging markets with new and emerging technologies, service, environmental and social policies driving significant change.

7. Appendixes

Appendix 1 – Standard Form Contract Terms and Conditions 2017