



# Electricity Retail Licence

BHP Billiton Nickel West Pty Ltd

ERL2, Version 9, 1 July 2018

**Economic Regulation Authority**

WESTERN AUSTRALIA

***ELECTRICITY INDUSTRY ACT 2004 (WA)***

Licensee Name: BHP Billiton Nickel West Pty Ltd  
ACN 004 184 598

Licence Area: The area set out in the plan referred to in clause 2.5.

Licence Number: ERL2

Commencement Date: 24 March 2006

Version Number: 9

Version Date: 1 July 2018

Expiry Date: 23 March 2021

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Signed by a delegate; member; or  
the Chair of the Economic Regulation Authority

1 July 2018

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## 1. DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

1.1.1 In this *licence*, the following definitions apply unless the context otherwise requires:

**Act** means the *Electricity Industry Act 2004* (WA).

**applicable legislation** means:

- (a) the *Act*; and
- (b) the *Regulations* and the *Codes*.

**approved scheme** means a scheme approved under section 92 of the *Act*.

**business day** means a day which is not a Saturday, Sunday or a Public Holiday in Western Australia.

**Code** means:

- (a) the *Code of Conduct for the Supply of Electricity to Small Use Customers 2018*;
- (b) the *Electricity Industry (Customer Transfer) Code 2016*;
- (c) the *Electricity Industry (Metering) Code 2012*;
- (d) Not Used

**commencement date** means the date the *licence* was first granted by the *ERA* being the date specified in clause 2.2.

**connection point** has the meaning given to that term in regulation 35 of the *Electricity Industry (Customer Contracts) Regulations 2005*.

**customer** has the meaning given to that term in section 3 of the *Act*.

**default supplier** has the meaning given to that term in regulation 35 of the *Electricity Industry (Customer Contracts) Regulations 2005*.

**distribution system** has the meaning given to that term in section 3 of the *Act*.

**electricity** has the meaning given to that term in section 3 of the *Act*.

**electricity marketing agent** has the meaning given to that term in section 78 of the *Act*.

**electronic means** means:

- (a) the internet;
- (b) email, being:
  - (i) in relation to the *ERA*, the *ERA*'s email address as notified to the *licensee*; and

- (ii) in relation to the *licensee*, the email address specified in the *licence* application or other such email address as notified in writing to the *ERA*; or
  - (iii) any other similar means,
- but does not include facsimile or telephone.

**ERA** means the Economic Regulation Authority.

**expiry date** means the date specified in clause 2.3.

**individual performance standards** mean any standards prescribed by the *ERA* for an individual *licensee* pursuant to clause 5.2 of the *licence*.

**licence** means:

- (a) this document (excluding the title page and the second page of this document);
- (b) any Schedules to this document; and
- (c) any individual *performance standards* approved by the *ERA* pursuant to clause 5.2.

**licence area** is the area stated in clause 2.5 of this *licence*.

**licensee** means BHP Billiton Nickel West Pty Ltd, ACN 004 184 598.

**non-standard contract** has the meaning given to that term in section 47 of the *Act*.

**notice** means a written notice, agreement, consent, direction, representation, advice, statement or other communication required or given pursuant to, or in connection with, this *licence*.

**performance audit** means an audit of the effectiveness of measures taken by the *licensee* to meet the *performance criteria* in this *licence*.

**performance criteria** means:

- (a) the terms and conditions of the *licence*; and
- (b) any other relevant matter in connection with the *applicable legislation* that the *ERA* determines should form part of the *performance audit*.

**publish** in relation to a report or information means either:

- (a) posting the report or information on the *licensee's* website; or
- (b) sending the report or information to the *ERA* to be published on the *ERA's* website.

**Regulations** means:

- (a) *Economic Regulation Authority (Licensing Funding) Regulations 2014*;
- (b) *Electricity Industry (Code of Conduct) Regulations 2005*;

- (c) *Electricity Industry (Customer Contracts) Regulations 2005*;
- (d) *Electricity Industry (Licence Conditions) Regulations 2005*;
- (e) Not Used
- (f) *Electricity Industry (Ombudsman Scheme) Regulations 2005*.

**related body corporate** has the meaning given to that term in section 50 of the *Corporations Act 2001 (Cwth)*.

**reviewable decision** means a decision by the *ERA* pursuant to:

- (a) clause 3.8.3;
- (b) Not Used
- (c) Not Used
- (d) clause 5.2.2;
- (e) clause 5.3.2; or
- (f) clause 5.3.4,

of this *licence*.

**small use customer** has the same meaning as the meaning given to “customer” in section 47 of the *Act*.

**standard form contract** has the meaning given to that term in section 47 of the *Act*.

**supplier of last resort** has the meaning given to that term in section 69(1) of the *Act*.

**supply** has the meaning given to that term in section 3 of the *Act*.

**transmission system** has the meaning given to that term in section 3 of the *Act*.

**version date** means the date on which the *licence* was last amended pursuant to clause 3.1 or clause 3.2.

## 1.2 Interpretation

- 1.2.1 A reference in this *licence* to any *applicable legislation* includes, unless the context otherwise requires, any statutory modification, amendment, replacement or re-enactment of that *applicable legislation*.

## 2. LICENCE AUTHORISATION

### 2.1 Activities authorised under this licence

- 2.1.1 The *licensee* is granted a *licence* for the *licence area* to sell *electricity* to *customers*, excluding *small use customers*, in accordance with the terms and conditions of this *licence*.

## **2.2 Commencement date**

2.2.1 24 March 2006

## **2.3 Expiry date**

2.3.1 23 March 2021

## **2.4 Term [Section 15 of the Act]**

2.4.1 This *licence* commences on the *commencement date* and continues until the earlier of:

- (a) the cancellation of the *licence* pursuant to clause 3.5 of this *licence*;
- (b) the surrender of the *licence* pursuant to clause 3.6 of this *licence*; or
- (c) the *expiry date*.

## **2.5 Licence area**

2.5.1 The *licence area* is set out in plan(s):

ERA-EL-070/2 and ERA-EL-071(B)

2.5.2 The *licence area* plan(s) is provided in Schedule 2.

## **3. LICENCE ADMINISTRATION**

### **3.1 Amendment of licence by the licensee [Section 21 of the Act]**

3.1.1 The *licensee* may apply to the *ERA* to amend the *licence* in accordance with the *Act*.

### **3.2 Amendment of licence by the ERA [Section 22 of the Act]**

3.2.1 Subject to any *applicable legislation*, the *ERA* may amend the *licence* at any time in accordance with this clause.

3.2.2 Before amending the *licence* under clause 3.2.1, the *ERA* must:

- (a) provide the *licensee* with written *notice* of the proposed amendments under consideration by the *ERA*;
- (b) allow 15 *business days* for the *licensee* to make submissions on the proposed amendments; and
- (c) take into consideration those submissions.

3.2.3 This clause also applies to the substitution of the existing *licence*.

3.2.4 For avoidance of doubt, the *licensee* will not have to pay a fee for amendments under clause 3.2.1.

**3.3 Transfer of licence  
[Section 18 of the Act]**

3.3.1 This *licence* may be transferred only in accordance with the *Act*.

**3.4 Renewal of licence  
[Section 16 of the Act]**

3.4.1 This *licence* may be renewed only in accordance with the *Act*.

**3.5 Cancellation of licence  
[Section 35 of the Act]**

3.5.1 This *licence* may be cancelled only in accordance with the *Act*.

**3.6 Surrender of licence  
[Schedule 1 of the Act]**

3.6.1 The *licensee* may only surrender the *licence* pursuant to this clause 3.6.

3.6.2 If the *licensee* intends to surrender the *licence* the *licensee* must, by *notice* in writing to the *ERA*:

- (a) set out the date that the *licensee* wishes the surrender of the *licence* to be effective; and
- (b) set out the reasons why the *licensee* wishes to surrender the *licence*, including the reasons why it would not be contrary to the public interest for the surrender of the *licence* to be effective on the date set out in the *notice*.

3.6.3 Upon receipt of the *notice* from the *licensee* pursuant to clause 3.6.2, the *ERA* will publish the *notice*.

3.6.4 Notwithstanding clause 3.6.2, the surrender of the *licence* will only take effect on the later of the day that:

- (a) the *ERA* publishes a *notice* of the surrender in the Western Australian Government Gazette, such date to be at the discretion of the *ERA*; and
- (b) the *licensee* hands back the *licence* to the *ERA*.

3.6.5 The *licensee* will not be entitled to a refund of any fees by the *ERA*.

**3.7 Notices**

3.7.1 Unless otherwise specified, all *notices* must be in writing.

3.7.2 A *notice* will be regarded as having been sent and received:

- (a) when delivered in person to the addressee; or
- (b) three *business days* after the date of posting if the *notice* is posted in Western Australia; or



- (c) five *business days* after the date of posting if the *notice* is posted outside Western Australia; or
- (d) if sent by facsimile when, according to the sender's transmission report, the *notice* has been successfully received by the addressee; or
- (e) if sent by *electronic means* when, according to the sender's electronic record, the *notice* has been successfully sent to the addressee.

### **3.8 Publishing information**

3.8.1 The *ERA* may direct the *licensee* to *publish*, within a specified timeframe, any information it considers relevant in connection with the *licensee* or the performance by the *licensee* of its obligations under this *licence*.

3.8.2 Subject to clause 3.8.3, the *licensee* must *publish* the information referred to in clause 3.8.1.

3.8.3 If the *licensee* considers that the information is confidential it must:

- (a) immediately notify the *ERA*; and
- (b) seek a review of the *ERA*'s decision in accordance with clause 3.9.

3.8.4 Once it has reviewed the decision, the *ERA* will direct the *licensee* in accordance with the review to:

- (a) *publish* the information;
- (b) *publish* the information with the confidential information removed or modified; or
- (c) not *publish* the information.

### **3.9 Review of the ERA's decisions**

3.9.1 The *licensee* may seek a review of a *reviewable decision* by the *ERA* pursuant to this *licence* in accordance with the following procedure:

- (a) the *licensee* shall make a submission on the subject of the *reviewable decision* within 10 *business days* (or other period as approved by the *ERA*) of the decision; and
- (b) the *ERA* will consider the submission and provide the *licensee* with a written response within 20 *business days*.

3.9.2 For avoidance of doubt, this clause does not apply to a decision of the *ERA* pursuant to the *Act*, nor does it restrict the *licensee*'s right to have a decision of the *ERA* reviewed in accordance with the *Act*.

## **4. GENERAL LICENCE OBLIGATIONS**

### **4.1 Compliance with applicable legislation**

4.1.1 Subject to any modifications or exemptions granted pursuant to the *Act*, the *licensee* must comply with any *applicable legislation*.

## 4.2 Fees

4.2.1 The *licensee* must pay the applicable fees and charges in accordance with the *Regulations*.

## 4.3 Accounting records [Schedule 1 of the Act]

4.3.1 The *licensee* and any *related body corporate* must maintain accounting records that comply with standards issued by the Australian Accounting Standards Board or equivalent International Accounting Standards.

## 4.4 Reporting a change in circumstances

4.4.1 The *licensee* must report to the *ERA*:

(a) if the *licensee* is under external administration as defined by the *Corporations Act 2001 (Cwth)* within 2 *business days* of such external administration occurring; or

(b) if the *licensee*:

(i) experiences a change in the *licensee's* corporate, financial or technical circumstances upon which this *licence* was granted; and

(ii) the change may materially affect the *licensee's* ability to perform its obligations under this *licence*,

within 10 *business days* of the change occurring; or

(c) if the:

(i) *licensee's* name;

(ii) *licensee's* ABN; or

(iii) *licensee's* address,

changes, within 10 *business days* of the change occurring.

## 4.5 Provision of information [Schedule 1 of the Act]

4.5.1 The *licensee* must provide to the *ERA*, in the manner and form described by the *ERA*, specified information on any matter relevant to the operation or enforcement of the *licence*, the operation of the licensing scheme provided for in Part 2 of the *Act*, or the performance of the *ERA's* functions under that Part.

## 5. AUDITS AND PERFORMANCE REPORTING OBLIGATIONS

### 5.1 Asset management system [Section 14 of the Act]

Not Used

## **5.2 Individual performance standards**

- 5.2.1 Performance standards are contained in *applicable legislation*.
- 5.2.2 The *ERA* may prescribe *individual performance standards* applying to the *licensee* in respect of the *licensee's* obligations under this *licence* or the *applicable legislation*.
- 5.2.3 Before approving any *individual performance standards* under this clause, the *ERA* will:
- (a) provide the *licensee* with a copy of the proposed *individual performance standards*;
  - (b) allow 15 *business days* for the *licensee* to make submissions on the proposed *individual performance standards*; and
  - (c) take into consideration those submissions.
- 5.2.4 Once approved by the *ERA*, the *individual performance standards* are included as additional terms and conditions to this *licence*.

## **5.3 Performance audit [Section 13 of the Act]**

- 5.3.1 The *licensee* must, unless otherwise notified in writing by the *ERA*, provide the *ERA* with a *performance audit* within 24 months after the *commencement date*, and every 24 months thereafter.
- 5.3.2 The *licensee* must comply, and must require the *licensee's* auditor to comply, with the *ERA's* standard audit guidelines.
- 5.3.3 The *licensee* may seek a review of any of the requirements of the *ERA's* standard audit guidelines in accordance with clause 3.9.
- 5.3.4 The *performance audit* must be conducted by an independent auditor approved by the *ERA*. If the *licensee* fails to nominate an auditor within one month of the date that the *performance audit* was due, or the auditor nominated by the *licensee* is rejected on two successive occasions by the *ERA*, the *ERA* may choose an independent auditor to conduct the *performance audit*.

## **6. CUSTOMERS**

### **6.1 Approved Scheme [Section 101 of the Act]**

Not Used

### **6.2 Determination of Default Supplier**

Not Used

### **6.3 Marketers**

Not Used

**6.4 Customer Contracts  
[Section 54 of the Act]**

Not Used

**6.5 Amending the Standard Form Contract  
[Section 52 of the Act]**

Not Used

**6.6 Directions by the ERA to amend Standard Form Contract  
[Section 53 of the Act]**

Not Used

**6.7 Supplier of Last Resort  
[Section 76 of the Act]**

6.7.1 If the *licensee* is designated a *supplier of last resort* under the *Act*, the *licensee* must perform the functions of the *supplier of last resort*.

**6.8 Notification of Default Supply**

Not Used

**6.9 Priority Restoration Register**

Not Used

## Schedule 1 – Additional Licence Clauses

1. **Compliance with the Electricity (Customer Transfer) Code 2016**
  - 1.1 Despite clause 4.1 of the *licence*, the *licensee* is not required to comply with the *Electricity Industry (Customer Transfer) Code 2016* as long as the *licensee* is the only retailer selling *electricity* transported through the *distribution system* or *transmission system* (as the case may be).
  - 1.2 The *licensee* must notify the *ERA* within 10 business days of the *licensee* becoming aware that there is more than one retailer selling *electricity* transported through the *distribution system* or *transmission system* that is also being used by the *licensee*.

## **Schedule 2 – Licence Area Plans**

**Amendment Record Sheet**

Version Date	Description of Amendment
15 December 2006	Amend the title of the Electricity Retail Licence 2 (ERL2) from WMC Resources Ltd trading as Nickel West ACN 004 184 598 to BHP Billiton Nickel West Pty Ltd ACN 004 184 598.
29 January 2009	Change to customer definition.
13 January 2011	Electricity Licence Review 2010 amendment by substitution.
3 December 2012	ERA amendment by substitution to update reference to map ERA-EL-070(B).
1 July 2015	Electricity Licence Review 2015 amendment by substitution.
7 July 2016	Licence amended by substitution to: <ul style="list-style-type: none"> <li>• reinstate reference to Plan ERA-EL-071(B) in Item 1 of Schedule 1; and</li> <li>• revise licence area to include Agnew as shown in plan ERA-EL-070(C)</li> </ul>
13 July 2017	Licence amended by substitution. Schedule 1 amended to replace licence operating area map number ERA-EL-070(C) with Northern Goldfields Retail map number ERA-EL-070/2.
1 July 2018	Electricity Licence Review 2018 amendment by substitution.