

# **Economic Regulation Authority**

WESTERN AUSTRALIA

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

Licensee Name: Community Electricity Pty Ltd

ABN 82 161 698 004

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

Licence Number: ERL19

Commencement Date: 24 April 2013

Version Number: 3

Version Date: 1 July 2018

Expiry Date: 23 April 2028

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.* 

*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 Community Electricity Pty Ltd, ABN 82 161 698 004.

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*.

**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 April 2013

#### 2.3 Expiry date

#### 2.3.1 23 April 2028

## 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-131

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 *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 (Not Used)

## Schedule 2 – Licence Area Plans

## **Amendment Record Sheet**

Version Date	Description of Amendment
1 July 2015	Electricity Licence Review 2015 amendment by substitution.
1 July 2018	Electricity Licence Review 2018 amendment by substitution.