

Decision on Retail Licence Application by Landfill Gas & Power Pty Ltd ABN 89 053 919 430

30 June 2006

Economic Regulation Authority



WESTERN AUSTRALIA

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DECISION

1. On 29 December 2005, Landfill Gas and Power Pty Ltd ABN 89 053 919 430 (**Applicant**) submitted an application to the Economic Regulation Authority (**Authority**) for a Retail Licence for the sale of electricity to commercial and/or industrial customers, within the South West Interconnected System (SWIS) in Western Australia.
2. The Retail Licence Application was made pursuant to section 10 of the *Electricity Industry Act 2004* (**Act**).
3. Pursuant to sections 9 and 19 of the Act, the Authority approves the grant of a Retail Licence to the Applicant to supply electricity subject to, and in accordance with, the terms set out in the Retail Licence for a period of 15 years.

REASONS

1. The Authority engaged Stamfords Advisors and Consultants Ltd (**Stamfords**) to examine the financial capacity of the Applicant to undertake the activities authorised by the Retail Licence. Following its assessment, Stamfords concluded that the Applicant has and is likely to retain, the financial capacity and resources to undertake the activities to be authorised by a Retail Licence.
2. The Authority engaged McGill Engineering Services Pty Ltd (**McGill**) to examine the technical capacity of the Applicant to undertake activities authorised by the Retail Licence. Following its assessment, McGill concluded that the Applicant has and is likely to retain, the technical resources to carry out the functions authorised by a Retail Licence.
3. The Authority has considered the Retail Licence Application and the advisers' reports and is satisfied that the Applicant meets the requirements of section 19(1) of the Act.
4. Section 9 of the Act states that the Authority must not exercise a power conferred by Division 3 of the Act (general licensing provisions) unless the Authority is satisfied that it would not be contrary to the public interest to do so.
5. Following receipt of the Retail Licence Application, a notice regarding receipt of the Application was published on the Authority's website in January 2006. The Authority did not receive any comments or objections to the grant of the Retail Licence to the Applicant.
6. In its consideration of the Application, the Authority considered the public interest, including the matters set out in section 8(5) of the Act as required by section 9(2). The Authority is satisfied that approval of a Retail Licence to the Applicant would not be contrary to the public interest.
7. The Authority has therefore decided to grant a Retail Licence to the Applicant for the sale of electricity to commercial and/or industrial customers within the SWIS for a period of 15 years.
8. As required by section 23(1) of the Act, the Authority will publish a notice of its approval of the Application in the *Government Gazette* as soon as is practicable.