

Economic Regulation Authority

 WESTERN AUSTRALIA

Level 6, Governor Stirling Tower
197 St Georges Terrace
Perth Western Australia 6000

GPO Box 8469
Perth Business Centre
Western Australia 6849

Telephone 61 8 9213 1900
Facsimile 61 8 9213 1999
Email enquiry@era.wa.gov.au
Website www.era.wa.gov.au

Decision on Licence Amendment

for

EDL NGD (WA) Pty Ltd

ECONOMIC REGULATION AUTHORITY

5 October 2005

DECISION

1. On 5 October 2005, the Economic Regulation Authority (**Authority**) determined that amendments were to be made to the Integrated Regional Licence that was granted by the Authority to EDL NGD (WA) Pty Ltd (**Licensee**) on 12 August 2005.
2. The licence amendment was made pursuant to section 22 of the *Electricity Industry Act 2004* (Act).

STATEMENT OF REASONS

3. Section 22 of the Act, as defined below, sets out the conditions for the Authority to determine that a licence is to be amended.
 - (1) *The Authority may, on its own initiative, determine that a licence is to be amended.*
 - (2) *A licence must specify the procedure to be followed in making such a determination, including the manner in which an amendment is to be notified to the licensee, and the determination may only be made in accordance with that procedure.*
 - (3) *An amendment under this section cannot take effect until it is notified to the licensee under the procedure referred to in subsection (2).*
 - (4) *This section applies to the substitution of a new licence for an existing licence in the same way as it applies to the amendment of a licence.*
4. On 31 August 2005, EDL wrote to the Authority requesting for clarifications to be made in Schedule 1 of the Licence.
5. The proposed amendments were largely due to clarification on the engine types and emergency generation and recent revised forecast on the initial generating capacity as provided by Western Power. These changes are reflected in section 3 of Schedule 1, the Description and Installed Capacity of the Generating Works, and section 4, the Licence area and Installed Works of the Distribution System
6. The amendments are considered to be descriptive changes only, leaving financial and technical capacity and the public interest aspects of the Licence unchanged from the granting of the Licence. Therefore the changes do not require further assessment by the Authority.
7. The Authority wrote a letter to Licensee regarding the proposed amendments under consideration by the Authority and allowed an opportunity for the Licensee to make submissions on the proposed changes. No submissions were received.
8. The Authority on 5 October 2005 determined that the Licence amendment should be given effect by way of substitution of the existing Licence.

9. As required by section 23(1) of the Act, the Authority will publish notice of its approval of the Licence amendment in the *Government Gazette* as soon as is practicable.