

# Decision on Retail Licence Application for Griffin Power Pty Ltd

14 August 2006

Economic Regulation Authority



WESTERN AUSTRALIA



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## DECISION

1. On 17 July 2006, Griffin Power Pty Ltd (**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 Applicant was granted a Generation Licence on 9 March 2006. In determining whether to grant a Generation Licence at that time, the Authority considered reports by BDO Consultants (WA) Pty Ltd and McGill Engineering Services Pty Ltd that concluded that the Applicant had the financial and technical capacity to undertake the activities authorised by a Generation Licence. The Authority has reconsidered that assessment (so far as it is relevant to the Retail Licence Application) and is satisfied that there have been no material changes to that information since its submission to the Authority.
2. The Authority recognises that the technical and financial assessment by its consultants is not entirely relevant to the Retail Licence Application. However, given all of the circumstances, including the amount and size of the customers the Applicant intends to supply, the Authority is satisfied that the technical and financial assessment and the technical and financial information submitted by the Applicant are sufficient to assess the technical and financial capability of the Applicant.
3. The Authority has considered the Retail Licence Application and the advisers' assessment conducted for the purpose of the Generation Licence Application (so far as is relevant) 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 Retail Licence Application was published on the Authority's website in July 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.