

Decision on the Surrender of Electricity Distribution Licence EDL6

Central Norseman Gold Corporation Ltd

15 January 2010

Economic Regulation Authority

 WESTERN AUSTRALIA

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DECISION

1. The Authority notes the surrender of Central Norseman Gold Corporation Ltd's Electricity Distribution Licence EDL6.
2. As required by clause 8.2 of Central Norseman Gold Corporation Ltd's distribution licence, the Authority will publish a notice in the *Government Gazette* as soon as is practicable.

BACKGROUND

The *Electricity Industry Exemption Amendment Order 2009* (2009 Order) was published on 9 October 2009 and amends the *Electricity Industry Exemption Order 2005*. Clause 16 of the 2009 Order states:

16. Exemption for distribution systems of less than 1km connecting to network other than SWIS

A person is exempt from the *Electricity Industry Act 2004* section 7(3) if —

- (a) the distribution system concerned is used solely for the transportation of electricity from generating works operated by the person to a network other than the SWIS; and
- (b) the distance the electricity is transported is less than 1 km.

Subsection 11(1) of the *Electricity Industry Act 2004* (Act) states that a licence is subject to any terms and conditions that are determined by the Authority.

Subsection 11(2) of the Act states that any terms and conditions determined under subsection 11(1) may include provisions relating to any matter provided for by Schedule 1 of the Act. Schedule 1, subsection (l) of the Act provides for licences to be surrendered and includes procedures for the surrender.

Pursuant to Schedule 1, subsection (l) of the Act, clause 8 of Central Norseman Gold Corporation Ltd's distribution licence states:

8. Surrender of Licence

- 8.1 The *licensee* may surrender the *licence* at any time by written *notice* to the *Authority*
- 8.2 The surrender of the *licence* will take effect on the day that the *Authority* publishes a *notice* of the surrender in the *Gazette*.
- 8.3 The *licensee* will not be entitled to a refund of any fees by the *Authority*.

On 20 November 2009, Central Norseman Gold Corporation Ltd wrote to the Authority notifying of their wish to surrender their Electricity Distribution Licence EDL6. Central Norseman Gold Corporation Ltd made reference to clause 16 of the 2009 Order and clause 8 of their distribution licence in their letter.

REASONS

1. Central Norseman Gold Corporation Ltd notified the Authority in writing of the surrender of their Electricity Distribution Licence EDL6, pursuant to clause 8.1 of their licence.
2. The Authority is satisfied that Central Norseman Gold Corporation Ltd's distribution assets that are subject to the electricity distribution licence are covered by clause 16 of the *Electricity Industry Exemption Amendment Order 2009*, as CNG's distribution line, at 190 metres, is less than 1km.

LYNDON ROWE
CHAIRMAN