

# Decision on the Surrender of Electricity Transmission Licence ETL5

Newgen Neerabup Partnership

11 March 2010

Economic Regulation Authority



WESTERN AUSTRALIA

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## DECISION

1. The Authority notes the surrender of Newgen Neerabup Partnership's Electricity Transmission Licence ETL5.
2. As required by clause 8.2 of Newgen Neerabup Partnership's transmission licence, the effective date of the surrender will be the date the Authority publishes a notice in the *Government Gazette*.

## BACKGROUND

On 10 February 2010, Newgen Neerabup Partnership wrote to the Authority to notify it of their wish to surrender their Electricity Transmission Licence ETL5 on the grounds that ownership of the transmission line has been transferred to Western Power. Newgen Neerabup Partnership provided documentation as evidence of the transferral.

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 Newgen Neerabup Partnership's transmission 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*.

In addition to the grounds on which Newgen Neerabup Partnership has requested to surrender their transmission licence, they also could have applied on the basis of the *Electricity Industry Exemption Amendment Order 2009* (2009 Order). The 2009 Order was published on 9 October 2009 and amends the *Electricity Industry Exemption Order 2005*. Clause 17 of the 2009 Order states:

### **17. Exemptions for holders of generation licence connecting to SWIS**

- (a) The holder of a generation licence is exempt from the *Electricity Industry Act 2004* section 7(2) if the transmission system concerned is used solely for the transportation of electricity from generating works to which the licence applies to the SWIS.

## REASONS

1. Newgen Neerabup Partnership notified the Authority in writing of the surrender of their Electricity Transmission Licence ETL5, pursuant to clause 8.1 of their licence.
2. The Authority is satisfied that Newgen Neerabup Partnership no longer requires a transmission licence as their transmission assets have been transferred to Western Power.

LYNDON ROWE  
**CHAIRMAN**