

Decision on:

Perth Energy Pty Ltd's Electricity Retail Licence Application

Economic Regulation Authority



WESTERN AUSTRALIA

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DECISION

1. On 23 December 2005, Perth Energy Pty Ltd ABN 087 386 445 (**Applicant**) submitted an application to the Economic Regulation Authority (**Authority**) for a retail licence for a term of 15 years (**Application**). The proposed licence area covers the South West Interconnected System (SWIS).
2. The 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 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 & Consultants Pty Ltd (Stamfords) to examine the financial capacity of the Applicant to undertake each of the activities authorised by the retail licence under the Act. Following its assessment, Stamfords concluded that the Applicant be granted a retail licence subject to specific licence conditions.
 2. The Authority engaged McGill Engineering Services Pty Ltd (**McGill Engineering**) to examine the technical capacity of the Applicant to undertake the activities authorised by the retail licence under the Act. Following its assessment, McGill Engineering concluded that the Applicant has and will retain, the technical resources to carry out the functions authorised by a retail licence.
 3. The Authority has considered the 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. A notice advising receipt of the Application was published on the Authority's website on 19 January 2006. The Authority did not receive any objection to the grant of a 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) as required by section 9(2) of the Act. 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 customers, including small use customers, within the SWIS. The term of the Retail Licence is 15 years.
 8. As required by section 23(1) of the Act, the Authority will publish notice of its approval of the Application in the *Government Gazette* as soon as is practicable.
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