

Decision on Generation Licence Application for Collgar Wind Farm Pty Ltd

30 April 2010

Economic Regulation Authority



WESTERN AUSTRALIA

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DECISION

1. The Generation Licence Application was made pursuant to section 10 of the *Electricity Industry Act 2004* (Act).
2. Pursuant to sections 9 and 19 of the Act, the Authority approves the grant of an electricity generation licence to Collgar Wind Farm Pty Ltd (the Applicant) to generate electricity for supply into the South West Interconnected Network (SWIN), subject to, and in accordance with, the terms set out in the Generation Licence for a period of 30 years.

BACKGROUND

On 18 January 2010, Collgar Wind Farm Pty Ltd submitted a licence application to generate electricity from a wind farm located 25 km south east of Merredin in the Central Wheatbelt district. The output capacity of the wind farm is 250 MW.

The wind farm will consist of 111 Vestas V90 1.8MW turbines, with a potential second stage of an additional 16 turbines. An onsite substation will be constructed adjacent to the 220kv transmission line that traverses the project site to facilitate connection into the SWIN. The turbines will be connected into the onsite substation through an underground and overhead reticulation network within the project site. The project site covers approximately 13 000 hectares.

REASONS

1. The Authority engaged the Paxon Consulting Group (Paxon) to examine the financial capacity of the Applicant to undertake the activities authorised by the generation licence. Following the assessment, Paxon concluded that the Applicant has and will likely retain the financial resources to undertake the activities to be authorised by the licence.
2. The Authority engaged consultants GHD to examine the technical capacity of the Applicant to undertake activities authorised by the generation licence. Following the assessment, GHD concluded that the Applicant has and is likely to retain the technical resources to undertake the activities authorised by the licence.
3. The Authority has considered the Generation Licence Application including the advisors' assessments conducted for the purpose of the generation licence application 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 seeking public submissions on the Generation Licence Application was published on the Authority's website on 20 January 2010. The Authority did not receive any submissions with respect to the granting of a generation 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 generation licence to the Applicant would not be contrary to the public interest.

LYNDON ROWE
CHAIRMAN