



Wesfarmers Kleenheat Gas Pty Ltd ABN 40 008 679 543 Campus Drive (off Murdoch Drive) Murdoch WA 6150
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19 March 2015

Assistant Director (Licensing)
Economic Regulation Authority
PO Box 8469
Perth Business Centre
Western Australia 6849

Attention: Mr A. Kroon

APPLICATION FOR ERL5 TO WESFARMERS KLEENHEAT GAS PTY LTD

Pursuant to section 18 of the *Electricity Industry Act 2004* (WA), please find enclosed an application and supporting documentation for the transfer of the Retail Licence ERL5 currently held by Premier Power Sales Pty Ltd ("PPS") to a related body corporate, Wesfarmers Kleenheat Gas Pty Ltd ("Kleenheat").

Both PPS and Kleenheat are part of, and managed by, the Wesfarmers Chemicals, Energy and Fertilisers ("WesCEF") division of Wesfarmers Limited ("Wesfarmers"). Transferring the licence to Kleenheat will provide the business with an opportunity to streamline systems, processes and resources to retail various forms of energy including electricity, natural gas and LPG to customers in Western Australia.

Kleenheat is a wholly owned subsidiary of Wesfarmers, one of Australia's largest public companies with major operating business interests in energy, including coal mining, gas processing and distribution and power supply; home and garden improvement products and building supplies; industrial and safety products distribution and chemical and fertiliser manufacture.

The operations of both PPS and Kleenheat are overseen by the General Manager – Kleenheat, and the day to day management of PPS and Kleenheat's natural gas retail business is overseen by the General Manager – Natural Gas and Electricity. This management structure will remain unchanged post transfer of the electricity retail business and the transfer of ERL5 from PPS to Kleenheat.

All key staff employed within the WesCEF division involved in the day-to-day operation of PPS, will remain in their current roles once the business and ERL5 is transferred to Kleenheat. Support services such as finance and HR will also continue to be provided by the WesCEF division.

Kleenheat will utilise its experience in the LPG and natural gas markets, and PPS' experience in the electricity industry, in managing account establishment, ongoing customer relationships and compliance obligations. With experience retailing natural gas to all customer segments, from residential and small business, to large commercial and industrial sites, Kleenheat has established policies and procedures to ensure compliance with regulatory obligations.

Kleenheat requests that the Economic Regulation Authority approve the transfer of PPS's Retail Licence to Kleenheat with effect from 1 July 2015. Given that PPS is an active retailer in the WA electricity market, this date is particularly important to ensure a clean transition for operational matters such as novation of customer and supplier contracts, billing, and meter data allocation. Kleenheat is supportive of the ERA exceeding 90 days to approve this transfer in order to achieve this timing.

If there are any queries in relation to the application, please contact the undersigned on (08) 9312 9619 or jmcdonnell@wescef.com.au.

Yours sincerely,

Jodie McDonnell
Manager - Electricity

19 March 2015

Assistant Director (Licensing)
Economic Regulation Authority
PO Box 8469
Perth Business Centre
Western Australia 6849

Attention: Mr A. Kroon

APPLICATION TO TRANSFER ERL5 TO WESFARMERS KLEENHEAT GAS PTY LTD

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PPS requests that the Economic Regulation Authority approve the transfer of its Retail Licence to Kleenheat with effect from 1 July 2015. Given that PPS is an active retailer in the WA electricity market, this date is particularly important to ensure a clean transition for operational matters such as novation of customer and supplier contracts, billing, and meter data allocation. PPS is supportive of the ERA exceeding 90 days to approve this transfer in order to achieve this timing.

Both PPS and Kleenheat are part of, and managed by, the Wesfarmers Chemicals, Energy and Fertilisers division of Wesfarmers Limited. Transferring the licence to Kleenheat will provide the business with an opportunity to streamline systems, processes and resources to retail various forms of energy including electricity, natural gas and LPG to customers in Western Australia.

If there are any queries in relation to the application, please contact the undersigned on (08) 9312 9619 or jmcdonnell@wescef.com.au.

Yours sincerely,

Jodie McDonnell
Manager - Electricity

SECTION A: APPLICANT DETAILS

Applicant Details	
Name	Wesfarmers Kleenheat Gas Pty Ltd (“Kleenheat”)
Registered Office	Wesfarmers House 11 th Floor, 40 The Esplanade PERTH WA 6000
Principal Place of Business	Wesfarmers Building, Campus Drive (off Murdoch Drive) Murdoch WA 6150
Contact Details	
Primary Contact Name	Jodie McDonnell
Mail Address	Wesfarmers Building, Campus Drive (off Murdoch Drive) MURDOCH WA 6150
Email	jmcdonnell@wescef.com.au
Telephone	(08) 9312 9619
Mobile	0417 943 990
Company Structure	
ABN	40 008 679 543
ACN	008 679 543
Legal structure of applicant	Australian Proprietary Company
Place of Incorporation	Australia
Company Directors	Mr Terence James Bowen Mr Mark Brendon Gadsby Mr Richard James Barr Goyder Mr Thomas Joseph Patrick O’Leary
Description of the entity’s core business	Kleenheat is a producer, retailer and distributor of Liquefied Petroleum Gas and Liquefied Natural Gas in Western Australia, and also retails natural gas in Western Australia.
Brief description of the applicant’s business structure	Kleenheat is a wholly owned subsidiary of Wesfarmers Limited and is a part of and managed by the Wesfarmers Chemicals Energy and Fertilisers (“WESCEF”) division within the Wesfarmers group.

SECTION B: NEW LICENCE

Not applicable.

SECTION C: AMENDMENT OF LICENCE

Not applicable.

SECTION D: RENEWAL OR TRANSFER OF LICENCE

Licence Details	
Application for	Transfer
Licence	Electricity Retail Licence ERL5 (“ERL5”)
Services / Service Model	
	<p>Premier Power Sales Pty Ltd (“PPS”) is a wholly owned subsidiary of Wesfarmers Chemicals Energy & Fertilisers Limited, which in turn is a wholly owned subsidiary of Wesfarmers Limited. PPS is also a part of, and managed by, the WESCEF division within the Wesfarmers group.</p> <p>PPS currently holds an ERL5 and pursuant to the licence, retails electricity to customers connected to the SWIS.</p> <p>Kleenheat requests that ERL5 be transferred from PPS to Kleenheat to enable and better realise efficiencies in IT systems, customer relationship management, compliance, marketing and reporting.</p> <p>In addition to managing and operating both PPS and Kleenheat, WESCEF also provides shared services to the two entities.</p> <p>Given the current common ownership and shared management structures for PPS and Kleenheat as mentioned above, Kleenheat submits that it would not be contrary to the public interest to transfer ERL5 from PPS to Kleenheat.</p>
Service / Infrastructure / Works	
	<p>All current IT systems used by PPS in the business of electricity retailing will continue to be used by Kleenheat following transfer of the licence. Kleenheat will operate the business from the same office that PPS currently uses. No other infrastructure is required.</p>
Other regulatory approvals	
	<p>Kleenheat is currently registered as a gas provider with the Energy and Water Ombudsman. Kleenheat is in discussions with the Ombudsman in relation to becoming an electricity provider.</p> <p>Kleenheat has submitted a standard form contract to the ERA for approval as part of this application process.</p>

SECTION E: SURRENDER OR CANCELLATION OF LICENCE

Not applicable.

SECTION F: CERTIFICATION

Certification – Acknowledgement of commitment

I declare that the information provided in this application is correct to the best of my knowledge and I am aware of the requirements under the *Electricity Industry Act 2004*, *Energy Coordination Act 1994*, or *Water Services Act 2012* for the licence being applied for and that I have the authority to make this application on behalf of the above entity.

Signed by or on behalf of the applicant.

Name: Mark Gadsby

Name: Tom O’Leary

Position: Director

Position: Director

Signed: _____

Signed: _____

Date: 20/3/15

Date: 20/3/15