

Decision on Amendment to Verve Energy's Generation Licence 7

1 March 2011

Economic Regulation Authority

 WESTERN AUSTRALIA

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DECISION

1. On 15 September 2010, the Electricity Generation Corporation (trading as Verve Energy) requested an amendment to its electricity generation licence to remove the KMK Cogeneration Facility (KMK) from its licence.
2. Pursuant to section 9 and 21 of the Act, the Authority approves the amendment of Verve Energy's generation licence to remove the Tiwest Electricity Licence Area.

REASONS

3. On 24 December 2010, Tiwest Pty Ltd (Tiwest) was granted a licence to generate electricity from the KMK in Kwinana to supply customers within the South West Interconnected System (SWIS).
4. Following negotiations between the parties, the KMK transferred from Verve Energy to Tiwest on 1 March 2011.
5. 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.
6. Notices seeking public submissions on the amendment to Verve Energy's Electricity Generation Licence 7 (EGL7) and the generation licence application were published on the Authority's website on 1 and 4 October 2010. The Authority did not receive any comments or objections to either the grant of a generation licence to the Applicant or the amendment to EGL7.
7. In its consideration of the generation licence application and amendment of EGL7, 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 the amendment to Verve Energy's licence would not be contrary to the public interest.
8. The Authority has therefore decided to amend EGL7 by removing the Tiwest Electricity Licence Area from the licence.
9. As required by section 23(1) of the Act, the Authority will publish a notice of its approval of the amendment of EGL7 in the *Government Gazette* as soon as is practicable.

LYNDON ROWE
CHAIRMAN