

Electricity Industry Act 2004 (WA)

Energy Coordination Act 1994 (WA)

Water Services Licensing Act 1995 (WA)

Electricity, Gas and Water Licence Application Form

Introduction

Licence applications to the Economic Regulation Authority (Authority) are submitted under the provisions of the *Electricity Industry Act 2004*, the *Energy Coordination Act 1994* and the *Water Services Licensing Act 1995* (the Electricity, Gas and Water Acts). Applicants should be aware of the Electricity, Gas and Water Acts' licensing provisions. While, the Authority can assist an applicant in preparing an application and provide advice in relation to the information required as part of the licensing process, it is the responsibility of the applicant to ensure that the application complies with the Electricity, Gas and Water Acts as appropriate to the type of application. The application should consist of this form and attachments addressing the information required to support the application as set out in the Application Guideline. All information including plans should be submitted to the Authority in triplicate, together with an electronic copy of all information in a suitable format. The application fee must accompany this application.

If the applicant comprises more than one legal person (e.g. a Joint Venture), the information required for this application is to be provided for each person.

The Authority is bound by its obligations relating to confidential information in the *Public Sector Management Act 1994 (WA)* and the *Economic Regulation Authority Act 2003 (WA)*.

Accordingly, the Authority has a very strict privacy policy regarding sensitive business and commercial information which is provided to the Authority as part of an electricity supply application or pursuant to the terms of a licence.

The Authority is bound by the *Freedom of Information Act 1992 (WA)* (FOI Act). Section 33 of the FOI Act requires the Authority to consult with a party who has provided it with commercial or business information as to whether the Authority should provide access to the material.

Further, the Authority will not provide information to an applicant under the FOI Act if the disclosure:

- would reveal trade secrets of a person;
- would reveal information (other than trade secrets) that has a commercial value to a person and disclosure could reasonably be expected to destroy or diminish that commercial value; or
- would reveal information about the business, professional, commercial or financial affairs of a person and disclosure could reasonably be expected to have an adverse effect on those affairs or to prejudice the future supply of information of that kind to the Government or to an agency.

Under the FOI Act, if the Authority resolves to release commercial or business information, the party who has provided it to the Authority can ask the Authority to review the decision internally or may have the decision reviewed by the:

Information Commissioner
Department of Premier and Cabinet
21st Floor
197 St Georges Terrace
Perth WA 6000
Phone Number: (08) 9222 9409

For this reason, the Authority recommends that applicants identify documents which may fall within the provisions of section 33 of the FOI Act which contain:

- information (other than trade secrets) that has a commercial value to the business; or

- any other information concerning the business, professional, commercial or financial affairs of the business.

Accordingly, the Authority seeks the applicant's views as to whether the documents contain matter that is exempt matter under clause 4 of Schedule 1 of the FOI Act. If the Authority decides that this matter is exempt matter the Authority will refuse access to the documents by any third parties.

Applicant Details

Applicant Details	
Name	EDL Pilbara Pty Ltd
Registered Office (if a Corporation)	Garden City Office Park Building 17, 2404 Logan Road PO Box 4046 Eight Mile Plains Queensland 4113 Australia
Principal Place of Business (if different from Registered Office)	North West Coastal Highway Maitland Industrial Estate Maitland Western Australia Lot 3002, DP 42721 Volume 2607, Folio 417

Contact Details	
Contact Name	Matthew Mitchell
Mail Address	Energy Developments Ltd PO Box 4046 Eight Mile Plains Queensland 4113
Email	matthew.mitchell@edl.com.au
Telephone	(07) 3275 5511 0447 474 600
Fax	(07) 3275 5526

Company Structure	
ABN or ACN	35 083 747 086
Legal Nature of Applicant	Private Company
Place of Incorporation	Victoria

Electricity Licences

Classification of the Electricity Licence Application		
Type of Licence Application	Retail	
For Generation and Integrated Regional Licences	Installed Capacity	_____ megawatts
For Transmission and Integrated Regional Licences	Transmission System Length	_____ kilometres
For Distribution and Integrated Regional Licences	Distribution System Length	_____ kilometres
For Retail and Integrated Regional Licences	Number of Customers	_____ 1 _____

Gas Licences

Classification of the Gas Licence Application		
Type of Licence Application	Distribution Trading	
For Distribution Licences	Distribution System Length	_____ kilometres
For Trading Licences	Number of Customers	_____

Water Licences

Classification of the Water Operating Licence Application		
Type of Licence Application	Potable Non-Potable Drainage Irrigation Sewerage	
For all Water Operating Licence Classifications	Water System Length	_____ metres/kilometres (delete as applicable)
For all Water Operating Licence Classifications	Number of Customers	_____

Areas to be covered by the licence

Designated area of the Licence Application	
Specific Area and/or Address to be covered by this licence.	Lot 3002 DP42721 Vol 2607 Folio 417 Maitland Industrial Estate
If the area covered by this licence is restricted to less than 4 Local Government Areas (LGAs) please list them here	Licence covers > 3 LGAs Specific LGAs covered 1 Roebourne 2 _____ 3 _____
Region(s) to be covered by this licence	Nil N.B. the designated area described above lies in the Pilbara

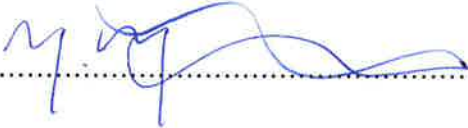
Certification – Acknowledgement of Commitment

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 Act 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 applicant⁵.

Name: Matthew Mitchell
.....

Position: Manager - Commercial Services
.....

Signed: 
.....

Date: 18 Jan 2011
.....

⁵ If signed on behalf of the applicant, please attach the relevant authority to bind the applicant.



Building 17
2404 Logan Road
PO Box4048
Eight Mile Plains, Qld 4113
Australia
Tel 61 13275 5555
Fax 61 7 3341 5150

Electricity Retail Licence Application

EDL Pilbara Pty Ltd

A subsidiary of Energy Developments Limited

June 2011



EOL Pilbara Pty Ltd ABN 35 083 747 086 a subsidiary of Energy Developments Limited

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1. LETTER TO THE ECONOMIC REGULATION AUTHORITY



Building 17
2404 Logan Road
PO Box4046
Eight Mile Plains Qld 4113
Australia
Tel 61 7 3275 5555
Fax61 7 3341 5150

24 March 2011

The Assistant Director Licensing
Licensing, Monitoring and Customer Protection Division
Economic Regulation Authority
GPO Box 8469
Perth Business Centre
Western Australia 6849

Dear Sir/Madam

Application for an electricity retail licence – EDL Pilbara
Pty Ltd

Energy Developments Limited and its subsidiaries currently own and operate a liquefied natural gas facility (the "Facility") at the Maitland Industrial Estate, Maitland. The Facility has existing electricity generation capacity which services the needs of the Facility.

It is proposed to supply electricity to one customer who will be co-located on the Facility's leasehold land. The customer, Supagas Pty Ltd, requires power with which to operate an Air Separation Unit (ASU) for the production of bottle gases for commercial sale.

Current generation capacity exceeds the needs of the Facility and is sufficient to supply Supagas with its requirements. Consequently, there is no requirement to increase current generating capacity.

The proposed commercial arrangement is for EDL LNG (WA) Pty Ltd, the owner of the Facility, to supply EDL Pilbara Pty Ltd, both wholly owned subsidiaries of Energy Developments Limited (EDL), who will in turn supply electricity to Sugagas. A sub-lease will allow Supagas to construct and operate its facilities on an existing head-lease held by EDL LNG (WA) Pty Ltd.

In that context, EDL Pilbara Pty Ltd wishes to make formal application for an electricity retail licence in accordance with the *Electricity Industry Act 2004* (WA). Further details of the project follow including a completed application form with supporting documentation.

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We look forward to discussing the application process with you and should you require further details please contact me on (07) 3275 5511, 0447 474 600 or matthew.mitchell@edl.com.au.

Yours sincerely

Matthew Mitchell
For and on behalf of EDL Pilbara Pty Ltd
Manager-Commercial Services
Energy Developments

2. APPLICANT'S PARTICULARS

Entity Name: EDL Pilbara Pty Ltd

Entity Type: Proprietary, limited by shares

ACN / ABN: 083 747 086 / 35 083 747 086

Parent Company: Energy Developments Limited

Registry Address: Bdg 17, 2404 Logan Rd, Eight Mile Plains, Old 4113

Principal Place of Business: 3002 North West Coastal Highway, Maitland, WA 6714

Date of Incorporation: 5 August 1998

Previous Name(s): Karumba Power Pty Ltd

Date of Name Change: 1 July 2010

Directors: Messrs Greg Pritchard and Chris Murray

Company Secretary: Mr. Glen Marshall

Contact details

Matthew Mitchell
Manager – Commercial Services
Energy Developments
matthew.mitchell@edl.com.au
Ph: +61 7 3275 5511
Fax: +61 7 3275 5526
Mb: 0447 474 600

3. THE PROJECT

Energy Developments Limited and its subsidiaries (the "EDL Group") currently own and operate a liquefied natural gas facility (the "Facility") on the North West Coastal Highway at the Maitland Industrial Estate, Maitland. The Facility has existing electricity generation capacity which services the electricity needs of the Facility.

It is proposed to supply electricity to one customer who will be co-located on the Facility's leasehold land. The customer, Supagas Pty Ltd, requires power with which to operate an Air Separation Unit (ASU) for the production of bottle gases for commercial sale.

Current generation capacity exceeds the needs of the Facility and is sufficient to supply Supagas with its requirements. There is no requirement to increase current generating capacity.

4. APPLICANT'S EXPERIENCE

Energy Developments Limited is an international provider of renewable energy and low greenhouse gas emission energy and has been listed on the Australian Securities Exchange ("ASX") since November 1993 (ASX: ENE).

The Company was established in 1988 to take advantage of the opportunity to provide power to remote locations across Australia and has since expanded its presence across all Australian mainland states and territories as well as the UK, Greece and the US. As at 31

December 2010, the Company had 590MW of installed generation capacity.

The EDL Group manages an international portfolio of projects focused on the provision of renewable and innovative energy and environmental solutions and provides development, finance, design, construction, operation and maintenance services in the industry.

The EDL Group's operations in Australia focus on:

- LNG and CNG power generation: the EDL Group owns and operates the West Kimberley Power Project (consisting of a LNG production plant, 4 LNG power stations and a diesel-fired power station supplying clean electricity in the remote West-Kimberley region) and the Yulara CNG Transport Project;
- remote area power generation: the EDL Group owns 3 remote power generation projects in Queensland and 2 projects in the Northern Territory;
- WCMG power generation: the EDL Group owns and operates 2 coal mine methane projects in New South Wales (together, known as Appinpower) and 2 in Queensland (known as German Creek and Moranbah North); and
- LFG power generation: the EDL Group owns and operates 7 LFG power generation facilities in New South Wales, 5 in South Australia, 6 in Victoria, 2 in the Australian Capital Territory and 2 in Queensland.

The EDL Group's operations in the United States comprise 10 LFG power

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generation facilities. Operations in the United Kingdom and Greece comprise 11 LFG power generation facilities in the United Kingdom and a further LFG power generation facility in Greece.

The EDL Group has entered into the following joint venture arrangements in respect of its operations in the United Kingdom and Greece:

- **Gastec Packington Partnership (United Kingdom):** A partnership between EDL Packington and SITA UK established with the primary purpose of developing and operating a LFG power generation project at the Packington site. Both EDL Packington and SITA UK have a 50% interest in the partnership.
- **Exploration of Biogas Ano Liossia Joint Venture (Greece):** A joint venture governed by a Master Partners Agreement in relation to the development and operation of a LFG power generation project at the Ano Liossia site. Joint venture entities include TOMI EDL Operations EPE, Biogas Energy Ano Liossia SA and the Exploration of Biogas Ano Liossia JV Partnership.

Existing licences

In 2008 EDL was issued with an electricity integrated regional licence by the Economic Regulation Authority. The licence (EIRL1) relates to EDL's operation of electricity generating works in the locations of Broome, Derby, Fitzroy Crossing, Halls Creek and Looma, plus underground cabling between the Broome Power Station and the Broome Substation. These power facilities are collectively referred to as the West Kimberley Power Project.

The WKPP comprises:

- Broome: 40MW generating capacity; 165kL diesel storage; 1950kL LNG storage
- Derby: 13MW generating capacity; 650kL diesel storage; 600kL LNG storage
- Fitzroy Crossing: 4MW generating capacity; 165kL diesel storage; 400kL LNG storage
- Halls Creek: 4MW generating capacity; 150kL diesel storage; 400kL LNG storage
- Looma: 1MW generating capacity; SOL diesel storage

There is direct and immediate impact to the various communities in the West Kimberley should EDL fail to supply power.

The licence, issued to EDL NGD (WA) Pty Ltd, a subsidiary of EDL, obliges EDL to establish and implement policies, procedures and controls designed to ensure compliance with the conditions of the licence. This includes processes for assessing and reporting on compliance.

Under sections 13 and 14 of the *Electricity Industry Act 2004*, both an audit of EDL's compliance with the licensing conditions and a review of EDL's asset

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management system have been undertaken. In summary, EDL's asset management system was found not to be wanting in any area and of the 76 licensing obligations only 4 minor ones required with rectification which occurred during the audit.

5. THE LICENCE SOUGHT

Energy Developments seeks an electricity retail licence under the *Electricity Industry Act 2004* for the supply of electricity to one customer on and only on leasehold land currently held by Energy Developments utilising an existing generating facility. The terms and conditions of the supply of the electricity has been agreed to between the parties and is subject to the relevant regulations to which Energy Developments notes and is acutely aware given its current operations.

The term of the licence sought is for as long as is permissible.

The area for which the licence is sought can be best described as:

Lot 3002, DP 42721

Volume 2607, Folio 417 North West Coastal Highway Maitland Industrial Estate, Maitland Western Australia, 6714

Longitude: -20.840665

Latitude: 116.646188