

13 May 2022

Energy Policy WA Level 1, 66 St Georges Terrace, Perth WA 6000

By email: submissions@energy.wa.gov.au

Dear Energy Policy WA

Increasing the threshold for application of the electricity generation licence exemption

EDL is a leading global producer of sustainable distributed energy. We own and operate around one hundred power stations across Australia, North America and Europe including our Broome Power Station, which supplies electricity to the township of Broome.

Thank you for the opportunity to provide a submission to Energy Policy WA's generation licence exemption consultation paper published in April 2022 (the Paper).

Broadly, EDL supports the recommendation outlined in the Paper.

We have set out in the attachment to this letter our answers to the specific questions set out in the Paper.

Should you wish to discuss any of the above, please contact Neil Duffy, Commercial Manager Remote Energy, on 0478 544 925 or <u>neil.duffy@edlenergy.com</u>.

Kind regards

Neil Duffy Commercial Manager, Remote Energy



Attachment

- Q1. Is it appropriate for the threshold for exempt generating works to be increased?
- A1. EDL believes it is appropriate for the threshold for exempt generating works to be increased. The financial and resourcing cost of maintaining compliance with licence obligations is prohibitive and it is unclear what, if any, benefit this provides to energy consumers. This is particularly true for renewable or hybrid-renewable power stations, where the nameplate capacity of a power station is disproportionately higher than the throughput provided to end users.
- Q2. If the threshold for exempt generating works should be increased, is it appropriate for the threshold to increase to 100 MW or, alternatively, what should be the new threshold?
- A2. An increase to 100 MW is appropriate until such time that a broader legislative amendment is passed.
- Q3. What conditions, if any, should attach to the generation licence exemption if the threshold is increased? Should the requirement for generators connected to the South West Interconnected System to comply with the Electricity Industry (Metering) Code 2012 be maintained, or is this requirement adequately imposed by the Access Code? If it is retained, does the obligation need to be extended to include the North West Interconnected System and other licensed networks?
- A3. Imposing additional conditions to the exemption is counter-productive to the intent of increasing the threshold.
- Q4. Are there any other relevant matters that Energy Policy WA should consider?
- A4. A simple increase to the threshold achieves the intended, interim outcome without imposing other, unintended obligations. As noted in section 4 of the Paper, there are other regulatory oversight mechanisms that will remain to provide effective performance oversight. These other mechanisms support the broader removal of generating licence requirements.