

ELECTRICITY SUPPLY INDUSTRY ACT 1995

NOTICE OF AMENDMENT No. 1

of the

ELECTRICITY GENERATION LICENCE

issued to

BELL BAY POWER PTY LTD

(ACN 097 079 331)

on

7 January 2002

Background

In anticipation of Tasmania's entry into the National Electricity Market [NEM] in May 2005, the Regulator has undertaken a review of the licences held by entities operating in the Tasmanian electricity industry. The review was undertaken to ensure those licences which have been issued are consistent with participation in the NEM and deal with any new issues.

As part of the review, the Tasmanian Government requested a clause be inserted into the licences requiring the licensee to develop an emergency management plan. Participation in the NEM requires informing the system controller, through the Jurisdictional Co-ordinator, of jurisdictional priorities such as sensitive loads and load shedding priorities and the continuing operation of the market. The proposed provision requires each electricity entity to develop an emergency management plan consistent with guidelines provided by the Jurisdictional Co-ordinator.

As a consequence of the review, the Regulator has proposed a number of changes to the various entities' licences, including the inclusion of a clause dealing with emergency management. The Regulator sought public comment on the review and proposed changes. This was done by way of newspaper advertisements and publication on the Office of the Tasmanian Energy Regulator website.

The consultation period ended on 19 November 2004 and no submissions were received concerning the proposed emergency management clause.

Because the licence was issued to Bell Bay Power Pty Ltd recently, with a view to NEM entry, the only change to the licence proposed by the Regulator at this stage is the inclusion of the clause relating to emergency management.

Public comment was not specifically sought in relation to the inclusion of an emergency management plan in the Bell Bay Power Pty Ltd licence but submissions were invited on the inclusion of such a clause in licences generally.

The licensee has agreed to the amendment of the licence in the terms of the proposal.

Decision

Pursuant to section 28 of the *Electricity Supply Industry Act 1995*, the electricity generation licence issued on 7 January 2002 to Bell Bay Power Pty Ltd is amended as follows:

A.) By inserting the following clause:

Clause 10 **Emergency Management**

10.1 The **Licensee** must develop and maintain an emergency management plan in accordance with any **guideline** issued by the **Jurisdictional Co-ordinator**.

10.2 Any such emergency management plan must be implemented by no later than the date specified by the **Jurisdictional Co-ordinator**, or when no such date is specified, within a reasonable period of time.

B.) By amending part 1 - Definitions and Interpretation Schedule 1 – as follows:

- i.) delete the definition of “**guidelines**”;
- ii.) insert the following definitions:
 - (a) “**guideline**” means a written statement of regulatory intent or policy for the information and guidance of **licensees**, issued by the **Regulator** or by any other relevant person determined and advised to **licensees** by the **Regulator**;
 - (b) “**licensee**” means the holder of a licence under the **Act**;
 - (c) “**Jurisdictional Co-ordinator**” has the same meaning as in the **National Electricity Code**;
 - (d) “**National Electricity Code**” means the code of conduct, called the National Electricity Code, approved by the Ministers of each of the States of New South Wales, Victoria, Queensland and South Australia for the time being in accordance with section 6(1) of the National Electricity Law set out in the Schedule to the **National Electricity (South Australia) Act 1996** of South Australia;

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Andrew John Reeves

Regulator

24 November 2004