



Electricity Supply Industry Act 1995

**Notice of Amendment
No. 1**

to the

ELECTRICITY GENERATION LICENCE

issued to

Landfill Management Services Pty Ltd

ACN 059 428 474

on 24 January 2006

5 June 2009

1. BACKGROUND

Pursuant to the *Electricity Supply Industry Act 1995* (ESI Act), the Regulator is responsible for administering the licensing system for electricity entities. The Regulator has the authority to consider and determine licence applications for the generation, transmission, distribution and retailing of electricity.

Pursuant to section 28 of the ESI Act, the Regulator has the authority to amend the terms or conditions of an electricity entity's licence with the electricity entity's agreement or after giving the electricity entity reasonable notice of the proposed amendment and allowing a reasonable opportunity for it to respond.

LMS Generation Pty Ltd (previously know as Landfill Management Services Pty Ltd) is the holder of a generation licence issued for ten years on 24 January 2006.

On 1 June 2009 the Regulator received a request from LMS Generation to amend its licence.

2. AMENDMENT REQUEST

LMS Generation sought amendments to its licence to:

- (a) include a new generator as part of the generating plant that it is licensed to operate; and
- (b) make appropriate alterations to reflect the name change of the licensee from Landfill Management Service Pty Ltd to LMS Generation Pty Ltd

3. REGULATOR'S ASSESSMENT

Suitable person

The Regulator is satisfied that the amendment to LMS' licence does not change the position of LMS as a suitable person to hold a generation licence, pursuant to section 19 of the ESI Act.

The amendment does not affect the technical, human and financial resources available to LMS, nor does it go to its previous commercial dealings and the standard of honesty and integrity shown in those dealings.

Generation of electricity of the appropriate quality

The Regulator is satisfied that the amendment does not affect the capacity of the generating plant to generate electricity of the appropriate quality. LMS is required by its licence to have a connection agreement in place at all times that it is connected to the Tasmanian network.

Regulator's objectives

The Regulator is satisfied that the amendments to LMS' licence are not inconsistent with the objectives of the ESI Act or the objectives of the Regulator in exercising his powers and functions under the ESI Act.

4. REGULATOR'S DECISION

In exercise of the power conferred by section 28 of the ESI Act, the Regulator has decided to amend LMS' licence issued on 24 January 2006, effective 5 June 2009. A copy of the consolidated licence is attached to this Notice and is also available on the Regulator's website www.economicregulator.tas.gov.au.

Glenn Appleyard

REGULATOR

5 June 2009



ELECTRICITY SUPPLY INDUSTRY ACT 1995

**ELECTRICITY SUPPLY INDUSTRY
GENERATION LICENCE**

issued to

LMS Generation Pty Ltd
ACN 059 428 474

Date of Issue

24 January 2006

Amended 5 June 2009 (Notice of Amendment 1)

Tasmanian Electricity Generation Licence

1 Grant of Licence

The **Regulator**, in exercise of the powers conferred by section 19 of the **Act**, authorises the **Licensee** to undertake the **generation** of electricity at the **generating plant**.

2 Definitions and Interpretation

2.1 In this licence, words and phrases appearing italicised in bold type:

2.1.1 which are defined in the *Electricity Supply Industry Act 1995*, have the same meaning when used in this licence; and

2.1.2 which are not defined in the *Electricity Supply Industry Act 1995*, have the meaning ascribed to them in Part 1 of Schedule 2.

2.2 This licence must be interpreted in accordance with Part 2 of Schedule 2.

3 Compliance with Laws and Other Requirements

3.1 The **Licensee** must comply with the **Act**, the **Code** and **guidelines**.

3.2 The **Licensee** must comply with the **National Electricity Rules**. In the event that the **National Electricity Rules** are inconsistent with the **Code**, then the **National Electricity Rules** prevail to the extent of such inconsistency.

3.3 For the avoidance of doubt, the **statutory licence conditions** are deemed to form part of this licence and the **Licensee** must comply with the **statutory licence conditions**.

3.4 The **Licensee** must use best endeavours to ensure that each contractor engaged by it complies with the terms and conditions of this licence, to the extent that such terms and conditions are relevant to that contractor.

4 Term of Licence

Subject to this licence and the **Act**, this licence takes effect on and from 24 January 2006 for a period of ten (10) years.

5 Payment of Fees and Charges

The **Licensee** must pay to the **Regulator** fees and charges in accordance with clause 2.4.2 of the **Code**.

6 Communications

6.1 A **communication** must be in **writing**.

6.2 A **communication** is to be regarded as having been given by the sender and received by the addressee:

6.2.1 when delivered in person to the addressee;

6.2.2 where sent by post, on the 4th **business day** after the date of posting, if the **communication** is posted within Australia;

6.2.3 where sent by post, on the 7th **business day** after the date of posting, if the **communication** is posted outside Australia; or

6.2.4 when, according to the sender's transmission report, received by facsimile transmission by the addressee.

7 Provision of Information

7.1 The **Licensee** must provide to the **Regulator**, in the manner and form advised by the **Regulator**, such information as the **Regulator** may from time to time require and which is, in the opinion of the **Regulator**, relevant to the **Regulator's** functions under the **Act**.

7.2 If the **Licensee** becomes aware of any material breach of the **Act**, the **Code**, the **National Electricity Rules** or this licence, the **Licensee** must notify the **Regulator** of the breach as soon as practicable and provide such information as the **Regulator** requires in relation to the breach.

8 Advice to the Regulator

The **Licensee** must report to the **Regulator** as soon as possible the occurrence of any of the following circumstances:

- 8.1 the **Licensee** is put under external administration as defined in the *Corporations Act 2001* (Cwth); and
- 8.2 the **Licensee's** circumstances change such that the **Licensee's** ability to meet its obligations under the **Act**, the **Code**, the **National Electricity Rules** or this licence may be materially affected.

9 Management Plans and Compliance Plan

- 9.1 The **Licensee** must develop and submit to the **Regulator**, in accordance with the **Code**, **management plans**.
- 9.2 The **Licensee** is exempted from the **Code** requirement of developing and submitting a **compliance plan** to the **Regulator**.

10 Emergency Management

- 10.1 The **Licensee** must develop and maintain an emergency management plan in accordance with any **guideline** issued by the **Jurisdictional System Security Co-ordinator**.
- 10.2 Any such emergency management plan must be implemented by no later than the date specified by the **Jurisdictional System Security Co-ordinator**, or when no such date is specified, within a reasonable period of time.

11 Management and Operating Contracts

- 11.1 The **Licensee** must advise the **Regulator** of the entering into, by the **Licensee**, of any contract under the terms of which another person assumes, or will assume, operational responsibility for carrying out any substantive part of the operations authorised by this licence.

- 11.2 The **Licensee** must submit to the **Regulator** not less than 14 days prior to the commencement of any contract referred to in clause 11.1:
- 11.2.1 the identity and contact details of the other person;
 - 11.2.2 details of the nature of the operations that the other person will assume responsibility for carrying out; and
 - 11.2.3 details of the relevant qualifications and experience of the other person to undertake the specified operations.

12 Assistance to the Reliability and Network Planning Panel

The **Licensee** shall provide such information or other assistance as may be requested and required by the **Reliability and Network Planning Panel**.

13 Compliance Officer

- 13.1 The **Licensee** must appoint a **compliance officer** and advise the **Regulator** of the identity of the **compliance officer** within 10 **business days** of the appointment.
- 13.2 The **Licensee** must report to the **Regulator** any change of the **Licensee's compliance officer** within 10 **business days** of that change.

14 Connection Agreement

- 14.1 The **Licensee** must not allow its **generating plant** to be, or to remain, connected to the **Tasmanian network** at a time when no **connection agreement** subsists.
- 14.2 The **Licensee** must lodge with the **Regulator**:
- 14.2.1 within a reasonable time after the making or renewal, as applicable, of the agreement, a copy (excluding financial or commercial terms) of any **connection agreement** made or renewed by the **Licensee** in respect of the **generating plant**; and

14.2.2 within a reasonable time after the making of the amendment, a copy (excluding financial or commercial terms) of any material amendment to any **connection agreement** in respect of the **generating plant**.

14.3 The **Licensee** must advise the **Regulator** as soon as practicable of any breach of, or failure to comply with, the terms and conditions of a **connection agreement** in respect of the **generating plant**.

SIGNED by Andrew John Reeves,)
REGULATOR)
24 January 2006)

Schedule 1 - Description of Generating Facility

Two landfill gas-fuelled generators¹

Location: Remount Road, Launceston

Total capacity: 2.2 MW

Voltage: 22 000 volts

Frequency: 50 hertz

**Contribution to
the power system:** Up to 2.2 MW

¹ Schedule 1 amended 5 June 2009 (Notice of Amendment 1)

Schedule 2 – Part 1

Definitions

“**Act**” means the *Electricity Supply Industry Act 1995* (Tas);

“**business day**” means any day except a Saturday, Sunday, statutory holiday as defined in the *Statutory Holidays Act 2000* or public holiday;

“**communication**” means a notice, agreement, consent, direction, representation, advice or statement required or given pursuant to or in connection with this licence;

“**compliance officer**” means the person responsible for regulatory compliance and may include a director;

“**compliance plan**” has the same meaning as in the **Code**;

“**connection agreement**” has the same meaning as in the **Code**;

“**generating plant**” means the generating facility described in Schedule 1 as amended from time to time;

“**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**;

“**Jurisdictional System Security Co-ordinator**” has the same meaning as in the *National Electricity Law*;

“**Licensee**”² means LMS Generation Pty Ltd (ACN 059 428 474);

“**licensee**” means the holder of a licence under the **Act**;

“**management plan**” has the same meaning as in the **Code** and for the purpose of this licence, the relevant schedule is Schedule 3 of this licence;

“**Reliability and Network Planning Panel**” has the same meaning as in the **Code**;

“**statutory licence conditions**” means the licence conditions referred to in the **Act** and applicable to this licence;

“**Tasmanian network**” has the same meaning as in the **Code**;

² Amended 5 June 2009 (Notice of Amendment 1)

“writing” includes any mode of representing or reproducing words, figures, drawings and symbols in a visible form.

Schedule 2 - Part 2

Interpretation

In this licence, unless the context otherwise requires:

- 2.1 headings are for convenience only and do not affect the interpretation of this licence;
- 2.2 words importing the singular include the plural and vice versa;
- 2.3 words importing a gender include any gender;
- 2.4 an expression importing a natural person includes any company, partnership, trust, joint venture, association, corporation or other body corporate and any governmental agency;
- 2.5 a reference to a condition, clause, schedule or part is to a condition, clause, schedule or part of this licence;
- 2.6 a reference to terms of an offer or agreement is to all terms, conditions and provisions of the offer or agreement;
- 2.7 a reference to any statute, regulation, proclamation, order in council, ordinance or by-law includes all statutes, regulations, proclamations, orders in council, ordinances or by-laws varying, consolidating, re-enacting, extending or replacing them and a reference to a statute includes all regulations, proclamations, orders in council, ordinances, by-laws and determinations issued under that statute;
- 2.8 a reference to a document or a provision of a document includes an amendment or supplement to, or replacement or novation of, that document or that provision of that document;
- 2.9 a reference to a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns;

- 2.10 when italicised, other parts of speech and grammatical forms of a word or phrase defined in this licence or in the **Act**, have a corresponding meaning;
- 2.11 a period of time:
- 2.11.1 which dates from a given day or the day of an act or event is to be calculated exclusive of that day; or
- 2.11.2 which commences on a given day or the day of an act or event is to be calculated inclusive of that day;
- 2.12 an event which is required under this licence to occur on or by a stipulated day which is not a **business day** may occur on or by the next **business day**;
- 2.13 in the event of any inconsistency between the conditions of this licence and the **Act**, the **Act** will prevail to the extent of such inconsistency; and
- 2.14. in the event of any inconsistency between the conditions of this licence and the schedules, the conditions of this licence prevail to the extent of such inconsistency.

Schedule 3 - Management Plans

The aspect of the *Licensee's* operations that shall be the subject of *management plans* is:

1. emergency management as provided for in clause 10 of this licence.