

Electricity generation licence application form

Purpose of this form

This form must be completed by persons applying to the Essential Services Commission (the commission) for a licence to authorise electricity generation in Victoria. Electricity generation includes battery energy storage systems.

Basis for this form

Section 18 of the *Electricity Industry Act 2000* (the Industry Act) provides that a licence application must be made in a form approved by the commission. This is the form approved by the commission.

Use of this form and the applicant's responsibilities

A licence application may be made by any legal person including, without limitation, individuals, incorporated associations, unit and other forms of trusts and corporations. Entities that are not a legal person (for example, an unincorporated joint venture or a partnership) cannot apply for a licence.

For the purpose of this application form, reference to the term "Officer" includes the applicant's directors and secretary, and other persons who make or participate in making decisions that affect a substantial part of the business (for example, Chief Executive Officer, Chief Financial Officer or General Manager).

The applicant should list the information requested in the spaces provided in this form and enclose additional information when required.

The applicant must take all reasonable steps to ensure the information provided in the application form is complete, true and correct.

An officer of the applicant is required to make a declaration to this effect in the application form. Failure to disclose information or misrepresent any matter relevant to such information may result in a licence not being issued or in the revocation of a licence later.

It is a criminal offence under section 61A of the *Essential Services Commission Act 2001* to provide the commission with false or misleading information or documentation.

The applicant is responsible for providing the commission with current, accurate and relevant documentation. It is the applicant's responsibility to make all reasonable inquiries to obtain the information requested by this form.

Providing accurate and relevant information and a complete application (answering all questions and providing all information) will assist in timely processing of an application. All applications are assessed on a case-by-case basis. If insufficient information is provided with an application, we will contact the applicant about the requirement for additional information to be submitted before the application is considered further.

Prior reading

It is expected that the applicant has read our [Guideline: Applications for electricity and gas industry licences](#) before completing this form.

It is the applicant's responsibility to ensure its compliance with legal obligations when applying for a licence.

Licence conditions

Section 20 of the Industry Act authorises the commission to issue licences subject to conditions as decided by the commission. Licences are published on our [website](#). We recommend the applicant familiarise itself with the relevant standard conditions and be confident that it can comply with those conditions prior to applying for a licence.

Further information

The applicant should note that we may ask for further information, or to clarify the information that the applicant has already provided with the application.

Consultation and confidentiality

We will consult with relevant government, industry and consumer groups on the licence application through a public consultation process. Applications and/or supporting information that is not confidential will be made available on our website.

If the applicant believes that any information provided as part of its application is confidential or commercially sensitive, it is the applicant's responsibility to clearly identify this information on those documents. The applicant should also provide a 'non-confidential' version of the application form and documents for publication on our website.

How to lodge an application

The applicant may send the completed application form electronically (preferred) or in hard copy to:

Electronically: licences@esc.vic.gov.au

Hard copy: Market Operations, Energy Division
Essential Services Commission
Level 8, 570 Bourke Street
Melbourne VIC 3000

Large files

Applicants generally need to send us large files which is often not suitable via email. Please contact us at licences@esc.vic.gov.au to discuss alternative options to provide an application to the commission.

Application fees and annual licence fees

The commission has the authority to set a licence application fee. Currently, there is no application fee.

Holding a licence incurs annual licence fees. Refer to the commission's [Guideline: Applications for electricity and gas industry licences](#) for more information regarding annual licence fees.

1. General Information – The Applicant

The applicant must answer all questions in this section.

1.1 Legal name of applicant

State the full legal name of the applicant. The applicant is the person who will be generating electricity and/or selling (wholesale) electricity that will be the subject of the licence.

Name: Esso Australia Resources Pty Ltd

1.2 Legal identity of applicant

Provide the applicant's ABN and ACN (where relevant) and information about the applicant (for example, whether the applicant is a private limited company, trust, or joint venture).

ABN: 62 091 829 819

ACN: 091 829 819

Type of entity: Electricity Generator

1.3 Contact details and address of the applicant

The applicant	
Business address: Level 9, 664 Collins Street, Docklands	
State: Victoria	Postcode: 3008
Postal address (if different): GPO Box 400, Melbourne	
State: Victoria	Postcode: 3001
Full name of contact person: [REDACTED]	
Position title: Long Island Point Plant Manager	
Telephone: +61 (0) 3 9261 0000	Mobile:
Email: communityanz@exxonmobil.com	

1.4 Diagram of corporate and organisational structure

Attach a diagram illustrating the corporate structure, including details of any related companies within the meaning of the *Corporations Act 2001* and the organisational chart. Provide a diagram of the:

- a) corporate structure (including any parent and related companies within the meaning of the *Corporations Act 2001*), and

Attachment reference: 1.4.1 Australian Structure Chart (commercial-in-confidence)

- b) organisational chart (including composition of the board, management, and other key personnel responsible for the key functions).

Attachment reference: 1.4.2 LIP Organisation Structure (commercial-in-confidence)

1.5 The licence

The applicant must answer all questions in this section.

If the applicant is seeking for a licence to be issued by a certain date, identify this date. **Note: we do not undertake to issue the licence by this date.** The applicant should usually allow a minimum of eight to 10 weeks **once we consider the application to be complete.** An application is considered complete once we have all the information needed for the commission to make a decision. In other words, when we have no need to request further information from the applicant. This includes a public consultation period of four weeks (generally) as part of our consideration of licence applications.

Provide details on the following:

Date from which licence is sought: *1 April 2024*

Type of generation: *Electricity Generation*

Expected name plate capacity: *43 MW at 0 degrees Celsius*

Location of generation facility: *2 Long Island Drive, Hastings Victoria 3915*

Details of how the generator will be connected to the network:

The Hastings Generation site is in the Shire of Mornington Peninsula, Victoria; approximately 5 kilometres east of the town of Hastings.

Construction of the Hastings Generation site commenced in June 2023. Commercial operations are due to commence as soon as 1 April 2024. The Hastings Generation site will be connected to the local distribution grid through the newly installed LID Zone Substation and the existing Hastings Zone Substation (HZS). The power station will be connected to the applicant's 66 kV busbar and connected the United Energy's distribution network via a 66 kV overhead line to the HZS's 66 kV

busbar.

The LID Zone Substation will be fed from three 130 Titan Solar Gas Turbine Generators within the Hastings Power Generation Site. The generated power at 11 kV will be stepped up to 66 kV by two 40/60 MVA, 11/66 kV transformers.

The power plant is expected to operate for 11 years between 2024 and 2034. The Hastings Generation Site is expected to generate a peak of 29 GWh per year and an average over the life of the facility of 17 GWh per year.

2. Technical capacity

The applicant must answer all questions in this section.

2.1 Experience and knowledge of the industry

Provide information about the human resources available to the applicant. This includes:

- a) The experience and qualifications of those employees outlined in the organisational chart (see 1.4b);
- b) If the applicant will employ contractors or agents to assist with the licensed activities, the name of those contractors or agents, details about the experience of the contractors or agents in such operations and details of the processes in place to ensure the contractors or agents comply with the licence conditions, including relevant regulatory obligations

The applicant has the necessary expertise, knowledge and the skill base to generate electricity at the Hastings Generation site (HGS) and it has access to experts within Exxon Mobil affiliates globally. The applicant's site at Longford has generated 66kV power to the National Grid utilizing similar equipment to that being installed at Hastings.

Attachment 2.1.1 details the technical capabilities of the applicant's key personnel to provide its electricity generation.

Where the applicant is relying on a third party to provide staff and/or resources to meet the technical capacity requirements of the generation and wholesale licence, provide:

- c) the experience and qualifications of any relevant key employees who will manage those systems and processes;
- d) if the applicant will engage third parties to assist with the licensed activities, provide the following information in relation to each third party:
 - (i) the name of that third party
 - (ii) the scope of activities undertaken by the third party
 - (iii) details and copies of any agreements for the provision of services
 - (iv) details about the experience of the third party in relation to the activities that it will be undertaking, including any accreditations
 - (v) details of the processes in place to ensure the third party complies with the licensee's regulatory obligations.

The applicant has nominated Progress Green Pty Ltd, operating as Flowpower, as a Registered Market Participant Agent. Flowpower will provide dispatch, trading, control and settlement services for HGS on behalf of the applicant. It will link to AEMO's IT systems and

trade Hastings Generation site's electricity on the wholesale market on the applicant's behalf. Progress Green holds a Retail Licence. A redacted agreement between Progress Green Pty Ltd and EARPL is attached as Attachment 2.1.2.

Section 2.7 describes the management system which covers the performance requirements of third parties under Element 8 (Attachment 2.7.2).

Attachment reference:

2.1.2 Agreement between Progress Green Pty Ltd and Esso Australia Resources Pty Ltd - Confidential

2.1.3 Flowpower Organisation Charts

2.2 Risk management

- a) Provide confirmation and evidence that the applicant has identified the risks associated with electricity generation and wholesale operations. Additionally, provide evidence that the applicant has established, utilised and relied upon risk management systems and processes which are adequate, accurate and current to address those risks.
- b) Provide a copy of the applicant's risk management strategy. A statement should also be provided (or supporting document must make it clear) whether the strategy has been developed in line with any Australian or International Standard (for example, ISO 31000:2018).
- c) Provide a copy of a risk register that identifies risks, controls and mitigations.

The applicant has adopted and utilises the corporate risk management processes relied upon by ExxonMobil affiliates globally. ExxonMobil's corporate risk framework provides a structured, comprehensive approach to identify, prioritise and manage risks across the Company. It is designed to drive consistency across risk type, and monitor key risks, including risks related to climate change.

HGS will be operated by the applicant which has the capabilities of a global corporation which has constructed and operates large integrated infrastructure assets around the world. The applicant has been operating the integrated Bass Strait, Longford, and LIP operation in Victoria for over 50 years including electricity generation at Longford.

The risk management framework can be found in the Risk Assessment and Management Manual (attached).

The Electrical Safety Management Scheme (Attachment 2.7.4) also summarises the risk assessment methodology, together with the resultant risks associated with electrical safety work.

Attachment reference:

2.2.1. Risk Assessment and Management Manual (commercial-in-confidence)

2.2.2 Risk Assessment and Management Summary

2.2.3 HGP Risk Register (see Attachment 2.7.4)

2.3 Registration with the Australian Energy Market Operator and generator performance standards

Advise if the applicant will apply to register with the Australian Energy Market Operator (AEMO). If so, provide evidence of registration or exemption, or intending registration or exemption (for example, correspondence between the applicant and AEMO). If the applicant is not registering with AEMO, describe why that is the case.

Provide confirmation from AEMO that proposed negotiated generator performance standards will meet requirements for power system security and reliability under the National Electricity Rules.

The applicant is not registering with AEMO as it has nominated Flow Power to the Australian Energy Market Operator (AEMO) to become the Intermediary and Registered Market Participant for the Hastings Generation Site (classified as a non-scheduled market generator). The application was submitted to AEMO on 3 June 2023.

As HGS will be connected to United Energy's distribution network, they have received a letter from AEMO stating that the performance standards have been accepted.

Attachment Reference:

2.3.1 Registration evidence (not required)

2.3.2 AEMO confirmation of Performance Standards - Confidential

2.4 Licences held in other jurisdictions

If the applicant holds, or has previously held, electricity and/or gas licences or authorisations in other jurisdictions provide details. If a licence or authorisation previously held has been suspended or cancelled, provide details.

The applicant does not currently hold any electricity or gas licences in other Australian jurisdictions.

The applicant previously held a gas retail licence that was withdrawn on 25 November 2021 at the applicant's request.

2.5 Previous unsuccessful licence applications in other jurisdictions

Confirm whether the applicant has applied for an electricity or gas licence in another jurisdiction and not been issued with a licence or authorisation, provide details.

The applicant has not previously applied for and not received an electricity or gas licence in any jurisdiction

2.6 Licences held by associates of the applicant

If an associate (within the meaning of the *Corporations Act 2001*) holds an electricity or gas licence in Victoria or in other Australian jurisdiction, provide details.

No licenses held by associates of the applicant.

2.7 Compliance management

- a) Provide evidence of compliance management which demonstrates how the compliance systems the applicant has (or will have) in place will ensure compliance with all the relevant regulatory obligations required by an electricity generation licence.
- b) Provide a copy of the applicant's compliance management strategy. A statement should also be provided (or supporting document must make it clear) whether the strategy has been developed in line with any Australian or International Standard (for example, AS ISO 19600:2015).

The applicant maintains a long established practice of observing and complying with all laws applicable to its business. Activities are managed at a corporate level through a number of Policies and Legal Compliance Guides, which are all publicly available on the ExxonMobil website and outlined in the Standards of Business Conduct (exxonmobil.com.au).

To achieve the corporation's guiding principle of maintaining high ethical standards, obey all applicable laws, rules and regulations the applicant has developed and implemented an Operations Integrity Management System (OIMS). The framework of which is summarized in the OIMS Framework Brochure.

Regulatory compliance is addressed in OIMS elements:

- *4-5 Information on laws and requirements*
- *6-7 Operating and Environmental Obligations*
- *7-1 Management of Change*

These requirements have been captured in the Regulatory Compliance Manual, demonstrating how the applicant complies with its regulatory obligations.

The applicant operates under an Electrical Safety Management Scheme which defines the core aspects of the management of safety of electrical work, and electrical installations and equipment for the applicant. In addition, the manual provides a means by which the applicant complies with the Electrical Safety Act 1998. The ESMS forms part of the applicant's OIMS and Facility Integrity Management System requirements. This document will be updated ahead of commissioning to include the HGS at Long Island Point.

Attachment reference:

2.7.1 Standards of Business Conduct

2.7.2 OIMS Framework Brochure

2.7.3 Regulatory Compliance Manual (commercial-in-confidence)

2.7.4 Electrical Safety Management Scheme (commercial-in-confidence)

2.8 Material agreements

Provide copies of agreements entered into, or intended to be entered into, by the applicant that are material to the undertaking of the electricity generation activity. Agreements that are material to the undertaking of the electricity generation activity may include:

- a) Connection agreements, such as a Generator Connection Agreement and Generator Project Agreement with a generation facility.
- b) Any contract concerning the construction and delivery of the project (sometimes commonly referred to as a Project Construction and Coordination Deed (PCCD) or Engineering, Procurement and Construction Agreement).
- c) Any Network Services Agreements.
- d) Any contracts concerning the managerial aspects of the activity (sometimes commonly referred to as a Management Services Agreement or Asset Management Agreement).
- e) Any contract concerning the ongoing operations and maintenance of the transmission assets (sometimes commonly referred to as an Operations and Maintenance Agreement).
- f) Any contract concerning the sale of electricity from the generator under a Power Purchase Agreement.

- a) The applicant has in place a Connection Agreement with United Energy*
- b) The applicant is the Principal Contractor for the HGS for the construction of the generation equipment, and as such there is no overarching construction contract in place. Construction is in progress with a view to completion in 2Q 2024, when we aim to commence commissioning.*
- c) Not applicable for HGS*
- d) The management of the generation equipment will be self-performed by the existing team at the Long Island Point Fractionation Plant. Contracts are not applicable to support this. (See also Attachment 2.1.1, Key Personnel Technical Capabilities)*
- e) Not applicable as asset is not a transmission asset, nor connected to transmission assets*
- f) Not applicable as there is no power purchase agreement, electricity is sold to the spot market.*

Attachment reference: None required

2.9 Engagement with Energy Safe Victoria

Provide details about the applicant’s engagement with Energy Safe Victoria and any copies of correspondence regarding the proposed electricity generation facility.

The management of the generation equipment will fall under the Victorian Electrical Safety Management System that already is in place for the applicant’s Gippsland Assets (which includes coverage of the Long Island Point Fractionation Plant and the new generation equipment). This VESMS is already suitable to cover the operation and maintenance of the new generation equipment as the applicant already manages similar equipment at our other related sites. Minutes of meeting confirming this approach with ESV are attached as Attachment 2.9.1.

Attachment reference:

2.9.1 ESV correspondence

2.10 Additional information

Provide any additional information the applicant considers relevant to the commission’s assessment of the applicant’s technical capacity.

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3. Financial viability

3.1 Financial resources

The applicant must provide a statement that will be made available to the public during the consultation period that the applicant has the financial resources to commence and sustainably perform the relevant licensable activities.

Provide a statement to confirm that:

- a) the applicant is financially viable and has the financial resources to sustainably operate the electricity generation facilities, and
- b) the applicant will be a registered market participant with the Australian Energy Market Operator for its electricity generation activities, therefore subject to the prudential requirements under the National Electricity Rules.

The commission reserves the right to conduct a financial viability assessment and require the applicant to produce information and documents it considers appropriate to complete such an assessment.

The applicant has the financial resources to commence and sustainably perform the generation of electricity at the Hastings Generation Site.

The applicant has nominated Progress Green Pty Ltd, operating as Flow Power, as a Registered Market Participant Agent. Flow Power will provide dispatch, trading, control and settlement services for the Hastings Generation Site on behalf of the applicant. Flow Power will be subject to prudential requirements under the National Electricity Rules.

4. Fit and proper person

The applicant must answer all questions in this section.

In deciding whether to grant or refuse a licence application, the commission will consider whether the applicant is a fit and proper person to hold a licence in Victoria.

The concept of a 'fit and proper person' is established by common law and takes its meaning from its context, from the activities in which the person is or will be engaged, and the ends to be served by those activities.

In considering whether an applicant is a fit and proper person, we will have regard to the applicant's honesty, integrity and reputation. These are relevant factors as they can inform an assessment of the likelihood of future conduct.

We will also consider the conduct of directors, office holders or any person with significant managerial duties or influence. We will also consider the conduct of related bodies corporate or entities that can exert control over the applicant.

- a) Have any directors of the applicant, directors of any entity that can exert control over the applicant, or any person with significant managerial responsibility or influence on the applicant:
- (i) been declared bankrupt,
 - (ii) had their affairs placed under administration,
 - (iii) been disqualified from managing a company,
 - (iv) been subject to debt judgements, or
 - (v) insolvency proceedings (including any administration, liquidation or receivership in connection with the affairs of a company)?

If yes, provide details:

No

- b) Has the applicant, any directors of the applicant, directors of any entity that can exert control over the applicant or any person with significant managerial responsibility or influence on the applicant been prosecuted for any offences or had any enforcement action taken under any state, territory, Commonwealth or foreign legislation (including, but not limited to, the *Competition and Consumer Act 2010*, *Corporations Act 2001*, or the *Australian Securities and Investments Commission Act 2001*)?

If yes, provide details:

No

- c) Has the applicant, any directors of the applicant, any related body corporate, or any person with significant managerial responsibility or influence on the applicant been involved in any material breaches of obligations regulated by the commission or any other regulator?

If yes, provide details:

Yes

The Applicant has not been charged with any offences regulated by the Commissioner or any other regulator. The Applicant is part of a corporate group of companies operating in Australia. Several of these companies have historically been prosecuted primarily for safety and environment offences. The most recent offence by a related body corporate occurred in 2012 under the Occupational Health & Safety Act (Vic).

- d) Has the applicant, any directors of the applicant, any related body corporate, or any person with significant managerial responsibility been under investigation in relation to its regulatory obligations or is currently bound by an enforceable undertaking?

If yes, provide details:

No

- e) Has the applicant, any related body corporate or any person with significant managerial responsibility or influence on the applicant, been refused a licence or authorisation, or had restricted, suspended or revoked any such licence or authorisation (in any jurisdiction)?

If yes, provide details:

No

- f) Provide any other information the applicant considers relevant to the commission's fit and proper person assessment.

The applicant is deemed a Fit and Proper Person in accordance with the Victorian Environment Protection Agency, as required under the Development Licence Application. The applicant was issued a Development Licence (DL0003000015) for the Hastings Generation facility on the 11th August 2022.

Additional information

Answer the following questions and, where the answer to any question is "no" (except for question b)), provide further detail.

- a) Is the applicant a resident of, or does it have permanent establishment in, Australia?

Yes

- b) Is the applicant under external administration (as defined in the *Corporations Act 2001*) or under a similar form of administration under any laws applicable to it in any jurisdiction?

Esso Australia (and related Australian companies) are not under external administration or any similar form of administration in any jurisdiction.

- c) Is the applicant immune from suit in respect of the obligations under the *Electricity Industry Act 2000*?

Esso is not immune from suit in respect to any enforcement actions for contravention of the Act, the regulations and its licence, once issued

- d) Is the applicant capable of being sued in its own name in a court of Australia?

Yes

5. Commission objectives

The applicant must answer all questions in this section.

In deciding whether to grant or refuse an electricity generation licence application, the commission must consider its objectives under the *Electricity Industry Act 2000* and the *Essential Services Commission Act 2001* (ESC Act).

Our primary objective under the ESC Act, when performing our functions and exercising our powers, is to promote the long-term interests of Victorian consumers. In seeking to achieve this objective, we must have regard to the price, quality, and reliability of essential services and the matters set out in section 8A to the extent they are relevant.

In seeking to achieve the objectives specified in section 8, the commission must have regard to the matters to the extent that they are relevant in any particular case.

Provide any information the applicant considers relevant to the commission's consideration of its objectives outlined in:

- Section 8 of the ESC Act (also see section 8A of the ESC Act); and
- Section 10 of the *Electricity Industry Act 2000*.

The applicant considers that the HGS promotes the long term interest of Victorian consumers through the provision of a supply of power produced from a waste gas stream, that is planned to be sold on the spot market.

6. Statutory declaration

All the information provided in this application and attached documents for an electricity generation licence must be true and correct and must be verified by a statutory declaration. This statutory declaration must be made by the applicant (where the applicant is an individual) or a director of the applicant (where the applicant is a corporation) and must be made in accordance with the requirements of the *Oaths and Affirmations Act 2018*.

An example statutory declaration form can be found [here](#). Information for authorised witnesses can be found [here](#).

The statutory declaration must address the following:

- identification of the declarant's position and/or role with the applicant
- that the declarant believes the information provided in the application to be true and correct
- that the declarant believes the applicant has the financial resources to commence and operate the activities the subject of the licence.

I [name]....

of [address].....

Level 9, 664 Collins St, Melbourne

make the following statutory declaration under the *Oaths and Affirmations Act 2018* (Victoria):

- That I am the director of Esso Australia Resources Pty Ltd
- The information provided in this application (including any attachments) to the Essential Services Commission for an electricity generation licence is true and correct

and I make this declaration conscientiously believing these matters to be true and knowing that making a statutory declaration that I know to be untrue is an offence.

I make it knowing that making a statutory declaration that I know to be untrue is an offence.

Date: 26 February, 2024

Signature:

(signature of person making this statutory declaration in the presence of the authorised statutory declaration witness)

Declared at: Docklands, Victoria on 26 February, 2024

Witness

I am an authorised statutory declaration witness and I sign this document in the presence of the person making the declaration:

[Redacted signature]

[signature of authorised statutory declaration witness]

on [date] 26 Feb 2022 +

[full name and personal or professional address of authorised statutory declaration witness in legible writing, typing or stamp]

[qualification as an authorised statutory declaration witness]

A person authorised under section 30(2) of the **Oaths and Affirmations Act 2018** to witness the signing of a statutory declaration.

[Redacted]
Level 4, 664 Collins St
Docklands, Victoria
An Australian legal
Practitioner within the
meaning of the legal

Profession Uniform
Law (Victoria)