

# ELECTRICITY INDUSTRY ACT 2000 APPLICATION FOR ELECTRICITY GENERATION AND SALE LICENCE

## Esso Australia Resources Pty Ltd ACN 091 829 819

RECORD OF DECISION

17 April 2024

### **SUMMARY**

Pursuant to the provisions of section 19(1) of the Electricity Industry Act 2000 (Vic) (Industry Act) the Essential Services Commission (the commission) has granted Esso Australia Resources Pty Ltd (ACN 091 829 819) (Esso Australia Resources) a licence to generate electricity for supply or sale at the Hastings Generation Site (which is located in the vicinity of Hastings, Victoria and has a nameplate capacity of 43 MW at 0 degrees Celsius) and to sell the generated electricity through the wholesale electricity market.

#### **BACKGROUND**

Section 16(1) of the Industry Act provides that a person must not engage in the generation of electricity for supply or sale or the transmission, distribution, supply or sale of electricity unless the person:

- (a) is the holder of a licence authorising the relevant activity;
- (b) is exempted from the requirement to obtain a licence in respect of the relevant activity; or
- (c) is the holder of a trial waiver in respect of the relevant activity.

Section 18(1) of the Industry Act provides that a person may apply to the commission for a licence authorising the person to generate electricity for supply or sale and to sell electricity (under subsections (1)(a) and (d)).

On 1 November 2023, Esso Australia Resources applied to the commission for a licence authorising it to generate electricity for supply or sale and to sell the generated electricity through the wholesale electricity market.

Consistent with the requirements of the commission's electricity generation licence application form and 'Guideline: Applications for electricity and gas industry licences', Esso Australia Resources provided the commission with necessary documentation supporting the application.

On 27 February 2024, the commission published a copy of the application, and invited interested parties to make submissions in respect of the application. The commission did not receive any submissions regarding the application.

#### CONSIDERATION OF THE APPLICATION

Section 19(1) of the Industry Act provides that the commission may grant or refuse the application for any reason it considers appropriate, having regard to the objectives of the commission under the provisions of the Industry Act and the Essential Services Commission Act 2001 (Vic) (Commission Act).

#### **DECISION**

The commission is satisfied that:

- Esso Australia Resources has the technical capacity to comply with the conditions of the licence to be granted; and
- Esso Australia Resources is a fit and proper person to hold a licence to generate electricity for supply or sale, and to sell the generated electricity through the wholesale electricity market in Victoria.

In accordance with Section 19(1) of the Industry Act, and having regard to its objectives under the Commission Act and the Industry Act, the commission has decided to grant Esso Australia Resources a licence to generate electricity for supply or sale and to sell electricity through the wholesale electricity market. The authorisation granted by the licence is limited to the generation of electricity at the generation facility located in the vicinity of Hastings, Victoria, and the sale of electricity generated by this facility through the wholesale electricity market. The licence is granted for the period up to and including 1 November 2034.

THE COMMON SEAL of the ESSENTIAL SERVICES COMMISSION was affixed pursuant to the authority of the commission on 17 April 2024



Kate Symons Chairperson