



**ELECTRICITY INDUSTRY ACT 2000  
APPLICATION FOR AN ELECTRICITY RETAIL LICENCE**

**SmartestEnergy Australia Pty Ltd  
(ACN 632 313 029)**

**RECORD OF DECISION**

**7 October 2020**

## **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 SmartestEnergy Australia Pty Ltd (ACN 632 313 029) (**SmartestEnergy**) a licence to sell electricity by retail to business customers in Victoria consuming less than 160MWh in any calendar year.

## **BACKGROUND**

### ***Requirement to obtain a Licence***

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 is:

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

### ***Entitlement to apply for a Licence***

Section 18(1) of the Industry Act provides that a person may apply to the commission for a licence authorising the person to sell electricity by retail.

### ***The applicant***

On 6 November 2019, SmartestEnergy submitted an application to the commission for a licence authorising it to sell electricity by retail.

### ***The application***

Consistent with the requirements of the commission's 'Guide to Applications for Electricity Industry and Gas Industry Licences', SmartestEnergy has provided the commission with the required documentation supporting its application.

In particular, SmartestEnergy presented information to provide assurance concerning its technical capacity and its financial viability.

On 31 August 2020, 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 SmartestEnergy:

- has the technical capacity to comply with the conditions of the licence to be granted;
- has the financial resources to sustainably operate the proposed retail business in compliance with the conditions of the licence; and
- is a fit and proper person to hold a licence to sell electricity 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 SmartestEnergy a licence to sell electricity in Victoria, subject to conditions specified in the licence. The authorisation granted by the licence does not permit the sale of electricity through the wholesale market or the sale of electricity to domestic customers.

**THE COMMON SEAL**  
**of the ESSENTIAL**  
**SERVICES COMMISSION**  
was affixed pursuant to the  
authority of the Commission  
on 7 October 2020

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Kate Symons  
Chairperson