



December 2011

Dr Ron Ben-David
Chairman
Essential Services Commission
Level 2,
35 Spring Street,
Melbourne Vic 3000

Attention: Energy Regulation and Legislation Unit

Dear Sir,

GENERATION LICENCE APPLICATION

STOCKYARD HILL WIND FARM

Please find attached the application for a Licence to 'Generate Electricity for Supply' for Stockyard Hill Wind Farm. Stockyard Hill Wind Farm Pty Limited is the owner of the wind farm and the licence applicant as the intending Operator of the wind farm.

Stockyard Hill Wind Farm Pty Ltd is a wholly owned subsidiary of Origin Energy Limited, who also own and operate the Cullerin Range Wind Farm in New South Wales.

Stockyard Hill Wind Farm is currently in the final planning stages, with development approvals already granted from both State and Federal jurisdictions in October 2010 and February 2011 respectively. Connection options and turbine selection are currently underway.

Please direct any enquiries relating to this application to:

Selina Lyons
Transmission and Connections Manager
(07) 3028 5142 or 0467 812 002
selina.lyons@originenergy.com.au

Regards,

Paul Gallagher
Development Executive
New Ventures
(03)96525214 - paul.gallagher@originenergy.com.au



APPLICATION
FOR
LICENCE TO GENERATE FOR SUPPLY

STOCKYARD HILL WIND FARM

Introduction

Stockyard Hill Wind Farm Pty Ltd (SHWF) plans to construct and operate a wind farm, 35 km West of Ballarat in Victoria. Once in operation this station will increase competition in the National Electricity Market, help in meeting the growing electricity demand in Victoria and provide Renewable Energy Certificates towards the Australian Renewable Energy Target.

It is expected that the Stockyard Hill Wind Farm will be ready for commercial operation within 2016.

Stockyard Hill Wind Farm Pty Ltd is applying to the Essential Services Commission for a Licence to Generate Electricity for Supply in accordance with Section 18 of the Electricity Industry Act 2000 (Vic)

1.0 Application Information

1.1 Nature of the application

Type of Licence	Generate Electricity for Supply
Scope of operations	To include generation and transmission of electricity from the wind turbines to the connection point
Date Sought	1 st February 2012.
Name of Applicant	Stockyard Hill Wind Farm Pty Ltd (SHWF)
ABN	71 118 119 501
Registered Office	Level 45 Australia Square 264 - 278 George Street Sydney NSW 2000
Incorporation Details	Registered in Victoria, 01 February 2006
Ultimate Holding Co	Origin Energy Limited, ACN 000 051 696
Contact Person	Selina Lyons Transmission and Connections Manager t 07 3028 5142 m 0467 812 002 e Selina.lyons@originenergy.com.au

1.2 Information on the Corporate Structure

SHWF is a business entity that is a wholly owned subsidiary of Origin Energy Limited (OEL), and part of Origin Renewable Energy Pty Ltd. The structure of OEL and the subsidiary companies is shown in Attachment A.

OEL has:

- A 140-year history
- Market capitalisation of over \$14.7 billion
- Annual revenue over \$10.3billion
- Almost 4000 employees in Australia, New Zealand and the Pacific
- More than 3.5million customer accounts in Australia and the Pacific
- More than 150,000 shareholders

Experience in Power Generation

OEL and its fully owned subsidiaries (collectively 'Origin') own and operate a number of power stations, with a current installed capacity of over 2667 MW. These include:

- Ladbroke Grove Power Station - 80 MW (SA)
- Quarantine Power Station - 224 MW (SA)
- Roma Power Station - 74 MW (Qld)
- Mount Stuart Power Station - 414 MW (Qld)
- Uranquinty Power Station - 665 MW (NSW)
- Cullerin Range Wind Farm - 30 MW (NSW)
- Darling Downs Power Station - 630 MW (Qld)
- Mortlake Power Station - 550 MW (Vic)

1.3 Information on the Applicant

SHWF is an entity developed to build and operate the Stockyard Hill Wind Farm. SHWF has a development agreement with Origin Energy Power Development Group, to develop the wind farm on its behalf. The operations and maintenance of the wind farm will also be contracted via an Asset Management Agreement with Origin Energy Power's (OEPL) Generation department. The services under this agreement will be similar to the Cullerin Range Wind Farm in New South Wales. They include site personnel, operations policy and procedures, engineering support, overhaul services, performance management, risk and compliance, and asset integrity.

The Directors of SHWF are Karen Moses and Frank Calabria.

An ASIC Company extract for Stockyard Hill Wind Farm Pty Ltd, as at 27 October 2011, is shown in Attachment B. The Certificate of Registration on Business Name Change is shown in Attachment C.

Resumes of key staff in the Generation department of OEPL are shown in Attachment D.

1.4 Details of the proposed Stockyard Hill Wind Farm

The Stockyard Hill Wind Farm (SHWF) will be located within the Pyrenees Shire and covers an area of approximately 155 km². The wind farm site is generally bounded by Stockyard Hill Road, Long Gully Road, Dalgleishs Road and Caramuir Road to the north and east, Eurambeen-Streatham Road and Beaufort-Carranballac Road to the west and the Glenelg Highway to the south. Skipton Rd and Stockyard Hill Rd bisect the site.

SHWF has development approvals to install up to 157 wind turbines at the project site. In addition to the wind turbines the project will include the construction of an

underground electrical reticulation network (22 kV or 33 kV) and an above ground network of powerlines (132 kV) reticulating from the identified zone substations back to a central substation. There are five zone substations proposed with one of these also serving as the central substation from where the connection transmission line commences. The turbine type and final connection point have not yet been determined.

The project also includes a maintenance facility, three temporary staging areas, a network of internal access tracks, three temporary concrete batching plants (for construction purposes), business identification signs, car parking and bicycle facilities, anemometers (monitoring masts) and the removal of native vegetation.

The site is used predominantly as freehold agricultural land. SHWF has entered into commercial agreements with 55 landholders to host the wind farm.

A map of the site and surrounding area is shown in Appendix E, and the approved turbine location map shown in Appendix F.

Further general information on the project can be found at the wind farms website:

www.stockyardhillwindfarm.com.au

1.5 Current licences held for the wind farm

SHWF has no current licences, nor has ever been refused a licence. SHWF plans to register as an Intending Participant in the NEM with AEMO in early 2012. Full registration with AEMO as a Semi-Scheduled generator will occur prior to commissioning.

1.6 Licences held by associates

Origin Energy Power Ltd (OEPL), a wholly owned subsidiary of OEL, has the following licence:

Victoria

- Licence to generate electricity for supply or sale (Mortlake Power Station)

Origin Energy Electricity Ltd (OEEL) is also a wholly owned subsidiary of OEL.

OEEL holds the following generating licences:

Victoria

- Electricity Retail Licence
- Electricity Wholesale Licence for Mortlake Power Station

Queensland

- Mount Stuart Power Station Generation Authority
- Darling Downs Power Station Generation Authority
- Roma Power Station Generation Authority

South Australia

- Generation Licence that covers both Quarantine and Ladbroke Grove Power Stations

1.7 Contracts and agreements

Under an Origin Energy Limited internal company agreement, Origin Energy Electricity Limited (OEEL) will sell the electricity generated at Stockyard Hill wind farm directly to the spot market within the NEM.

A long term maintenance contract will be entered into with the successful turbine supplier. This contract will cover both scheduled and unscheduled maintenance of the wind turbines. The balance of the wind farm will be operated and maintained by Origin Energy's Generation staff via an asset management agreement.

1.8 Cross-ownership provisions

Origin Energy is aware that their interest in Stockyard Hill Wind Farm Pty Ltd is possibly a prohibited interest under Section 68 of the Act. Origin plans to apply separately to the Commission for a determination in this regard in order for that this is a particular interested, and not a prohibited one.

2.0 Consistency with the Commission's objectives

The granting of a generating licence to SHWF would assist the Commission in meeting the objectives stated in Sub-Sections 8(1) and 8(2) of the ESC Act to promote the long term interests of Victorian consumers in the following ways:

The price of electricity will be constrained by greater competition within the National Electricity Market both immediately and in the long term.

The reliability of the electricity supply will be enhanced by having greater generation available within the state, with a diverse fuel range.

The environment in Victoria will benefit from zero emissions generation.

3.0 Information on financial viability

SHWF is able to meet the financial viability needs of operating the Stockyard Hill Wind Farm. It is a business entity that is a wholly owned subsidiary of Origin Energy Limited (OEL). OEL has been a participant in the National Electricity Market for a number of years.

A Deed of Cross Guarantee exists whereby OEL guarantees any financial obligations entered into by SHWF. A letter of support between the entities is shown in Attachment G, with the Origin Energy Annual Report 2010 in Attachment H.

4.0 Information on technical capacity

Stockyard Hill Wind Farm will have an Asset management Agreement with OEPL to operate and maintain the wind farm. OEPL is the owner and operator of Ladbroke Grove, Quarantine, Roma, Mount Stuart, and Darling Downs Power Stations. The company controls

the maintenance of these gas fired power stations as well as the other powers stations that it operates on behalf of other Origin Energy entities such as Cullerin Range Wind Farm.

OEPL has systems and procedures in place to ensure that all of its obligations as Owner or Operator are carried out diligently and in accordance with all laws and licence conditions.

The above operating and maintenance experience has given senior staff members a thorough knowledge of the market operations and of the compliance requirements of the National Electricity Rules.

Resumes of key OEPL staff are shown in Attachment D.

5.0 Commercial-in-confidence information

Commercial information is provided by OEPL in Section 1.3 of this application. Origin Energy Ltd and Origin Energy Power Limited does not consider any of that information as commercial-in-confidence.

Schedule 3 Statutory Declaration

Statutory Declaration

I, (insert name) FRANK CALABRIA of

(insert address) 50 PRINCE ALBERT STREET, MOSMAN NSW

being the (insert position) DIRECTOR

of the Applicant Stockyard Hill Wind Farm Pty Ltd **Hereby DECLARE** that the information contained in this application, and attachments thereto upon which I have placed my signature, for the grant of an Electricity Generation licence under the Electricity Industry Act 2001 is true and correct and that I make this declaration conscientiously believing the same to be true and in the belief that a person making a false declaration is liable to the penalties of perjury.

Declared at Sydney in the State of NSW

Signature of Declarant

This 12th day of January 20 12

Before me (A person authorised by section 107A of the Evidence Act 1958 (Vic))

[Signature]
Signature of Witness

