

Generation and wholesale licence application form

Purpose of this form

This form must be completed by persons making an application to the Essential Services Commission (the commission) for the issue of a licence to authorise electricity generation and selling (wholesale) electricity in Victoria.

Basis for this form

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

Use of this form and the applicant's responsibilities

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

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

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 the 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.

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.

Timely process of the application will be assisted by providing accurate and relevant information and a complete application (answering all questions and providing all information). All applications are assessed on a case-by-case basis. If insufficient information is provided with an application, we will request additional information to be submitted before the application is considered further.

Prior reading

It is essential that the applicant reads our guide to applications for electricity industry and gas industry licences before filling out this form. The guide is available on [our website](#).

Licence conditions

Section 20 of the Industry Act authorises the commission to issue licences subject to conditions as decided by the commission. We strongly recommend the applicant review the standard conditions in our licence template. The applicant must be familiar with the relevant conditions and confident that the applicant can comply with the conditions.

Further information

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

Consultation and confidentiality

We will consult with relevant government, industry and consumer groups in the conduct of its licensing functions through a public consultation process. Applications and/or supporting information will be made available on our website and in hard copy from our office for this purpose.

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

How to lodge an application

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

Electronically: licensing@esc.vic.gov.au

In writing: Essential Services Commission
8/570 Bourke Street
Melbourne VIC 3000

Application fees and annual licence fees

The Commission sets the application fees. Currently, there is no application fee.

Holding a licence incurs annual licence fees. The licence fees are determined by the Assistant Treasurer. The Commission will send an invoice for the licence fee to each licensee. Licence fees are to be paid on receipt of an invoice via one of the payment options set out in the invoice.

1. General Information – The Applicant

The applicant must answer all questions in this section.

1.1 Name of applicant

State the full 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: Victorian Big Battery Pty Ltd

1.2 Legal identity of applicant

Provide the applicant's ABN/ACN and information about the applicant (i.e. whether the applicant is a private limited company, partnership, trust, or joint venture etc.).

ABN: N/A

ACN: 644 584 421

Type of entity: Private Limited Company

1.3 Contact details and address of the applicant

The Applicant

Business address: Victorian Big Battery c/c Neoen Australia Level 10 / 227 Elizabeth Street, Sydney

State: NSW

Post code: 2000

Postal address (if different): As per Business address

State:

Post code:

Full name of contact person: Inès Béchameil

Position title: Project Manager - Australia

Telephone: N/A

Mobile:

E-mail:

1.4 Diagram of corporate and organisational structure

Please attach with this application form the corporate or other structure, including details of any related companies within the meaning of the Corporations Act 2001. Please provide a diagram of the:

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

Attachment reference: 1.4a - Corporate Structure_VBB certified (revised)

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

Attachment reference: 1.4b - Organisational Structure VBB

1.5 The Licence

The applicant must answer all questions in this section.

If the applicant wants the licence issued by a certain date, provide this date. Please note that we do not undertake to issue the licence by this date. The applicant should usually allow a minimum of 16 weeks to consider an application or from eight to ten weeks **once the application is complete**. An application is considered complete once we have all information we need to take the application to commission for 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. 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: April 30th, 2021

Type of generation: Battery energy storage system

Expected name plate capacity: 300MW / 450MWh

Location of generation facility: Atkinsons Road, Moorabool, VIC, 3213

Details of how the generator will be connected to the network: The Connection of the Battery energy storage system to the AusNet Moorabool Terminal Station will be done under the Connection Agreements with AusNet (NSP) and will include:

- augmentation to the existing Declared Transmission Shared Network as required by AEMO, to facilitate the connection of the BESS;
- interface works; and
- other electrical infrastructure works such as transmission lines and transformers required for the transmission of 360MVA of power from the BESS to the Point of Connection.

2. Technical capacity

The applicant must answer all questions in this section.

2.1 Experience and knowledge of the industry

Please 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 that contractor or agent, details about the experience of the contractor or agent in such operations and details of the processes in place to ensure the contractor or agent complies with the licence conditions, including relevant regulatory obligations

a) The experience and qualifications of the employees outlined in the organisation chart attached under Section 1.4b are detailed in the Attachment 2.1a.

Attachment reference: 2.1a - Key Neoen Personnel Profiles

b) The VBB contracts structure is detailed in the Attachment 2.1b.

Under the EPC and O&M contracts, Tesla is required to meet the relevant regulatory obligations. Under the Connection Agreement, AusNet is also required to meet the relevant regulatory obligations. VBB will ensure that the contractors meet their obligations through the Regulatory Compliance Matrix attached under Section 2.7.

Attachment reference: 2.1b - Contracts structure_VBB

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, please provide:

- c) the experience and qualifications of any relevant key employees who will manage those systems and processes;
- d) If the applicant will engage contractors or agents to assist with the licensed activities, provide the following information

- (i) the name of that contractor or agent
- (ii) the scope of activities undertaken by the contractor or agent
- (iii) details of any formal agreements for the provision of services,
- (iv) details about the experience of the contractor or agent in relation to the activities that it will be undertaking, including any accreditations, and
- (v) details of the processes in place to ensure the contractor or agent complies with the licensee's regulatory obligations.

c) As detailed under 2.1b, VBB will ensure that the EPC and O&M contractor, as well as the Network Service Provider will meet their obligations through the Regulatory Compliance Matrix attached under Section 2.7.

d) Items under (i), (ii), (iv), and (v) have been detailed under Section 2.1b.

(iii) Agreements are provided in the Attachment 2.1d.

Attachment reference: 2.1d - Contracts

- 1. Tesla
 - 2021-02-19 VBB EPC Contract (amended)
 - 2021-02-19 VBB O&M Agreement (amended)
 - 2021-02-19 VBB MPD (amended)
- 2. AusNet
 - VBB Connection - Preliminary Works Agreement 081020 FINAL - signed
 - VBB - Preliminary Works Agreement - Amending Agreement (Execution Version) -signed
 - PCCD_-_Moorabool_Terminal_Station_(FULLY_COMPILED_EXECUTED VERSION)
 - VBB - CSA (EXECUTED - FULLY COMPILED)
- 3. Aurecon
 - 20201112-VBB-OE Engagement-L9464-signed 12 November 2020
- 4. AEMO
 - Offer Deed Poll - SIPS Support Agreement - Sydney signed_28092020
 - SIPS2020 Supplementary Offer Deed - SIPS Support Agreement_Neoen signed 14-10-2020
 - SIPS Support Agreement - Neoen - Executed 05112020 [searchable]
 - VBB_-_UoSA_(FULLY_COMPILED_EXECUTED VERSION)
- 5. NEOEN
 - VBB_-_COMSA_Consent_Deed_(EX 24-02-2021)
 - VBB_-_Development_Services_Agreement_(EX 23-02-2021)

2.2 Risk management

Provide confirmation and reasonable evidence that the applicant has identified the risks associated

with electricity generation and wholesale operations. And that the applicant has established, utilise and rely upon risk management systems and processes which are adequate, accurate and current to address those risks. A copy of the applicant's risk management strategy and confirmation of any accreditation (e.g. AS/NZS ISO 31000:2009) should be provided.

Neoen's risk management relates to measures implemented to assess, analyse and manage the risks to which it is subject in the course of its business worldwide. Neoen places great importance on a proper risk culture and has taken a structured approach to carry out active risk management policies to ensure that its major and operational risks are recognized and managed. The risk management system that it has implemented is applicable to the entire group, including all of its activities, functions and locations.

Risk management is a priority for Neoen, and it has established a consistent approach to risk management and internal controls. Neoen's risk management and internal control systems are based on a set of methods, policies, procedures, behaviours and actions that aim to ensure that the necessary measures are taken to:

- verify the effectiveness of transactions and an efficient use of resources; and
- identify, analyse and manage risks that are likely to have a significant impact on Neoen's assets, results, transactions and achievements of its objectives, whether operational, commercial, legal or financial, including those relating to compliance with applicable laws and regulations.

An appropriate risk management approach and structuring tools have been established to support internal systems at every level of Neoen's organisation. The local organisation, selected contractors and consultants ensure that VBB enjoys sufficient market knowledge to manage all possible risks related to financing, constructing, operating and maintaining a battery project of this scale. VBB, through its parent entities utilises corporate risk management processes as an integral part of the normal operation of its businesses. The VBB-specific risk management plan and risk register were compiled during the development phase of the project and are subject to regular reviews as the project transitions to construction and operations phases.

Attachment reference: 2.2-Risk-Management-Plan_VBB & 2.2-Risk-Register_VBB

2.3 Registration with the Australian Energy Market Operator

Please advise if the applicant will apply to register with the Australian Energy Market Operator and provide details of the applicant's registration. If the applicant is not registering with the Australian Energy Market Operator, please provide a reason.

VBB received a 5.3.4A and 5.3.4B letter from the Australian Energy Market Operator confirming acceptance of the proposed negotiated performance standards as per clause 5.3.4A(e) and clause 5.3.4B(k) of the National Electricity Rules (Rules).

VBB received registration as an Intending Participant in the National Electricity Market effective 22 Decembre 2020. VBB is in the process of lodging its application for Registration as a Generator with them.

Attachment Reference: 2.3 - Approval Letter - Victorian Big Battery Pty Ltd & 2.3-VBB 534A and 534B Letter_AEMO Victorian Connections

2.4 Licences held in other Australian jurisdictions

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

The licences provided do not include non-standard licence conditions.

No licence has been suspended or cancelled at any of our assets.

Attachment Reference of current Generation Licence for the following operating assets:

Under the ESC South Australia:

- Hornsdale Power Reserve Pty Ltd: 20191016 - Electricity - Licence - Hornsdale Power Reserve Pty Ltd - Electricity Generation Licence & 20200416 - Hornsdale Power Reserve Pty Ltd - Electricity Generation Licence (A1412926)
- Hornsdale Wind Farm 1 Pty Ltd: 20191016 - Electricity - Licence - HWF 1 Pty Ltd - Electricity Generation Licence
- Hornsdale Wind Farm 2 Pty Ltd: 20191016 - Electricity - Licence - HWF 2 Pty Ltd - Electricity Generation Licence
- Hornsdale Wind Farm 3 Pty Ltd: 20191016 - Electricity - Licence - HWF 3 Pty Ltd - Electricity Generation Licence

Under the ESC Victoria:

- Numurkah Solar Farm Pty Ltd: Numurkah Solar Farm Pty Ltd - Electricity Generation and Sale Licence - Feb-19
- Bulgana Wind Farm Pty Ltd: Bulgana Wind Farm Pty Ltd - Electricity Generation and Sale Licence - Feb-19

2.5 Previous unsuccessful licence applications in other Australian jurisdictions

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

The applicant has been issued a licence for all application made for an electricity or gas licence in another Australian jurisdiction.

2.6 Licences held by associates of the applicant

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

The licences provided as part of the answer to Question 2.4 are related to the applicant's associates entities (shared parent entity, Neoen SA).

2.7 Compliance management

The applicant is required to submit evidence of compliance management which demonstrates how the compliance systems the applicant has (or will have) in place will ensure compliance with all of the relevant regulatory obligations required by the generation and wholesale licence. A copy of the applicant's compliance management strategy and confirmation of any accreditation (e.g. AS ISO 19600:2015) should be provided.

VBB will manage compliance in accordance with its Compliance Policy, regulatory requirements and the requirements of this licence. It has systems in place to ensure that obligations are identified, kept up to date, recorded and actioned. The compliance register attached demonstrates that VBB understands Victorian requirements and is capable of meeting regulatory requirements. The register acknowledges, at a minimum, all relevant obligations that will arise under the generation licence, the Electricity Industry Act 2000 (VIC), and the Electricity Distribution Code. The register includes:

- (i) VBB's regulatory obligations
- (ii) the source of each obligation
- (iii) the key actions for ensuring compliance with each obligation
- (iv) the principal personnel responsible for monitoring compliance

Attachment reference: 2.7- Compliance Policy-Neoen Australia_v0.2 & 2.7- Regulatory Compliance Matrix-Victoria

2.8 Additional information

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

Attachment reference: 2.8- Neoen Operations Capability Statement

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.

Please 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.

We hereby confirm 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 and that the applicant is financially viable and has the financial resources to sustainably operate the electricity generation facilities.

Attachment reference: VBB - Notice of Financial Close

Suitability of applicant to hold a licence

The applicant must answer all questions in this section.

4. Fit and proper person

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:

- a) 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 have not:
- 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)

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 limited to, the Competition and Consumer Act 2010 (Cth), Corporations Act 2001 (Cth), or the Australian Securities and Investments Commission Act 2001 (Cth))?

If yes, provide details:

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

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:

c) The applicant, any directors of the applicant, any related body corporate, or any person with significant managerial responsibility or influence on the applicant have not been involved in any material breaches of obligations regulated by the commission or any other regulator.

d) 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?

If yes, provide details:

d) The applicant, any related body corporate or any person with significant managerial responsibility or influence on the applicant have not been refused a licence or authorisation, or had restricted, suspended or revoked any such licence.

e) Please provide any other information the applicant considers relevant to the commission's fit and proper person assessment.

- e) Attachment Reference: 4e - Additional-information
- Victorian Big Battery Pty Ltd - Certificate of Registration
 - Victorian_Big_Battery_Pty_Ltd_-_Constitution
 - VBB - Certified Register of Members

Additional information

Please answer the following questions and, where the answer to any question is "no", provide further detail.

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

a) The applicant is an Australian resident.

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?

b) The applicant is not under external administration.

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

c) The applicant is not immune from suit.

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

d) The applicant is capable of being sued in its own name.

(attach additional pages if necessary)

5. Commission objectives

The applicant must answer all questions in this section.

In deciding whether to grant or refuse a licence application, the commission must consider its objectives under the Electricity Industry Act and/or Gas Industry Act and the Essential Services Commission Act (ESC Act).

Our objective under the Essential Services Commission 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.

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

- Section 8 of the Essential Services Commission Act (also see s 8A of the Essential Services Commission Act),
- Section 10 of the Electricity Industry Act, and/or
- Section 18 of the Gas Industry Act.

The applicant believes that the granting of the licence is consistent with this objective for the following reasons:

- The System Integrity Protection Scheme (SIPS) services have been commissioned by AEMO and is a critical project for the network in Victoria.
- VBB is an efficient long-term electricity industry investment for the state of Victoria in that VBB will from 1 November to 31 March every year provide System Integrity Protection Scheme (SIPS) thermal service capable of delivering up to 250 MW of active power generation for a period of at least 30 minutes to allow the transfer capacity of the VNI to be increase. The 50 MW not used in the SIPS Services will be used through the NEM wholesale energy market participation. And from 1 April to 31 October every year, 300 MW will be used through the NEM wholesale energy market participation.
- The applicant is a financially viable generator. Long term agreements have been entered into for Asset Management and Operations and Maintenance with experienced long-term industry partners.
- VBB will be subject to all relevant regulatory obligations applying to the Victorian electricity industry and has systems in place to ensure compliance with these requirements.
- The applicant will be subject to the National Electricity Rules which provide consistent regulation across all states in the National Electricity Market. In addition, the Asset Manager is experienced in operating assets across the NEM. The operations will be in compliance with Victorian requirements.

The applicant confirms that all the attachments to this application form should be considered as commercial-in-confidence.

6. Statutory declaration

That all information provided in this application for the issue of a generation and wholesale licence is true and correct 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 (Vic).

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

The statutory declaration must address the following:

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

I, Louis de Sambucy

of Level 10, 227 Elizabeth Street, Sydney, NSW, 2000

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

- 1) That, I am the director of Victorian Big Battery Pty Ltd (ACN 644 584 421)
- 2) The information provided in the attached application to the Essential Services Commission for a generation and wholesale 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: 5 March 2021

Signature: 

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

Declared at: Sydney, NSW on 5 March 2021

Witness

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



.....
Joshuah Vaughan Williams

on 5 March 2021

Joshuah Vaughan Williams, solicitor NSW 35490

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