



Application for an Electricity Generation Authority

Edenvale Solar Park Pty Ltd

Information Paper

May 2021



Queensland
Government

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1. Background

Edenvale Solar Park Pty Ltd (ABN 63 627 088 359) (the applicant) has applied to the Regulator for a generation authority under section 179 of the *Electricity Act 1994* (the Act). Under the Act, the Regulator is the Director-General of the Department of Energy and Public Works (the Department), being the chief executive of the department that administers the Act.

The application is for a proposed solar farm – the Edenvale Solar Farm, located approximately 20 km south of Chinchilla, within the Western Downs Regional Council.

The generation authority, if issued, will authorise the operation of the plant and its connection to Powerlink’s transmission network via the nearby Powerlink Orana Substation.

The plant will have a total nameplate rating of 180 Megawatts (MW) and a maximum capacity of 146 MW from the connection point.

The applicant will own and operate the plant and will appoint a third-party contractor to provide engineering, procurement, and construction services (EPC) and ongoing operation and maintenance of the plant.

Subject to receipt of all necessary approvals (including this generation authority), the applicant anticipates the plant will be complete and operational in Q1 2023.

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2. Consideration of an Application

Section 180 of the Act provides that the Regulator may issue a generation authority only if satisfied:

- (a) the applicant will operate the generating plant stated in the application;
- (b) the generating plant will be able to provide electricity of a quality suitable for the transmission grid or supply network stated in the application;
- (c) the applicant is a suitable person to be a generation entity;
- (d) the owner or proposed owner of the generating plant (whether or not the applicant) is a suitable person to be the owner; and
- (e) the applicant meets the additional criteria prescribed under a regulation.
(Note that no additional criteria are prescribed by regulation).

In deciding whether the applicant is a suitable person to be a generation entity, or the owner or proposed owner of the generating plant (whether or not the applicant) is a suitable person to be the owner, the Act states the Regulator may consider:

- (a) the person's previous commercial and other dealings and the standard of honesty and integrity shown in the dealings;
- (b) any failure by the person to perform commercial or statutory obligations and the reasons for the failure;
- (c) the person's criminal history;
- (d) if the person is a corporation – the matters mentioned in paragraphs (a) to (c) for persons who are shareholders, directors or holders of other interests in the corporation;
- (e) for the applicant – the applicant's competence to be the operator; and
- (f) additional matters prescribed by regulation.
(Note that no additional matters are prescribed by regulation.)

Further, the Act provides that, in deciding whether to issue the generation authority, the Regulator must consider:

- (a) the objects of the Act;
- (b) relevant government policies about environmental and energy issues and the likely environmental effects of building and operating the generating plant; and
- (c) additional matters prescribed under a regulation.
(Note that no additional matters are prescribed by regulation.)

Section 179A of the Act also stipulates that, before issuing a generation authority, the Regulator must invite interested persons to make submissions about the application for the authority and the Regulator must consider the submissions made.

3. The applicant

The information set out in sections 3 to 5 of this Information Paper was provided by the applicant as part of its formal application to the Regulator for a generation authority.

The applicant will be the operator and the owner throughout the 30-year operational lifetime of the generating plant. The applicant is a subsidiary of Sapphire Energy Pty Ltd which is a joint venture company incorporated in Australia and owned 50% by Sojitz Corporation (Japan) and 50% ENEOS Australia Pty Ltd.

The applicant has been specifically created to become the market participant as a generator operating in the National Electricity Market. This application to obtain the generation authority is supported by shareholders of the ultimate holding companies, Sojitz Corporation and ENEOS Corporation, which are experienced large international corporations.

Sojitz Corporation and ENEOS Corporation both have extensive experience in developing, financing, constructing energy projects, this will be the first renewable energy project for both companies in Australia as a joint venture.

ENEOS Australia Pty Ltd is a subsidiary of ENEOS Corporation (Japan), which was established in 1888 and is the largest oil company in Japan.

ENEOS Corporation activities include the exploration, importation, and refining of crude oil; the manufacture and sale of petroleum products, including fuels and lubricants; and other energy-related activities. ENEOS Corporation operates over 158.4 MW of renewable energy plant in Japan and is seeking to adapt and become a global business operator in the transition to a low carbon society.

Sojitz Corporation (Japan) was established 1 April 2003 by merger of two companies. The former company before the merger was established in 1862 and has been active in Australia since 1957. Sojitz Corporation is listed on the Tokyo Stock exchange and has undertaken a wide range of renewable energy projects in Japan and overseas. Sojitz Corporation activities in Australia include investment in metals, industrial minerals and forest products.

EPC services and ongoing operation and maintenance activities will be contracted to a third party. The applicant has a Construction Agreement with Gransolar and Astronergy Solar Australia Pty Ltd.

Gransolar is a vertically integrated company covering all activities in the solar photovoltaic (PV) value chain and has constructed 105 solar PV plants with more than 2 gigawatts capacity. Astronergy Solar is one of the major suppliers of Photovoltaic modules in Australia and has supplied solar PV modules to 39 solar PV plants with more than 1877 MW capacity.

4. The proposed generating plant

The generating plant (Edenvale Solar Farm) will be located on 2165 Kogan Condamine Road, Crossroads, Queensland 4413 (Lot 4 on ROG3414 and Lot 3 Crown Plan RG569), which is 20 km south of Chinchilla, within the Western Downs Regional Council.

The plant will have a total nameplate rating of 180 MW and will consist of 72 inverter units. The maximum export capacity of the project will be 146 MW.

The applicant has a Connection and Access Agreement in place with Queensland Electricity Transmission Corporation Limited (Powerlink) to connect to the transmission grid via a single point of connection to the existing Orana substation.

A new transmission line of approximately 5 km in length will be built between the Edenvale Solar Park and Orana Substation connection point to accommodate the generation plant. This new utility corridor is located on state road reserved land requiring approval by Transport and Main Roads for the cable route and approval from the Western Downs regional council of the road crossings.

The applicant is registered with AEMO as an Intending Market Participant and will apply with AEMO for registration as a Market Semi-Scheduled Generator during the construction phase.

5. Approvals for construction of the generating plant

A generation authority issued under the Act authorises its holder to operate the generating plant and connect it to the transmission grid or supply network.

It should be noted that a generation authority does not authorise or approve the construction of the generating plant and, indeed, that is not a matter within the jurisdiction of the Act or the Regulator. Section 26(2) of the Act states:

‘a generation authority does not relieve its holder or anyone else from complying with laws applying to the development, building, operation or maintenance of generating plant’.

The proponent of the plant has the responsibility to obtain all approvals necessary for construction and ongoing operation of the plant, including relevant environmental and local government approvals.

All relevant development approvals have been obtained by the proponent. Western Downs Regional Council granted a Development Approval in December 2018.

The project’s ecological assessment concluded that it is unlikely there will be a significant impact to local biodiversity values and formal assessment and approval under the *Environment Protection and Biodiversity Conservation Act 1999* (Commonwealth) determined the project a Non-controlled Action.

6. Submissions

Submissions are invited from interested persons in relation to the application from Edenvale Solar Park Pty Ltd for a generation authority.

In particular, the Regulator is interested in matters that may impact on the suitability of the applicant to be a generation entity, as well as the other issues the Regulator must consider under the Act.

Please note that private personal and commercial-in-confidence information contained within a submission may be provided to a third party for the purpose of consideration of the application. In the case where the Regulator provides an opportunity for an applicant to respond to matters raised in a submission, the private personal information and commercial-in-confidence information of the person making the submission will not be provided to the applicant. The State of Queensland through the Department of Energy and Public Works (the Department) has taken steps to ensure the appropriate treatment of such information by departmental staff and contractors. By submitting a submission, you agree that your submission will be used by the Department and its contractors in reviewing and processing the applications.

All personal and commercial-in-confidence information will be stored at the office of the Department, and in accordance with the relevant privacy legislation. The Department's privacy statement can be found at: <https://www.epw.qld.gov.au/about/information-privacy>. If you have any questions or queries you can email the Department's privacy unit at righttoinformation@hpw.qld.gov.au.

Submissions must be made in writing, and sent by email or mail to:

Mail

Attention: The Manager
Commercial
Department of Energy and Public Works
PO Box 15456
CITY EAST QLD 4002
Phone: 13 43 87

Email

energyregulation@dnrme.qld.gov.au

Closing date for submissions is 5.00pm on 4 June 2021.