



APPLICATION FORM

**FOR AN ELECTRICITY LICENCE UNDER
*THE NATIONAL ENERGY AUTHORITY ACT 2021***

Version: 1

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1.0 INFORMATION FOR APPLICANTS

1.1 Purpose of this form

This form is to be completed by persons making an application to the National Energy Authority (**Authority**) for the issue of a licence to authorise the operation of generation, transmission, distribution or retailing of electricity in Papua New Guinea. The Authority can also consider joint applications from two or more persons who wish to hold a licence jointly. Persons making applications must ensure that each of the applicants completes an application form.

1.2 Basis for this form

The *National Energy Authority Act (the Act)* provides in section 62 that an application for the issue of a licence must be made to the Authority in a form approved by the Authority. This is the form approved by the Authority.

1.3 Use of this form

Licence applicants should supply the information requested in the spaces provided in this form and enclose additional information where required. Licence applicants should note that the Authority may also ask applicants who have submitted a completed application form to provide further information to the Authority, or to clarify information that they have provided. It is an offence under the Act for a person to knowingly give false or misleading information, or documents containing false or misleading information, to the Authority.

1.4 Licence conditions

Successful licence applicants will be issued with a licence by the Authority. Under the Act, Authority shall make the licence subject to certain conditions as it determines. Licence applicants should be familiar with the relevant conditions and be confident that they can comply with these conditions.

1.5 Confidentiality

If licence applicants believe that they are providing confidential information when completing this form; they should write *“this information is confidential”* after any such information.

If licence applicants are asked to provide further information to the Authority, and the applicant believes that the information is confidential, the licence applicant must inform the Authority at the time of providing the information that it is confidential.

Unless confidentiality is claimed for information, the information may be made available to the public on the Authority’s website, in publications produced by the Authority and for public inspection at the Authority’s office. Licence applicants should note that the Authority may disclose confidential information in some circumstances – see provisions in section 131 of the *Independent Consumer and Competition Authority Act 2002*.

1.6 Application Fee

In accordance with *Section 62 subsection (2)* of the NEA Act, licence applicants are required to pay a non-refundable application fee prescribed by the NEA Act.

1.7 How to lodge an application

The **completed application form** and the **correct application fee** should be sent to the mailing address below:

Managing Director
National Energy Authority
Goada Herea Building
Section 58, Allotment 3, Waigani Drive
P O Box 494, Vision City 131
National Capital District
Papua New Guinea

2.0 THE LICENCE APPLICANT

Licence applicants must fill in all required information in this section.

2.1 Identity of the licence applicant

State the full name of the licence applicant. The licence applicant is the person who will be undertaking the operations that will be the subject of the electricity licence (e.g. the generation or distribution or retailing operations etc). The Authority can also consider joint applications from two or more persons who wish to jointly hold the licence. Joint applicants should each complete an application form, submit their application forms at the same time, with a covering letter explaining that a joint application is being made and each should quote the name of the other joint applicant.

Name: _____

2.2 Legal identity of licence applicant

Provide information about the licence applicant, e.g. whether the licence applicant is a natural person or private limited company and/or partnership, etc. if the licence applicant is a body corporate, please also state the jurisdiction in which it is registered; its unique registration identifier in the jurisdiction of registration (e.g.in Australia, the Australian Company Number).

2.3 Address and contact details of licence applicant

This should include the registered office address; postal address; e-mail address; telephone and facsimile numbers; (all with international postal and telephone codes)

Registered Business Address:

Province: _____

Country _____ Postcode: _____

Postal Address (if different to Business Address):

Province: _____

Country: _____

Postcode: _____

Telephone: _____

Facsimile: _____

Email: _____

Mobile): _____

2.4 Address and contact details of contact person on behalf of licence applicant

The full name of a person to whom the Authority can direct enquiries and correspondence about the application. If the contact details of this person are different from the contact details of the licence applicant provided above, please also provide the contact details for this person i.e. the name, address, telephone and cell (mobile) telephone number (all with international postal and telephone codes) for the person with whom contact should be made and who is responsible for the accuracy of the details in the application).

Name: _____

Position: _____

Address: _____

Province: _____

Country: _____ Postcode: _____

Postal Address (if different to above):

Province: _____

Country: _____ **Postcode:** _____

Telephone: _____

Facsimile: _____ **Cell (mobile):** _____

Email: _____

3.0 LICENCE

Licence Applicants must fill in all required information in this section.

3.1 Type of licence sought

State the type of licence sought by the licence applicant, e.g. retail, distribution, transmission or generation.

3.2 Date from which the licence is to take effect

If the licence applicant seeks to have the licence issued by a certain date, provide this date. Please note that the Authority cannot and does not undertake to issue the licence by this date, although every endeavour will be made to meet the time-table of the applicant, which should usually allow the Authority a minimum of 8 weeks to consider an application because there is a public consultation period of up to several weeks that forms part of the Authority's consideration of licence applications and any queries arising during such a consultation period require further time for consideration and assessment by the Authority and their resolution before a decision could be made.

3.3 Scope of operations for which licence is sought

Generation: Licence applicants for a generation licence should state the location of the generating plant or proposed generating plant, the expected capacity of the

generation plant, the type of generation and fuel used, identify the transmission or distribution network to which the generating plant is to be connected and describe how the generator is to be connected to a network.

Transmission: Licence applicants for a transmission licence should provide details of the location of the transmission network or proposed transmission network, the voltage of the network, if the transmission network is to be connected to a distribution network or, if not, the proposed connection or supply arrangements. Licence applicants should preferably attach a map showing the proposed route of the network. They need to identify the generation source for the power they propose to transmit by using the transmission network in respect of which the licence is being sought. Where the proposed transmission network the subject of the licence application has not been built, that fact, together with the details requested above, as well as the planned time frame for construction should be provided. Such key aspects of proposed transmission networks, such as planned time frames and proposed routes, together with other aspects considered by the Authority to be relevant, are likely to be made conditions of any licence that may be granted.

It is noted that PNG Power Ltd currently holds an exclusive retail franchise to sell electricity to non-contestable consumers throughout PNG, in particular its designated service areas as detailed in Annexure 1 of its retail licence.

Distribution: Licence applicants for a distribution licence should provide details of the location of the distribution network or proposed distribution network, if the distribution network is to be connected to a generating plant or transmission network or the nature of the proposed connection. Licence applicants should preferably attach a map showing the proposed route of the distribution network. They need to identify the generation source for the power they propose to distribute by using the distribution network in respect of which the licence is being sought. Where the proposed distribution network the subject of the licence application has not been built, that fact, together with the details requested above, as well as the planned time frame for construction should be provided. Such key aspects of proposed distribution networks, such as planned time frames and proposed routes, together with other aspects considered by the Authority to be relevant, are likely to be made conditions of any licence that may be granted.

It is noted that PNG Power Ltd currently holds an exclusive retail franchise to sell electricity to non-contestable consumers throughout PNG, in particular its designated service areas as detailed in Annexure 1 of its retail licence.

Retail: Licence applicants for a retail licence should, if possible provide details of the anticipated levels of consumption of the customers to whom they will retail electricity under generally accepted categories by type of customer and usage volume (e.g. small customers (annual consumption<160MWh/annum) or large customers (annual consumption>160MWh/annum), and by expected connection numbers under each category) and also state details of their business or proposed business and details of the supply area (or proposed supply area) in which the business is to be carried on.

It is noted that PNG Power Ltd currently holds an exclusive retail franchise to sell electricity to non-contestable consumers throughout PNG, in particular its designated service areas as detailed in Annexure 1 of its retail licence.

4.0 SUITABILITY OF LICENCE APPLICANT TO HOLD A LICENCE

Licence applicants must fill in all required information in this section, except for:

*Question 4.14, which should only be answered by Licence applicants for a **generation licence**.*

*Question 4.15, which should only be answered by Licence applicants for a **distribution or transmission licence**.*

*Question 4.16 and 4.17, which should only be answered by Licence applicants for a **retail licence**.*

4.1 Existing activities of the licence applicant

Provide general information about the licence applicant's existing activities both locally and internationally. And also state why the licence applicant intends to participate in the PNG Electricity Industry and the broad nature of the proposed operations of the business.

4.2 Standard of honesty and integrity shown by licence applicant

In deciding whether the licence applicant is a suitable person to hold a licence, the Authority may consider the applicant's previous commercial and other dealings and the standard of honesty and integrity shown in those dealings. Please provide information that will assist the Authority in its consideration of this matter. If the applicant has been found guilty of any criminal offence, has been successfully prosecuted under any legislation of any sovereign country or federated state which is a part thereof, or has been subject of any disciplinary action, details of such matter(s) must be disclosed. Failure to disclose such information or misrepresent any matter relevant to such information may result in the refusal to issue a licence or, if issued, the cancellation of a licence issued under such circumstances.

4.3 Names and addresses of the officers of the licence applicant

If applicable, state the names and addresses of the officers of the licence applicant. "Officers" include the licence applicant's directors, secretary, chief executive officer and other persons that make or participate in making decisions that affect a substantial part of the business of the licence applicant.

Name: _____

Position: _____

Address: _____

Province: _____

Country _____

Code: _____

(attach additional pages if necessary)

4.4 Names and addresses of majority or significant shareholders of licence applicant

If applicable state the full names and addresses of the majority shareholder of the licence applicant or, if there is not a single majority shareholder, the names and addresses of those shareholders, in order of shareholding size, which collectively account for more than fifty per cent of the applicant's issued shares.

Name: _____

Position (if occupying the position of Officer of the applicant, as defined previously in this form):

Address: _____

Province: _____ Postcode: _____

4.5 Standard of honesty and integrity shown by the licence applicant and officers and major shareholders of the licence applicant

In deciding whether the licence applicant is a suitable person to hold a licence, the Authority may consider the record of conduct of the licence applicant and of its officers and major shareholders and their previous commercial and other dealings and the standard of honesty and integrity shown in those dealings (including breaches of statutory and other regulatory obligations).

Is the licence applicant, its officers, or one or more of its significant shareholder(s) involved in any legal proceedings related to the business activities of the licence applicant or have any of them been so involved in the past?

Yes/No If Yes, provide details:

4.6 Skills and experience of the officers of the licence applicant

Provide information about the skills and experience of the officers of the licence applicant, especially relating to the electricity industry. Please also include similar information about those officers of the applicant who would be responsible for the operations of the applicant in PNG.

4.7 Financial resources available to the licence applicant

Provide information about the financial resources available to the licence applicant. If the licence applicant is a company, please enclose a copy of the audited profit and loss statement and balance sheet for each of the previous five financial years, including the audit opinions. If the licence applicant is a subsidiary company, please also provide a copy of the audited profit and loss statement and balance sheet, including the audit opinions of the licence applicant's parent company for each of the previous five financial years.

4.8 Human resources available to the licence applicant

Provide information about the human resources available to the licence applicant, for example the number, skills, technical qualifications and experience of employees that will be involved with the licensed operations. If the licence applicant will or may, employ contractors to assist with the licensed operations, please provide the name of that contractor, and similar details about the number, skills, technical qualifications and experience of employees of that contractor that will be involved in its PNG operations.

4.9 Risk management

Provide confirmation and reasonable evidence that the applicant's management has identified the risks associated with electricity operations and has established, utilises and relies upon risk management systems, processes which are adequate, accurate and current to address those risks.

4.10 Technical resources available to the licence applicant

- 1) Provide information about the technical resources available to the licence applicant, for example the details of its experience in the electricity industry. The information should also include (if relevant) details of experience gained in similar operations to those proposed in PNG, and details about the technically qualified staff available to the applicant. If the licence applicant is to rely on another entity to provide services, a summary of that entity's experience in the electricity industry is required.

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- 2) Please confirm that the licence applicant is familiar with the operation of the Papua New Guinea electricity supply industry and agrees to comply with the relevant Codes and Regulations that are or may come into force from time to time.
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4.11 Electricity licences held by the licence applicant to operate in other parts of Papua New Guinea.

- 1) If the licence applicant holds any class of electricity licences to operate in other parts of Papua New Guinea, please provide details.
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- 2) If any class of electricity licence previously held by the applicant to operate anywhere in PNG or overseas has been suspended or cancelled, please provide details.
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4.12 Licences held by associates of the licence applicant

If an associate of the licence applicant holds any class of electricity licence in PNG please provide details.

4.13 Whether applicant or related party has, or is likely to have, a substantial degree of power in a relevant market, including by reason of contracts arrangements or understandings.

Is the licence applicant, or a subsidiary, or a related person or corporation, a generator or retailer of electricity that has a substantial degree of power in any PNG market for the generation of electricity? Relevant details to be provided include, but are not limited to, geographic area(s) and functional level(s) of operation(s) (e.g. generation, transmission, distribution or retailing of electricity in one or more areas adequately identified); estimated share of each functional market in each geographic area; existing or proposed contracts, arrangements or understandings with any other electricity licence holder(s) in PNG or its parent or related company, whether in PNG or overseas, operating in any of the above functional levels. Where the Authority considers it necessary, desirable, or relevant, further information may be sought.

Question 4.14 only to be completed by licence applicants for a generation licence

4.14 Quality of electricity produced

The Authority may not issue a generation licence unless it is satisfied that the generating plant (or proposed generating plant) will generate electricity of the appropriate quality for the relevant transmission or distribution network. The Authority will be satisfied that the electricity is of an appropriate quality if the licence applicant has entered into a connection agreement with the licensed operator of the relevant transmission or distribution network. licence applicants are therefore asked to provide details about such connection agreement. Applicants are also asked to confirm that the connection agreement contains the relevant technical requirements.

Question 4.15 only to be completed by licence applicants for a transmission or distribution licence

4.15 Safety of network

The Authority may not issue a transmission or distribution licence unless it is satisfied that the transmission or distribution network, or proposed transmission or distribution network, has the necessary capacity for transmitting or distributing electricity safely. Licence applicants must comply fully with relevant PNG and International electricity industry codes and standards.

Questions 4.16 - 4.17 only to be completed by licence applicants for a retailing licence

4.16 Consideration for retailing licence

Please confirm that neither the licence applicant, nor any of its subsidiaries, or any related person is a generator of electricity that has a substantial degree of power in any PNG electricity market.

4.17 Additional Information

If the licence applicant wishes to provide any additional information to support the application, please provide this information below.

5.0 STATUTORY DECLARATION

All information provided in this application for the issue of a licence to authorise electricity operations (such as generation, transmission, distribution or retail) in the electricity supply industry in Papua New Guinea must be verified by a Statutory Declaration of the applicant, in accordance with the provisions of the *Oaths, Affirmations and Statutory Declarations Act (Chapter No. 317)*, stating that the information contained in the application is true and correct to the best of the licence applicant's knowledge, information and belief.

Where the licence applicant is a body corporate, evidence of the relevant authority of the declarant to sign on behalf of the body corporate must also be provided to the Authority.

Statutory Declaration

I *(insert name)* of *(insert address)*
..... being the *(insert position)*
..... of the applicant, *(insert name of applicant)*
..... do solemnly and sincerely
DECLARE that the information contained in this application, and attachments thereto upon which I have placed my signature, for a grant of a *(insert type of licence applied for)*
..... licence under the *National Energy Authority Act 2022* is true and correct and I make this solemn declaration by virtue of the *Oaths, Affirmations and Statutory Declarations Act (Chapter No. 317)* conscientiously believing the statements contained therein to be true in every particular.

Signed:

Declared

at

(place):

On

(date):

Before

me:

(Commissioner for oaths or authorised person¹)

NOTE: Any person who wilfully makes a false statement in a Statutory Declaration is guilty of an indictable offence, and is liable to imprisonment, with or without hard labour for four (4) years.

¹ A person authorized by the Oaths, Affirmations and Statutory Declarations Act (Ch 317) .
