

Our Ref: 48327
Your Ref:
Contact Officer: Susan Faulbaum
Contact Phone: (08) 8213 3643

25 May 2012

Mr John Vendel
Energy Markets Regulatory Manager
Pacific Hydro Retail Pty Ltd
Level 11, 474 Flinders Street
Melbourne Vic 3000

Email: jvendel@pacifichydro.com.au

Dear Mr Vendel

Pacific Hydro Retail Pty Ltd application for an electricity retailer authorisation

I am writing to inform you that the Australian Energy Regulator (AER) has decided to grant Pacific Hydro Retail Pty Ltd's (Pacific Hydro Retail) application for an electricity retailer authorisation in accordance with s. 92 of the National Energy Retail Law (Retail Law).

Once the AER receives an application it must publish it on its website and seek submissions from interested parties—it must also consider these submissions in making its decision on whether to grant a retailer authorisation.¹ The AER did not receive any submissions in response to Pacific Hydro Retail Pty Ltd's (Pacific Hydro Retail) application for an electricity retailer authorisation.

The AER must grant an application for a retailer authorisation if an applicant has satisfied the entry criteria:

- a) the organisational and technical capacity criterion—the applicant must have the necessary organisational and technical capacity to meet the obligations of a retailer;
- b) the financial resources criterion—the applicant must have resources or access to resources so that it will have the financial viability and financial capacity to meet the obligations of a retailer;
- c) the suitability criterion—the applicant must be a suitable person to hold a retailer authorisation.²

¹ s. 91, Retail Law.

² s. 90(1), Retail Law.

On 25 May 2012, the AER considered Pacific Hydro Retail's application for an electricity retailer authorisation. In making its decision the AER is guided by the objective of the Retail Law.³ The AER's decision is also informed by the assessment approach outlined in the AER's *Retailer authorisation guideline*.

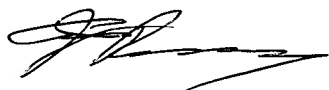
The AER considered that Pacific Hydro Retail has demonstrated its capacity and suitability to operate as an energy retailer under the Retail Law. Pacific Hydro Retail is therefore authorised to sell electricity from 1 July 2012.

Please note that this letter constitutes the AER issuing Pacific Hydro Retail's electricity retailer authorisation under s.96 of the Retail Law. Pacific Hydro Retail's retailer authorisation identification number is **E12043**.

The AER will publish a notice about Pacific Hydro Retail's retailer authorisation on its website,⁴ and Pacific Hydro Retail's details will also appear on the AER's public register of authorised retailers (on the AER's website).⁵

If you have any further queries, or would like to discuss this further, please contact Susan Faulbaum on (08) 8213 3463.

Yours sincerely



Andrew Reeves
Chair

³ The national energy retail objective is to "promote efficient investment in and efficient operation and use of energy services for the long term interests of energy consumers with respect to price, quality, safety, reliability and security of supply of energy". (s. 13, Retail Law)

⁴ s. 96(2)(b), Retail Law

⁵ s. 119, Retail Law,