



Our ref: AA1000662

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28 March 2024

Paul Murphy
Branch Head, Offshore Renewable Energy
Department of Climate Change, Energy, the Environment and Water

Via email: Paul.murphy@dcceew.gov.au; Lindsay.villani@dcceew.gov.au

Dear Mr Murphy

**Department of Climate Change, Energy, the Environment and Water application for
authorisation AA1000662 – ACCC information request**

I refer to the Department of Climate Change, Energy, the Environment and Water's (DCCEEW) application for authorisation AA1000662 lodged with the Australian Competition and Consumer Commission (ACCC) on 15 March 2024 concerning proposed industry collaboration to resolve overlapping geographic areas in feasibility licence applications for declared offshore wind areas.

To assist the ACCC's consideration of DCCEEW's substantive application for authorisation, we request that DCCEEW provide further information as set out in Attachment A to this letter by **Monday, 22 April 2024**.

This letter, including Attachment A, will be placed on the ACCC's [Authorisations Public Register](#). A copy of the DCCEEW's response will also be placed on the Authorisations Public Register, subject to any request to exclude certain information from the public register. For further information please refer to the ACCC's [Guidelines for excluding information from the public register](#).

Should you have any questions in relation to any aspect of this information request, please contact me on (02) 6243 1266 (david.hatfield@acc.gov.au), Jaime Martin (03) 9290 1477 (jaime.martin@acc.gov.au), or Sophie Magliano on (03) 9658 6429 (Sophie.Magliano@acc.gov.au).

Yours sincerely

David Hatfield
Director
Competition Exemptions

DCCEEW application for authorisation AA1000662 – ACCC request for information

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Potential scope for multiple feasibility application or overlap resolution processes

1. The ACCC seeks to understand to what extent the *Offshore Electricity Infrastructure Regulations 2022* (the **OEI Regulations**) contemplate or permit ongoing collaboration by the relevant parties once feasibility licences are granted in a declared area. For instance, can you please explain:
 - a. Whether it is possible to ‘re-open’ a feasibility licence area if, for example, a licence holder decides not to proceed to apply for a commercial licence for the area. If the answer is yes, please outline how that application process would be conducted and whether the overlap resolution process could potentially be initiated by the Offshore Infrastructure Registrar (the **Registrar**).
 - b. If two or more overlapping applications in a declared area are ultimately determined by financial offer, could further feasibility licence applications be invited for the remaining areas from the unsuccessful applications?
2. At paragraph 32 of the application, DCCEEW notes that it anticipates the “licensing rounds for the six prioritised areas will be completed by 2026 *assuming no more areas are identified and invitations are not re-opened for existing declared areas*” (emphasis added). Could you please indicate how likely the following items are to occur, including reasons:
 - a. new areas being identified (and subsequently declared) in Australian waters, and
 - b. feasibility licence invitations being re-opened for existing declared areas.
3. Please explain the likely timing implications if either of these were to occur.

The broader declaration process and timeframes

4. At paragraph 30 of the application, DCCEEW states that “[a]ssessment of applications in the next licensing round in the recently declared Southern Ocean area will commence in July 2024 and is not expected to be completed until mid-2025”. Please outline the steps in each assessment process, including how long each assessment process is expected to take from the point that an area is declared, and how long it would take to move from declaring an area to the overlap resolution process beginning.
5. Please explain how transmission and storage will interact with the feasibility and commercial licence process. For example, will these be managed by separate permits that overlap with the feasibility and commercial licence areas? If so:
 - a. What is the anticipated timing of such processes taking place for each declared area?
 - b. Does DCCEEW expect there will likely be overlap resolution collaboration by applicants for storage and transmission licences?

6. We note that under section 13 of the OEI Regulations, revised submissions should be “substantially similar to the original application”, and that in assessing whether an application is substantially similar, the Registrar may consider the location, shape and size of the licence areas proposed by the revised and original application, details of the proposed commercial offshore infrastructure projects of the revised and original application, and anything else that the Registrar considers relevant.
 - a. Please outline any metrics or guidelines you have around what would be considered substantially similar, and when a revised and re-submitted application would be considered to have changed too much to be considered substantially similar.
7. Can you please provide a general overview of the size and location of each of the currently identified priority areas, including maps, and set out an estimate of the maximum number of feasibility licences that could be granted in each area.
8. Once feasibility licence application overlaps are resolved (and licences granted to the relevant parties), does DCCEEW anticipate requiring participants to collaborate on any other aspect of the feasibility and/or commercial licence process?

Other

9. We note that the application references 37 feasibility licence applications being received in Gippsland, but Annexure A lists less participants than this. Could you please explain the difference in these numbers for the Gippsland licence round.