



**Australian Government**

**Department of Climate Change, Energy,  
the Environment and Water**

# Guideline: Offshore Electricity Infrastructure Licence Administration

In relation to the *Offshore Electricity Infrastructure Act 2021*

*Version 7, January 2026<sup>1</sup>*

This document has been developed as a general guide only. It is subject to, and does not replace or amend the requirements of the [Offshore Electricity Infrastructure Act 2021](#) and associated [Regulations](#).

This guideline is made available by the Australian Government for information only. Before relying on this material, users should carefully evaluate the accuracy, currency, completeness and relevance of the information and obtain independent, legal or other professional advice relevant to their particular circumstances.

This document will be reviewed and updated as required including to add guidance material for commercial licences (Chapter 5) in future.

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<sup>1</sup> Version 1 of this guideline is relevant to applications made prior to 8 August 2023.  
Version 2 of this guideline is relevant to applications made prior to 5 March 2024.  
Version 3 of this guideline is relevant to applications made prior to 31 January 2025.  
Version 4 of this guideline is relevant for applications made prior to 28 February 2025.  
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## Table of revisions

<b>Date</b>	<b>Version</b>	<b>Purpose</b>	<b>Jurisdiction</b>
December 2022	1	Guideline chapters for feasibility licence applications and general licence administration.	Commonwealth
8 August 2023	2	Updates to guideline chapter for feasibility licences.	Commonwealth
5 March 2024	3	Updates to guideline chapter for feasibility licences.	Commonwealth
31 January 2025	4	Updates to guideline chapter for feasibility licences.	Commonwealth
28 February 2025	5	Updates to include guideline chapter for transmission and infrastructure licences.	Commonwealth
16 September 2025	6	Updates to guideline chapters for feasibility licences, transmission and infrastructure licences, change in control and surrender of a licence.	Commonwealth
23 January 2026	7	Updates to include guideline chapter for research and demonstration licences and updates to other chapters.	Commonwealth

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# 1. Overview

- 1.1.1 The [Offshore Electricity Infrastructure Act 2021 \(OEI Act\)](#) allows licence holders to undertake offshore infrastructure activities within the Commonwealth offshore area (defined in section 8 of the OEI Act).
- 1.1.2 The purpose of this guideline is to assist prospective licence holders, and other stakeholders, to understand the requirements and processes for licensing under the OEI Act and the [Offshore Electricity Infrastructure Regulations 2022 \(OEI Regulations\)](#).
- 1.1.3 The OEI Act establishes the Offshore Infrastructure Registrar (**Registrar**) to administer the licensing framework. The Registrar's principal functions are to administer the licensing scheme including managing the licence application process and providing advice and recommendations to the Minister on licence applications, monitor licence compliance and maintain a register of licences.
- 1.1.4 The OEI Act also identifies the Offshore Infrastructure Regulator (**Regulator**) with responsibility for work health and safety, infrastructure integrity, environmental management, financial security and regulation of day-to-day operations.
- 1.1.5 Licence application fees and annual levies are set out in the [Offshore Electricity Infrastructure \(Regulatory Levies\) Act 2021 \(OEI Levies Act\)](#), the OEI Regulations and the [Offshore Electricity Infrastructure \(Regulatory Levies\) Regulations 2022 \(OEI Levies Regulations\)](#).  
**Note:** on 14 November 2025 Regulations came into effect temporarily reducing levies for feasibility, research and demonstration, and transmission and infrastructure licences, and application fees for research and demonstration and transmission and infrastructure licences.
- 1.1.6 This Guideline will be updated in future to include information relating to commercial licences.

# 2. General Administrative Information

- 2.1.1 Proponents should review the OEI legislation, the OEI regulations, this Guideline, the declaration instrument, the invitation to apply instrument, the approved form and the Registrar Forms Guidance when preparing a licence application.
- 2.1.2 A person must be an eligible person in order to apply for a licence. An “**eligible person**” is defined in section 8 of the OEI Act to mean:
- 2.1.3 A body corporate that has a registered office (within the meaning of the [Corporations Act 2001 \(Corporations Act\)](#)) in Australia; or
- 2.1.4 A body corporate established for a public purpose by or under a law of the Commonwealth or a State or Territory.  
**Note:** A licence holder must remain an eligible person while the licence is in force. A licence that is not held by an eligible person may be cancelled under section 73 of the OEI Act.
- 2.1.5 Each licence will only be granted to one eligible person (single body corporate).
- 2.1.6 More than one licence may be required for a single project. For example, a transmission and infrastructure licence may be required to transmit electricity or a renewable energy product generated from an offshore infrastructure project authorised under an associated commercial licence. An eligible person may hold more than one licence concurrently.
- 2.1.7 A feasibility licence or a commercial licence must not exceed the maximum area prescribed in section 7 of the OEI Regulations (currently a maximum of 700 km<sup>2</sup>).
- 2.1.8 In order to construct, install, commission or operate any offshore renewable energy infrastructure (defined in section 10 of the OEI Act) or offshore electricity transmission infrastructure (defined in section 11 of the OEI Act) in the licence area (defined in section 8 of the OEI Act), a licence holder must first obtain approvals from the Regulator including, but

not limited to, a management plan and must lodge required financial securities to the Commonwealth.

- 2.1.9 The OEI Act does not preclude offshore renewable energy infrastructure or offshore electricity transmission infrastructure from supporting multiple offshore infrastructure projects (for example, a subsea transmission cable may convey electricity generated from more than one commercial project). Where infrastructure is intended to support multiple projects, it must be authorised under a single licence.
- 2.1.10 Licence holders are expected to commence activities within a reasonable time (paragraph 73(1)(d) OEI Act).
- 2.1.11 Failure to comply with a condition of the licence is a ground for cancellation of the licence under section 73 of the OEI Act.
- 2.1.12 Licence holders should make themselves aware of relevant legislation and approvals outside of the OEI legislative framework, including but not limited to the [Environment Protection and Biodiversity Conservation Act 1999 \(EPBC Act\)](#) and State/Territory Government approval requirements.
- 2.1.13 Licence holders carrying out activities in the Commonwealth offshore area must not interfere with navigation, the exercise of native title rights and interests (within the meaning of the [Native Title Act 1993](#)), fishing, conservation of the resources of the sea or the seabed or any other activities being lawfully carried on by another person, to a greater extent than is necessary for the reasonable exercise of the rights and performance of the duties of the licence holder (section 77 OEI Act).
- 2.1.14 On or after the end day of a licence, the licence does not authorise the construction, installation, operation or maintenance of offshore renewable energy infrastructure except to the extent necessary to decommission infrastructure.
- 2.1.15 A licence must be either surrendered under section 74 of the OEI Act or cancelled under section 73 of the OEI Act to cease to be in force.  
**Note:** A feasibility licence may also cease to have effect if a commercial licence is granted in relation to a feasibility licence (subsection 36(4) OEI Act).
- 2.1.16 The Registrar's assessment of the merit criteria in relation to an applicant or licence holder is done specifically for the administration of the OEI Act. Third parties should satisfy themselves as to the adequacy of an applicant or licence holder.
- 2.1.17 The service or giving of application and licence-related documents by the Registrar or the Minister will be in accordance with the provisions of the [Electronic Transactions Act 1999](#) and the [Acts Interpretation Act 1901](#).

### 3. Declaration (Chapter 2, Part 2 OEI Act)

- 3.1.1 The Minister with responsibility for Energy will declare areas as suitable for offshore renewable energy infrastructure. An area must be declared before an application for a feasibility licence or a research and demonstration licence within the declared area can be submitted. A flow chart illustrating the licence types and processes is available [here](#).
- 3.1.2 **Note:** A declaration is not required for a transmission and infrastructure licence.
- 3.1.3 The process for assessing areas to inform the Minister's decisions on declarations will be managed by the [Department of Climate Change, Energy, the Environment and Water](#). Consideration of areas for declaration will be informed by a public consultation process and will need to balance factors including industry interest and readiness, as well as the suitability of conditions for offshore renewable energy infrastructure.
- 3.1.4 The declaration may specify conditions that licences granted in the declared area will be subject to and/or limit the type of licences that can be applied for within the declared area.

## 4. Feasibility Licence Applications

### 4.1. Purpose of a Feasibility Licence (sections 30 and 31 OEI Act)

- 4.1.1 A feasibility licence permits the licence holder to assess the feasibility of an offshore infrastructure project (defined in section 8 of the OEI Act) that the licence holder proposes to carry out in the licence area under a potential future commercial licence. Commercial generation is not included in the purpose of a feasibility licence.
- 4.1.2 A feasibility licence authorises the licence holder to construct, install, commission, operate, maintain and decommission offshore renewable energy infrastructure in the licence area, so long as the legislative requirements are met (section 31 OEI Act).

### 4.2. Invitation to Apply (section 9 OEI Regulations)

- 4.2.1 Once the Minister has declared an area (**Chapter 3** of this Guideline), an invitation to submit a feasibility licence application will be issued. Invitation instruments will be published on the [Federal Register of Legislation](#).
- 4.2.2 The invitation will specify a closing date for licence application submissions, which will generally be 60-90 days after the invitation is issued depending on the declared area. It may also specify other requirements to be addressed by the licence application.
- 4.2.3 Licence applications must be submitted by the closing date.  
**Note:** Application assessment will not begin until the closing date has passed. All applications will be assessed against the merit criteria.

### 4.3. Receipt and Initial Review of Feasibility Licence Application by the Registrar

- 4.3.1 Upon receipt of a feasibility licence application, the Registrar will review the application to check it meets the minimum application submission requirements in the OEI Act and OEI Regulations.

Application Review	Reference	Assessment
Eligible person	Section 33 OEI Act	Yes / No
Application made in the approved manner and form, by the day specified in the invitation	Section 10 OEI Regulations	Yes / No
Payment of application fee (for fee amount see section 145 of the OEI Regulations)	Section 147 OEI Regulations	Yes / No
Description of the proposed commercial offshore infrastructure project	Subsection 32(2) OEI Act and section 10 OEI Regulations	Yes / No
Be accompanied by any other information or documents required by the approved form	Section 10 OEI Regulations	Yes / No
Be accompanied by any other information or documents specified in the invitation	Section 10 OEI Regulations	Yes / No
Proposed licence area	Subsections 33(1)(b), 33(4) OEI Act and section 7 OEI Regulations	Yes / No

#### Eligible Person (section 33 OEI Act)

- 4.3.2 A person must be an eligible person (defined in section 8 OEI Act). Merit-based considerations regarding the person's suitability to hold a licence are in sections 4.4.3–4.4.10 of this Guideline.

#### Description of the Proposed Commercial Offshore Infrastructure Project (subsection 32(2) OEI Act)

4.3.3 The application must describe the proposed commercial offshore infrastructure project for the feasibility licence. Merit-based considerations regarding the proposed project are in sections 4.4.3–4.4.10 of this Guideline.

**Note 1:** The offshore infrastructure project to be carried out under a commercial licence must be substantially similar to the proposed commercial offshore infrastructure project description in the feasibility licence application (section 42 OEI Act).

**Note 2:** A condition may be placed on the grant of a feasibility licence in relation to the type and capacity of the proposed project (subsection 35(2) OEI Act and section 4.10 of this Guideline).

#### Licence Area (subsections 33(1)(b) and 33(4) OEI Act and subsection 7(1) OEI Regulations)

4.3.4 The proposed licence area must:

- (a) Be continuous (one connected area).
- (b) Not include any part of the licence area of any other feasibility licence or commercial licence granted under the OEI Act.
- (c) Not exceed the maximum area stated in the OEI Regulations (see section 7 OEI Regulations).
- (d) Be entirely within the Commonwealth offshore area at the time the licence is granted.
- (e) Be part of a declared area under a current declaration at the time the licence is granted.

4.3.5 Merit-based considerations regarding the licence area are in sections 4.4.3–4.4.10 of this Guideline.

### **4.4. Assessment of Feasibility Licence Application by the Registrar**

4.4.1 Applications are assessed by the Registrar and advice is provided to the Minister to inform their decision.

Assessment Criterion	Reference	Assessment
Consistent with any conditions that apply to the declaration	Paragraph 33(1)(c) OEI Act and section 9 OEI Regulations	Yes / No
Merit criteria: (a) The technical and financial capability to carry out the proposed commercial offshore infrastructure project for the feasibility licence.	Paragraph 34(1)(a) OEI Act	Merit-based
(b) The proposed commercial offshore infrastructure project is likely to be viable.	Paragraph 34(1)(b) OEI Act	Merit-based
(c) The eligible person is suitable to hold the licence.	Paragraph 34(1)(c) OEI Act	Merit-based
(d) Any criteria prescribed by the licensing scheme are satisfied, including that the proposed commercial offshore infrastructure project is in the national interest.	Paragraph 34(1)(d) OEI Act and section 25 OEI Regulations	Merit-based

#### Conditions that apply to the Declaration (paragraph 33(1)(c) OEI Act)

4.4.2 The Minister must be satisfied that granting the feasibility licence would be consistent with any conditions that apply to the declaration.

#### Merit Criteria (section 34 OEI Act and sections 25 and 26 OEI Regulations)

4.4.3 For a feasibility licence to be granted to an eligible person, the Minister must be satisfied that the licence applied for meets the merit criteria.

4.4.4 For the purposes of the merit criteria, “likely to have, or be able to arrange to have” means there is evidence that the criterion has been met or there is a substantial likelihood that it can be met.

4.4.5 The assessment of a feasibility licence application against the merit criteria will reflect the preliminary nature of the proposal. An application will be assessed as to how the proposal meets the merit criteria and the likelihood that the criterion can be met, as demonstrated by the applicant's project development plan and identification of the remaining work to be undertaken and risks to be addressed during the proposed licence term prior to progressing to final investment decision (FID) and eventual carrying out of the proposed commercial offshore infrastructure project.

**Note:** The grant of a feasibility licence does not guarantee the grant of a commercial licence.

4.4.6 Competitive considerations of higher or lower merit will only apply where there is an overlapping application group. Where there are no overlaps, the Minister will consider whether the licence applied for meets the merit criteria.

#### Technical and Financial Capability (paragraph 34(1)(a) OEI Act and subsection 26(1) OEI Regulations)

4.4.7 The Minister must be satisfied that the eligible person is likely to have, or be able to arrange to have, the technical and financial capability to carry out the proposed commercial offshore infrastructure project for the feasibility licence. The merit-based assessment may consider one or more of the following:

- (a) The technical advice that is or will be available to the person (paragraph 26(1)(a) OEI Regulations).
  - i. This will be an assessment of the quality of advice or expertise that is or will be available to the person in order to be able to carry out the proposed commercial offshore infrastructure project in future.
  - ii. The assessment may also consider:
    - The quality of advice or expertise that is or will be available to the person in assessing the feasibility of the proposed commercial offshore infrastructure project.
    - The role of each identified member of the project team in carrying out the operations and works authorised by the feasibility licence to progress the proposed project towards FID and carrying out the proposed commercial offshore infrastructure project.
    - Any additional technical expertise that is required to carry out the proposed commercial offshore infrastructure project, such as through new hires or consultants, including how it will be arranged if not already available to the person.
  - iii. At a minimum to carry out the proposed commercial offshore infrastructure project, a person should have, or be able to arrange to have, advice in relation to:
    - Engineering – civil, mechanical, project, electrical/electronic and instrumentation, aerospace/aeronautical, as relevant.
    - Construction, manufacturing, logistics and procurement.
    - Project management, governance and planning/scheduling.
    - Commercial.
    - Environment and work health and safety.
    - Stakeholder and community engagement.
    - First Nations engagement
    - Risk assessment/management and audit, inspection and quality assurance.
  - iv. A person with a project team with demonstrated experience in successfully delivering similar large-scale infrastructure projects in a timely manner would be assessed as higher merit than a person with a project team containing little prior experience in delivering a similar project in a timely manner.
  - v. A person with a project team with demonstrated experience in delivering the preferred technology for the proposed project would be assessed as higher merit than a person with a project team that has little or no experience in delivering the preferred technology.

- vi. Where contracted advice will be engaged to support the project team, a person that has a contract in place (which may be conditional upon grant of licence) would be assessed as higher merit than a person who does not.
  - vii. A person that has multiple offshore electricity infrastructure project proposals or licences in Australia or internationally will be assessed on its ability to provide resources for each project or licence in a timely manner.
- (b) The financial resources that are or will be available to the person (paragraph 26(1)(b) OEI Regulations).
- i. This will be an assessment of the financial resources that are or will be available to the person to demonstrate the likelihood of the person being able to complete the activities required to reach FID and carry out the proposed commercial offshore infrastructure project in future.
  - ii. At a minimum, a person should have:
    - Funds in place for the estimated cost of the proposed work for the first 12 months of the feasibility licence term.
 

**Note 1:** This may include cash or cash equivalents, or committed drawn debt facilities which are available in the person's own accounts upon grant of a licence.

**Note 2:** A guarantee from another entity that the funds will be made available to the person conditional only upon the grant of a licence may be considered.
    - A detailed funding plan for how to arrange the financial resources for the remainder of the feasibility licence term showing all funding requirements are likely to be met.
 

**Note:** Should a licence be granted, the funding plan and evidence of how the licence holder continues to demonstrate that it has funding in place for the estimated cost of work for the next 12-month period, will be reviewed by the Registrar as part of the annual licence reporting process.
  - iii. A person that has funding in place for the entire feasibility licence term would be assessed as higher merit than a person that has funding in place for only a portion of the licence term and a proposed funding plan for the remainder of the licence term.
- (c) The person's ability to carry out the operations and works that will be authorised by the licence (paragraph 26(1)(c) OEI Regulations).
- i. This will be an assessment of whether the technical advice and the financial resources that are or will be available to the person are sufficient to enable the person to carry out the operations and works authorised by the feasibility licence to progress the proposed project to FID and carrying out the proposed commercial offshore infrastructure project in future.
  - ii. The assessment will consider the person's other project interests in Australia and internationally which may impact upon the person's ability to deliver the proposed commercial offshore infrastructure project proposed in the feasibility licence application within a reasonable time.
- (d) The person's ability to discharge the obligations in relation to the licence that will be imposed by the Act, the OEI Regulations or any other instrument made under the Act (paragraph 26(1)(d) OEI Regulations).
- i. This will be an assessment of whether the technical advice and the financial resources that are or will be available to the person are sufficient to enable the person to meet all compliance obligations in relation to the licence, including but not limited to, directions issued under the OEI Act or OEI Regulations, reporting, and fees and levies.
  - ii. A person that has experienced project team member(s) with designated responsibility for licence compliance with the OEI Act would be assessed as higher merit than a person that does not.
- (e) Any other matters the Minister considers relevant (paragraph 26(1)(e) OEI Regulations).

#### Project is Likely to be Viable (paragraph 34(1)(b) OEI Act and subsection 26(2) OEI Regulations)

4.4.8 The Minister must be satisfied that the proposed commercial offshore infrastructure project is likely to be viable. The merit-based assessment may consider one or more of the following:

- (a) The complexity of the project (paragraph 26(2)(a) OEI Regulations).
  - i. This will be an assessment of the technical viability of delivering the proposed project and whether the feasibility activities are likely to address the technical risks and uncertainties of the proposed project to support a timely FID.
  - ii. The assessment will consider key risks and uncertainties that need to be resolved for a positive FID on the proposed project and the potential for the feasibility activities to address these, including where relevant:
    - Site and resource considerations such as geotechnical and geophysical uncertainties, hydrographic and soil/seabed considerations, metocean conditions, climatology and resource assumptions (yield, variability).
    - Technology and infrastructure considerations such as engineering requirements, potential infrastructure options, technological advances and installation requirements.
    - Supply chain assumptions such as availability and capability of support services for the proposed project and supply of project components (global and local).
  - iii. At a minimum, it is recommended that the applicant provide a comprehensive project development plan and risk register that outline the key risks and uncertainties and their impact on the proposed project, describe the feasibility activities to be undertaken during the feasibility licence term, and explain how these activities will address the risks and uncertainties to support a timely FID on the proposed project. If the proposed project is phased, the assessment will consider drivers for and likelihood of delivery of each phase.
  - iv. An applicant is expected to address any conditions on the declared area that may apply to the proposed project.
  - v. An applicant that demonstrates the complexities of the proposed project are likely to be resolved through the feasibility activities, supported by the project development plan and risk register, would be assessed as higher merit than a person with poorly defined feasibility activities or an inadequate project development plan or risk register.
  - vi. An applicant that identifies the specific complexities to be considered relevant to the proposed licence area would be assessed as higher merit than a person that provides a general discussion of common site considerations.
- (b) The route-to-market for the project (paragraph 26(2)(b) OEI Regulations).
  - i. This will be an assessment of the applicant's preferred option for supply or transmission of the electricity and/or renewable energy products that would be generated by the proposed project and the likelihood of the option becoming viable during the licence term to support a timely FID on the proposed project.
  - ii. The assessment will consider the person's plans and schedules to investigate this potential route-to-market in a timely manner, including plans for addressing future grid connection agreements and end user/offtake agreements, where relevant.
  - iii. At a minimum, an applicant should identify offtake/supply options that will be considered during the feasibility licence term and the uncertainties to be resolved for each option.
  - iv. A person with a comprehensive project development plan and risk register identifying how to achieve their preferred route-to-market approach would be assessed as higher merit than a person who provides general discussion of potential route-to-market options.
- (c) The estimated commercial return to the licence holder (paragraph 26(2)(c) OEI Regulations).
  - i. This will be an assessment of the likelihood of the proposed project meeting the applicant's commercial conditions for a positive FID. As commercial conditions are specific to each applicant and may differ between entities in the applicant's corporate structure, there are no standard conditions or threshold values for this assessment.

- ii. The assessment will consider commercial agreements and milestones that need to be addressed to progress the proposed project from feasibility stage to FID. This may include investor milestones, phase gate decision points, funding targets beyond feasibility activities and/or access or proximity agreements, where relevant.
  - iii. The assessment will consider the reasonableness of proposed financing methods, project construction schedules, commercial and economic assumptions, cost and price estimates, annual energy production forecasts and before and after tax cashflows. Base, low and high case scenarios will be assessed. Project economics are understood to be preliminary at this stage. Cost and price estimates will be benchmarked with reference to industry standards.
  - iv. Likelihood will be assessed as the potential to resolve commercial barriers and refine uncertainty ranges for significant variables, and the appropriateness of the project development plan. An applicant that demonstrates the proposed project is likely to achieve a positive FID would be assessed as higher merit than a person that is unable to do so.
  - v. An applicant with a project development plan containing activities to resolve uncertainties around key variables will be assessed as higher merit than a person with a project development plan where these activities are poorly defined.
 

**Note:** Uncertainty ranges around estimates of key variables are expected to be refined and commercial agreements are expected to progress towards finalisation as work is undertaken during the feasibility licence term. The results of the work and updated project economics should be provided in annual licence reports.
  - vi. An applicant with a clear pathway to finalising commercial agreements, including evidence of agreements to be negotiated, would be assessed as higher merit than a person with a general understanding of the relevant commercial agreements or poorly defined activities to resolve these issues.
- (d) Any other matters the Minister considers relevant (paragraph 26(2)(d) OEI Regulations). This may include:
- i. Consenting requirements and stakeholder consultation: This will be an assessment of the applicant's identified environmental, State/Territory and energy regulator consenting requirements for the proposed project (if applicable) and identified stakeholders/users likely to be impacted by the proposed project, and the person's plans and schedules to address these to obtain the consents and agreements required for FID in a timely manner.
  - ii. An applicant that has commenced EPBC Act referral processes before being granted a feasibility licence would not be assessed as higher merit as this is one of the consenting activities that should be undertaken during the feasibility licence term.

**Suitability of the applicant to hold the licence (paragraph 34(1)(c) OEI Act and subsection 26(3) OEI Regulations)**

- 4.4.9 The Minister must be satisfied that the eligible person is suitable to hold the licence. The merit-based assessment may consider one or more of the following:
- (a) The person's (body corporate and its key officers) past performance in offshore infrastructure projects, or other large infrastructure projects, in Australia or internationally (paragraph 26(3)(a) OEI Regulations).
    - i. Past performance and conduct of the person (body corporate and its key officers) refers to compliance matters in similar operating environments in Australia or internationally.
    - ii. The Minister may not be satisfied that the eligible person is suitable to hold the licence if the person's past performance or conduct indicates a history of non-compliance with relevant legislation or the person has been declared bankrupt, insolvent, had their affairs placed in administration, has been disqualified from managing a company, or has been found guilty of certain offences.
    - iii. A disclosure of past misconduct will not necessarily result in an assessment that the eligible person is not suitable to hold a licence. The assessment may have regard to the disclosures

in the context of the application in its entirety to determine what relevance they bear to the suitability of the person regarding the particular licence for which they have applied.

- iv. The assessment of the person’s (and any of the entities in its Corporate Structure that it is relying on) past performance will include an assessment of the experience of the person in prior and current offshore infrastructure or large-scale infrastructure projects of a similar size to that proposed in the feasibility licence application.

**Note:** Where a commercial technology is emerging, the person will be assessed on its previous experience with this technology in any relevant size project.

- v. The assessment may consider the person’s (and any of the entities in its Corporate Structure that it is relying on) experience in successfully delivering feasibility works in prior project(s) in a timely manner and how the feasibility activities addressed risks and uncertainties to progress the prior project(s) to a positive FID.
- vi. A person that has experience in delivering similar-scale infrastructure projects would be assessed as higher merit than a person with little prior comparable project delivery experience or which is unable to satisfactorily justify delays in prior project delivery.

- (b) The person’s past financial performance (paragraph 26(3)(b) OEI Regulations).

- i. A person should meet **at least one** of the criteria in **Table 1** of this Guideline. Where appropriate this assessment may consider the financial performance of any entity in the person’s Corporate Structure or any entity providing financial resources to the person and will apply in aggregate across these entities.

Criteria Previous Three-Year Average	Feasibility Licence Requirements (USD)
Annual turnover	> \$300 million
Net assets	> \$100 million
Cash at bank	> \$300 million
Assets / funds under management	> \$500 million
Undrawn debt facilities	> \$300 million

Table 1. Financial performance criteria previous three-year average of person or controlling/funding entity.

- ii. Past financial performance of the person (body corporate and its key officers) refers to financial performance in similar operating environments in Australia or internationally. The assessment of the person’s (and any of the entities in its Corporate Structure that it is relying on) past financial performance will include an assessment of the experience of the person in prior and current offshore infrastructure or large-scale infrastructure projects of a similar size to that proposed in the feasibility licence application.

- (c) The person’s corporate governance arrangements, including the relevant Board’s size, collective skills and experience to operate an offshore infrastructure project (paragraph 26(3)(c) OEI Regulations).

- i. Corporate governance arrangement refers to the structure and oversight of the person and may take into account how the person has been established including transparency, chain of command and responsibilities and relevant skills and experience of the Board.

- ii. At a minimum, a person should be implementing the principles of a recognised corporate governance code and have:

- An appropriately sized Board with the skills, commitment and knowledge of the entity and industry in which it operates.
- Clearly defined roles and responsibility of the Board and Management with a regular review process.
- A sound risk management framework.

- iii. A person who meets the benchmarks in section 4.4.9(c) of this Guideline and has appropriate audit processes to verify the integrity of corporate reports would be assessed

as higher merit than a person who meets only some of the benchmarks in section 4.4.9(c) of this Guideline or is relying on the corporate governance standard of an entity in its Corporate Structure to meet the benchmarks.

(d) Any other matters the Minister considers relevant.

#### National Interest (paragraph 34(1)(d) OEI Act and sections 25 and 26(4) OEI Regulations)

4.4.10 The Minister must be satisfied that the proposed commercial offshore infrastructure project for the licence is in the national interest. The merit-based assessment may consider one or more of the following:

(a) The project's impact on, and contribution to, the Australian economy and local communities, including in relation to regional development, job creation, Australian industries and the use of Australian goods and services (paragraph 26(4)(a) OEI Regulations).

i. This will be an assessment of the forecast socio-economic benefits of the proposed project should it proceed to a commercial licence, to assess the potential community benefits that could be provided from the project if it proceeds. It will consider current assumptions and forecasts relating to benefits to the broader economy, potential jobs creation, workforce training, regional development, local content, Gross Value Add, a breakdown of investment across local and foreign content, potential contribution to electricity grid supply, energy security, emissions reduction assumptions and/or benefits to international relations, where relevant.

**Note 1:** Assumptions and forecasts are expected to be preliminary and should be updated during the feasibility licence term through annual licence reports.

**Note 2:** Assumptions and forecasts provided in the feasibility licence application will be reviewed during the assessment of any future commercial licence application to ascertain the realised impact and contribution of the project to the economy and the community.

**Note 3:** Local communities means the communities that are located adjacent to or in close proximity to the proposed licence area.

**Note 4:** Local content means the use of Australian and New Zealand businesses, including but not limited to suppliers, components, materials, vessels, workers and services, in the construction and operations, maintenance, and decommissioning of offshore electricity infrastructure projects.

ii. A person that can demonstrate through their project development plan that there is a likely future benefit to the Australian economy, workforce outcomes including training, and local community would be assessed as higher merit than a person that is unable to do so.

(b) National security (paragraph 26(4)(b) OEI Regulations).

i. This will be an assessment of whether the proposed project has the potential to impact negatively on national security.

**Note:** An assessment of national security may include an assessment of cyber security.

ii. The assessment is separate to any assessment by the Foreign Investment Review Board.

(c) Whether the project is likely to be delivered within a reasonable time (paragraph 26(4)(c) OEI Regulations).

i. This will be an assessment of how efficiently the person is planning to deliver the proposed project, supported by a robust comprehensive project development plan and schedule, as the most efficient delivery is preferred.

ii. The assessment may consider whether the proposed feasibility activities are likely to be achieved in a timely manner in order to reach FID within a reasonable time.

iii. The assessment will consider whether the project is proposed to be delivered in phases, the timing of the projected phasing and drivers for and likelihood of delivery of each phase.

iv. A person that appropriately demonstrates they are capable of delivering the proposed project in a timely and efficient manner, supported by a robust comprehensive project development plan and schedule, would be assessed as higher merit than a person which is reliant upon uncertain drivers to justify proceeding to FID.

- v. A person that has multiple offshore electricity infrastructure project proposals or licences in Australia or internationally will be assessed on their ability to deliver the proposed project under the licence taking into account all of the proposed and current projects and licences in the portfolio.
- (d) Whether the project is likely to make efficient use of the licence area (paragraph 26(4)(d) OEI Regulations).
- i. This will be an assessment of the proposed licence area against the proposed generation capacity of the proposed project to ensure the most efficient use of the Commonwealth seabed area.
  - ii. The assessment will consider the factors to be taken into account in determining the proposed infrastructure layout, including spacing, and the person's justification for the operational area.
  - iii. A person that proposes a 2 GW project in a 500 km<sup>2</sup> licence area would be assessed as higher merit than a person that proposes a 1 GW project in a 500 km<sup>2</sup> licence area unless specific area restrictions apply to the licence area.
  - iv. Where a project is proposed to be delivered in phases, for comparative purposes the efficiency of use of the licence area in each phase will be considered along with the drivers for and likelihood of delivery of each phase.
  - v. A person that appropriately identifies the factors to be considered for infrastructure layout with respect to the characteristics of the proposed licence area would be assessed as higher merit than a person that provides a general discussion of layout considerations without demonstrating appropriate application to the proposed licence area.
- (e) Conflicts that might arise with other uses or users of the licence area and the applicant's proposed measures and actions to investigate and mitigate such conflicts (paragraphs 26(4)(e) and (f) OEI Regulations).
- i. This will be an assessment of whether the proposed project is likely to be incompatible with other uses or users of the licence area or adjacent marine environment including Defence, shipping, aviation, aquaculture, fishing, native title, local communities, oil and gas, greenhouse gas and other offshore electricity infrastructure licences, where relevant.
  - ii. The proposed measures and actions to investigate and mitigate such conflicts will also be assessed. A person should be able to demonstrate that they have identified relevant stakeholders and have a plan to investigate, manage, and resolve any conflicts.
- (f) Any other matters the Minister considers relevant (paragraph 26(4)(g) OEI Regulations).
- Note:** The National Interest merit criteria assesses if a project is, on balance, in the national interest.

[Overlap with Other Offshore Electricity Infrastructure Licence Areas \(subsection 10\(4\) OEI Regulations\)](#)

- 4.4.11 If an application for a feasibility licence covers an area that is covered by an existing offshore research and demonstration licence or transmission and infrastructure licence, the person should have consulted with the existing licence holder prior to applying for the feasibility licence. If this is not done to an appropriate standard as evidenced in the application, a submission will be invited from relevant existing licence holder(s) as appropriate. This will extend the assessment process by a minimum of 30 days.
- 4.4.12 The Registrar may notify the holder of the existing licence of the name of the applicant; the proposed licence area of the feasibility licence; and the kind of project that the applicant proposes to carry out in the proposed licence area.

#### 4.5. Request for Further Information from the Registrar (section 41 OEI Regulations)

- 4.5.1 For the purposes of advising the Minister in relation to an application, the Registrar may request additional information or clarify any aspect of the application from the applicant through a written request for further information (**RFI**) issued to the person. The RFI will specify the information that needs to be provided by the person and the manner and timeframe for submission of the RFI response.
- 4.5.2 If further information is requested and not submitted within the specified timeframe, the Minister may, by written notice given to the person, refuse to consider or take any further action in relation to the application. The application fee will not be refunded. A person will need to re-apply under the licensing scheme if they wish to proceed with the proposed project.

#### 4.6. Decision-Making (section 42 OEI Regulations)

- 4.6.1 Subject to the application meeting the requirements and any requests for further information, the Registrar will prepare advice for the Minister in relation to the application.
- 4.6.2 In considering an application for a licence, the Minister must have regard to any information, assessment, analysis, report, advice or recommendation in relation to the application given to the Minister by the Registrar.
- 4.6.3 The Minister must also have regard to outcomes of consultation with First Nations groups in accordance with the future acts regime under the *Native Title Act 1993* in considering whether to offer to grant a feasibility licence.
- 4.6.4 The Minister will make a decision on the application in line with section 33 of the OEI Act.

#### 4.7. Overlap of Feasibility Licence Application Areas (sections 11-16 OEI Regulations)

- 4.7.1 If two or more applications for a feasibility licence made in response to the same invitation overlap, in that they cover wholly or partly the same area, the Registrar will assess the applications against the merit criteria in subsection 11(3) of the OEI Regulations then advise the Minister of the assessment.

**Note:** If an application is not considered to be of equal merit under subsection 11(3) of the OEI Regulations, the Minister may refuse the application which is of lesser merit.

##### Overlapping applications of equal merit (section 11 OEI Regulations)

- 4.7.2 If the Minister considers there is a group of applications that are of equal merit, and:
- Each application in the group overlaps at least one other application in the group; and
  - The licence areas proposed by all of the applications in the group (including parts of those areas that overlap, and parts that do not overlap) together form a continuous area; and
  - The Minister is satisfied that, if not for the overlap(s), a feasibility licence could be offered in response to each of the applications in the group;
  - the Minister may determine that these applications form an overlapping application group under section 11 of the OEI Regulations. The Registrar will notify the applicants in writing that the determination has been made and invite the applicants to revise and resubmit their applications to remove the overlap.
- 4.7.3 The notice and invitation must set out, for each other applicant whose application overlaps the applicant's application, the area(s) of overlap; and the name of the other applicant; and the kind of project that the other applicant proposes to carry out. The notice and invitation may include such other information as the Registrar considers reasonable about the applications and other applications that cover areas adjacent to, or nearby, the area covered by the applicant's application.

- 4.7.4 The notice and invitation must specify the date on or before which an application, as revised, must be resubmitted, and must inform the applicant that any revised application must be in accordance with section 13 of the OEI Regulations.
- 4.7.5 An applicant who revises its application in response to the invitation is not required to pay an additional fee for revising or resubmitting the application.
- 4.7.6 If an applicant revises and resubmits an application in response to the invitation, and the revised application is in accordance with section 13 of the OEI Regulations and meets the submission requirements in subsection 12(4) of the OEI Regulations, the resubmitted application replaces the original application and the original application will be disregarded.
- Note 1:** The revised application must be, so far as is reasonably possible, substantially similar to the original application.
- Note 2:** In considering the “substantially similar” test, the Registrar may consider the location, shape and size of the original and revised proposed licence areas, the details of the original and revised proposed projects and anything else it considers relevant. A proposed 1 GW wind project with a licence area of 500 km<sup>2</sup> should remain substantially similar to a 1 GW wind project with a licence area of 500 km<sup>2</sup> after any application revisions, and any proposed relocation should be for the minimum distance necessary to resolve any overlaps with other applications.
- Note 3:** The revised application must not overlap with any other application for a feasibility licence, including other applications that are not in the overlapping application group.
- Note 4:** If as a result of the resubmission the overlap is resolved, refer to the Offer section of this Guideline.
- Note 5:** An applicant may choose not to revise and resubmit its application, in which case the original application remains for the purposes of sections 14-16 of the OEI Regulations.
- 4.7.7 If the Registrar has invited two or more applicants from an overlapping application group to revise and resubmit their applications under subsection 12(2) of the OEI Regulations and the day specified in the notice has passed, the Minister may determine that a group of two or more of the applications forms a financial offer group if:
- Each application in the group overlaps at least one other application in the group; and
  - The licence areas proposed by all of the applications in the group (including parts of those areas that overlap, and parts that do not overlap) together form a continuous area; and
  - The Minister is satisfied that, if not for the overlap(s), a feasibility licence could be offered in response to each of the applications in the group.

[Overlapping applications of unequal merit \(section 11A OEI Regulations\)](#)

- 4.7.8 A principle of the licensing scheme is to award licences to those of highest merit where possible.
- 4.7.9 If an application for a feasibility licence overlaps with one or more applications for a feasibility licence made in response to the same invitation, but is not included as part of an overlapping application group because the application is of lower merit relative to other applications, the Minister is not to offer or grant the application a feasibility licence.
- 4.7.10 If an application overlaps with at least one other application and the Minister does not make a determination to form an overlapping group because one application is of higher merit relative to the other applications, the Minister is able to offer and grant a feasibility licence to the overlapping application of highest merit, and must not offer or grant a feasibility licence to any application that is of lower merit relative to the other applications.

[Feasibility Licences – Financial Offers \(sections 15 and 16 OEI Regulations\)](#)

- 4.7.11 If the Minister determines that a group of two or more applications for feasibility licences forms a financial offer group, the Minister may, in writing, invite the applicants to submit financial offers in relation to their applications.
- 4.7.12 The invitation to submit a financial offer must include information on how the offers are to be made (i.e. the method for submission), specify the day on or before which the offers

must be made, require the applicants to substantiate their ability to pay the amount offered and set out the effect of section 16 of the OEI Regulations. The invitation may specify other requirements to be addressed in the submission of the financial offer.

4.7.13 A financial offer will only be accepted if it has been invited by the Minister (subsection 32(3) OEI Act). Unsolicited financial offers will be rejected.

4.7.14 A financial offer in relation to an application for a feasibility licence must be made in writing to the Registrar, on or before the day specified in the invitation, and must address any other requirements specified in the invitation. The Registrar will advise the Minister of the financial offers after the day specified in the invitation has passed.

**Note 1:** For the purposes of subsections 16(2) and 16(3) of the OEI Regulations, an applicant that does not submit a financial offer in response to the invitation will be treated as submitting a financial offer of nil.

**Note 2:** See section 4.9 of this Guideline in relation to payment of the amount of the financial offer.

4.7.15 The Minister may only offer to grant a feasibility licence to the applicant that has submitted the highest financial offer out of the applications in the financial offer group.

**Note:** Once the Minister has offered a feasibility licence in this manner, it may be possible for the Minister to offer further feasibility licences to applicants who submitted lower financial offers under the process set out in subsection 16(5) of the OEI Regulations.

4.7.16 If there is no single highest offer because two or more applicants have submitted equal financial offers, the Minister may:

- (a) If a tied applicant's application does not overlap any other tied applicant's application, offer to grant a feasibility licence to that tied applicant.
- (b) If the tied applicants' applications overlap each other, invite the tied applicants to submit increased financial offers and, if this invitation does not result in a single highest financial offer, offer to grant a feasibility licence to any of the tied applicants as the Minister thinks fit.

#### 4.8. Offer to Grant a Feasibility Licence (section 27 OEI Regulations)

4.8.1 If the Minister decides to grant a feasibility licence to an applicant, a written offer will be given to the person by the Minister or by the Registrar on behalf of the Minister.

4.8.2 The offer must specify the feasibility licence area, the day that the licence would come into force if the offer is accepted, the end day of the licence, the conditions that would apply to the licence, the day on or before which the offer must be accepted and the method for accepting the offer.

**Note 1:** For a feasibility licence, the offer must also specify the day by which any financial offer (if relevant) must be paid to the Commonwealth if the offer is accepted.

**Note 2:** The licence area specified in the offer must be the same as the area described in the application for the feasibility licence (paragraph 10(2)(ba) OEI Regulations), or, if an application has been revised and resubmitted under section 12 of the Regulations, the area specified in the revised application.

4.8.3 If the offer is not accepted by the day specified, the applicant's application for the licence will lapse. The application fee will not be refunded.

4.8.4 In relation to a financial offer group, if a person receives an offer for the grant of a feasibility licence and declines the offer, the Minister may make an offer to the person who submitted the second highest offer, where applicable.

#### 4.9. Grant of Feasibility Licence (section 33 OEI Act and section 28 OEI Regulations)

4.9.1 If the offer is accepted by the person in the manner and by the day specified in the offer, the licence will be granted to the person.

- (a) If an applicant for a feasibility licence submits a financial offer in relation to the application, the Minister may only grant the feasibility licence to the applicant if the amount of the financial offer has been paid to the Commonwealth.
- 4.9.2 The notice of grant of the licence will be given to the person by the Minister or by the Registrar on behalf of the Minister. A feasibility licence granted as a result of the acceptance of an offer under section 27 of the OEI Regulations must be consistent with the details set out in the offer.
- 4.9.3 The notice of grant must specify the licence area, the start day and end day of the licence, the conditions that are to apply to the licence, and include any other matters prescribed by the licensing scheme. It must be given in accordance with the licensing scheme.
- 4.9.4 The licence comes into force on the day on which it is granted, or a later day as specified in the notice of grant.
- 4.9.5 A record of the notice of grant must be entered in the Register of Licences (see **Chapter 9** below).

*End Day of a Feasibility Licence (section 36 OEI Act)*

- 4.9.6 The end day will be stated in the notice of grant and may be extended (see **Chapter 8** below).
- 4.9.7 The end day is calculated from the start day of the licence and includes all calendar days.
- 4.9.8 If a commercial licence is granted in relation to a feasibility licence, and the licence area of the commercial licence is the whole of the feasibility licence area (including any vacated area), the feasibility licence ceases to have effect when the commercial licence takes effect. **Note:** If the licence area of the commercial licence is not the whole of the licence area of the feasibility licence, the end day of the feasibility licence in respect of the whole of the licence area of the feasibility licence is the day the commercial licence comes into force. The feasibility licence may be surrendered under section 74 of the OEI Act if the conditions for surrender are satisfied.
- 4.9.9 On or after the end day of a feasibility licence, the licence does not authorise the construction, installation, operation or maintenance of offshore renewable energy infrastructure except to the extent necessary to decommission infrastructure.

**4.10. Conditions on a Feasibility Licence (section 35 OEI Act)**

- 4.10.1 Licence holders must comply with the conditions of the licence including:
  - (a) Any conditions on the licence as stated in the OEI Act including:
    - i. To comply with any requirement to pay an amount of offshore electricity infrastructure levy.
    - ii. To comply with any conditions on the declared area that apply to the licence area.
    - iii. To comply with any conditions prescribed by the licensing scheme.
    - iv. That the licence holder, or any other person carrying out activities on behalf of the licence holder, complies with the management plan for the licence.
    - v. To comply with any conditions imposed on the licence in the notice of grant (or subsequent notice of variation).
  - (b) Any reporting requirements in the OEI Regulations.
- 4.10.2 The Minister may, when granting a feasibility licence, impose such conditions on the licence as the Minister thinks fit (subsection 35(2) OEI Act). Examples of conditions may include:
  - (a) Compliance with the provisions of the OEI Act, OEI Regulations, OEI Levies Regulations and any other instrument made under the OEI Act.
  - (b) Compliance with the type of offshore infrastructure project proposed in the application.

*Example: A condition may be placed on the grant of a feasibility licence requiring the licence holder to assess the feasibility of a 1 GW fixed offshore wind farm project in the licence area. This will enable the Registrar to monitor compliance with the merit criteria; monitor the requirement for the licence holder to commence activities under the licence within a reasonable time; assess the ability of a future transferee to undertake the obligations of the licence; and assess a future commercial licence application in relation*

*to the 'substantially similar' criterion. If a licence holder wishes to change the type of proposed commercial offshore infrastructure project, a variation of the licence conditions may be required.*

(c) Reporting requirements.

#### **4.11. Refusal of Feasibility Licence Application**

4.11.1 The grounds the Minister may take into account for refusing to offer to grant a feasibility licence include, but are not limited to:

- (a) The application does not meet the OEI Act or the OEI Regulations.
- (b) The application does not meet the application requirements.
- (c) The Minister is not satisfied the licence applied for meets the merit criteria.

4.11.2 Written notice of refusal will be provided to the applicant by the Minister or by the Registrar on behalf of the Minister.

## 6. Research and Demonstration Licence Applications

### 6.1. Purpose of a Research & Demonstration (R&D) Licence (section 49 OEI Act)

6.1.1 An R&D licence permits the licence holder to carry out an offshore infrastructure project (defined in section 8 of the OEI Act) in the licence area for any or all of the following purposes:

- (a) to conduct research relating to the feasibility or capabilities of a technology, system or process.
- (b) to demonstrate the capabilities of a technology, system or process.
- (c) to conduct research relating to the exploitation of, or exploration for, renewable energy resources.

**Note:** a licence area must be within an area that has been declared suitable for offshore renewable energy infrastructure under section 17 of the OEI Act.

6.1.2 An R&D licence authorises the licence holder to construct, install, commission, operate, maintain, and decommission offshore renewable energy infrastructure or offshore electricity transmission infrastructure in the licence area, so long as the legislative requirements set out in the OEI Act and OEI Regulations are met.

6.1.3 The end day for an R&D licence is determined by the Minister and can be no later than 10 years from the day the licence was granted or comes into effect.

**Note:** An application should include a proposed end date within 10 years of licence grant for the project, and justification for this date.

6.1.4 Applicants are encouraged to meet with the Registrar to discuss their proposed application prior to applying for an R&D licence.

6.1.5 Applicants should note that there is no direct pathway to apply for a commercial licence from an R&D licence under the OEI Act. Projects seeking to progress to a commercial licence must first apply for a feasibility licence in order to assess the feasibility of the proposed commercial project. The application for a feasibility licence must be in response to an invitation to apply made by the Minister under section 9 of the OEI Regulations. The applicant must complete all requirements that apply to a feasibility licence before applying for a commercial licence.

[Researching or demonstrating the capabilities of a technology, system, or process \(subsections 49\(a\) and 49\(b\) OEI Act\)](#)

6.1.6 An R&D licence may be suitable for an applicant who intends to research the feasibility or capabilities of, or demonstrate the capabilities of, a specific type of technology, system or process. That research or demonstration may be to assist in the advancement of the infrastructure, system or process to operational readiness.

6.1.7 Applicants should refer to a recognised technology readiness scale in making an application for a project of this nature.

**Note:** For example, the US Department of Energy Technology Readiness Level (TRL) scale, as adopted by the Australian Renewable Energy Agency (ARENA) – see <https://arena.gov.au>.

[Researching the exploitation of or exploration for renewable energy resources \(subsection 49\(c\) OEI Act\)](#)

6.1.8 An R&D licence may be suitable for an applicant who intends to increase knowledge, understanding or access to the meteorological, oceanographic, and other parameters of an offshore area, including the existence or scope of renewable energy resources (e.g. wind, wave, tidal or solar resources, or other renewable energy resources as defined in subsection

13(1) of the OEI Act, or other resources provided for by regulations made under subsection 13(2) of the OEI Act).

## 6.2. Receipt and initial review of R&D licence application by the Registrar

6.2.1 An application for an R&D licence can be made to the Registrar at any time.

6.2.2 Upon receipt of an R&D licence application, the Registrar will review the application to check it meets the application submission requirements in the OEI Act and OEI Regulations.

Application Review	Reference	Assessment
Eligible person (for definition see section 8 OEI Act)	Subsection 52(1) OEI Act and subsection 18(1) OEI Regulations	Yes / No
Description of the offshore infrastructure project	Subsection 51(2) OEI Act and paragraph 18(2)(b) OEI Regulations	Yes / No
Application made in the approved manner and form	Paragraph 18(2)(a) OEI Regulations	Yes / No
Payment of application fee (for fee amount see section 146 of the OEI Regulations)	Section 147 OEI Regulations	Yes / No
Be accompanied by any other information or documents required by the approved form	Paragraph 18(2)(c) OEI Regulations	Yes / No

6.2.3 Where an application does not provide sufficient information to determine if it has met all submission requirements, the Registrar may request further information (see section 6.4).

6.2.4 If the additional information is not provided, the Minister may refuse to consider the application further.

### Eligible person (subsection 52(1) OEI Act and subsection 18(1) OEI Regulations)

6.2.5 An applicant for an R&D Licence must be an eligible person. Eligible person is defined in section 8 of the OEI Act as:

- (a) a body corporate that has a registered office (within the meaning of the *Corporations Act 2001*) in Australia; or
- (b) a body corporate established for a public purpose by or under a law of the Commonwealth or a State or Territory.

6.2.6 The merit criteria, including that relating to the applicant's suitability to hold a licence are contained in legislation and outlined at section 6.3 of this Guideline.

### Description of the offshore infrastructure project (subsection 51(2) OEI Act and paragraph 18(2)(b) OEI Regulations)

6.2.7 The application must describe the offshore infrastructure project to be carried out under the licence.

**Note:** Further guidance regarding information to be provided in support of an R&D application, including for the description of the offshore infrastructure project, is available in the Registrar Forms Guidance at [www.offshoreregistrar.gov.au](http://www.offshoreregistrar.gov.au).

## 6.3. Assessment of R&D licence application by the Registrar

6.3.1 Applications are assessed by the Registrar and advice is provided to the Minister to inform their decision (section 154 of the OEI Act and section 42 of the OEI Regulations).

Assessment Criterion	Reference	Assessment
Proposed project is for the purpose of research or demonstration	Section 49 OEI Act	Yes/No
Consistent with any conditions that apply to the declaration	Paragraph 52(1)(c) OEI Act and section 9 OEI Regulations	Yes / No
Eligible licence area	Paragraph 52(1)(b) and subsection 52(4) OEI Act	Yes / No
If the proposed licence would authorise activities in any part of the licence area of another licence – those activities would not unduly interfere with the activities of another OEI licence holder	Paragraph 52(1)(e) OEI Act	Yes / No
Merit criteria: (a) The eligible person has the technical and financial capability to carry out the offshore infrastructure project that is proposed to be carried out under the licence. (b) The offshore infrastructure project is likely to be viable. (c) The eligible person is suitable to hold the licence. (d) Any criteria prescribed by the licensing scheme are satisfied, including that the proposed project for the licence is in the national interest.	Paragraph 53(1)(a) OEI Act  Paragraph 53(1)(b) OEI Act  Paragraph 53(1)(c) OEI Act Paragraph 53(1)(d) OEI Act	Merit-based  Merit-based  Merit-based Merit-based

[Proposed project is for the purpose of research and demonstration \(section 49 OEI Act\)](#)

6.3.2 The application for an R&D licence should describe a project that is for the purposes of research or demonstration, as outlined in section 49 of the OEI Act and detailed above in section 6.1.

[Conditions that apply to the declaration \(paragraph 52\(1\)\(c\) OEI Act\)](#)

6.3.3 The Minister must be satisfied that granting the R&D licence would be consistent with any conditions that apply to the declaration of the relevant area.

[Licence area \(paragraph 52\(1\)\(b\) and subsection 52\(4\) OEI Act\)](#)

6.3.4 A granted R&D licence area must:

- (a) Be continuous (one connected area);
- (b) Be entirely within the Commonwealth offshore area at the time the licence is granted; and
- (c) Be entirely within an area declared under section 17 of the OEI Act at the time the licence is granted.

6.3.5 The OEI framework does not specify a minimum or maximum area for an R&D licence.

Applicants should justify the appropriateness of the proposed licence area in their application with reference to the proposed activities to be conducted under the licence.

6.3.6 The licence area should reflect the area required for construction, installation, operation, maintenance and decommissioning of offshore renewable energy infrastructure or offshore electricity transmission infrastructure proposed to be authorised by the licence.

6.3.7 The Registrar can request additional information for the purpose of advising the Minister about the application, which may include where the Registrar is not satisfied that the application contains sufficient information to justify the size of the licence area (see section 6.4 below).

**Note 1:** Safety and protection zones may be determined around licence infrastructure and can extend beyond a licence area.

#### Overlap of R&D licence application areas (section 19 OEI Regulations)

- 6.3.8 If R&D licence applications cover wholly or partly the same area, the Registrar may notify the applicants of the overlap and invite the applicants to revise and resubmit their applications to remove the overlap, as detailed under section 19 of the OEI Regulations.
- 6.3.9 The notice and invitation must specify the day on or before which an application, as revised, must be resubmitted. The notice and invitation must also set out, for each other applicant whose application overlaps, the area(s) of overlap; the name of the other applicant; and the kind of project the other applicant proposes to carry out. The notice and invitation may include such information as the Registrar considers reasonable about the applications and other applications that cover areas adjacent to, or nearby, the area covered by the applicant's application.
- 6.3.10 An applicant who revises an application in response to the invitation is not required to pay an additional fee for revising or resubmitting the application.
- 6.3.11 If an applicant revises and resubmits an application in response to the invitation, and the revised application is in accordance with section 20 and paragraph 19(2)(e) of the OEI Regulations, the resubmitted application replaces the original application and the original application will be disregarded.
- Note 1:** The revised application must be, so far as is reasonably possible, substantially similar to the original application.
- Note 2:** In considering whether the applications are "substantially similar", the Registrar may consider the location, shape and size of the original and revised proposed licence areas, the details of the original and revised proposed projects, and anything else the Registrar considers relevant.
- Note 3:** Where the Registrar makes a decision that a revised application is not, so far as reasonably possible, substantially similar to the original application, an applicant can make an application to the Administrative Review Tribunal for a review of the decision.
- 6.3.12 Where overlapping applicants do not submit revised applications, the Minister may choose to grant a licence to one or more of the overlapping applications, including the overlapping portions.
- 6.3.13 If overlapping licence areas are granted, the provisions of the OEI Act and OEI Regulations addressing overlapping licences would apply.

#### Overlap with other Offshore Electricity Infrastructure licence areas (paragraph 52(1)(e) OEI Act and subsection 18(4) OEI Regulations)

- 6.3.14 If the proposed R&D licence area includes any part of the licence area of another licence granted under the OEI Act, the Minister must be satisfied that any activities carried out in accordance with the proposed R&D licence would not unduly interfere with the activities of the holder of the other licence (paragraph 52(1)(e) of the OEI Act).
- 6.3.15 The Registrar may notify the holder of the existing licence of any overlapping application made, and provide details such as the name of the applicant, the proposed licence area, and the kind of project proposed. The Registrar may also invite the existing licence holder to make a submission in relation to the potential grant of the research and demonstration licence.
- 6.3.16 In determining whether the R&D licence will unduly interfere with the activities of the holder of the other licence, the Minister may consider (among other things):
- whether appropriate consultation has been undertaken and the matters raised by the existing licence holder,
  - the actions taken or proposed to be taken by the applicant to avoid or reduce interference with the existing licence holder, and
  - whether the grant of the R&D licence would unduly impact the reasonable exercise of the rights of an existing licence holder.
- Note 1:** The Minister may place a condition(s) on an R&D licence to address any interference issues (e.g. consultation requirements with existing licence holders).

**Note 2:** The assessment of undue interference will be based on the information available at the time of application. Should an R&D licence be granted, it is expected that consultation with other licence holders will continue as appropriate throughout the term of the licence. Licence holders must consult with other OEI licence holders if their licence areas overlap when preparing a management plan.

#### Merit criteria (section 53 OEI Act and sections 25 and 26 OEI Regulations)

- 6.3.17 For an R&D licence to be granted to an eligible person, the Minister must be satisfied that the licence applied for meets the merit criteria (paragraph 52(1)(f) of the OEI Act).
- 6.3.18 Section 26 of the OEI Regulations includes matters that may be considered when evaluating an application against the merit criteria. These matters may be assessed as applicable to the application and/or the licence type. For example, assessments on commercial return may be crucial for commercial or feasibility licences but may be less important for a research and demonstration licence.
- 6.3.19 The assessment of an R&D licence application against the merit criteria will reflect whether the proposed project aligns with the purpose of an R&D licence. An applicant will be assessed as to how their proposal meets the merit criteria and the likelihood that the criterion can be met, as demonstrated in the application.
- 6.3.20 The below sections provide non-exhaustive guidance on what information may help to demonstrate an application meets each of the merit criteria.  
**Note:** Compared to the guidance provided for other licence types, the guidance for R&D applications has been written to enable greater flexibility in how the merit criteria may be met. This is reflective of the wider variety of potential projects and their intended outcomes relative to the commercial stream of licences targeting financial outcomes.

#### Technical and financial capability (paragraph 53(1)(a) of the OEI Act and subsection 26(1) of the OEI Regulations)

- 6.3.21 The Minister must be satisfied that the applicant has the technical and financial capability to carry out the R&D project that is proposed to be carried out under the licence (paragraph 53(1)(a)).
- 6.3.22 The merit-based assessment may consider (but is not limited to) the following:
- (a) the technical advice that is available to the applicant, such as:
    - i. The quality of advice or expertise that is available to the applicant to carry out the proposed project. This may include advice in relation to the following, as appropriate to the nature of the proposed project:
      - Engineering – civil, mechanical, project, electrical/electronic and instrumentation, aerospace/aeronautical, metocean/oceanographic and naval architecture
      - Construction, manufacturing, logistics and procurement
      - Project management, governance, and planning/scheduling
      - Commercial
      - Environment and work health and safety
      - Stakeholder and community engagement
      - First Nations engagement
      - Risk assessment/management and audit, inspection, and quality assurance.
    - ii. A project team with demonstrated experience in successfully undertaking research/and or demonstration projects of a similar scale and in a comparable environment, relating to a similar technology, system, or process, in a timely manner.
    - iii. A project team with experience and responsibility for licence compliance, risk management (including work health and safety management), and audit and assurance.
  - (b) the financial resources that are available to the applicant, such as:

- i. The financial resources available to finance the offshore infrastructure project for the R&D licence through planning, construction, installation, commissioning, operation, and decommissioning stages.
- ii. A detailed funding plan of the financial resources to carry out the offshore infrastructure project showing all funding agreements are in place.
- (c) the applicant's ability to carry out the operations and works that will be authorised by the licence.
- (d) the applicant's ability to discharge the obligations in relation to the licence that will be imposed by the OEI Act, these regulations or any other instrument made under the OEI Act.
- (e) any other matters the Minister considers relevant.

Project is likely to be viable (paragraph 53(1)(b) of the OEI Act and subsection 26(2) of the OEI Regulations)

6.3.23 The Minister must be satisfied that the offshore infrastructure project is likely to be viable.

6.3.24 The merit-based assessment may consider (but is not limited to) the following:

- (a) the complexity of the project, such as:
  - i. The technical design or methodology that will be employed to achieve the proposed project.
  - ii. A robust, comprehensive project development plan, technology maturation plan (if applicable) and risk register that outlines the risks and uncertainties and their impacts on the proposed project. The application should describe the activities to be undertaken during the proposed licence term, and explain how these activities will address risks and uncertainties and/ or achieve the objective of the project.
 

**Note 1:** If applicable, the Technology Readiness Level (TRL) of the project should be provided.

**Note 2:** Consistent with the TRL expectations, and the purpose of an R&D licence, it is expected that an applicant seeking an R&D licence for demonstration purposes would be able to deploy infrastructure (e.g. a wind turbine or wave/tidal generator) within a reasonable timeframe after the grant of a licence, subject to other necessary approvals under the OEI Act and other relevant legislation. For an applicant seeking an R&D licence for research purposes it is likewise expected that the applicant would be able to deploy research equipment (wave buoys, metocean equipment etc.) within a reasonable timeframe after grant of a licence.

**Note 3:** A TRL is unlikely to be applicable to projects seeking to conduct research relating to the exploitation of, exploration for, renewable energy resources unless the project is also seeking to research or demonstrate the feasibility or capabilities of a technology, system or process.
  - iii. An applicant is expected to address any conditions on the declared area that may apply to the proposed project.
- (b) the route-to-market for the project.
  - i. For projects seeking to research or demonstrate a technology, system, or process, detail how the project may contribute to bringing the technology, system or process to market.
  - ii. For projects seeking to conduct research relating to the exploitation of, or exploration for, a renewable energy resource, detail how that research would contribute to the future development of the area for projects seeking to exploit the relevant resource(s) researched.
- (c) the estimated commercial return to the licence holder
  - i. Where applicable, the estimated commercial return of a proposed project will be considered.
 

**Note:** Given the intended purpose of R&D licences, a commercial return may not be relevant for all applications, such as pure research projects.
- (d) any other matters the Minister considers relevant. This could include (but is not limited to):
  - i. Other relevant matters may include consenting requirements and stakeholder consultation where applicable. The applicant should identify environmental, state/territory government and energy regulator consenting requirements for their proposed project, identify stakeholders/users likely to be impacted by the proposed project, and the applicant's plans

and schedules to address these to obtain consents and agreements required for project deployment in a timely manner.

[Suitable to hold the licence \(\(paragraph 53\(1\)\(c\) of the OEI Act and subsection 26\(3\) of the OEI Regulations\)](#)

6.3.25 The Minister must be satisfied that the applicant is an eligible person who is suitable to hold the licence.

6.3.26 The merit-based assessment may consider (but is not limited to) the following:

- (a) the applicant's past performance in offshore infrastructure projects, or other large infrastructure projects, in Australia or internationally, such as:
  - i. Experience in offshore infrastructure or large-scale infrastructure projects of a comparable size or technology to that proposed in the R&D licence application.
  - ii. A history of compliance with legislation governing past offshore infrastructure projects, or large infrastructure projects that the applicant has been involved with.
  - iii. The Minister may not be satisfied that the eligible person is suitable to hold the licence if the person's past performance or conduct indicates a history of non-compliance with relevant legislation.
  - iv. The Minister may consider, for example, the eligible person having gone into administration as relevant to whether the person is suitable to hold a licence. Additionally, the Minister may consider it relevant that an officer (or officers) of the eligible person has been declared bankrupt, are an insolvent under administration, have been disqualified from involvement in the management of a corporation, or have been found guilty of certain offences.
  - v. A disclosure of past misconduct, non-compliance, or insolvency will not necessarily result in an assessment that the eligible person is not suitable to hold a licence. The assessment will have regard to any disclosures in the context of the application in its entirety to determine what relevance they bear to the suitability of the applicant regarding the particular licence for which they have applied.
- (b) the applicant's past financial performance. This could include, but is not limited to:
  - i. Past financial performance in successfully funding infrastructure or research and development projects of the scale of the proposed offshore infrastructure project in the R&D licence application.  
**Note:** Where an applicant does not have past financial performance to reference, information provided in response to the 'Technical and Financial Capability' merit criteria may be relied upon.
- (c) the applicant's corporate governance structure. This could include, but is not limited to:
  - i. Appropriate corporate governance arrangements, such as a board with the collective skills and experience to operate an offshore infrastructure project.
  - ii. Clearly defined roles and responsibilities of the board and management with a regular review process.
- (d) Any other matters the Minister considers relevant.

[National interest \(paragraph 53\(1\)\(d\) of the OEI Act and section 25 and subsection 26\(2\) of the OEI Regulations\)](#)

6.3.27 The Minister must be satisfied that the proposed project for the licence is in the national interest.

6.3.28 The merit-based assessment may consider (but is not limited to) the following:

- (a) the project's impact on, and contribution to, the Australian economy and local communities, including in relation to regional development, job creation, Australian industries and the use of Australian goods and services. This could include, but is not limited to:
  - i. The benefits that the proposed project could bring to Australia's energy system, the Australian economy and local communities, including regional development and job creation.

- ii. If applicable, the benefits to Australia if the proposed technology is developed through to commercialisation including the potential for manufacturing and deployment in Australia.
    - Note 1:** Assumptions and forecasts are expected to be preliminary due to the maturity of the proposed technology.
    - Note 2:** When considering whether a community is a ‘local community’, the Minister may consider the local or proximity of the community to the proposed licence area.
    - Note 3:** Projects seeking to undertake research of offshore renewable energy resources, rather than demonstration of a technology, would generally not be expected to demonstrate potential for local manufacturing and employment.
  - iii. The contribution of the project to Australia’s scientific and technical knowledge base, including any partnerships with local or domestic research and training institutions.
- (b) national security. This could include, but is not limited to:
- i. That the project is unlikely to have the potential to impact negatively on national security.
    - Note 1:** This is separate to any assessment by the Foreign Investment Review Board.
    - Note 2:** An assessment of national security may include an assessment of cyber security.
- (c) whether the project is likely to be delivered within a reasonable time. This could include, but is not limited to:
- i. How an applicant plans to efficiently deliver the proposed project, supported by a project development plan and schedule.
  - ii. Where an applicant has multiple offshore electricity infrastructure project proposals or licences in Australia or internationally, their ability to deliver the proposed project in a timely manner will be assessed taking into account all of the proposed and current projects and licences in the portfolio.
- (d) whether the project is likely to make efficient use of the licence area. This could include, but is not limited to:
- i. A justification for the application area.
- (e) conflicts that might arise with other uses or users of the licence area. and any measures that are proposed to mitigate such conflicts (paragraphs 26(4)(e) and (f) OEI Regulations).
- i. This may include an assessment of whether the offshore infrastructure project is likely to be incompatible with other uses or users of the licence area or adjacent marine environment including defence, shipping, aviation, fishing, aquaculture, Native Title, local communities, oil and gas, greenhouse gas and other offshore electricity infrastructure licences, where relevant.
  - ii. The proposed measures and actions to investigate and mitigate such conflicts may also be assessed. At a minimum, stakeholders should be identified and a plan and schedule to investigate, manage, and resolve any conflicts should be in place. Additionally, evidence of prior stakeholder engagement could be provided.
- (f) any other matters the Minister considers relevant.
- Note:** The National Interest merit criteria assesses if a project is, on balance, in the national interest.

#### 6.4. Request for further information from the Registrar (section 41 OEI Regulations)

- 6.4.1 For the purposes of advising the Minister in relation to an application, the Registrar may request additional information through a written request for information (**RFI**) issued to the applicant. The RFI will specify the information required, the day on or before which the information must be provided, and the manner in which the information must be provided.
- 6.4.2 If the information is not provided on or before the day specified, the Minister may, by written notice given to the applicant, refuse to consider the application further. The application fee will not be refunded. An applicant will need to re-apply under the licensing scheme if they wish to proceed with their proposed project.

## 6.5. Decision making (section 42 OEI Regulations)

- 6.5.1 Subject to the application meeting the requirements and any requests for further information, the Registrar will prepare advice for the Minister in relation to the application.
- 6.5.2 In considering an application for a licence, the Minister must have regard to any information, assessment, analysis, report, advice, or recommendation in relation to the application given to the Minister by the Registrar.
- 6.5.3 The Minister must also have regard to the outcomes of applicable procedural fairness obligations (see section 8.5 of this Guideline) and consultation with First Nations groups in accordance with the future acts regime under the *Native Title Act 1993* in considering whether to offer to grant an R&D licence.
- 6.5.4 The Minister will make a decision on the application in line with section 52 of the OEI Act.

## 6.6. Offer to grant an R&D licence (section 27 OEI Regulations)

- 6.6.1 If the Minister decides to grant an R&D licence to an applicant, a written offer of licence will be given to the applicant by the Minister or by the Registrar on behalf of the Minister.
- 6.6.2 The offer must specify the R&D licence area, the day that the licence would come into force, the end day of the licence, the conditions that would apply to the licence, the day on or before which the offer must be accepted and the method for accepting the offer.
- 6.6.3 The offer must also state that if the offer is not accepted by the day specified, the applicant's application for the licence will lapse. Should the application lapse, the application fee will not be refunded.

## 6.7. Grant of an R&D licence (section 52 OEI Act and section 28 OEI Regulations)

- 6.7.1 If the offer is accepted by the person in the manner and on or before the day specified in the offer, the licence will be granted to the person.
- 6.7.2 The notice of grant of the licence will be given to the person by the Minister or by the Registrar on behalf of the Minister. An R&D licence granted as a result of the acceptance of an offer under section 27 of the OEI Regulations must be consistent with the details set out in the offer.
- 6.7.3 The notice of grant must specify the licence area, the start day and end day of the licence, the conditions that are to apply to the licence and any other matters prescribed by the licensing scheme. It must be given in accordance with the licensing scheme.
- 6.7.4 The licence comes into force on the day stated in the notice of grant.
- 6.7.5 A record of the notice of grant must be entered in the Register of Licences (see **Chapter 9** below).

**Note:** Once granted an R&D licence, the licence holder must have a management plan approved by the Offshore Infrastructure Regulator and provide financial security before activities can commence. Management plans are developed in consultation with stakeholders. Guidance is available on the Regulator's [website](#).

### End day of an R&D licence (section 55 OEI Act)

- 6.7.6 The end day will be stated in the notice of grant and may be extended in certain circumstances (see **Chapter 8** below).
- 6.7.7 On or after the end day of an R&D licence, the licence does not authorise the construction, installation, operation or maintenance of offshore renewable energy infrastructure except to the extent necessary to decommission infrastructure.
- 6.7.8 The Minister must determine the end day of an R&D licence. This can be no later than 10 years from the date the licence is granted or comes into effect. The Minister may choose to determine an earlier end day.

## 6.8. Conditions on an R&D licence (section 54 OEI Act)

- 6.8.1 Licence holders must comply with the conditions of the licence including:
- i. Any conditions on the licence as stated in the OEI Act including:
  - ii. any requirement to pay an amount of offshore electricity infrastructure levy.
  - iii. any conditions on the declared area that apply to the licence area.
  - iv. any conditions prescribed by the licensing scheme.
  - v. that the licence holder, or any other person carrying out activities on behalf of the licence holder, complies with the management plan for the licence.
  - vi. any conditions imposed on the licence in the notice of grant (or subsequent notice of variation).
- (b) Any reporting requirements in the OEI Regulations.
- 6.8.2 The Minister may, when granting an R&D licence, impose such conditions on the licence as the Minister thinks fit (subsection 54(2) of the OEI Act).

## 6.9. Refusal of R&D licence applications (subsection 52(1) OEI Act and sections 43 and 44 OEI Regulations)

- 6.9.1 Potential grounds not to grant an R&D licence may include, but are not limited to:
- (a) the application does not meet the requirements of the OEI Act or the OEI Regulations (including the licensing scheme requirements).
  - (b) if the proposed licence would authorise activities in any part of the licence area of another licence – the Minister is not satisfied that any activities carried out in accordance with the proposed licence would not unduly interfere with the activities of the holder of the other licence.
  - (c) the Minister is not satisfied the licence applied for meets the merit criteria.
- 6.9.2 Prior to refusal of an R&D licence application, the Minister must follow the procedural fairness process under section 43 of the OEI Regulations (see section 8.5 of this Guideline).
- 6.9.3 If the Minister makes a final decision not to grant an R&D licence, a written notice will be provided to the applicant.
- 6.9.4 Information on procedural fairness and review of decisions is in **Chapter 8** of this Guideline. **Note:** There are no restrictions on future reapplications for an R&D licence by the same applicant. However, applicants are encouraged to understand the reason(s) for refusal of an R&D application prior to reapplying for an R&D licence for the same project.

## 7. Transmission & Infrastructure Licence Applications

### 7.1. Purpose of a Transmission & Infrastructure Licence (TIL) (section 58 OEI Act)

- 7.1.1 A TIL permits the licence holder to carry out an offshore infrastructure project for any of the following purposes:
- (a) to assess the feasibility of storing, transmitting or conveying electricity or a renewable energy product in or through the licence area;
  - (b) to store, transmit or convey electricity or a renewable energy product in or through the licence area.
- 7.1.2 A TIL authorises the licence holder to construct, install, commission, operate, maintain and decommission offshore renewable energy infrastructure or offshore electricity transmission infrastructure in the licence area, if the legislative requirements are met (section 59 OEI Act).
- Note 1:** ‘Offshore renewable energy infrastructure’ is defined in section 10 of the OEI Act. ‘Offshore electricity transmission infrastructure’ is defined in section 11 of the OEI Act.
- Note 2:** ‘Offshore electricity transmission infrastructure’ means fixed or tethered infrastructure that has the primary purpose of storing, transmitting or otherwise conveying electricity (whether or not the electricity is generated from a renewable energy resource) (section 11(1) OEI Act).
- 7.1.3 A person may be able to carry out certain activities prior to applying for a TIL where the activity does not breach the prohibition in subsection 15(1) of the OEI Act (or is authorised by a licence, or otherwise authorised or required by or under the OEI Act per subsection 15(2)) and required approvals are first obtained (e.g. EPBC Act approvals and Director of National Parks (DNP) authorisations). Guidance can be found on the Offshore Infrastructure Regulator website [here](#).
- 7.1.4 An eligible person may apply for a TIL to undertake offshore infrastructure activities to assess the feasibility of storing, transmitting or conveying electricity or a renewable energy product in or through the licence area (for example, this may include site and seabed investigations, including geotechnical surveying). These offshore infrastructure activities can only be undertaken under a licence and once completed, may allow the licence holder to finalise key aspects of their project, such as determining cable routes, spacing and burial depth, installation method, and the technology and standards to be used.
- 7.1.5 Depending on the stage of a proposed project, an eligible person may choose to apply for a TIL over a broad area to undertake offshore infrastructure activities to facilitate site investigation prior to finalising project design. In this case, the Minister may exercise their discretion to grant a licence for a sufficient period of time to allow for those activities to be conducted and to allow the proponent to assess the viability of the overall offshore infrastructure project.
- 7.1.6 A future application may be made for an extension to the end day of the licence once there is additional information available, as informed by offshore infrastructure activities undertaken in the licence area. It is recommended that the licence holder confirm the final route and design of project infrastructure at the time of applying for an extension.
- 7.1.7 The Minister may consider the stage of the project and proposed offshore infrastructure activities when determining the appropriate licence area and end day of the licence, including when considering extension applications (refer to section 7.9.6 for the matters the Minister may consider in determining the end day of a TIL). See Chapter 8.1 for more information on licence extension.
- 7.1.8 The grant of a TIL does not guarantee that a subsequent application for extension of the term will be approved. These will be separate assessments based on the relevant requirements outlined in the OEI Act and the OEI Regulations.

- 7.1.9 A licence holder may apply, at any time, for the Minister’s consent to surrender the areas not required to progress the project if the requirements of section 74 of the OEI Act have been met. This may include where an extension to the end day of the licence has been requested or granted in connection with finalisation of project design (see Chapter 8.4 for more information).
- 7.1.10 Applicants are encouraged to meet with the Registrar to discuss their proposed application prior to applying for a TIL.

## 7.2. Timing of TIL Applications

### TIL associated with a Commercial Project under the OEI Act

- 7.2.1 If an eligible person intends to apply for a TIL to transmit electricity or a renewable energy product generated from an offshore infrastructure project under an associated commercial licence, it is recommended that the TIL application **not be submitted** until after a feasibility licence has been granted in relation to the proposed commercial offshore infrastructure project.

### Standalone TIL

- 7.2.2 If an eligible person who is applying for a TIL does not intend to transmit electricity or a renewable energy product that is generated in the Commonwealth offshore area (i.e. the electricity or renewable energy product is generated onshore), the TIL application may be submitted at any time. However, the Minister must be satisfied that the licence meets all of the merit criteria and the requirements of the licensing scheme (see section 62 of the OEI Act) in order to grant a TIL.

## 7.3. Other Uses and Users of the Proposed Licence Area

- 7.3.1 The OEI legislative framework operates under the principle of shared use of the Commonwealth marine environment and coexistence with other marine users, in order to balance competing interests while pursuing the most efficient use of these areas and marine resources.

### Australian Marine Parks

- 7.3.2 An eligible person who intends to apply for a TIL should identify Australian Marine Parks and Commonwealth Reserves located in Commonwealth waters established under the EPBC Act and the International Union for Conservation of Nature (IUCN) zones which may intersect with the proposed licence area.

- 7.3.3 The eligible person should engage with Parks Australia to ascertain relevant requirements and, if applicable, to seek **authorisation** from the DNP. This engagement should occur prior to a TIL application being made to the Registrar. The application should provide relevant details of consultation with Parks Australia and evidence relating to the status of any applicable authorisation processes.

**Note 1:** In some instances, evidence of authorisation may be required before the TIL application is made.

**Note 2:** The Minister may not offer a TIL until the DNP authorisation has been issued.

### Shipping, Fishing, Telecommunications, Tourism, Oil & Gas Etc

- 7.3.4 An eligible person intending to apply for a TIL should identify any relevant existing uses or users of the proposed licence area and provide evidence that they have reasonably considered these existing rights in relation to the offshore infrastructure project for the TIL before submitting the TIL application to the Registrar.

## 7.4. Receipt and Initial Review of TIL Application by the Registrar

7.4.1 Upon receipt of a TIL application, the Registrar will review the application to check it meets the application submission requirements in the OEI Act and OEI Regulations.

Application Review	Reference	Assessment
Eligible person (for definition see section 8 OEI Act)	Subsection 61(1) OEI Act and subsection 21(1) OEI Regulations	Yes / No
Application made in the approved manner and form	Paragraph 21(2)(a) OEI Regulations	Yes / No
Payment of application fee (for fee amount see section 146 of the OEI Regulations)	Section 147 OEI Regulations	Yes / No
Description of the offshore infrastructure project	Subsection 60(2) OEI Act and paragraph 21(2)(b) OEI Regulations	Yes / No
Be accompanied by any other information or documents required by the approved form	Paragraph 21(2)(c) OEI Regulations	Yes / No
Proposed licence area	Subsection 61(2) OEI Act	Yes / No

**Note:** Where relevant information has been provided to the Registrar as part of a previous application under the OEI Act (including any TIL or other associated licence application) and no material change has occurred, applicants are not required to resubmit this information. Applicants must provide sufficient details to identify the previously submitted information and confirm that there has been no material change (refer to the [Registrar's Forms Guidance](#)).

### Eligible Person (subsection 61(1) OEI Act, subsection 21(1) OEI Regulations)

7.4.2 The applicant for a TIL must be an eligible person. An eligible person is defined in section 8 of the OEI Act as:

- (a) a body corporate that has a registered office (within the meaning of the *Corporations Act 2001*) in Australia; or
- (b) a body corporate established for a public purpose by or under a law of the Commonwealth or a State or a Territory.

7.4.3 The merit criteria, including that relate to the person's suitability to hold a licence are discussed in sections 7.5.5–7.5.13 of this Guideline.

### Description of the Offshore Infrastructure Project (subsection 60(2) OEI Act, paragraph 21(2)(b) OEI Regulations)

7.4.4 The application must describe the offshore infrastructure project to be carried out under the licence. Regardless of the stage of the proposed project, it is recommended that the application provide a whole of project description, including activities relating to assessing feasibility (if applicable) and an overview of the final proposed project to store, transmit or convey electricity or a renewable energy product that the person intends to carry out in the future.

7.4.5 Dependent on the stage of the project, applicants may not be able to provide detailed information on certain design elements. The application should have regard to the stage of the offshore infrastructure project to be carried out under the licence and include as much detail about the project as is known at the time of application, including the work required to finalise project design (if not yet finalised).

**Note:** Further guidance regarding information to be provided in support of a TIL application, including for the description of the offshore infrastructure project, is available in the Registrar Forms Guidance at [www.offshoreregistrar.gov.au](http://www.offshoreregistrar.gov.au).

## Licence Area (subsection 61(2) OEI Act)

- 7.4.6 The application should specify the proposed licence area for the TIL. The licence area must be entirely within the Commonwealth offshore area at the time the licence is granted but is not required to be within a declared area.
- Note 1:** Under subsection 61(2) of the OEI Act, a TIL may be granted in respect of one or more areas (which need not be continuous) that are within the Commonwealth offshore area at the time the licence is granted (i.e. a single TIL may be granted over multiple separate parts).
- Note 2:** This guidance relates to offshore infrastructure projects within Commonwealth waters only. Applicants will be required to engage with relevant State and Territory bodies for matters relating to State and Territory waters, land crossings and connections.
- 7.4.7 The OEI framework does not specify a maximum area for a TIL. Applicants should justify the appropriateness of the proposed licence area in their application.
- 7.4.8 The licence area should reflect the area required for construction, installation, maintenance and decommissioning of offshore renewable energy infrastructure or offshore electricity transmission infrastructure proposed to be authorised by the licence.
- Note 1:** In justifying the appropriateness of the proposed licence area, applicants may refer to International Cable Protection Committee (IPCC) recommendations.
- Note 2:** Safety and protection zones may be determined around licence infrastructure and can extend beyond a licence area.
- 7.4.9 The Minister may consider the stage of the proposed offshore infrastructure project in determining whether the size of the proposed licence area is appropriate.
- 7.4.10 If the Registrar is not satisfied that the application contains sufficient information to justify the size of the licence area, the Registrar may request the applicant to provide further information (see section 7.6 below).
- Note 1:** Applicants are encouraged to meet with the Registrar to discuss their proposed licence area prior to applying for a TIL.
- Note 2:** If the applicant is unable to justify and provide evidence to support the size of the proposed licence area, the Minister may offer a smaller licence area.
- Note 3:** During the term of a TIL, subject to subsection 66(3) of the OEI Act, it is within the Minister’s powers under subsection 66(4) of the OEI Act to remove one or more areas from the overall licence area if no offshore infrastructure activities have been carried out in a particular area and the Minister is satisfied that the licence holder does not intend to carry out any such activities in that area.

## 7.5. Assessment of TIL Application by the Registrar

- 7.5.1 Applications are assessed by the Registrar and advice is provided to the Minister to inform their decision (see section 154 OEI Act and section 42 OEI Regulations).

Assessment Criterion	Reference	Assessment
If the proposed licence would authorise activities in any part of the licence area of another licence – those activities would not unduly interfere with the activities of another OEI licence holder	Paragraph 61(1)(b) OEI Act	Yes / No
Merit criteria: (e) The eligible person has the technical and financial capability to carry out the offshore infrastructure project that is proposed to be carried out under the licence. (f) The offshore infrastructure project is likely to be viable. (g) The eligible person is suitable to hold the licence. (h) Any criteria prescribed by the licensing scheme are satisfied, including that the proposed project for the licence is in the national interest.	Paragraph 62(1)(a) OEI Act  Paragraph 62(1)(b) OEI Act Paragraph 62(1)(c) OEI Act Paragraph 62(1)(d) OEI Act	Merit-based  Merit-based Merit-based Merit-based

### Overlap of TIL Application Areas (sections 22 and 23 OEI Regulations)

7.5.2 If TIL applications cover wholly or partly the same area, the Registrar may notify the applicants in writing of the overlap and invite them to revise and resubmit their applications to remove the overlap.

**Note:** An applicant who has received an invitation to revise and resubmit may choose to keep their original application in effect.

7.5.3 The notice and invitation must specify the day on or before which an application, as revised, must be resubmitted. The notice and invitation must also set out, for each other applicant whose application overlaps, the area(s) of overlap; the name of the other applicant; and the kind of project the other applicant proposes to carry out. The notice and invitation may include such information as the Registrar considers reasonable about the applications and other applications that cover areas adjacent to, or nearby, the area covered by the applicant's application.

7.5.4 A person who revises an application in response to the invitation is not required to pay an additional fee for revising or resubmitting the application.

7.5.5 If an applicant revises and resubmits an application in response to the invitation, and the revised application is in accordance with section 23 of the OEI Regulations, the resubmitted application replaces the original application and the original application will be disregarded.

**Note 1:** The revised application must be, so far as is reasonably possible, substantially similar to the original application.

**Note 2:** In considering whether the applications are "substantially similar", the Registrar may consider the location, shape and size of the original and revised proposed licence areas, the details of the original and revised proposed projects, and anything else the Registrar considers relevant.

### Overlap with Other Offshore Electricity Infrastructure Licence Areas (paragraph 61(1)(b) OEI Act and subsection 21(4) OEI Regulations)

7.5.6 A TIL may authorise activities in part of the licence area of another OEI licence (including the area of another TIL) only if the Minister is satisfied that any activities carried out in accordance with the proposed TIL would not unduly interfere with the activities of the holder of the other licence (paragraph 61(1)(b) OEI Act).

7.5.7 It is expected that TIL applicants will consult with relevant existing licence holders and provide information on this as part of the application process (for example, copies of any relevant correspondence). If this is not done to an appropriate standard as evidenced in the application, the Registrar may invite submissions from existing licence holder(s) during the assessment (subsection 21(4) of the OEI Regulations). The information that may be provided to the existing licence holder could include, but is not limited to, the name of the applicant, the proposed licence area of the TIL and the type of project that the applicant proposes to carry out in the proposed licence area. This may extend the timeframe of the assessment process.

**Note:** Prior to applying for a TIL, applicants are encouraged to use the Interactive Map on the [National Electronic Approvals Tracking Scheme](#) (NEATS) webpage.

7.5.8 In determining whether the TIL will unduly interfere with the activities of the holder of the other licence, the Minister may consider (among other things):

- (a) whether appropriate consultation has been undertaken and the matters raised by the existing licence holder,
- (b) the actions taken or proposed to be taken by the applicant to avoid or reduce interference with the existing licence holder, and
- (c) whether the grant of the TIL would unduly impact the reasonable exercise of the rights of an existing licence holder.

**Note 1:** The Minister may place a condition(s) on a TIL to manage any interference issues (i.e. consultation requirements with existing licence holders).

**Note 2:** The assessment of undue interference will be based on the information available at the time of application. Should a TIL be granted, it is expected that consultation with other licence holders will continue throughout the term of the licence. Licence holders must consult with other OEI licence holders if their licence areas overlap when preparing a management plan.

Merit Criteria (section 62 OEI Act and sections 25 and 26 OEI Regulations)

- 7.5.9 For a TIL to be granted to an eligible person, the Minister must be satisfied that the licence applied for meets the merit criteria (paragraph 61(1)(c) OEI Act).
- 7.5.10 The assessment of a TIL application against the merit criteria will consider the stage of the proposed offshore infrastructure project.
- 7.5.11 An application will be assessed in relation to whether, and how, the proposal meets the merit criteria and whether the criteria can be met as demonstrated by the applicant's project development plan and identification of the activities to be undertaken. This may include scoping, planning, stakeholder and First Nations engagement, site surveys, design, construction, commissioning, operation, and decommissioning phases of the offshore infrastructure project, as appropriate.
- 7.5.12 The merit of a TIL is not automatically established by the existence of an associated feasibility licence or commercial licence.

Technical and Financial Capability (paragraph 62(1)(a) OEI Act and subsection 26(1) OEI Regulations)

- 7.5.13 The Minister must be satisfied that the eligible person has the technical and financial capability to carry out the offshore infrastructure project that is proposed to be carried out under the licence.
- 7.5.14 The merit-based assessment may consider one or more of the following:
  - i. The technical advice that is available to the person (paragraph 26(1)(a) OEI Regulations).
  - ii. This may include an assessment of the quality of advice or expertise that is or will be available to the person to deliver the offshore infrastructure project for the TIL (i.e. feasibility activities, and thorough planning, construction, installation, commissioning, operation, and decommissioning stages of the project, as appropriate).
  - iii. The project team should have demonstrated experience in successfully delivering similar large-scale infrastructure projects of a commensurate scale in a timely manner.
- (b) The financial resources that are available to the person (paragraph 26(1)(b) OEI Regulations).
  - i. This may include an assessment of the financial resources that are or will be available to the person to finance the offshore infrastructure project for the TIL for the stage of the project.
  - ii. The person should have:

For projects that are not FID-ready

- a. funds in place for the estimated cost of the proposed feasibility activities for the first 12 months of the licence term, until such time as a positive Final Investment Decision (FID) has been or is ready to be taken.

**Note 1:** This may include cash or cash equivalents, which are in the person's own name upon grant of a licence.

**Note 2:** A guarantee from another entity that the funds will be made available in the name of the person conditional only upon the grant of a licence may be considered.

**Note 3:** Proposed work means all the activities required to reach FID and carry out the offshore infrastructure project for the TIL, not just funds for activities that are to be carried out within the proposed TIL licence area.

**Note 4:** Where the person is also the holder of an associated licence under the OEI Act (for example, a feasibility licence associated with the same project), the applicant may refer to arrangements in place under the other licence to demonstrate that this expectation is met).

- b. A detailed funding plan outlining the financial resources required to carry out the proposed feasibility activities of the offshore infrastructure project showing

all funding requirements in connection with feasibility activities are likely to be met.

**Note:** Should a licence be granted, the funding plan and evidence of how the licence holder continues to demonstrate that it has funding in place for the estimated cost of work for the next 12-month period, will be reviewed by the Registrar as part of the annual licence reporting process.

[For projects that are FID-ready](#)

- c. If a project is FID ready, or a positive FID has been taken, the financial resources (financing) to construct and operate the offshore infrastructure project have been arranged or are in place.
- (c) The person's ability to carry out the operations and works that will be authorised by the licence (paragraph 26(1)(c) OEI Regulations).
  - i. This may include an assessment of whether the technical advice and the financial resources that are available to the person are suitable for the person to carry out the operations and works that will be authorised by the licence.
  - ii. The assessment may consider the person's other project interests in Australia and internationally which may impact upon the person's ability to deliver the offshore infrastructure project within a reasonable time.
- (d) The person's ability to discharge the obligations in relation to the licence that will be imposed by the Act, the OEI Regulations or any other instrument made under the Act (paragraph 26(1)(d) OEI Regulations).
  - i. This may include an assessment of whether the technical advice and the financial resources that are available to the person are sufficient to enable the person to meet all compliance obligations in relation to the licence, including but not limited to, directions issued under the OEI Act or OEI Regulations, reporting, fees and annual licence levies, and financial security obligations.
  - ii. At a minimum, a person should have experienced project team members with designated responsibility for licence compliance with the OEI Act, risk management and audit and assurance.
- (e) Any other matters the Minister considers relevant (s 26(1)(e) OEI Regulations).

[Project is Likely to be Viable \(paragraph 62\(1\)\(b\) OEI Act and subsection 26\(2\) OEI Regulations\)](#)

7.5.15 The Minister must be satisfied that the offshore infrastructure project is likely to be viable. The merit-based assessment may consider one or more of the following:

- (a) The complexity of the project (paragraph 26(2)(a) OEI Regulations).
  - i. At a minimum, it is recommended that the applicant provide a comprehensive project development plan and risk register identifying how the offshore infrastructure project for the TIL will be delivered in a timely manner. Details provided should be relevant to each phase of the project life cycle. The assessment may consider the activities proposed to assess the feasibility of the offshore infrastructure project for the TIL (if any).
  - ii. The assessment may consider key risks and potential mitigation strategies in relation to the offshore infrastructure project for the TIL.
  - iii. The applicant should identify the specific complexities relevant to the proposed licence area, rather than providing a general discussion of common project complexities. The assessment may consider the stage of the project at the time of application.
- (b) The route-to-market for the project (paragraph 26(2)(b) OEI Regulations).
  - i. This will be an assessment of the person's offshore infrastructure project for storing, transmitting or conveying electricity or a renewable energy product and the likelihood of the project being or becoming viable to support the proposed source project(s). This may include plans and schedules for the offshore infrastructure project.
- (c) The estimated commercial return to the licence holder (paragraph 26(2)(c) OEI Regulations).

- i. This may include an assessment of the likelihood of the proposed offshore infrastructure project for the TIL meeting the applicant’s commercial conditions to deliver the project. As commercial conditions are specific to each applicant and may differ between entities in the applicant’s corporate structure, there are no standard commercial conditions or threshold values for this assessment.
- (d) Any other matters the Minister considers relevant (paragraph 26(2)(d) OEI Regulations). This may include:
  - i. Consent requirements and stakeholder consultation: This may include an assessment of the applicant’s plans and schedules to obtain all relevant consents, approvals and stakeholder agreements to deliver the offshore infrastructure project for the TIL.

**Suitability of the applicant to hold the licence (paragraph 62(1)(c) OEI Act and subsection 26(3) OEI Regulations)**

- 7.5.16 The Minister must be satisfied that the eligible person is suitable to hold the licence. The merit-based assessment may consider one or more of the following:
- (a) The person’s past performance in offshore infrastructure projects, or other large infrastructure projects, in Australia or internationally (paragraph 26(3)(a) OEI Regulations).
    - i. Past performance and conduct of the person (body corporate) may include compliance matters in similar operating environments in Australia or internationally.
    - ii. The Minister may not be satisfied that the eligible person is suitable to hold the licence if the person’s past performance or conduct indicates a history of non-compliance with relevant legislation. The Minister may consider, for example, the eligible person having gone into administration as relevant to whether the person is suitable to hold a licence. Additionally, the Minister may consider it relevant that an officer (or officers) of the eligible person have been declared bankrupt, are an insolvent under administration, have been disqualified from involvement in the management of a corporation, or have been found guilty of certain offences.
    - iii. A disclosure of past misconduct will not necessarily result in an assessment that the eligible person is not suitable to hold a licence. The assessment may have regard to any such disclosures in the context of the application in its entirety to determine what relevance they bear to the suitability of the person to hold the particular licence for which they have applied.
    - iv. The assessment of the person’s (and any of the entities in its Corporate Structure that it is relying on) past performance may include an assessment of the experience of the person in prior and current offshore infrastructure or large-scale infrastructure projects of a similar size to that proposed in the TIL application.
    - v. The assessment may consider the person’s (and any of the entities in its Corporate Structure that it is relying on) experience in reaching a positive FID and successfully delivering prior project(s) in a timely manner.
  - (b) The person’s past financial performance (paragraph 26(3)(b) OEI Regulations).
    - i. It is recommended that the person is able to meet **at least one** of the criteria in **Table 1** of this Guideline (below). Where appropriate, this assessment may consider the financial performance of any entity in the person’s corporate structure, or any entity providing financial resources to the person and will apply in total across these entities.

Criteria Previous Three-Year Average	TIL Requirements (USD)
Annual turnover	> \$300 million
Net assets	> \$100 million
Cash at bank	> \$300 million
Assets / funds under management	> \$500 million
Undrawn debt facilities	> \$300 million

Table 1. Financial performance criteria previous three-year average of person or controlling/funding entity.

- ii. Past financial performance of the person refers to financial performance in similar operating environments in Australia or internationally. The assessment of the person's (and any of the entities in its Corporate Structure that it is relying on) past financial performance may include an assessment of the experience of the person in prior and current offshore infrastructure or large-scale infrastructure projects of a similar size to that proposed in the TIL application.
- (c) The person's corporate governance structure (paragraph 26(3)(c) OEI Regulations).
  - i. Corporate governance structure refers to the structure and oversight of the person and may take into account how the person has been established including transparency, chain of command and responsibilities and relevant Board's size, collective skills and experience to operate an offshore infrastructure project or other large infrastructure projects, in Australia or internationally.
  - ii. At a minimum, it is recommended a person implements the principles of a recognised corporate governance code and have:
    - An appropriately sized Board with the skills, commitment and knowledge of the entity and industry in which it operates.
    - Clearly defined roles and responsibility of the Board and Management with a regular audit and review process.
    - A sound risk management framework.
- (d) Any other matters the Minister considers relevant (paragraph 26(3)(d) OEI Regulations).

#### National Interest (paragraph 62(1)(d) OEI Act and sections 25 and 26(4) OEI Regulations)

7.5.17 The Minister must be satisfied that the proposed project for the licence is in the national interest. The merit-based assessment may consider one or more of the following:

- (a) The project's impact on, and contribution to, the Australian economy and local communities, including in relation to regional development, job creation, Australian industries and the use of Australian goods and services (paragraph 26(4)(a) OEI Regulations).
  - i. This may include an assessment of the forecast socio-economic benefits of the offshore infrastructure project, to assess the potential community benefits that could be provided from the proposed offshore infrastructure project.
  - ii. Depending on the stage of the project, this assessment may consider current assumptions and forecasts relating to benefits to the broader economy, potential jobs creation, workforce training, regional development, local content, Gross Value Add, a breakdown of investment across local and foreign content, potential contribution to electricity grid supply, energy security, emissions reduction assumptions and/or benefits to international relations, as relevant.
  - iii. It is recommended that there are clear links and consistencies between the TIL project and source project.

**Note 1:** Assumptions and forecasts are expected to be updated during the TIL term through annual licence reports.

**Note 2:** Local communities means the communities that are located adjacent to or in close proximity to the proposed licence area.

- Note 3:** Local content means the use of Australian and New Zealand businesses, including but not limited to suppliers, components, materials, vessels, workers and services, in the construction and operations, maintenance, and decommissioning of offshore electricity infrastructure projects.
- (b) National security (paragraph 26(4)(b) OEI Regulations).
- i. This may include an assessment of whether the offshore infrastructure project for the TIL has the potential to impact negatively on national security.
 

**Note 1:** The assessment is separate to any assessment by the Foreign Investment Review Board.

**Note 2:** An assessment of national security may include an assessment of cyber security.
- (c) Whether the offshore infrastructure project is likely to be delivered within a reasonable time (paragraph 26(4)(c) OEI Regulations).
- i. This may include an assessment of how efficiently the person is planning to undertake the necessary activities and/or deliver the offshore infrastructure project for the TIL, supported by the project development plan, project schedule and risk register.
  - ii. The assessment may consider whether the offshore infrastructure project for the TIL is proposed to be delivered in phases, the timing of the projected phasing and drivers for and likelihood of delivery of each phase.
  - iii. It is recommended there are clear links between the TIL project and the source project and risks and mitigations for timely delivery should be clearly identified.
  - iv. A person that has multiple offshore electricity infrastructure project proposals or licences in Australia or internationally may be assessed on their ability to deliver the offshore infrastructure project under the licence taking into account all of the current and proposed projects and licences in the portfolio.
- (d) Whether the offshore infrastructure project is likely to make efficient use of the licence area (paragraph 26(4)(d) OEI Regulations).
- i. The assessment may consider the person's justification for the proposed licence area, including the necessity of the size of the licence area applied for, having regard to the stage of the project, and the offshore infrastructure activities proposed to be conducted under the licence. The assessment will also consider the items in sections 7.4.6 – 7.4.10 of this Guideline.
 

**Note:** Under subsection 61(2) of the OEI Act, a TIL may be granted in respect of one or more areas (which need not be continuous) that are within the Commonwealth offshore area at the time the licence is granted.
- (e) Conflicts that might arise with other uses or users of the licence area and any measures that are proposed to mitigate such conflicts (paragraphs 26(4)(e) and (f) OEI Regulations).
- i. This may include an assessment of whether the offshore infrastructure project is likely to be incompatible with other uses or users of the licence area or adjacent marine environment including Defence, shipping, aviation, aquaculture, fishing, native title, local communities, oil and gas, greenhouse gas storage, other subsea infrastructure, existing cabling (including but not limited to telecommunications) and other offshore electricity infrastructure licences, where relevant.
  - ii. The proposed measures and actions to investigate and mitigate such conflicts may also be assessed. At a minimum, relevant stakeholders should be identified and a plan and schedule to investigate, manage, and resolve any conflicts should be in place. Additionally, evidence of relevant prior stakeholder engagement could be provided.
 

**Note 1:** Applicants should avoid cable crossings, where possible.

**Note 2:** The application should identify potential cable crossings with existing or planned infrastructure and outline plans to mitigate and manage these activities and risks. This may include a schedule for consultation, identification of potential/preferred crossing method(s), and plans to negotiate proximity or crossing agreements.

**Note 3:** Applicants should consider international best practice for crossing methods and/or proximity and crossing agreements. For example, ICPC recommendations.
- (f) Any other matters the Minister considers relevant (paragraph 26(4)(g) OEI Regulations).

**Note:** The National Interest merit criteria assesses if a project is, on balance, in the national interest.

## **7.6. Request for Further Information from the Registrar (section 41 OEI Regulations)**

- 7.6.1 For the purposes of advising the Minister in relation to an application, the Registrar may request additional information from the applicant through a written RFI issued to the person. The RFI will specify the information required, the day on or before which the information must be provided, and the manner in which the information must be provided.
- 7.6.2 If the information is not provided on or before the day specified, the Minister may, by written notice given to the person, refuse to consider the application further. The application fee will not be refunded. A person will need to re-apply under the licensing scheme if they wish to proceed with the proposed project.

## **7.7. Decision-Making (section 42 OEI Regulations)**

- 7.7.1 Subject to the application meeting the requirements and any requests for further information, the Registrar will prepare advice for the Minister in relation to the application.
- 7.7.2 In considering an application for a licence, the Minister must have regard to any information, assessment, analysis, report, advice or recommendation in relation to the application given to the Minister by the Registrar.
- 7.7.3 The Minister must also have regard to the outcomes of applicable procedural fairness obligations (see section 8.5 of this Guideline) and consultation with First Nations groups in accordance with the future acts regime under the *Native Title Act 1993* in considering whether to offer to grant a TIL.
- 7.7.4 The Minister will make a decision on the application in line with section 61 of the OEI Act.

## **7.8. Offer to Grant a TIL (section 27 OEI Regulations)**

- 7.8.1 If the Minister decides to grant a TIL to an applicant, a written offer of licence will be given to the person by the Minister or by the Registrar on behalf of the Minister.
- 7.8.2 The offer must specify the licence area for the TIL, the day that the licence would come into force, the end day of the licence, the conditions that would apply to the licence, the day on or before which the offer must be accepted and the method for accepting the offer.
- 7.8.3 The offer must also state that if the offer is not accepted by the day specified, the applicant's application for the licence will lapse. In the event that the application for the licence lapses, the application fee will not be refunded.

## **7.9. Grant of TIL (section 61 OEI Act and section 28 OEI Regulations)**

- 7.9.1 If the offer is accepted by the person in the manner and on or before the day specified in the offer, the licence will be granted to the person.
- 7.9.2 The notice of grant of the licence will be given to the person by the Minister or by the Registrar on behalf of the Minister. A TIL granted as a result of the acceptance of an offer under section 27 of the OEI Regulations must be consistent with the details set out in the offer.
- 7.9.3 The notice of grant of the licence must specify the licence area, the start day and end day of the licence, the conditions that are to apply to the licence, and include any other matters prescribed by the licensing scheme. It must be given in accordance with the licensing scheme.
- 7.9.4 The licence comes into force on the day stated in the notice of grant.
- 7.9.5 A record of the notice of grant must be entered in the Register of Licences (see **Chapter 9** below).

### End Day of a TIL

- 7.9.6 The Minister has a broad discretion to determine the term of a TIL. The Minister's considerations in determining the end day of a TIL may include, but are not limited to, the following matters:
- the offshore infrastructure project to be carried out under the licence,
  - the stage of the offshore infrastructure project and the works that may be needed to refine the project proposal,
  - the end day of an associated licence (if any), and
  - any other matters the Minister considers relevant.
- 7.9.7 The end day of a TIL will be stated in the notice of grant of the licence and may be extended in certain circumstances (see **Chapter 8** below).
- 7.9.8 After the end day of a TIL, the licence does not authorise the construction, installation, operation or maintenance of offshore renewable energy infrastructure or offshore electricity transmission infrastructure except to the extent necessary to decommission infrastructure.

### **7.10. Conditions on a TIL (section 63 OEI Act and section 33 OEI Regulations)**

- 7.10.1 Licence holders must comply with the conditions of the licence, including:
- (a) Any conditions on the licence as stated in the OEI Act, including:
    - i. To comply with any requirement to pay an amount of offshore electricity infrastructure levy.
    - ii. To comply with any conditions prescribed by the licensing scheme.
    - iii. That the licence holder, or any other person carrying out activities on behalf of the licence holder, complies with the management plan for the licence.
    - iv. To comply with any conditions imposed on the licence in the notice of grant (or subsequent notice of variation).
  - (b) Any reporting requirements in the OEI Regulations.
- 7.10.2 The Minister may, when granting a TIL, impose such conditions on the licence as the Minister thinks fit (subsection 63(2) OEI Act).

### **7.11. Refusal of TIL Application (subsection 61(1) OEI Act and sections 43 and 44 OEI Regulations)**

- 7.11.1 The grounds the Minister may take into account for refusing to grant a TIL include, but are not limited to:
- (a) The application does not meet the requirements of the OEI Act or the OEI Regulations (including the licencing scheme requirements);
  - (b) If the licence would authorise activities in any part of the licence area of another licence—the Minister is not satisfied that any activities carried out in accordance with the proposed licence would not unduly interfere with the activities of the holder of the other licence;
  - (c) The Minister is not satisfied the licence applied for meets the merit criteria.
- 7.11.2 Prior to refusal of a TIL application, the Minister must follow the procedural fairness process under Section 43 of the OEI Regulations (see section 8.5 of this Guideline).
- 7.11.3 If the Minister makes a final decision to not grant a TIL, a written notice will be provided to the applicant.
- 7.11.4 Information on procedural fairness and review of decisions is in **Chapter 8** of this Guideline.
- Note:** There are no restrictions on future reapplications for a TIL by the same applicant. However, applicants are encouraged to understand the reason(s) for refusal of a TIL application prior to reapplying for a TIL for the same project.

## 8. Licence Administration

### 8.1 Extension of a Licence Term (sections 37, 47, 56 and 65 OEI Act)

8.1.1 A licence holder may apply under the licensing scheme to extend the term of the licence beyond its end day. More than one extension may be granted in respect of a particular licence.

8.1.2 Upon receipt of an application, the Registrar will review the application to check it meets the minimum application submission requirements in the OEI Act and OEI Regulations.

Application Review	Reference	Assessment
Application made in the approved manner and form	Subsection 30(2) OEI Regulations	Yes / No
Payment of application fee (for fee amount see section 146 of the OEI Regulations)	Section 147 OEI Regulations	Yes / No
For a licence other than a commercial licence, be made before the end day of the licence	Subsection 30(2) OEI Regulations	Yes / No
For a commercial licence, be made at least 5 years before the end day of the licence	Subsection 30(2) OEI Regulations	Yes / No
Be accompanied by any other information or documents required by the approved form	Subsection 30(2) OEI Regulations	Yes / No

8.1.3 Applications are assessed by the Registrar and advice is provided to the Minister for decision.

Assessment Criterion	Reference	Assessment
For a feasibility licence, commercial licence or research and demonstration licence, the extension must not apply to any part of a licence area that is not a declared area at the time the extension is granted	Sections 37, 47 and 56 OEI Act	Yes / No
For a feasibility licence, the extension must not result in the end day of a feasibility licence being later than the day after the end of 7 years after the extension is made	Section 37 OEI Act	Yes / No
For a commercial licence, the extension must not result in the end day of a commercial licence being later than the day after the end of 40 years after the extension is made	Section 47 OEI Act	Yes / No
For a research and demonstration licence, the extension must not result in the end day of a research and demonstration licence being later than the day after the end of 10 years after the extension is made	Section 56 OEI Act	Yes / No
For a transmission and infrastructure licence, the extension must not apply to any part of a licence area that is not in the Commonwealth offshore area at the time the extension is granted	Section 65 OEI Act	Yes / No

8.1.4 The Registrar may seek additional information or clarify any aspect of the application through a RFI issued to the person.

8.1.5 For a feasibility licence or a research and demonstration licence, the Minister may extend the end day of the licence on the Minister's own initiative (subparagraphs 37(1)(a)(ii) and 56(1)(a)(ii) OEI Act).

- 8.1.6 If the Minister extends the end day of a licence, the licence holder will be given written notice of the extension by the Minister or by the Registrar on behalf of the Minister.
- 8.1.7 The extension must be recorded in the Register of Licences (see **Chapter 9** below).
- 8.1.8 Except for transmission and infrastructure licences, which may be non-continuous, an extension of the end day may be in respect of the whole licence area or part of the licence area provided the part is continuous.
- 8.1.9 An extension of the end day does not affect the date for payment of annual levies and does not change the reporting date for annual licence reports.

## 8.2 Variation of a Licence (sections 38, 48, 57 and 66 OEI Act)

- 8.2.1 A licence holder may apply under the licensing scheme to vary a licence to impose a condition on the licence, to vary or revoke a condition imposed on the licence, or remove one or more areas from the licence area.
- 8.2.2 Upon receipt of an application, the Registrar will review the application to check it meets the minimum application submission requirements in the OEI Act and OEI Regulations.

Application Review	Reference	Assessment
Application made in the approved manner and form	Subsection 31(1) OEI Regulations	Yes / No
Payment of application fee (for fee amount see section 146 of the OEI Regulations)	Section 147 OEI Regulations	Yes / No
Be accompanied by any other information or documents required by the approved form	Subsection 31(1) OEI Regulations	Yes / No

- 8.2.3 Applications are assessed by the Registrar and advice is provided to the Minister for decision.

Assessment Criterion	Reference	Assessment
The licence may be varied to: <ul style="list-style-type: none"> <li>(a) Impose a condition on the licence; or</li> <li>(b) Vary or revoke a condition imposed on the licence; or</li> <li>(c) Remove one or more areas from the licence area.</li> </ul>	Sections 38, 48, 57 and 66 OEI Act	Yes / No
An area may be removed only if: <ul style="list-style-type: none"> <li>(a) The licence holder has not carried out any offshore infrastructure activities in the area; and</li> <li>(b) The Minister is satisfied that the licence holder does not intend to carry out any offshore infrastructure activities in the area under the licence; and</li> <li>(c) For a feasibility licence, commercial licence and research and demonstration licence, the removal does not result in the remaining licence area being non-continuous</li> </ul>	Subsections 38(4), 48(4) and 57(4) and 66(4) OEI Act	Yes / No

- 8.2.4 The Registrar may seek additional information or clarify any aspect of the application through a RFI issued to the person.
- 8.2.5 The Minister may vary a licence on the Minister's own initiative (subsections 38(3), 48(3), 57(3) and 66(3) OEI Act).
- 8.2.6 A variation made on the Minister's own initiative may only be done where the Minister:

- (a) At the same time, extends the end day of a licence as a result of an application by the licence holder (“*variation + extension*”); or
  - (b) At the same time, decides to transfer the licence under subsection 70(1) of the OEI Act (“*variation + transfer*”); or
  - (c) At the same time, makes another variation as a result of an application by the licence holder (“*variation*”); or
  - (d) The Minister becomes aware that there has been a change in control of the licence holder and the variation is made by the Minister in connection with that change in control (“*variation + change in control*”).
- 8.2.7 If the Minister varies a licence, the licence holder will be given written notice of the variation by the Minister or by the Registrar on behalf of the Minister.
- 8.2.8 The variation must be recorded in the Register of Licences (see **Chapter 9** below).
- 8.2.9 A variation of a licence does not affect the date for payment of annual levies and does not change the reporting date for annual licence reports.

### **8.3 Cancellation of a Licence (section 73 OEI Act)**

- 8.3.1 Licence holders are expected to ensure all obligations under the OEI Act, the OEI Levies Act, the associated OEI Regulations, any directions under the OEI Act and all licence conditions are met at all times.
- 8.3.2 A licence may be cancelled under section 73 of the OEI Act if any of the grounds for cancellation arise. These include:
- (a) The licence holder fails to comply with a condition of the licence.
  - (b) The licence holder has contravened a provision of the OEI Act or the applied WHS provisions.
  - (c) The licence does not meet the merit criteria.
  - (d) The licence holder has failed to commence activities under the licence within a reasonable time.
  - (e) The licence holder is not an eligible person.
  - (f) A person has contravened the change in control provisions in relation to the licence.
- 8.3.3 For the purposes of the cancellation provisions, a “reasonable time” will be assessed on a case-by-case basis and may consider the size and scale of the project.
- 8.3.4 The Registrar will monitor a licence holder’s compliance with the licence obligations. In particular, licence holders should be aware of the importance of maintaining compliance with the merit criteria and the eligible person criterion while the licence is in force.
- 8.3.5 If a ground for cancellation arises, the Registrar will advise the Minister of the circumstances. Before the Minister decides to cancel a licence, the licence holder will be given a written notice of intention to cancel the licence by the Minister or by the Registrar on behalf of the Minister.
- 8.3.6 The notice of intention to cancel will set out the ground(s) for cancelling the licence, invite the licence holder to make a written submission about the proposed decision to cancel and specify a manner and timeframe for making the submission. Licence holders will be given at least 30 days to make the written submission. The Minister may give a copy of the notice to such other persons (if any) as the Minister thinks fit.
- 8.3.7 In deciding whether to cancel a licence, the Minister must take into account:
- (a) Any submissions made by the licence holder or persons who have been given a copy of the notice of intention to cancel.

(b) Any action taken by the licence holder to address the circumstances that give rise to the ground(s) for cancelling the licence, or prevent the recurrence of similar circumstances.

8.3.8 The licence holder will be notified in writing if the Minister decides to cancel the licence.

8.3.9 A cancellation takes effect on the day a notice of cancellation is published on the Federal Register of Legislation. A copy of the notice of cancellation will be placed on the Register of Licences (see **Chapter 9** below).

#### 8.4 Surrender of a Licence (section 74 OEI Act)

8.4.1 A licence holder may apply at any time for consent to surrender the licence under section 74

of the OEI Act in respect of an area that is the whole or a part of the licence area.

8.4.2 A licence holder is required to decommission all infrastructure in the licence area before applying to surrender the licence (subsection 74(3) OEI Act).

8.4.3 Upon receipt of an application, the Registrar will review the application to check it meets the minimum application submission requirements in the OEI Act and OEI Regulations.

Application Review	Reference	Assessment
Application made in writing	Subsection 74(1) OEI Act	Yes / No
Payment of application fee (for fee amount see section 146 of the OEI Regulations)	Section 147 OEI Regulations	Yes / No

8.4.4 Applications are assessed by the Registrar and advice is provided to the Minister for decision.

Assessment Criterion	Reference	Assessment
Application specifies the surrender area	Subsection 74(2) OEI Act	Yes / No
Application sets out the reasons for the surrender	Subsection 74(2) OEI Act	Yes / No
Application sets out how each of the requirements of subsection 74(3) of the OEI Act have been met	Subsection 74(2) OEI Act	Yes / No

8.4.5 Under subsection 74(3) of the OEI Act, the Minister must consent to the surrender if:

- (a) The licence holder has paid all fees and amounts due and payable under the OEI Act or the OEI Levies Act, or has made arrangements for the payment of those fees and amounts that are satisfactory to the Regulator (for a fee charged by the Regulator on behalf of the Commonwealth) or to the Registrar (for any other amount); and
- (b) The licence holder is in compliance with all of the conditions of the licence; and
- (c) The licence holder is in compliance with any other obligations under the OEI Act in relation to the licence or the surrender area; and
- (d) If there is a management plan for the licence, the licence holder is in compliance with any requirements that, under the management plan, must be complied with for the licence to be surrendered; and
- (e) The licence holder has either, to the satisfaction of the Regulator, removed or caused to be removed from the surrender area all equipment or other property brought into the surrender area by any person engaged or concerned in the activities authorised by the licence, or made arrangements that are satisfactory to the Regulator in relation to that equipment or property; and
- (f) The licence holder has, to the satisfaction of the Regulator, made good any damage to the seabed or subsoil, or any other environmental damage, in the Commonwealth offshore

area (whether inside or outside the surrender area) caused by any person engaged or concerned in the activities authorised by the licence; and

- (g) For a feasibility licence, commercial licence or research and demonstration licence, if the surrender area is a part of the licence area, the remaining licence area would be continuous.

- 8.4.6 The Registrar may seek additional information or clarify any aspect of the application through a RFI issued to the person.
- 8.4.7 If the Minister gives consent to the surrender, the licence holder will be given written notice of the consent by the Minister or by the Registrar on behalf of the Minister.
- 8.4.8 Following receipt of the notice of consent, the licence holder may, by written notice to the Registrar accompanied by the notice of the Minister's consent, surrender the licence in respect of the surrender area.
- 8.4.9 The surrender takes effect when the notice of surrender is registered on the Federal Register of Legislation. A copy of the notice of surrender will be placed on the Register of Licences.
  - (a) If the surrender relates to the whole of the licence area, the licence ceases to be in force when the notice of surrender is registered on the Federal Register of Legislation.
  - (b) If the surrender relates to part of the licence area, that part ceases to be part of the licence area when the notice of surrender is registered on the Federal Register of Legislation.
- 8.4.10 If the licence is wholly or partly surrendered, the licence holder may be eligible for a refund of levies on a pro rata basis with reference to the wholly or partly vacated area and the number of days that the area was in force during the levy period. Refunds will be calculated in accordance with the *Offshore Electricity Infrastructure (Regulatory Levies) Regulations 2022*. The Registrar will process refunds after the surrender has been registered on the Federal Register of Legislation.
- 8.4.11 Licence holders may choose to submit the final licence report in support of the surrender application. If the final licence report is not submitted with the surrender application, the final licence report is still required to be given to the Registrar within 30 days after the end of the licence term (section 33 OEI Regulations) and must relate to the activities of the licence holder during the period that begins on the most recent anniversary date of the licence and ends at the end of the licence term.

## 8.5 Procedural Fairness

- 8.5.1 Section 43 of the OEI Regulations provides that procedural fairness may apply to certain applications where a decision-maker proposes to make a decision to refuse an application:
  - (a) A decision by the Minister not to offer to grant a licence (other than a feasibility licence); or
  - (b) A decision by the Minister not to extend the end day of a licence; or
  - (c) A decision by the Minister not to vary a licence; or
  - (d) A decision by the Minister not to transfer a licence; or
  - (e) A decision by the Minister not to consent to the surrender of a licence; or
  - (f) A decision by the Registrar not to approve a change in control of a licence holder.
- 8.5.2 The decision-maker must give the person written notice of the proposed decision (subsection 43(3) OEI Regulations). The notice must set out the decision-maker's reasons for the proposed decision and invite the person to make a written submission about the proposed decision and specify the period within which the submission must be made (subsection 43(5) OEI Regulations).

- 8.5.3 Any submission must be given to the Registrar and must be taken into account by the decision-maker in deciding whether to make the proposed decision (subsections 43(7) and (8) OEI Regulations).
- 8.5.4 If the decision-maker is the Minister, the notice may be given to the person by the Minister or by the Registrar on behalf of the Minister (subsection 43(4) OEI Regulations).

## **8.6 Review of Decisions**

- 8.6.1 A decision by the Minister under sections 42, 52 and 61 of the OEI Act may be subject to an application for review made to the Administrative Appeals Tribunal (section 297 refers).

## 9. The Register of Licences

- 9.1.1 The Registrar is responsible for keeping the Register of Licences (**Register**). The Register is available for public inspection on the internet.
- 9.1.2 The Registrar must enter a record in the Register for each licence granted under the OEI Act which includes details for the licence as set out in section 163 of the OEI Act. This includes:
- (a) The licence holder's name and ACN or ARBN within the meaning of the Corporations Act.
  - (b) The type of licence and details of the licence area (including a map).
  - (c) The date of grant of the licence and the date the licence comes into force.
  - (d) The end day of the licence.
  - (e) The conditions that apply to the licence.
  - (f) Any other matters that the Registrar thinks appropriate or as prescribed by the OEI Regulations.
- 9.1.3 The Registrar must include a record of the following events in the record for a licence:
- (a) A variation of a licence or the extension of the end day of a licence.
  - (b) The transfer of a licence.
  - (c) A requirement for a person applying for a commercial licence to consult or undertake other activities under section 43 of the OEI Act.
  - (d) A change in the name of the licence holder.
  - (e) An approval of a change in control of a licence holder.
  - (f) The licence reaches its end day.
  - (g) The licence is surrendered in whole or in part.
  - (h) The licence is cancelled.
- 9.1.4 A record for a licence will remain on the Register even if the licence has been surrendered or cancelled or has otherwise ceased.
- 9.1.5 The Register, or a certified extract or copy, is to be received in all courts and proceedings as *prima facie* evidence of all matters required or authorised by the OEI Act to be entered in the Register.
- 9.1.6 The Registrar may alter the Register for the purposes of correcting a clerical error or an obvious defect in the Register.

## 10. Notification Requirements

- 10.1.1 A licence holder is required to provide the Registrar with up-to-date, accurate contact information for notification purposes.
- 10.1.2 If a change in details occurs, a licence holder must give the Registrar written notice, via the form, of the change **before the end of 30 days** after the change occurs. This includes a change in any of the following:
- (a) The licence holder's name or ACN/ARBN within the meaning of the Corporations Act;
  - (b) The address of the registered office of the licence holder within the meaning of the Corporations Act;
  - (c) The licence holder's telephone number or email address.
- 10.1.3 Failure to meet the notification requirements of section 168 of the OEI Act is an offence of strict liability and the person may be liable to a civil penalty.

# 11. Ongoing Compliance Obligations

## 11.1. General

- 11.1.1 Licence holders are expected to ensure all obligations under the OEI Act, the OEI Levies Act, the OEI Regulations, the OEI Levies Regulations, any directions and all licence conditions are met at all times.
- 11.1.2 The Registrar will monitor a licence holder's compliance with the licence obligations.
- 11.1.3 A licence is subject to a condition that the licence holder give the Registrar or the Minister reports in accordance with section 33 of the OEI Regulations (subsection 33(1) OEI Regulations).

## 11.2. Annual Reports

- 11.2.1 Under subsection 33(2) of the OEI Regulations, a licence holder must give the Registrar annual reports.
- 11.2.2 An annual report for each licence must be given to the Registrar within 30 days after the most recent anniversary of the grant of the licence and be given in the manner and form published on the Registrar's website and be accompanied by any other information or documents required by the approved form (subsection 33(3) OEI Regulations).
- 11.2.3 An annual report must relate to the activities of the licence holder during the **12-month** period immediately before the anniversary (subsection 33(3) OEI Regulations).
- 11.2.4 An annual report must include the items in subsection 33(4) of the OEI Regulations:
  - (a) A description of all work, evaluations and studies carried out in or in relation to the licence area during the reporting period with total expenditure by item and a summary of the results.
  - (b) Details of how the licence has continued to meet, and continues to meet, the merit criteria. This should include any new or updated information (e.g. in relation to the project development plan or project funding plan) or progress against activities from that outlined in the licence application.
  - (c) A summary of anticipated or expected work, evaluations and studies to be carried out in or in relation to the licence area during the next reporting period for the licence, including estimated expenditure and funding.
  - (d) Any other information or documents relating to a condition of the licence.
  - (e) Any other information that the licensee believes is relevant to the licence.
- 11.2.5 Australia's offshore electricity infrastructure industry is still emerging. External global challenges, such as macroeconomic pressures, may impact on activities and the progression of offshore infrastructure projects.
- 11.2.6 The level of detail to be provided in an annual report may be commensurate with the nature and scale of the activities carried out under the licence during the reporting period.

## 11.3. Final Reports

- 11.3.1 Under subsection 33(6) of the OEI Regulations, a licence holder must give the Minister a final report if the licence holder applies under section 74 of the OEI Act for consent to surrender the licence and the licence would cease to be in force if the licence was surrendered.
- 11.3.2 A final report for each licence must be given to the Minister and accompany the surrender application and be given in the manner and form published on the Registrar's website (subsection 33(7) OEI Regulations).
- 11.3.3 A final report must relate to the activities of the licence holder during the period that begins on the most recent anniversary of the grant of the licence and ends on the day before the surrender application is made (subsection 33(7) OEI Regulations).
- 11.3.4 A final report must include the items in subsection 33(8) of the OEI Regulations:

- 11.3.5 A description of all work, evaluations and studies carried out in or in relation to the licence area during the reporting period with total expenditure by item and a summary of the results.
- 11.3.6 Details of how the licence has met the merit criteria.
- 11.3.7 Any other information or documents relating to a condition of the licence.
- 11.3.8 Any other information that the licensee believes is relevant to the licence.

## 12. Transfer of Licence Applications

- 12.1.1 An application for a transfer of a licence must be submitted to the Registrar using the approved form on the Registrar's website. The application may be submitted by either the transferor (the licence holder) or the transferee but may only be made with the agreement of both parties.
- 12.1.2 Upon receipt of a transfer application, the Registrar will review the application to check that it meets the application submission requirements. For an application to be considered validly made, the Registrar requires:
  - (a) The application to be accompanied by any legislatively prescribed documents/information and submitted within any prescribed timeframes; and
  - (b) A correctly executed approved application form to be lodged; and
  - (c) The application fee to be paid.
- 12.1.3 The Registrar may seek additional information or clarify any aspect of the application through a RFI issued to the person.
- 12.1.4 The Minister is the decision-maker on transfer of licence applications under the OEI Act. In relation to an application, the Minister may decide to transfer a licence or refuse to transfer a licence under section 70 of the OEI Act.
  - (a) The Registrar will assess the application and make a recommendation to the Minister. The assessment will consider the criteria in section 70 of the OEI Act:
    - i. The Minister is satisfied that the licence would meet the merit criteria if it were held by the transferee; and
    - ii. The Minister is satisfied that the transferee will be able to comply with sections 117 and 118 (financial security), subject to section 72, in relation to the licence; and
    - iii. Any other requirements prescribed by the licensing scheme are satisfied.
  - (b) The Minister will make a decision to transfer the licence or refuse to transfer the licence. Written notice of the decision will be given to the transferor and the transferee by the Minister or by the Registrar on behalf of the Minister.
  - (c) The written notice may mandate the continuance of any financial security obligations of the transferor, either temporarily or until the end of the licence.
- 12.1.5 In making the decision the Minister may consult with the Registrar, Regulator or any other person, and must have regard to any prior assessment by the Registrar.
- 12.1.6 The transfer of a licence takes effect on the date specified in the written notice. A copy of the notice of transfer will be placed on the Register of Licences.
- 12.1.7 Licence holders are reminded of the notification requirements in section 168 of the OEI Act.
- 12.1.8 The transfer of a licence does not affect the end day of the licence and does not affect any conditions that apply to the licence (section 71 OEI Act), although the Minister may at this time choose to vary existing conditions or impose new conditions.

## 13. Change in Control Applications

### 13.1. General

- 13.1.1 A person who begins to control, or ceases to control, a licence holder may commit an offence or contravene a civil penalty provision if the change in control has not been approved by the Registrar or if it occurs outside an approved window of time.
- 13.1.2 These provisions enable the Registrar to oversee transactions proposing to effect a change in control of a licence holder, in order to ensure that the licence holder's ability to comply with its obligations under the OEI Act will not be adversely impacted.
- 13.1.3 Licence holders are encouraged to engage with the Registrar well before a change in control transaction is anticipated but once sufficient information about the transaction can be shared so as to ensure the engagement is effective.
- 13.1.4 To allow the Registrar sufficient time to assess an application, applicants are encouraged to engage with the Registrar, and where possible, submit applications, at least **six months** before the change in control is intended to take effect.
- 13.1.5 An application should address any change in control transactions that are anticipated to occur within nine months from the anticipated date of approval. Nine months represents a reasonable cut-off point for the approval to be of effect to ensure that information provided with the application for approval of the change in control remains current, while providing the parties to the transaction flexibility in obtaining any other regulatory approvals. Transactions outside of this timeframe will require a separate application.
- 13.1.6 Licence holders should note that approval of a management plan by the Regulator that outlines a future change in control **does not imply** that the future change in control application will be approved by the Registrar.
- 13.1.7 An application for approval of a change in control is to be submitted to the Registrar using the approved form on the Registrar's website. The application may be submitted by a person who proposes to begin to control a licence holder or by a person who proposes to cease to control a licence holder.
- 13.1.8 Upon receipt of a change in control application, the Registrar will review the application to check that it meets the application submission requirements. For an application to be considered validly made, the Registrar requires:
  - (a) The application to be accompanied by any legislatively prescribed documents/information and submitted within any prescribed timeframes; and
  - (b) A correctly executed approved application form to be lodged; and
  - (c) The application fee to be paid.
- 13.1.9 The Registrar may seek additional information or clarify any aspect of the application through a RFI issued to the person.
- 13.1.10 The Registrar is the decision-maker on change in control applications under the OEI Act. The Registrar can either approve or refuse to approve a change in control application.
- 13.1.11 The Registrar may obtain information, documents or evidence in relation to a change in control of a licence holder, or a possible change in control, in certain circumstances.
- 13.1.12 The Registrar may consult with the Regulator or the Minister before deciding whether to approve or refuse to approve a change in control application.
- 13.1.13 In deciding whether to approve or refuse to approve the change in control application, the Registrar must have regard to whether the licence would, if the change in control occurred, meet the merit criteria.
  - (a) The Registrar must also have regard to any matters prescribed by the licensing scheme.
  - (b) The Registrar may have regard to any matters raised in any consultations with the Regulator or the Minister, any matters prescribed by the licensing scheme and any other matters the Registrar considers relevant.

- 13.1.14 If the Registrar decides to approve the change in control application, the Registrar must give the person written notice of the approval and, if applicable, return the original instrument to the person.
- 13.1.15 The approval will be given for the approval period as set out in section 85 of the OEI Act, which starts on the day the notice of approval is given and ends at the earliest of the following:
- (a) Immediately after the change in control takes effect;
  - (b) If the approval is revoked, when written notice of revocation is given;
  - (c) Nine months after the date the notice of approval is given.
- 13.1.16 The person must notify the Registrar once the change in control takes effect. This notice must be in writing and provided as soon as practicable but no later than 10 days after the end of the approval period.
- 13.1.17 The change in control will be entered in the Register in the record for the licence, including the date of the change in control application, the date of the decision and the date the change in control takes effect.
- 13.1.18 A person contravenes sections 95, 96 and 97 of the OEI Act if the change in control takes effect without approval or after the approval period for the change in control. Contravention of this section is a ground for cancellation of the licence.
- (a) A person is liable to a civil penalty if the person contravenes subsection 95(1) of the OEI Act unless the Registrar is satisfied that the person did not know, and could not reasonably be expected to have known, that the person has begun to control, or ceased to control, the licence holder.
- 13.1.19 If the Registrar decided to refuse the change in control application, the Registrar must give the person written notice of the refusal.

## 13.2. Meaning of Change in Control

- 13.2.1 As set out in section 84 of the OEI Act, a person controls a licence holder if the person (whether alone or together with one or more persons the person acts jointly with):
- (a) Holds the power to exercise, or control the exercise of, 20% or more of the voting rights in the licence holder; or
  - (b) Holds, or holds an interest in, 20% or more of the issued securities in the licence holder.
- 13.2.2 A person *acts jointly with* another person if the person acts or is accustomed to acting in agreement with, or in accordance with the wishes of, the other person (section 84 OEI Act).
- 13.2.3 As set out in section 84 of the OEI Act, there is a *change in control* of a licence holder if:
- (a) One or more persons (an original controller) control the licence holder at a particular time; and
  - (b) Either:
    - i. one or more other persons begin to control the licence holder (whether alone or together with one or more other persons the person acts jointly with) after that time; or
    - ii. an original controller (whether alone or together with one or more other persons the person acts jointly with) ceases to control the licence holder after that time.

## 13.3. Change in Circumstances During Assessment or Approval Period

- 13.3.1 If an application is made for approval of a change in control, and there is a change in circumstances of the person either before the Registrar makes a decision on the application or during the approval period for the change in control, the person must notify the Registrar in writing as soon as practicable after the change in circumstances occurs.
- 13.3.2 A change in circumstances means any change in relation to the person that materially affects any of the matters the Registrar must consider under subsection 87(4) of the OEI Act, namely whether the licence would, if the change in control occurred, meet the merit criteria or any other matters prescribed by the licensing scheme.

13.3.3 Contravention of section 91 of the OEI Act is a ground for cancellation of a licence and the person is liable to a civil penalty.

#### **13.4. Revocation of Approval by the Registrar**

13.4.1 The Registrar may, by written notice, revoke an approval of a change in control of a licence holder in the approval period for the change in control if:

- (a) There is a change in the circumstances of a person who is approved to begin to control the licence holder, or cease to control the licence holder; and
- (b) The Registrar considers it appropriate to revoke the approval.

#### **13.5. Failure to Seek Approval of Change in Control**

13.5.1 If a change in control takes effect after the approval period for the change in control has ended or if the Registrar has not approved the change in control, a person should notify the Registrar of the change in control within 30 days of the change taking effect.

13.5.2 Contravention of subsection 96(1) of the OEI Act is a ground for cancellation of the licence.

13.5.3 A person may be liable to a civil penalty if the person contravenes subsection 96(1) of the OEI Act unless the Registrar is satisfied that the person did not know, and could not reasonably be expected to have known, that the person has begun to control, or ceased to control, the licence holder.