

**SPECIAL LICENCE
(Independent Power Producer)**

Issued to

Central Energy Power Pty Ltd

Utilities Commission

Contents

1	Definitions and Interpretation	3
2	Grant of licence	3
3	Term	3
4	Annual return	3
5	Suspension of licence	3
6	Variation of licence	4
7	Transfer of licence	4
8	Licence fee and other charges	4
9	Compliance with laws and regulatory instruments	4
10	Directions of System Controller	4
11	Quality of electricity	4
12	Compatibility	5
13	Right of use	5
14	Consultation	5
15	Provision of information to the Utilities Commission and System Controller	5

Special Licence (Independent Power Producer)

Licensee: Central Energy Power Pty Ltd

1 Definitions and Interpretation

1.1 In this licence a word or phrase in italics:

- (a) has the meaning given to it in part 1 of schedule 1; or
- (b) if the word or phrase is not defined in part 1 of schedule 1, then it has the meaning given to it in the *Electricity Reform Act*.

1.2 This licence must be interpreted in accordance with the rules set out in part 2 of schedule 1.

2 Grant of licence

Under Part 3 of the *Electricity Reform Act*, the *Utilities Commission* grants the *licensee* a licence to:

- (a) *generate* electricity at the *electricity generating plants* described in schedule 2(a) for sale as contemplated by paragraphs (b) and (c);
- (b) *sell* electricity to *electricity entities* holding a *generation licence*; and
- (c) *sell* electricity to a person specified in schedule 2(b).

in accordance with the terms and conditions of this licence.

3 Term

This licence commences on the date it is issued and continues until the earlier of:

- (a) when it is surrendered by the *licensee* under section 35 of the *Electricity Reform Act*;
- (b) when it is cancelled by the *Utilities Commission* under section 36 of the *Electricity Reform Act*; or
- (c) when the *licensee* ceases to have arrangements in place to *sell* to an *electricity entity* holding a *generation licence*.

4 Annual return

The *licensee* must lodge an annual return containing such information as is required from time to time by the *Utilities Commission* by written notice.

5 Suspension of licence

This licence may be suspended under section 36 of the *Electricity Reform Act*.

6 **Variation of licence**

This licence may only be varied in accordance with section 32 of the *Electricity Reform Act*.

7 **Transfer of licence**

This licence may only be transferred in accordance with section 33 of the *Electricity Reform Act*.

8 **Licence fee and other charges**

8.1 The *licensee* must pay an annual licence fee or instalment of the annual licence fee, as the case may be, to the *Utilities Commission* as determined by the *Minister* under section 19 of the *Electricity Reform Act*.

8.2 The *licensee* must pay the *System Controller* any applicable charges relating to the *operations* of system control in accordance with the *Regulations*.

9 **Compliance with laws and regulatory instruments**

9.1 The *licensee* must:

- (a) comply with all applicable provisions of the *Network Access Code*, the *System Control Technical Code* and the *Network Technical Code*;
- (b) comply with all applicable provisions of any *code* or *rule* made under the *Utilities Commission Act* from time to time;
- (c) comply with any applicable protocol, standard and *code* applying to the *licensee* under the *Regulations*; and
- (d) comply with all *applicable laws* including the *Regulations* and any technical or safety requirements or standards contained in *Regulations* made under the *Electricity Reform Act*.

9.2 The *licensee* must notify the *Utilities Commission* within 3 *business days* if it becomes aware of a material breach by the *licensee* of this licence or any of the regulatory instruments described in clause 9.1 of this licence.

10 **Directions of System Controller**

The *licensee* must comply with the directions of the *System Controller*, where applicable.

11 **Quality of electricity**

Where the activities authorised under this licence include interconnection of the *licensee's electricity generating plants* with an *electricity network*, the *licensee* must provide electricity of a quality suitable for any *electricity network* which is interconnected or interfaces with the *licensee's electricity generating plants*.

12 **Compatibility**

Where the activities authorised under this licence include interconnection of the *licensee's electricity generating plants* with an *electricity network*, the *licensee* must not do anything to its *electricity generating plants* affecting the compatibility of its *electricity generating plants* with any *electricity network* so as to prejudice public safety or the security of *supply*.

13 **Right of use**

The *licensee* must:

- (a) grant each *electricity entity* holding a *network licence* rights to use or have access to the *licensee's electricity generating plants* that are interconnected or interface with the *electricity entity's* assets for the purposes of ensuring the proper integrated operation of the *power system* and the proper conduct of the *operations* authorised by the *electricity entity's* licence; and
- (b) in the absence of agreement as the terms on which such rights are to be granted, comply with any determination by the *Utilities Commission* as to those terms.

14 **Consultation**

The *licensee* must participate, to the extent specified by the *Utilities Commission*, in the development, issue and review of any regulatory instruments.

15 **Provision of information to the Utilities Commission and System Controller**

The *licensee* must, from time to time, provide the *Utilities Commission* or the *System Controller*, in a manner and form to be determined by the *Utilities Commission* or the *System Controller*, such information as the *Utilities Commission* or the *System Controller* may request.

Date: 20-6-2002

THE COMMON SEAL of UTILITIES)
COMMISSION is duly affixed in the)
presence of:)

[Handwritten Signature]
Signature of authorised person

UTILITIES Commissioner
Office held

ALAN JEFFREY TREGILGAT
Name of authorised person (block letters)



Schedule 1

Part 1 - Definitions

In this licence:

“*business day*” means a day on which banks are open for general banking business in Darwin, excluding a Saturday or Sunday;

“*code*” means any code made by the *Utilities Commission* under section 24 of the *Utilities Commission Act*;

“*Electricity Reform Act*” means the Electricity Reform Act 2000 (NT);

“*electricity entity*” means a person licensed under Part 3 of the *Electricity Reform Act* to carry on operations in the *electricity supply industry*;

“*electricity generating plants*” means the electricity generating plants described in schedule 2 of this licence;

“*electricity network*” has the meaning given to that term under the *Electricity Reform Act*;

“*Electricity Network (Third Party Access) Act*” means the Electricity Network (Third Party Access) Act 2000 (NT);

“*generation licence*” means a licence to *generate* electricity granted under Part 3 of the *Electricity Reform Act*;

“*major shareholder*” means an entity, as defined in section 9 of the Corporations Law, which has a beneficial interest in more than 50% of the shares in the *licensee* or exercises control over the *licensee* within the meaning of section 50AA of the Corporations Law;

“*Minister*” means the Minister of the Crown who is responsible for the administration of the *Electricity Reform Act*;

“*Network Access Code*” means the Network Access Code referred to in the *Electricity Network (Third Party Access) Act*;

“*network licence*” means a licence to operate or own an *electricity network*;

“*Network Technical Code*” means the technical code prepared by the network provider under the *Network Access Code*;

“*officer*” means a director, secretary or key staff member carrying out the licensed operations;

“*power system*” means the system for generating, transmitting, distributing and *supplying* electricity and includes a part of the system;

“*Regulations*” means the regulations made under the *Electricity Reform Act*;

“*rule*” means any rule made by the *Utilities Commission* under section 24 of the *Utilities Commission Act*;

“*System Controller*” means a person licensed under Part 3 of the *Electricity Reform Act* to exercise system control over the *power system*;

“*System Control Technical Code*” means the code of that name made by the *System Controller* and approved by the *Utilities Commission* under section 38(1) of the *Electricity Reform Act*;

“*Utilities Commission*” means the Utilities Commission under the *Utilities Commission Act*; and

“*Utilities Commission Act*” means the Utilities Commission Act 2000 (NT).

Part 2 - Interpretation

In this licence, unless the contrary intention appears:

- 1 headings are inserted for convenience and do not affect the interpretation of this licence;
- 2 the singular includes the plural and vice versa;
- 3 words importing a gender include any gender;
- 4 the word “person” includes a firm, a body corporate, a partnership, joint venture, an unincorporated body or association, trust or any governmental agency;
- 5 a reference to a condition, clause or schedule is to a condition, clause or schedule of this licence;
- 6 a reference to terms of an offer or agreement is to all terms, conditions and provisions of the offer or agreement;
- 7 a reference to this licence or another document includes any variation or replacement of any of them;
- 8 a reference to a statute, regulation, proclamation, order in council, ordinance, by-laws, code, law or similar instrument includes all statutes, regulations, proclamations, orders in council, ordinances, by-laws, codes, laws and similar instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- 9 a reference to a person includes that person’s executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns;
- 10 the verb “include” (in all its parts, tenses and variants) is not used as, nor is it to be interpreted as, a word of limitation; and
- 11 if an event must occur on a stipulated day which is not a Business Day then the stipulated day will be taken to be the next Business Day.

Schedule 2(a)

Electricity Generation Plants

The electricity generating plants covered by this licence are:

Power Station	Description
Brewer Power Station	Base Load Station comprising four natural gas fuelled, spark ignition gas engines of 2.175MW each capacity.

Schedule 2(b)

Permitted Electricity Sales

Under clause 3(c) of this licence, electricity sales are permitted to the following parties:

Persons to whom electricity sales are permitted