

# ELECTRICITY TRANSMISSION LICENCE

ELECTRANET PTY LTD (ACN 094 482 416)

Issued by the South Australian Independent Industry Regulator on 31 October 2000

Last varied by the Essential Services Commission of South Australia on 1 July 2008

# VARIATION HISTORY

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| Amendment Number | Variation Date |
|------------------|----------------|
| 1 (ESCOSA)       | 1/7/2003       |
| 2 (ESCOSA)       | 7/11/2007      |
| 3 (ESCOSA)       | 1/07/2008      |
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# ELECTRICITY TRANSMISSION LICENCE

#### 1. DEFINITIONS AND INTERPRETATION

- 1.1 Words appearing in italics like *this* are defined in part 1 of the schedule.
- 1.2 This licence must be interpreted in accordance with the rules set out in part 2 of the schedule.

#### 2. GRANT OF LICENCE

2.1 The *licensee* is licensed under Part 3 of the *Act*, and subject to the conditions set out in this licence, to operate the *transmission network* (including all powerlines, substations and switchyards) that, as at 30 June 2008, provides *transmission services* to the connection points listed in the Annexure (including any augmentations or extensions to that *transmission network* which may occur from time to time).

#### 3. TERM

- 3.1 This licence commences on the date it is issued and continues until:
  - (a) it is surrendered by the *licensee* under section 29 of the *Act*; or
  - (b) it is cancelled by the *Commission* under section 37 of the *Act*.

#### 4. ACCESS TO TRANSMISSION NETWORK

- 4.1 The *licensee* must grant rights to use, or have access to, its *transmission network* (on non-discriminatory terms):
  - (a) to other *electricity entities* for the transmission of electricity by the other *electricity entities*; and
  - (b) to enable other *electricity entities* and *customers* to obtain electricity from the *transmission network*.
- 4.2 The *licensee* must:
  - (a) in accordance with, and to the extent required by, the *Electricity Transmission Code*, grant to an *electricity entity* holding a *generation licence* or a *distribution licence*, rights to use, or have access to, those parts of the *licensee's transmission network* that are interconnected or interface with the *electricity entity's* assets for the purpose of ensuring the proper integrated operation of the South Australian power system and the proper conduct of the operations authorised by that *electricity entity's generation licence* or *distribution licence*; and

- (b) in the absence of agreement as to the terms on which such rights are to be granted, comply with a determination of the *Commission* as to those terms.
- 4.3 The *licensee* must not refuse to grant the rights to use or have access referred to in this clause unless the *licensee* is permitted to do so under the *National Electricity Rules* or the *Electricity Transmission Code*.

#### 5. DISPUTE RESOLUTION

- 5.1 A dispute relating to the granting of rights to use, or have access to, a *transmission network* as referred to in clause 4 shall be resolved in accordance with such *industry code* (if any) as is made by the *Commission* which establishes a scheme for the resolution of disputes in relation to such rights.
- 5.2 Clause 5.1 does not apply to the extent the dispute is subject to resolution in accordance with or under the *National Electricity Rules*.

#### 6. COMPLIANCE WITH CODES

- 6.1 The Licensee must:
  - (a) comply with all applicable provisions of the *Electricity Transmission Code* (including any service standards);
  - (b) comply with all applicable provisions of any other *industry code* or *rule* made by the *Commission* from time to time; and
  - (c) notify the *Commission* if it commits a material breach of the *Electricity Transmission Code* or any other applicable *industry code* within 3 business days after becoming aware of that breach.

#### 7. SAFETY, RELIABILITY, MAINTENANCE AND TECHNICAL MANAGEMENT PLAN

- 7.1 The *licensee* must:
  - (a) when required by the *Commission*, prepare a safety, reliability, maintenance and technical management plan dealing with matters prescribed by regulation and submit the plan to the *Commission* for approval;
  - (b) annually review, and if necessary update, the plan to ensure its efficient operation, and submit the updated plan to the *Commission* for approval;
  - (c) comply with the plan (as updated from time to time) as approved by the *Commission*;
  - (d) not amend the plan without the approval of the *Commission*; and

(e) undertake annual audits of its compliance with its obligations under the plan and report the results of those audits to the *Technical Regulator*, in a manner approved by the *Technical Regulator*.

#### 8. **PROVISION OF INFORMATION**

- 8.1 The Licensee must inform:
  - each person who applies for, or who is in receipt of, *network services* of the terms and conditions on which those services are provided by the *licensee* (including the charges for those services); and
  - (b) any person who is in receipt of *network services* of any change in the terms and conditions on which those services are provided by the *licensee* (including any changes in the charges for those services).

#### 9. OMBUDSMAN

- 9.1 The *licensee* must participate in the *Industry Ombudsman Scheme*.
- 9.2 The *licensee* must not do anything to bring about the amendment of the constituent documents of the *Industry Ombudsman Scheme* without the prior written consent of the *Commission*.

#### 10. ACCOUNTS AND SEPARATE BUSINESSES

- 10.1 The *licensee* must:
  - (a) maintain accounting records and prepare accounts for the business of the operation of the *transmission network* authorised by this licence in a manner and form approved by the *Commission*; and
  - (b) keep the business of the operation of the *transmission network* authorised by this licence, and the accounts for that business, separate from any other business operated by the *licensee* and from any business operated by any other person in accordance with the *licensee's* obligations under the *National Electricity Rules* to comply with the Transmission Ring-Fencing Guidelines issued by the Australian Energy Regulator.

#### 11. NATIONAL ELECTRICITY MARKET

11.1 At all times during the term of this licence, the *licensee* must hold and comply with the conditions of any registration required under the *National Electricity Rules* granted by *NEMMCO* (or by the person responsible for the granting of such registrations under the *National Electricity Law* or the *National Electricity Rules*).

#### 12. INFORMATION TO THE COMMISSION

- 12.1 The *licensee* must, from time to time, provide to the *Commission*, in a manner and form determined by the *Commission*:
  - (a) details of the *licensee's* financial, technical and other capacity to continue the operations authorised by this licence; and
  - (b) such other information as the *Commission* may require from time to time.
- 12.2 The *licensee* must notify the *Commission* of any changes to its *officers*, and (if applicable) major shareholders, within 30 days of that change.

#### 13. SYSTEM CONTROLLER AND PLANNING COUNCIL

- 13.1 The *licensee* must, following a request from the *Planning Council*, provide to the *Planning Council* such documents or information as the *Planning Council* may reasonably require for the performance of its functions under the *Act*. Without limitation to the foregoing, such documents and information include documents containing details of and information relating to the location and physical and technical specifications of the assets used by the *licensee* (including ratings of transformers, the size and rating of transmission line conductors, and the design insulation levels and length of transmission lines) and engineering interpretations of those documents and that information to the extent that those interpretations are prepared by or on behalf of or for the use of the *licensee*.
- 13.2 The *licensee* must permit the *Planning Council* and its authorised representatives, if the *Planning Council* requires, at reasonable times and having given the *licensee* reasonable notice, to inspect any part of its *transmission network* but, in exercising these rights of inspection, such representatives:
  - (a) must not interfere with the operations or business of the *licensee*;
  - (b) will be subject to the same limitations upon and conditions of access as apply to any third party visitor to the site; and
  - (c) must comply with all safety requirements and other reasonable directions of the *licensee* in relation to such access.
- 13.3 The *licensee* must comply with any directions given to it by the *System Controller*.

#### 14. OPERATION AND COMPLIANCE AUDITS

14.1 The *licensee* must undertake periodic audits of the operations authorised by this licence and of its compliance with its obligations under this licence and any applicable *industry code* in accordance with the requirements of Energy Industry Guideline No. 4 issued by the *Commission*.

- 14.2 The *licensee* must also conduct any further audits at a frequency and in a manner approved by the *Commission*.
- 14.3 The results of such audits must be reported to the *Commission* in a manner approved by the *Commission*.
- 14.4 The *Commission* may require the *licensee* to use an independent expert approved by the *Commission* to conduct audits under this clause.

#### 15. OPERATIONAL AND COMPLIANCE AUDIT PLAN

- 15.1 The *licensee* must, if directed by the Commission, prepare and submit an operational and compliance audit plan to the *Commission* for approval.
- 15.2 The operational and compliance audit plan must cover at least the following matters:
  - (a) Procedures to ensure compliance with the relevant requirements of:
    - (i) the *Electricity Transmission Code*;
    - (ii) this licence;
    - (iii) the **Act**.

#### 16. ACCESS FOR TELECOMMUNICATIONS PURPOSES

- 16.1 The *licensee* must comply with the requirements of the *Electricity Transmission Code* relating to:
  - (a) other bodies having use of or access to the *licensee's transmission network* for telecommunications purposes; and
  - (b) the resolution of disputes in relation to the use of or access to the *licensee's transmission network* as referred to in paragraph (a).

#### 17. LOCATION OF POWERLINES UNDERGROUND

17.1 The *licensee* must carry out work to locate powerlines underground in accordance with a program established under Part 5A of the *Act*.

#### 18. CONFIDENTIALITY

- 18.1 The *licensee* must, unless otherwise required by law, this licence, an *industry code* or the *National Electricity Rules*:
  - (a) comply with any *rules* made by the *Commission* from time to time relating to the use of information acquired by the *licensee* in the course of conducting the operations authorised by this licence; and
  - (b) ensure that information concerning a *customer* or any other person connected to the *licensee's transmission network* is not disclosed without the *explicit informed consent* of that *customer* or other person.

- 18.2 The *licensee* must not disclose confidential information to an intelligence or law enforcement agency unless requested to do so by an intelligence or law enforcement agency on the basis that disclosure:
  - (a) is necessary under the terms of a warrant issued under Division 2 of the *Australian Security Intelligence Organisation Act* 9979 or under the terms of any other court order; or
  - (b) is reasonably necessary for the enforcement of the criminal law or of a law imposing a pecuniary penalty or for the protection of the public revenue; or
  - (c) is necessary to safeguard the national security of Australia.

The *licensee* may accept an assertion of an intelligence or law enforcement agency, without making further enquiry, for the purposes of paragraphs (b) and (c) above.

18.3 Except as required by a law or the *National Electricity Rules*, the *licensee* must ensure that any information received from, or provided to, any other *electricity entity* (including the *System Controller*) is only received or provided on non-discriminatory commercial terms.

#### **19. COMMUNITY SERVICE**

19.1 The *licensee* must comply with the requirements of any scheme approved and funded by the *Minister* for the provision by the State of customer concessions or the performance of community service obligations by *electricity entities*.

#### 20. COMPATIBILITY

20.1 The *licensee* must not do anything to its *transmission network* affecting the compatibility of its *transmission network* with any electricity generating plant, or any *distribution network* or *transmission network*, so as to prejudice public safety or the security of the power system of which the *transmission network* forms a part.

#### 21. INSURANCE

21.1 The *licensee* must maintain during the term of this licence insurance against liability for causing bush fires. The *licensee* must provide to the *Commission* a certificate of the insurer or the insurance broker by whom the insurance was arranged (in a form acceptable to the *Commission*) to the effect that such insurance is adequate and appropriate, given the nature of the operations conducted under this licence and the risks associated with those operations.

## 22. COMPLIANCE WITH LAWS

22.1 The *licensee* must comply with all applicable laws including, but not limited to, any technical or safety requirements or standards contained in regulations made under the *Act*.

#### 23. VARIATION

23.1 This licence may only be varied in accordance with section 27 of the *Act*.

### 24. TRANSFER

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24.1 This licence may only be transferred in accordance with section 28 of the Act.

This licence was issued by the South Australian Independent Industry Regulator on 31 October 2000 and varied by the *Commission* on 1 July 2003, 7 November 2007 and 1 July 2008.

| THE COMMON SEAL OF              | ) |
|---------------------------------|---|
| THE ESSENTIAL SERVICES          | ) |
| COMMISSION OF SOUTH             | ) |
| AUSTRALIA was hereunto affixed  |   |
| by authority of the Chairperson |   |
| and in the presence of:         |   |



RP Shannchan .....

<u>Witness</u>

## SCHEDULE: DEFINITIONS AND INTERPRETATION

#### **PART 1 : DEFINITIONS**

In this licence:

"Act" means the Electricity Act 1996 (SA);

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

"Commission" means the Essential Services Commission of South Australia established under the *Essential Services Commission Act 2002*;

"customer" has the meaning given to that term in the Act;

"*distribution licence*" means a licence to operate a *distribution network* granted under Part 3 of the *Act*;

"distribution network" has the meaning given to that term under the Act;

"electricity entity" means a person who has been granted a licence under Part 3 of the Act to carry on operations in the electricity supply industry;

"*Electricity Transmission Code*" means the *industry code* of that name made by the *Commission* under section 28 of the *Essential Services Commission Act*,

*"Essential Services Commission Act"* means the *Essential Services Commission Act* 2002;

*"explicit informed consent"* has the same meaning as is given to that term in the *Energy Transfer and Consent Code* made by the *Commission* under section 28 of the *Essential Services Commission Act;* 

"*generation licence*" means a licence to generate electricity granted under Part 3 of the *Act*;

"*industry code*" means any *industry code* made by the *Commission* under section 28 the *Essential Services Commission Act*;

"*Industry Ombudsman Scheme*" means an ombudsman scheme the terms and conditions of which are approved by the *Commission*,

"licensee" means ElectraNet Pty Ltd (ACN 094 482 416);

"**National Electricity Law**" means the National Electricity Law referred to in the National Electricity (South Australia) Act 9996 (SA);

"*National Electricity Rules*" has the meaning given to that term in the *National Electricity Law*;

"network services" means:

(a) the transmission of electricity between *electricity entities* and from
 *electricity entities* to *customers* (including connection to the *transmission network*); and

(b) controlling and regulating the quality of electricity.

"**NEMMCO**" means the National Electricity Market Management Company Limited (ACN 072 010 327);

"officer" means a director or secretary;

"*Planning Council*" means the Electricity Supply Industry Planning Council established under Part 2 of the *Act*;

"*rule*" means any rule made by the *Commission* under section 28 of the *Essential Services Commission Act*;

"System Controller" means the person (if any) licensed under Part 3 of the Act to exercise system control over the power system of which the **licensee's transmission network** forms a part;

"*Technical Regulator*" means the person holding the office of Technical Regulator under Part 2 of the *Act*;

"transmission network" has the meaning given to that term under the Act; and

"transmission services" has the meaning given to that term in the *Electricity* Transmission Code.

#### PART 2: INTERPRETATION

In this licence, unless the context otherwise requires:

- (a) headings are for convenience only and do not affect the interpretation of this licence;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include any gender;
- (d) an expression importing a natural person includes any company, partnership, trust, joint venture, association, corporation or other body corporate and any governmental agency;
- (e) a reference to any statute, regulation, proclamation, order in council, ordinance or bylaw includes all statutes, regulations, proclamations, orders in council, ordinances or by-laws varying, consolidating, re-enacting, extending or replacing them and a reference to a statute includes all regulations, proclamations, orders in council, ordinances, by-laws and determinations issued under that statute;
- (f) a reference to a document or a provision of a document includes an amendment or supplement to, or replacement or novation of, that document or that provision of that document;
- (g) an event which is required under this licence to occur on or by a stipulated day which is not a *business day* may occur on or by the next *business day*; and
- (h) a reference in this licence to a *transmission network* of a body includes a reference to a *transmission network* which is not owned by the body but is operated by the body.

# **ANNEXURE - CONNECTION POINTS**

# **Entry Point**

| Canowie (Hallett)      | Dry Creek              |
|------------------------|------------------------|
| Mintaro                | Monash                 |
| Northern Power Station | Osborne                |
| Pelican Point          | Penola West            |
| Playford               | Port Lincoln           |
| Snuggery               | Torrens Island A       |
| Torrens Island B       | Torrens Island (North) |

# **Exit Point**

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| CATEGORY NAME |  |  |
|---------------|--|--|
| Category 1    | <ul> <li>Baroota</li> <li>Dalrymple</li> <li>Florieton SWER</li> <li>Kanmantoo Mine</li> <li>Leigh Creek Coal *</li> <li>Leigh Creek South</li> <li>Leigh Creek South</li> <li>Mannum/Adelaide 1 *</li> <li>Stony Point (Whyalla Refiners) - distribution</li> <li>Mannum/Adelaide 3 *</li> <li>Waterloo- until 31 December 2009</li> <li>Middleback*</li> <li>Morgan/Whyalla 1 *</li> <li>Morgan/Whyalla 3 *</li> <li>Worgan/Whyalla 4 *</li> <li>Mt Gunson</li> <li>Mt Gunson</li> <li>Murray/Hahndorf 1 *</li> <li>Murray/Hahndorf 3 *</li> <li>Murray/Hahndorf 3 *</li> <li>Murray/Hahndorf 3 *</li> <li>Murray/Hahndorf 3 *</li> <li>Neuroodla</li> <li>Leigh Creek Coal *</li> <li>Neuroodla</li> <li>Roseworthy*</li> <li>Neuroodla</li> <li>Roseworthy*</li> <li>Stony Point (Whyalla Refiners) - distribution</li> <li>Stony Point *</li> <li>Stony Point *</li> <li>Waterloo- until 31 December 2009</li> <li>Whyalla LMF</li> <li>Davenport *</li> <li>Woomera*</li> <li>Woomera*</li> <li>Wudinna (until 30 June 2009)</li> <li>* denotes a customer but does not include a distributor</li> </ul> |  |
| Category 2    | <ul> <li>Ardrossan West</li> <li>Kadina East</li> <li>Wudinna (on and from 1 July 2009)</li> <li>Yadnarie</li> </ul>   |  |
| Category 3    | <ul> <li>Port Lincoln</li> <li>Snuggery Rural</li> <li>Whyalla Terminal – Main Bus (until 30 June 2010)</li> </ul>   |  |

| CATEGORY NAME | CONNECTION POINT  |  |
|---------------|---|--|
| Category 4    | <ul> <li>Angas Creek</li> <li>Berri/Monash</li> <li>Blanche</li> <li>Brinkworth</li> <li>[Bungama and Pt Pirie]</li> <li>Clare North</li> <li>Coonalpyn West</li> <li>Dorrien</li> <li>Templers</li> <li>Hummocks</li> <li>Keith</li> <li>Kincraig</li> <li>Mannum</li> <li>Mobilong</li> </ul> | <ul> <li>Mt Barker</li> <li>Mt Gambier</li> <li>North West Bend</li> <li>Playford</li> <li>Snuggery Industrial</li> <li>Tailem Bend</li> <li>Waterloo – from 1 January 2010</li> <li>Whyalla Terminal – Main Bus (on and from 1 July 2010)</li> <li>Penola West</li> <li>[Dry Creek West, Kilburn, Lefevre, New Osborne and Torrens Island 66kV]</li> <li>[Happy Valley , Magill and Morphett Vale East]</li> <li>[Para and Parafield Gardens West]</li> </ul> |
| Category 5    | [Dry Creek East, Magill and Northfield]   |  |
| Category 6    | Adelaide Central [East Tce, new CityWest substation]  |  |

## **Connection Point with other Transmission Networks**

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Tower 28 on the South East to Heywood No's. 1 and 2 - 275kV lines (in proximity to the border between South Australia and Victoria).