

Tasmanian Gas Distribution Licence

1 Definitions And Interpretation

- 1.1 In this licence, words and phrases appearing in italics have the meaning given to them in part 1 of schedule 1.
- 1.2 This licence must be interpreted in accordance with the rules set out in part 2 of schedule 1.
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2 Issue of Licence

- 2.1 The **Director of Gas**, in exercise of the powers conferred by section 24 of the **Gas Act**, licenses the **Licensee**:
- (a) to construct one or more **distribution systems** in the **distribution area**; and
 - (b) to operate one or more **distribution systems** in the **distribution area**,
- on and subject to the conditions of this licence.
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3 Term of Licence

- 3.1 Subject to this licence and the **Gas Act**, this licence takes effect on and from [the date it is issued/1 July 2002].
- 3.2 This licence expires on the earliest of the date:
- (a) 15 years after the **Commencement Date**;
 - (b) it is surrendered by the **Licensee** under section 36 of the **Gas Act**, or
 - (c) it is cancelled by the **Director of Gas** under section 46 of the **Gas Act**.
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4 Exclusive Franchise

- 4.1 In accordance with the order of the **Minister** under section 30 of the **Gas Act**, this licence grants an exclusive franchise to the **Licensee**:
- (a) to construct one or more **distribution systems** in the **distribution area**; and
 - (b) to operate one or more **distribution systems** in the **distribution area**.
- 4.2 The **franchise** commences on the **Commencement Date**.
- 4.3 The **franchise** is non-renewable and continues (except for any period during which this licence is suspended) until the earliest of the date:
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- (a) five years after the **Commencement Date**;
- (b) the licence is surrendered by the **Licensee** under section 36 of the **Gas Act**;
- (c) the licence is cancelled by the **Director of Gas** under section 46 of the **Gas Act**; or
- (d) the **Minister** revokes the order under section 30 of the **Gas Act**.

5 ASSISTANCE WITH CODES

- 5.1 If the **Director of Gas** requests the **Licensee** to provide a proposal in relation to one or more elements of a **standard** or **code**, then the **Licensee** must, within 90 days of the request or such longer period as determined by the Director of Gas, provide the **Licensee's** proposal in relation to that element or elements.
- 5.2 A proposal under clause 5.1 must:
- (a) be in writing;
 - (b) set out the **Licensee's** bona fide proposal;
 - (c) be consistent with:
 - (1) all applicable **Laws**;
 - (2) **good gas industry practice**; and
 - (d) if the request relates to an element in schedule 2, address the issues listed in schedule 2 with respect to that element.

6 Payment of Fees and Charges

- 6.1 The **Licensee** must, with respect to each **financial year**, pay as directed by the **Director of Gas**, the annual licence fee fixed in accordance with section 27(3) of the **Gas Act** for that **financial year**.
- 6.2 The annual licence fee must be paid:
- (a) in equal instalments due on the occurrence (if any) of the last **business day** of September, December, March and June of each **financial year**; or
 - (b) in full on or before the first day of October each **financial year**.

7 Provision of Information

- 7.1 The **Licensee** must provide to the **Director of Gas**, in the manner and form and by a time determined by the **Director of Gas**, such information as the **Director of Gas** may from time to time require and which is, in the opinion of the **Director of Gas**, relevant to the **Director of Gas's** functions under the **Gas Act**.

- 7.2 The **Licensee** must notify the **Director of Gas** if it commits a material breach of the **Gas Distribution Code** and any other **codes** within 3 **business days** after becoming aware of the breach.

8 Prudential Reporting

- 8.1 The **Licensee** must report the occurrence of any of the following circumstances to the **Director of Gas** as soon as possible following the occurrence:
- (a) the **Licensee** is put under external administration as defined in the *Corporations Act 2001(Commonwealth)*; or
 - (b) the **Licensee** experiences a significant change in its circumstances which may affect the **Licensee's** ability to meet its obligations under the **Gas Act**, this licence, each **Access Arrangement**, the **National Gas Code** or the **Gas Distribution Code**; and
 - (c) any changes to the **Licensee's officers** or major shareholders within 30 days of that change.

9 Operation

The **Licensee** must maintain and operate the **distribution system** for the term of this licence.

10 Compliance with Laws and Other Requirements

- 10.1 The **Licensee** must comply with all applicable **Laws** including, but not limited to, a **gas-pricing order**.
- 10.2 The **Licensee** must also comply with:
- (a) each **Access Arrangement**; and
 - (b) all applicable **standards** and **codes** issued by the **Director of Gas**.

11 Communications

- 11.1 A **communication** must be in writing.
- 11.2 A **communication** is to be regarded as having been given by the sender and received by the addressee:
- (a) when delivered in person to the addressee; or
 - (b) where sent by post, on the 3rd **business day** after the date of posting, if the **communication** is posted within Australia; or
 - (c) where sent by post, on the 7th **business day** after the date of posting, if the **communication** is posted outside Australia; or
 - (d) when, according to the sender's transmission report, received by facsimile transmission by the addressee; or

- (e) where sent by electronic mail, when the communication is recorded as having been first received at the electronic mail destination.

SIGNED by the **Director of Gas**)

Under the **Gas Act**)

On)

Schedule 1 - Definitions and Interpretation

1 Definitions

In this licence, unless the context otherwise requires:

“**Access Arrangement**” means the arrangement for third party access to the *Licensee’s distribution system* submitted by the *Licensee* pursuant to the *National Gas Code* and approved by the *local regulator*;

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

“**code**” means any code issued by the *Director of Gas* under the *Gas Act*;

“**Commencement Date**” means the date referred to in clause 3.1;

“**communication**” means a written notice, agreement, consent, direction, representation, advice, statement or other communication required or given pursuant to or in connection with this licence;

“**customer**” has the meaning given to that term under the *Gas Act*;

“**Director of Gas**” means the Director of Gas under the *Gas Act*;

“**distribution**” has the meaning given to that term under the *Gas Act*;

“**distribution area**” means the State of Tasmania;

“**distribution system**” has the meaning given to that term under the *Gas Act*;

“**financial year**” means a period commencing on 1 July in a calendar year and ending on 30 June in the following calendar year;

“**franchise**” means the exclusive franchise granted to the *Licensee* under clause 4.1;

“**Gas Act**” means the *Gas Act 2000* (Tas);

“**Gas Distribution Code**” means the distribution chapter of the *Tasmanian Gas Code*;

“**gas-pricing order**” has the meaning given to that term under the *Gas Act*;

“**gas installation**” has the meaning given to that term under the *Gas Act*;

“**good gas industry practice**” means practices, methods and systems which accord with best gas industry practice including:

- (a) relevant quality assurance schemes; and
- (b) all applicable state, national and international codes and standards;

“**Laws**” means any applicable Commonwealth, Tasmanian or local law, subordinate legislation, legislative instrument or mandatory regulatory requirement;

“**Licensee**” means [#] (ACN [#]);

“**local regulator**” means the Government Prices Oversight Commission;

“**Minister**” means the Minister who is responsible for the administration of the *Gas Act*;

“**National Gas Code**” means the *National Third Party Access Code for Natural Gas Pipeline Systems*;

“**non-contestable customer**” has the meaning given to that term under the *Gas Act*;

“**officer**” means persons responsible for regulatory compliance and includes a director;

“**regulations**” means regulations made under the **Gas Act**;

“**standard**” means any standard issued by the **Director of Gas** under the **Gas Act**;

“**Tasmanian Gas Code**” means the code of that name issued by the Director of Gas.

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; and
- (b) words importing the singular include the plural and vice versa; and
- (c) words importing a gender include any gender; and
- (d) an expression importing a natural person includes any company, partnership, trust, joint venture, association, corporation or other body corporate and any governmental agency; and
- (e) a reference to a condition, clause, schedule or part is to a condition, clause, schedule or part of this licence; and
- (f) a reference to terms of an offer or agreement is to all terms, conditions and provisions of the offer or agreement; and
- (g) a reference to any statute, regulation, proclamation, order in council, ordinance or by-law 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; and
- (h) 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; and
- (i) a reference to a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns; and
- (j) when italicised, other parts of speech and grammatical forms of a word or phrase defined in this licence have a corresponding meaning; and
- (k) a period of time:
 - (1) which dates from a given day or the day of an act or event is to be calculated exclusive of that day; or
 - (2) which commences on a given day or the day of an act or event is to be calculated inclusive of that day; and
- (l) 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**.

Schedule 2 - Assistance with Codes

A proposal submitted to the **Director of Gas** under clause 5.1 in relation to metering installations or metering data must address the following issues:

- (a) metering installations used for the measurement of **gas** volume; and
- (b) the provision, maintenance and registration of metering installations; and
- (c) standards of performance of metering installations; and
- (d) the accuracy of metering installations and calibration requirements; and
- (e) inspection and testing of connections and metering installations; and
- (f) the collection and ownership of metering data; and
- (g) the provision of metering data for the purpose of billing; and
- (h) the security of, and rights of access to metering data.