

GAS ACT 2000

**LICENCE FOR THE CONSTRUCTION OF A GAS
DISTRIBUTION SYSTEM**

issued to

**POWERCO TASMANIA PTY LTD
(ACN 104 499 569)**

13 May 2003

Amended 8 July 2003
 3 March 2004

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.

2. Grant of Licence

- 2.1. The **Director of Gas**, in exercise of the powers conferred by section 24 of the **Gas Act**, licenses the **Licensee** to construct the **authorised distribution systems**, on and subject to the conditions of this licence.
- 2.2. The **Licensee** warrants that technical and other information supplied in support of its application for this licence, and otherwise as required by this licence, is true and correct to the best of the knowledge of the **Licensee**, the **Licensee** having made full and diligent inquiry.

3. Licensee's Undertakings

- 3.1. In support of its application for this licence, Powerco Limited, which is the ultimate holding company of the **Licensee**, made the following representations (and the **Director of Gas** has accepted these assurances and relied upon them in determining that the **Licensee** is a suitable person to be granted this licence):
 - 3.1.1. Powerco Limited has significant financial and relevant technical resources and experience;
 - 3.1.2. as a member of the Powerco group of companies, the **Licensee** will have access to such resources and experience, and, in particular, Powerco Limited will make available resources to ensure the administrative and technical support and project and contract

management needs of the **Licensee** and the **Licensee's** obligations under this licence are met.

4. Term of Licence

- 4.1. Subject to this licence and the **Gas Act**, this licence takes effect on and from the date it is issued.
- 4.2. This licence expires on the earliest of the following dates:
- 4.2.1. the date 25 years after the **commencement date**;
 - 4.2.2. the date the licence is surrendered by the **Licensee** under section 36 of the **Gas Act**; and
 - 4.2.3. the date the licence is cancelled by the **Director of Gas** under section 46 of the **Gas Act**.
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5. Renewal of Licence

- 5.1. On receipt of an application for renewal of this licence in accordance with section 26 of the **Gas Act**, the **Director of Gas** must renew this licence unless satisfied that the **Licensee**:
- 5.1.1. has been guilty of a material contravention of a requirement imposed by or under the **Gas Act** or any other Act in connection with the operations authorised by this licence such that the licence should not be renewed; or
 - 5.1.2. is no longer for any reason entitled to the issue of the licence.
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6. Variation of Licence¹

- 6.1. The terms and conditions of this licence may only be amended in accordance with section 34 of the **Gas Act**.

¹ Clauses 6.2 and 6.3 added 8 July 2003

- 6.2. Notwithstanding clause 6.1, the **Licensee** shall provide the **Director of Gas** with details of any proposed material variation to the route or technical description of any **authorised distribution system**.
- 6.3. If the **Director of Gas** does not, within 5 **business days** of receipt by the **Director of Gas** of the details provided under clause 6.2, advise the **Licensee** in writing to the contrary, this licence will be deemed to be amended by agreement so as to incorporate the variations details of which were provided.

7. Transfer of licence

- 7.1. This licence may only be transferred in accordance with section 35 of the **Gas Act**.

8. Compliance with Law and Standards

- 8.1. The Licensee must comply with all applicable laws in relation to the construction of the **authorised distribution systems** and any proposal accepted by the **Director of Gas Safety** applicable to the construction of the **authorised distribution systems**.
- 8.2. The **Licensee** must ensure that all contractors engaged by it comply with the terms and conditions of this licence.
- 8.3. The **Licensee** must immediately advise the **Director of Gas** in the event of the breach, variation, surrender, revocation or cancellation of any permit or other authority issued to the **Licensee** in respect of the construction of the **authorised distribution systems**.

9. Other Licence Conditions

- 9.1. This licence is also subject to the conditions set out in schedule 2 of this licence.

10. Communications

10.1. A **communication** must be in writing.

10.2. A **communication** is to be regarded as having been given by the sender and received by the addressee:

10.2.1. when delivered in person to the addressee; or

10.2.2. where sent by post, on the 3rd **business day** after the date of posting, if the **communication** is posted within Australia; or

10.2.3. where sent by post, on the 7th **business day** after the date of posting, if the **communication** is posted outside Australia; or

10.2.4. when, according to the sender's transmission report, received by facsimile transmission by the addressee; or

10.2.5. where sent by electronic mail, when the **communication** is recorded as having been first received at the electronic mail destination.

SIGNED by Andrew John Reeves)

Director of Gas)

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13 May 2003)

Signed A J Reeves

Schedule 1 - Definitions and Interpretation

1. Definitions

In this licence, unless the context otherwise requires:

“authorised distribution systems” means the **distribution systems** described in schedule 3 of this licence;

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

“commencement date” means the date referred to in clause 4.1;

“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;

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

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

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

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

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

“Licensee” means Powerco Tasmania Pty Ltd (ACN 104 499 569);

“officer” means the person responsible for regulatory compliance and may include a director;

“regulated activity” means any of the activities specified in section 21 of the **Gas Act**;

“regulations” means any regulations made under the **Gas Act**.

2. Interpretation

In this licence, unless the context otherwise requires:

- 2.1. headings are for convenience only and do not affect the interpretation of this licence; and
- 2.2. words importing the singular include the plural and vice versa; and
- 2.3. words importing a gender include any gender; and
- 2.4. an expression importing a natural person includes any company, partnership, trust, joint venture, association, corporation or other body corporate and any governmental agency; and
- 2.5. a reference to a condition, clause, schedule or part is to a condition, clause, schedule or part of this licence; and
- 2.6. a reference to terms of an offer or agreement is to all terms, conditions and provisions of the offer or agreement; and
- 2.7. 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
- 2.8. 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
- 2.9. a reference to a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns; and

2.10. when italicised, other parts of speech and grammatical forms of a word or phrase defined in this licence have a corresponding meaning; and

2.11. a period of time:

2.11.1. which dates from a given day or the day of an act or event is to be calculated exclusive of that day; or

2.11.2. which commences on a given day or the day of an act or event is to be calculated inclusive of that day; and

2.11.3. 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***.

2.12. In the event of any inconsistency between the conditions of this licence and the ***Gas Act*** or ***regulations***, the ***Gas Act*** or ***regulations*** will prevail to the extent of such inconsistency.

2.13. In the event of any inconsistency between the conditions of this licence and the schedules, the conditions of this licence prevail to the extent of such inconsistency.

Schedule 2 – Other Licence Conditions

1. Provision of Information

- 1.1. 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 reasonably require in relation to the construction of the **authorised distribution systems** and which is, in the opinion of the **Director of Gas**, relevant to the functions of the **Director of Gas** under the **Gas Act**.

2. Records

- 2.1. The **Licensee** must maintain a record of all **regulated activities** carried out under this licence, including, where appropriate, maps and plans.
- 2.2. Upon receipt of written notice from the **Director of Gas**, the **Licensee** must provide the **Director of Gas** or the **Director of Gas Safety** with reasonable access to the records maintained under clause 2.1 of this schedule 2, including the provision of copies were reasonably required.
- 2.3. The **Director of Gas** or the **Director of Gas Safety** may issue a guideline detailing what information, reasonably required for the administration of the **Act**, the **Licensee** is required to record. The **Licensee** must comply with any such guideline.

3. Reporting

- 3.1. The **Licensee** must report any change of the **Licensee's officer** within 10 **business days** of that change.
- 3.2. The **Licensee** must provide to the **Director of Gas**, a copy of any documents of the following types prepared in relation to the construction of the **authorised distribution systems**:

3.2.1. plan addressing safety issues

3.2.2. risk assessment study report.

4. Insurance

4.1. The ***Licensee*** must arrange and maintain with one or more insurers, adequate contract works and public liability insurance in respect of the potential for any loss, harm or damage caused to any person or property arising out of, or in any way connected with, the action or inaction of the ***Licensee*** or any of its agents or employees, or of any contractor or subcontractor of the ***Licensee*** pursuant to this licence.

Schedule 3 – Authorised Distribution Systems²

This licence authorises the construction of gas distribution systems in the locations specified in the table below. The indicative pipeline route in each location is shown in blue or black on the Plan the number of which appears in the table against the name of the location. A technical description of the proposed distribution system in each location is comprised in the Network Diagram the number of which appears in the table against the name of the location. The Plans and Network Diagrams are attached to this licence.

Location	Plan Number	Network Diagram Number
Bell Bay	1	1
Burnie	2	2
Devonport	3	3
Hobart	4 (Amended)	4 (Amended)
Launceston	5	5
Longford	6	6
Ulverstone	7	7
Westbury	8	8
Wynyard	9	9

² Schedule 3 amended 8 July 2003 (Notice of Variation No. 1), 28 January 2004 (consolidation of a number of minor route variations involving substitution of plans and network diagrams but no alteration to the wording of the licence - no Notice of Variation issued) and 3 March 2004 (Notice of Variation No. 2).