Application Form for the issue of an Electricity Generation Licence

by the Essential Services Commission of SA under the Electricity Act 1996

May 2020
The Essential Services Commission is an independent statutory authority with functions in a range of essential services including water, sewerage, electricity, gas, rail and maritime services, and also has a general advisory function on economic matters. For more information, please visit www.escosa.sa.gov.au.
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Glossary of terms

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<tr>
<td>Commission</td>
<td>Essential Services Commission, established under the Essential Services Commission Act 2002</td>
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<td>ESC Act</td>
<td>Essential Services Commission Act 2002</td>
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<tr>
<td>Treasurer</td>
<td>Treasurer for the South Australian Government</td>
</tr>
<tr>
<td>Minister</td>
<td>Minister for Energy and Mining</td>
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<tr>
<td>Regulator</td>
<td>Technical Regulator</td>
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Application Form for the issue of an Electricity Generation Licence – Sensitive: Personal – 12 – A2
Licence requirements and conditions

It is essential that licence applicants read the Essential Services Commission’s (Commission) Advisory Bulletin No 4 — “Licensing Arrangements for the Electricity and Gas Supply Industries” before they fill out this form. This Bulletin is available on the Commission website www.escosa.sa.gov.au under electricity/licensing.

Generation operations which require a licence

Section 15(2)(a) of the Electricity Act 1996 (the Act) is explicit in that it requires a person that carries on the operation of the generation of electricity to hold a licence. This requirement applies to all generators with the exception of a generator that can rely on:

► one of the statutory exemptions specified in the Electricity (General) Regulations 1997 (Regulations) outlined below
► an individual exemption issued by the Commission (with the approval of the Minister) pursuant to section 80(1) of the Act, or
► an exemption made by Governor under a regulation pursuant to section 98(2)(e) of the Act.

Pursuant to Regulations 6(1) and (2), the following generators are exempt from the requirement to hold a generation licence:

► a generator whose generating plant has a rated nameplate output of 100kVA or less
► a generator that does not supply electricity for reward to or by means of a transmission or distribution network
► a generator that generates electricity for the sole consumption of that generator or a designated body (such bodies must be designated by the Minister2); or
► a generator that generates electricity for a person at a premises occupied or used by the person as a tenant or licensee (whether directly or indirectly) of the generator (or a designated body) where that person is not charged for the supply of electricity except by a licensed retailer/generator or as an unspecified part of rent or charges for the occupation or use of the premises.

It is important for generators (or proposed generators) to carefully consider whether they can rely on a statutory exemption from the requirement to be licensed. If the reliance on a statutory exemption is queried by the Commission, the onus to provide evidence that a particular exemption can be relied upon is on the relevant generator.

In addition, in the event that the operations of a generator change so that it can no longer rely on one of the three exemptions specified above, it will need to apply to the Commission for a generation licence immediately in order to continue those operations.

Mandatory licence conditions

Sections 21(1) and 22 of the Act requires the Commission to place certain mandatory conditions in generation licences. The Commission strongly recommends that applicants review these mandatory conditions. Applicants must be familiar with the relevant conditions and confident that they can comply with the conditions.

Additional technical licence conditions

Additional technical licence conditions apply to all new electricity generators seeking to connect to the South Australian power system. Applicants for a generation licence should familiarise themselves with the

2 To date, the Minister for Energy and Mining has not designated any bodies for the purposes of Regulations 6(1).
Commission’s Licensing arrangements for generators in South Australia final report, available on the Commissions website.³

Model licence conditions have been developed and are available in Attachment 1. The model conditions will be applicable to all new applications, having regard to advice from the Australian Energy Market Operator (AEMO) on the specific circumstances of individual applications received.

Depending on the specific characteristics of a given generation project, the model conditions may be varied to the degree necessary to ensure that South Australian consumers’ long-term interests with respect to the price, quality and reliability of electricity services are protected.

Variation of licence conditions

As part of the Commission’s licensing function, it has the power to vary (or add to) conditions that are imposed on a licence it has issued. Specifically, under section 27 of the Act, the Commission has the power to vary a licence at any time, subject to statutory procedural requirements, including providing a licensee with reasonable notice of a proposed variation and allowing the opportunity to make representations on that variation.

There is a broad range of factors that might be potential ‘triggers’ for the Commission to consider varying a licence or adding new conditions. These include factors both external and internal to a licensee, and may include (without limitation):

► material changes in market operations, outcomes or structures
► changes to applicable national or State legislation, rules or policy
► the findings of a formal inquiry undertaken by the Commission
► substantive changes to operations which would have a genuine connection to or impact on the operations authorised under a licence
► an application by a licensee to vary its licence (for example, to add new generation plant or equipment or increase the capacity of existing generation plant), and
► evidence of upgrades or material changes to a licensee’s business or operational practices relating to the generation plant and equipment authorised under a licence.

In considering a potential licence variation, the Commission must consider the factors specified in section 6 of the Essential Services Commission Act 2002 (which sets out the Commission’s primary statutory objective and other relevant considerations), the objects of the Act (as set out in section 3 of that Act). It will also be informed by any information submitted by a licensee to which the variation may apply, through public consultation and by engagement with regulatory agencies involved in the electricity supply industry.

Annual licence fees

Holding a licence incurs annual licence fees. The licence fees determined by the Minister for Energy and Mining are administered by the Commission. At annual intervals, the Commission, on behalf of the Minister, will send to each licensee, depending on the category within the sector, an invoice for the licence fee. Licence fees are to be paid on receipt of an invoice via one of the payment options set out in the invoice.

The initial licence will not be issued until the first annual licence fee (or approved licence fee instalment) has been paid.

How to apply for a generation licence

This form is to be completed by persons making application to the Commission for the issue of a licence to authorise electricity generation operations in the electricity supply industry in South Australia.

The Commission can also consider joint applications from two or more persons who wish to hold a licence jointly. Persons making joint applications must ensure that each of the applicants completes a separate application form, together with a covering letter explaining that the application is for a licence to be jointly held.

Section 16(1)(a) of the Act provides that an application for the issue of a licence must be made to the Commission in a form approved by the Commission. This is the form approved by the Commission.

Use of this form and applicant’s responsibilities

An application for a licence may be made by any legal person including, without limitation, individuals, partnerships, incorporated associations, unit and other forms of trusts and corporations. Entities that are not a legal person (for example, an unincorporated joint venture) cannot apply for a licence.

For the purpose of this application form, reference to the term “Officer” include the applicant’s directors and secretary, and other persons who make or participate in making decisions that affect a substantial part of the business of the applicant (e.g. Chief Executive Officer, Chief Financial Officer, General Manager etc.).

Applicants should list the information requested in the spaces provided in this form and enclose additional information when required. Applicants must take all reasonable steps to ensure the information provided in the application form is complete, true and correct and are required to make a declaration to that effect in the application form. Failure to disclose information or misrepresent any matter relevant to such information may result in a licence not being issued or in the suspension or cancellation of a licence at a later time.

Applicants are responsible for providing the Commission with current, accurate and relevant documentation. This will ensure that the application is processed promptly and without delay. All applications are assessed on a case-by-case basis. If insufficient information is provided with an application, the Commission will request additional information to be submitted before the application is considered further.

Application fees

Applicants should also enclose the application fee (presently set by the Minister for Energy and Mining at $1,000 per licence) with their application.

Holding a licence incurs annual licence fees. The licence fees determined by the Minister for Energy and Mining are administered by the Commission. At annual intervals, the Commission, on behalf of the Minister, will send to each licensee, depending on the category within the sector, an invoice for the licence fee. Licence fees are to be paid on receipt of an invoice via one of the payment options set out in the invoice.

The initial licence will not be issued until the first annual licence fee (or approved licence fee instalment) has been paid.

How to lodge an application

Applicants may send their completed application form electronically (preferred) or in writing to:

Electronically to: licensing@escosa.sa.gov.au
In writing to: Essential Services Commission of SA
GPO Box 2605
Adelaide SA 5001

4 Available at https://www.escosa.sa.gov.au/industry/electricity/licensing/licence-fees
Consultation and Confidentiality

The Commission will consult with relevant government, industry and consumer groups in the conduct of its licensing functions through a public consultation process. Consequently, applications and/or supporting information will be made available on the Commission’s website and in hard copy from the Commission’s office for this purpose.

If applicants believe that they are providing confidential information when completing this form, they should write “this information is confidential” after any such information. It is the applicant’s responsibility to ensure this is clearly highlighted on the form. Applicants should also provide a ‘non-confidential’ version of the form capable of publication on the Commission’s website.

The Commission will use information supplied in applications and in support of applications in accordance with the requirements of Part 5 of the Essential Services Commission Act 2002. Applicants claiming confidentiality are encouraged to familiarise themselves with Part 5. Applicants should note that the Commission may disclose confidential information in some circumstances.

Further information

Applicants should note that the Commission may ask applicants who have submitted an application form to provide further information to the Commission, or to clarify the information that they have already provided if required.

Please note that, in the event that an application lacks sufficient detail and the Commission is required to request additional information from an applicant, delays in the assessment of the application may occur.
Licence Application Form

1  The Applicant

Applicants must answer all questions in this section.

1.1  Identity of Applicant

State the full name of the applicant. The applicant is the person who will be undertaking the electricity generation operations that will be the subject of the licence. Joint applicants should each complete an application form, and submit their application forms at the same time, with a covering letter explaining that a joint application is being made.

Name:  Eldercare Inc.

1.2  Legal Identity of Applicant

Provide information about the applicant, (i.e. whether the applicant is a natural person, private limited company or partnership, etc). If the applicant is a body corporate, please also state the jurisdiction in which the applicant is registered, and the applicant’s ABN/ACN.

Eldercare Inc.
ABN 63 758 127 271

1.3  Address and Contact Details of Applicant

Business Address:  247 Fullarton Road, Eastwood
State:  South Australia  Post Code:  5063
Postal Address (if different to Business Address):
As above
Telephone:  08 8291 1000
E-mail:  admin.headoffice@elderca re.net.au
1.4 Contact Person on behalf of Applicant

The full name, title and contact details of a person to whom the Commission can direct enquiries and correspondence about the application.

Full Name: Chris Giffard
Title: Growth Systems Manager
Business Address: 35 Ellemsena Circuit, Lonsdale
State: South Australia
Postal Address (if different to Business Address):
As above
Telephone: 08 8382 7555
E-mail: chrisg@solardepot.com.au

1.5 Contact Person for Licence Fees

The full name and/or title of the person to whom the Commission can direct enquiries and correspondence about licence fees.

Full Name: Stefan J. Rossner
Title: Senior Project Manager
Business Address: 247 Fullarton Road, Eastwood
State: South Australia
Postal Address (if different to Business Address):
As above
Telephone: 08 8291 1000
E-mail: stefan.rossner@eldercare.net.au

1.6 Diagram of Corporate or other Structure

Please attach with this application form details of the corporate or other structure, including details of any related companies within the meaning of the Corporations Act 2001; and a diagram of the organisational chart, including composition of the board, management and other key personnel responsible for the key functions of the business.

Please see Appendix A: Application Section 1.6 – Diagram of Corporate or other Structure.
2 The Licence

Applicants must answer all questions in this section.

2.1 Date from which Licence is sought

Applicants should usually allow the Commission a minimum of 16 weeks to consider an application, as a public consultation period of at least four weeks forms part of the Commission's consideration of licence applications. If the applicant seeks to have the licence issued by a certain date, provide this date. Please note that the Commission does not undertake to issue the licence by this date.

As soon as possible please; the system is installed.

2.2 Nature and scope of operations for which Licence is sought

Applicants for a generation licence must state the location of the generation plant, the expected nameplate capacity of the generation plant, the type of generation and fuel used and some details about how the generator is to be connected to the network. Applicants for a wind generation licence must attach a map showing the location of the wind turbines.

The address is “251 Young Street WAYVILLE SA 5034 AUSTRALIA”
The nameplate is “Eldercare The Lodge Nursing Home-Solar-SA”
The generation source is solar as below:

Asynchronous Generating Units:
- 2 x 25kVA solar PV inverters (Fronius Eco 2S),
- 3 x 20kVA solar PV inverter (Fronius SYMO 20.0-3-M),
- 4 x 15kVA solar PV inverter (Fronius SYMO 15.0-3-M), and
- 512 x JKM340M-72 340W Solar modules, Jinko 340W Eagle PERC 72 cell Mono-Crystalline, rooftop-mounted fixed tilt Solar Panels

Other accessories
- 3 x Network protection units (NPU) -
- 4 x Solar analytics meters (the sum up of 3 of them would show the total amount of new generation, and one of them would show the differences between generation and internal demand and export limiting)
- AC/DC cabling
- Solar Depot framing
- No Tracking system
- Flat on Roof installation
- 4mm and 6mm dc cable and earth
- Multiple dc rooftop isolators
- 70mm ac cable 16mm circular ac cable
- 1x 250amp NXS breaker 2x 120amp circuit breakers
- Warning signage

Metering points: meter no. 1 (D9804 0863 9223) is located at the NPU 1 on the roof of Sheoak Northern Wing building meter no. 2 (D9804 0863 9708) is located at the NPU 2 on the roof of Wattle East building meter no. 3 (D9804 0864 0631) is located at the NPU 2 on the roof of Wattle South building

The service point for the installation is located at the existing LV terminals of pad mount transformer ME116A-35831, located in Trevelyan Street at the Eldercare Site
2.3 Licensing of electricity entities

Does the applicant for a generation licence supply electricity for reward or by means of a transmission or distribution network?

When the licence is granted, the applicant intends to supply energy for reward.

3 Suitability of applicant to hold a licence

Applicants must answer all questions in this section.

3.1 Standard of honesty and integrity shown by Applicant

In deciding whether the applicant is a suitable person to hold a licence, the Commission may:

► consider the applicant’s previous commercial and other dealings; and
► the standard of honesty and integrity shown in those dealings.

Please provide information that will assist the Commission in its consideration of this matter. If the applicant:

► has been found guilty of any criminal offence;
► has been successfully prosecuted under any Territory, State or Commonwealth legislation (such as the Australian Securities and Investments Commission Act 2001 or the Competition and Consumer Act 2010); or
► has been the subject of disciplinary action;
► has been the subject of any past or present administrative or legal actions in relation to an authorisation, authority, or licence in any industry,

Details of such matters must be disclosed. Failure to disclose such information or misrepresent any matter relevant to such information may result in the cancellation of a licence.

The Commission may use the service of an external expert to assist with the assessment of the applicant’s standard of honesty and integrity.

Eldercare is Public Benevolent Institution, and as such is held to the highest standards of integrity and transparency.

Eldercare has not been prosecuted, found guilty of any criminal offence or been the subject of disciplinary, administrative or legal action.

3.2 Standard of honesty and integrity shown by Officers and major shareholders of Applicant

Applicants should address responses to this question in the same manner as 3.1 above except here it relates to officers and major shareholders of the applicant.

Please also supply details of any policies and procedures addressing the probity and competence of officers and other key management staff.

The officers and major shareholders of Eldercare have not been prosecuted, found guilty of any criminal offence or been the subject of disciplinary, administrative or legal action.
3.3 **Names and addresses of the Officers of Applicant**

Please see: Appendix B: Application Section 3.3 – Names and Addresses of the Officers of Applicant for names, addresses and dates of birth of the Board of Directors and Executive Team.

3.4 **Names and addresses of major shareholders of Applicant**

Please see: Appendix B: Application Section 3.3 – Names and Addresses of the Officers of Applicant for names, addresses and dates of birth of the Board of Directors and Executive Team.

3.5 **Details of the group members**

*This is information about entities controlled by the applicant, or by the ultimate parent entity of the applicant (if applicable).*

Not applicable

3.6 **Additional information**

*Please answer the following questions.*

*Is the applicant a resident of, or does it have permanent establishment in, Australia? Where the answer to this question is no, please provide further detail.*

Yes

*Is the applicant under external administration (as defined in the Corporations Act 2001) or under a similar form of administration under any laws applicable to it in any jurisdiction? Where the answer to this question is yes, please provide further detail.*

No

*Is the applicant immune from suit in respect of the obligations under the Electricity Act 1996? Where the answer to this question is yes, please provide further detail.*

No

*Is the applicant capable of being sued in its own name in a court of Australia? Where the answer to this question is no, please provide further detail.*

Yes
3.7 Financial resources available to the Applicant

Provide information about the financial resources available to the applicant. If the applicant is a company, please also enclose:

► copies of all audited profit and loss statements and balance sheets for the last three financial years (including all notes); and
► director’s declaration that the financial statements comply with accounting standards, give a true and fair view, have been made in accordance with the Corporations Act and that there are reasonable grounds to believe the company/entity will be able to pay its debts as and when they fall due; and
► the director’s report and the audit opinion.

If the applicant is a subsidiary company, please also provide:

► copies of all audited profit and loss statements and balance sheets of the applicant’s parent company for up to the last three financial years.

The applicant should also submit copies of:

► its business plans including at least strategic direction and objectives, identified opportunities in the market place and forecast results; and
► evidence of capital and liquidity support in place, including any bank or cross guarantees, to support the business and evidence of negotiations with the network service provider concerning credit support arrangements.

Please see attached Financial Reports 2017, 2018, 2019

3.8 Additional Details of Structure of Applicant

If the applicant is part of a group of related companies, and/or party to a partnership, joint venture or alliance agreement with another company, please provide:

► contractual arrangements (e.g. alliance contracts, associate contracts, establishment contracts) that define relationships within the group – including shared resources, guarantees, revenue flows, obligations and or responsibilities.

N/A
3.9 Human resources available to the Applicant

Provide information about the human resources available to the applicant. This includes:

► the experience and qualifications of those employees outlined in the organisational chart (see point 1.6); and

► if the applicant will employ contractor/s to assist with the licensed operations, the name of that contractor/s, details about the experience of the contractor/s in such operations and details of the processes in place to ensure the contractor/s complies with the regulatory obligations imposed by the licence.

The applicant will employ Solar Depot as a contractor to assist with licensed operations. Details about experience outlined below:

**Troy Ryan, Director**

20+ years' experience in solar and renewables.

Fully qualified electrician (CEC Accreditation: A3435183, PGE: 180717)

**Kay Thornton-Cohen, Commercial Projects Manager**

9 years' experience in Commercial Solar

**Alex Hender, Chief Operating Officer**

Masters in Sustainability Science, Graduate Certificate in Project Management
3.10 Technical resources available to the Applicant

Applicants for a generation licence are asked to provide details about the availability of technical resources to be used in carrying out the operations for which a licence is sought. The information should include details about the technically qualified staff available to the applicant and (if relevant) details of experience gained in similar operations.

Where applicants are relying on a third party to provide staff and resources to meet the technical requirements of the generation licence, please provide:

► a list of all functions and activities being proposed to outsource;

► details of any formal agreement/s to provide services, including confirmation that the third party possess relevant technical competencies to conduct the proposed activities;

► a summary of the third party’s technical capacity to meet relevant obligations, including relevant accreditations; and

► a summary of the third party’s experience and knowledge in the relevant area.

The applicant has relied on Solar Depot to provide staff and resources to meet the technical requirements of the generation licence. This includes outsourcing the design and construction of a solar array.

Kym Gardiner, Lead Electrician
Fully qualified electrician (CEC Accreditation: A9962919 PGE: 175020)

Mark Nagy, Senior Electrician
Fully qualified electrician (CEC Accreditation: A77119316 PGE: 276365)

Rezvan Mir Moini
10 years’ experience in electrical engineering. Bachelor of Electrical Engineering.

Any future activities required for the maintenance of the system will be undertaken after engagement with Solar Depot, on a case by case basis. This is outside of the scope of work of the original agreement.
3.11 Quality of Electricity Produced/Connection Agreement

The Commission may not issue a generation licence unless it is satisfied that the generating plant (or proposed generating plant) will generate electricity of the appropriate quality for the relevant transmission or distribution network. The Commission will be satisfied that the electricity is of an appropriate quality if the applicant has entered into a connection agreement which meets the Commission's technical requirements with the licensed operator of the relevant transmission or distribution network. Applicants are therefore required to submit a copy of such a connection agreement.

Please see attached: 3605 Contract NC011036

3.12 Risk Management

Provide confirmation and reasonable evidence that the applicant's management has identified the risks associated with electricity operations and has established, utilises and relies upon risk management systems and processes which are adequate, accurate and current to address those risks. A copy of the applicant's risk management strategy should be submitted.

All Solar Depot projects and service jobs are managed by a Project Manager (qualifications outlined in 3.10) who is designated appropriately, depending on the type of work being undertaken and common associated risks.

Project Managers follow a common hierarchy of risk management. Job Safety Assessments (JSAs) and are completed to identify any risks. During this process, Safe Work Method Statements (SWMS) are identified and reviewed to ensure any identified risks are addressed as efficiently as possible. Toolbox meetings are also undertaken at the beginning of each job to discuss identified risks and mitigation approaches.

The below documents have been included as attachments to the application to demonstrate the actions taken to manage risks on every Solar Depot job.

- Job_safety_analysis
- SD_Site_Specific_Risk
- SD SWMS Template
- Toolbox_meeting
- Solar Depot Work Health and Safety Policy
3.13 Development Act Approval

Please advise if the applicant has or is applying for approval under the Development Act 1993 (SA). If so, provide details, including the date on which approval was or will be granted.

All of the works have been done as flat on the roof, so no need to get building, developing and council approval.

3.14 Registration with AEMO

Please advise if the applicant will apply to register with AEMO. If so, provide details. Applicants for a wind generation licence should note that registration as a semi-scheduled market participant is required for all new generators and all expansions to existing wind generation plant.

The applicant will not apply to register with AEMO. The application is an automatic exemption as the generating system is not capable of exporting in excess of 5 MW.

3.15 Licences held by the Applicant in other Australian jurisdictions.

If the applicant holds, or has previously held, electricity and/or gas licences in other Australian jurisdictions please provide details. If a licence previously held has been suspended or cancelled, please provide details.

None

3.16 Previous unsuccessful licence applications in other Australian jurisdictions

Please state whether the applicant has applied for an electricity or gas licence in another Australian jurisdiction and not been issued with a licence, and provide details if relevant.

None

3.17 Licences held by Associates of the Applicant

If an associate of the applicant (within the meaning of the Corporations Act) holds an electricity or gas licence in South Australia or in other Australian jurisdictions, please provide details.

None
3.18 Compliance Plans

Applicants are required to submit a copy of their Compliance Plan which demonstrates how the compliance systems the applicant has (or will have) in place will ensure compliance with all of the applicable regulatory obligations imposed by the relevant licence.

Solar Depot is a Clean Energy Council Accredited Retailer, which means we meet or exceed the requirements set out in the Solar Retailer Code of Conduct. Our photovoltaic arrays are subject to compliance regulation at the specification and design, installation, and post-installation audit stages.

As the owner of the system, Eldercare will hold responsibility for monitoring and managing any issues or compliance concerns regarding the system after the final post-installation audit by Solar Depot.

Specification and Design by Solar Depot
All Solar Depot photovoltaic projects are designed by a suitably qualified person. In most cases this is a fully qualified electrician who holds appropriate Clean Energy Council accreditation. We also have a qualified electrical engineer on staff to provide oversight as needed. For projects requiring civil or structural engineering, we work closely with one of a panel of engineering firms to procure the required design input and verification. We ensure all projects are specified and designed to meet or exceed all standards, regulations and legislation. Furthermore, we scope out any required applications or licensing requirements at this stage to ensure that we meet those requirements as well.

Installation by Solar Depot
All Solar Depot photovoltaic projects are installed by a suitably qualified electrician with support from appropriately trained trades assistants and sub-trades. This electrician is responsible for ensuring that all work is completed to a high standard in accordance with applicable standards, regulations and legislation, and acts as a formal project manager for the project.

Post-Installation Audit by Solar Depot
This electrician is also responsible for providing a final audit and Electrical Certificate of Compliance for the work. Solar Depot, like other Clean Energy Council Accreditation organisations, is subject to spot-checks and post-installation compliance audits by the Clean Energy Council ensuring that high standards are maintained.

Ongoing Compliance Monitoring and Reporting by Eldercare
Should the solar system experience any modification, degradation, repair, upgrade or other change, Eldercare must engage a suitably qualified electrician and accredited solar installer to perform the necessary work. The system should also be subject to an annual inspection to identify any issues.

Eldercare may choose to engage Solar Depot for this ongoing work or may select another appropriate organisation to complete this work on their behalf.

When providing repairs, replacement or maintenance on an existing solar system, Solar Depot inspects the system to ensure that it meets current standards of compliance, even if those standards have changed since the initial installation. All electrical work requires a specific Electrical Certificate of Compliance for the work, triggering our Post-Installation Audit stage requirements.

Annual Compliance Reporting
Any issues that arise that may affect the compliance of the solar system must be logged and will be reported annually to ESCOSA in accordance with Guideline Four, Annexure A.
3.19 Additional Information

The Commission encourages applicants to provide any additional information they consider would be of assistance in supporting the application. Please provide below.

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4 Factors specified in the Essential Services Commission Act 2002

In considering a licence application, the Commission must have as its primary objective protection of the long-term interests of consumers with respect to the price, quality and reliability of electricity supply, and must also have regard to the need to:

(a) promote competitive and fair market conduct;
(b) prevent misuse of monopoly or market power;
(c) facilitate entry into relevant markets;
(d) promote economic efficiency;
(e) ensure consumers benefit from competition and efficiency;
(f) facilitate maintenance of the financial viability of regulated industries and the incentive for long term investment;
(g) promote consistency in regulation with other jurisdictions.

If the applicant believes that information about their application would assist the Commission in its consideration of these factors, the applicant should provide such information below.

5 Application fees

Applicants for a licence must pay to the Commission an application fee fixed by the Minister for Energy and Mining from time to time. This fee is presently set at $1,000 per licence. Please enclose this fee with the application. An application cannot be considered until this fee has been received and cannot be refunded.
6 Declaration

All information in this application for the issue of a licence to authorise electricity generation operations in the electricity supply industry in South Australia must be verified by a Statutory Declaration of the applicant, in accordance with the provisions of the Oaths Act 1936 (SA), stating that the information contained in the application is true and correct to the best of the applicant’s knowledge, information and belief.

Where the applicant is a body corporate, evidence of the relevant authority of the declarant to sign on behalf of the body corporate must also be provided to the Commission.

Statutory Declaration

Christopher O’Grad

of 247 Fullarton Rd Eastwood SA

do solemnly and sincerely declare that the information contained in this Application for the issue of a licence to authorise electricity generation operations in the electricity supply industry in South Australia is true and correct to the best of my knowledge information and belief.

And I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Oaths Act 1936.

Date 30.10.2020

Signature

(Where the applicant is a body corporate, the declaration must be made by a person authorised by body corporate to sign on its behalf)

Declared at: Eastwood the 30th day of Oct 2020

Before me

(Signature of Justice of the Peace or other person authorised under the Oaths Act 1936)

Ms Jane M Pickering
JP No. 25204
A Justice of the Peace
for South Australia

5 or equivalent legislation in other Australian jurisdictions.
6 The Commission will accept a copy of a Board minute (or circulating resolution) giving approval for the declarant to sign on behalf of the applicant as evidence of the relevant authority.
Attachment 1

2017 model licence conditions for new generators

Interpretation of this schedule

1. Interpretation

1.1 Terms used in this schedule and also in the National Electricity Rules (NER) have the same meaning in this schedule as they have in those rules (unless otherwise specified or unless the context otherwise requires).

1.2 This schedule retains the numbering convention of the 2017 model licence conditions.

1.3 For the purposes of this schedule, the term:

   - **Commission** means the Essential Services Commission established under the Essential Services Commission Act 2002.

   - **licensee** means (Name of applicant)\(^\text{8}\)

Disturbance ride through capability

9. Disturbance ride-through (voltage phase angle shift)

9.1 The generating system of the licensee must not include any vector shift or similar relay/protective function acting upon voltage phase angle which might operate for phase angle changes less than 20 degrees.

System strength

11. System strength

11.1 Individual components of plant within the generating system of the licensee, which includes but is not limited to generating units and dynamic reactive power plant, must be capable of operating down to the following levels at the high voltage terminals in relation to each component:

   (a) minimum short circuit ratio of 1.5; and

   (b) minimum positive sequence X/R ratio of 2.

System restoration

16 System restoration

16.1 Where sufficient minimum fault level is available from online synchronous machines, the generating system of the licensee must have the following capability in the event of a black system:

   (a) the generating system must be capable of operation with auxiliary loads only for X\(^9\) minutes while system load is being restored, and

   (b) the generating system, including, but not limited to, each of its generating units and dynamic reactive power plant (as applicable) must have the capability to provide steady-state and dynamic reactive power when operating with auxiliary loads only for X\(^10\) minutes while system load is being restored.

---

\(^7\) The numbering convention of the conditions retains the numbering convention of the 2017 model licence conditions as amended in the 2019 Report Licensing Arrangements for Generators in South Australia.

\(^8\) To be inserted by the Commission at the time the licence is issued.

\(^9\) The exact duration will be specified by the Commission at the time the licence is issued.

\(^10\) The exact duration will be specified by the Commission at the time the licence is issued.
Eldercare Incorporated is an incorporated association and operates as a single legal entity.

Eldercare Incorporated

Board

Chief Executive (Jane Pickering)

Operational Services Executive (Anne-Marie Gillard)

Major Projects & Property Executive (Chris O'Grady)

Corporate Services Executive (Scott Morgan)
Eldercare Incorporated
NAPS ID: 1070

Financial Report

For the Year Ended 30 June 2017
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BOARD REPORT FOR THE YEAR ENDED 30 JUNE 2017


Board Members

The names of Board Members throughout the year and at the date of this report are:

<table>
<thead>
<tr>
<th>Current Board Members 2017</th>
<th>Position</th>
<th>Date of Appointment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rev Dr Ian Thomas Price</td>
<td>Non-executive Board Member</td>
<td>14-Aug-01</td>
</tr>
<tr>
<td>Mr James Peter Lawes</td>
<td>Non-executive Board Member</td>
<td>1-Aug-09</td>
</tr>
<tr>
<td>Mr Ramsey Andary</td>
<td>Non-executive Board Member</td>
<td>1-Aug-09</td>
</tr>
<tr>
<td>Ms Jennifer Kay Robertson</td>
<td>Non-executive Board Member</td>
<td>22-Feb-11</td>
</tr>
<tr>
<td>Mr Alan Robert Nankivell</td>
<td>Non-executive Board Member</td>
<td>3-Jun-11</td>
</tr>
<tr>
<td>Mr Malcolm Neil Forrest</td>
<td>Non-executive Board Member</td>
<td>1-Jul-12</td>
</tr>
<tr>
<td>Professor Justin John Beilby</td>
<td>Non-executive Board Member</td>
<td>22-Mar-16</td>
</tr>
<tr>
<td>Rev Dr Graham Humphris</td>
<td>Non-executive Board Member</td>
<td>22-Mar-16</td>
</tr>
<tr>
<td>Ms Janet Turbill</td>
<td>Non-executive Board Member</td>
<td>22-Mar-16</td>
</tr>
<tr>
<td>Dr Diane Joy Wickett</td>
<td>Non-executive Board Member</td>
<td>12-Aug-16</td>
</tr>
</tbody>
</table>

Principal Activities

The principal activities of Eldercare Incorporated during the financial year were:

- Provision and management of residential aged care accommodation;
- Provision and management of retirement villages and facilities;
- Provision and management of home care services to the community; and
- Provision and management of day therapy centers.

Significant Changes

There have not been any significant changes in the nature of the activities conducted by Eldercare Incorporated during the year.

Operating Result

The surplus for the year ended 30 June 2017 amounted to $1,432,492 (2016 surplus: $4,459,035).
STATEMENT BY THE MEMBERS OF THE BOARD FOR THE YEAR ENDED 30 JUNE 2017

Benefits received by Board Members

In accordance with Section 35(5) of the Associations Incorporation Act 1985 the Board of Eldercare Incorporated, hereby states that during the year ended 30 June 2017:

- The Board Member; or
- Firm of which the Board Member is a member; or
- An entity in which the Board Member has a substantial financial interest,

Has received directly from the Association remuneration totalling $146,853 and other benefits as disclosed in Note 16 to the Financial Report.

Signed in accordance with a resolution of the members of the Board.

Rev Dr Ian Price
Board Chair

Mr James Lawes
Deputy Chair

Signed at EASTWOOD this 17th day of October 2017
In the opinion of the Board, the Financial Report as set out on pages 6 to 21:

1. Presents fairly the financial position of Eldercare Incorporated as at 30 June 2017 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.

2. At the date of this statement, there are reasonable grounds to believe that Eldercare Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

Rev Dr Ian Price
Board Chair

Mr James Lawes
Deputy Chair

Signed at Eastwood this 17th day of October 2017
### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain on Sale of Fixed Assets</td>
<td>61,072</td>
<td>83,284</td>
</tr>
<tr>
<td>Government Subsidies</td>
<td>69,836,780</td>
<td>67,468,150</td>
</tr>
<tr>
<td>Interest Received</td>
<td>1,031,616</td>
<td>777,372</td>
</tr>
<tr>
<td>Other Revenue 2</td>
<td>905,569</td>
<td>800,801</td>
</tr>
<tr>
<td>Client/Resident Contributions</td>
<td>24,364,986</td>
<td>24,873,199</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>96,200,023</td>
<td>94,002,806</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td>3,304,308</td>
<td>3,160,337</td>
</tr>
<tr>
<td>Amortisation 3(a)</td>
<td>-</td>
<td>1,699,021</td>
</tr>
<tr>
<td>Depreciation</td>
<td>6,301,898</td>
<td>5,387,996</td>
</tr>
<tr>
<td>Employee Expenses Including Agency 3(b)</td>
<td>61,548,233</td>
<td>59,140,311</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>1,164,738</td>
<td>1,427,959</td>
</tr>
<tr>
<td>Hotel Services 3(c)</td>
<td>14,984,431</td>
<td>14,697,908</td>
</tr>
<tr>
<td>Loss on Sale of Fixed Assets 3(d)</td>
<td>207,049</td>
<td>4,294</td>
</tr>
<tr>
<td>Revaluations of Retirement Living Liability 3(e)</td>
<td>28,182</td>
<td>102,500</td>
</tr>
<tr>
<td>Repairs and Maintenance 3</td>
<td>3,810,050</td>
<td>2,930,176</td>
</tr>
<tr>
<td>Sundry Expenses</td>
<td>1,459,321</td>
<td>1,487,667</td>
</tr>
<tr>
<td>Utilities, Rates and Taxes</td>
<td>1,995,212</td>
<td>1,930,327</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>94,803,422</td>
<td>91,968,496</td>
</tr>
<tr>
<td><strong>Net Surplus/(Deficit) from Operations</strong></td>
<td>1,396,601</td>
<td>2,034,310</td>
</tr>
<tr>
<td><strong>Non-Operating Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain on Acquisition</td>
<td>35,891</td>
<td>2,424,726</td>
</tr>
<tr>
<td><strong>Other Comprehensive Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Comprehensive Income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Comprehensive Income</strong></td>
<td>1,432,492</td>
<td>4,459,036</td>
</tr>
</tbody>
</table>
### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>4</td>
<td>52,108,658</td>
</tr>
<tr>
<td>Trade and Other Receivables</td>
<td>5</td>
<td>409,627</td>
</tr>
<tr>
<td>Other Assets</td>
<td>6</td>
<td>813,219</td>
</tr>
<tr>
<td>Refundable Loans Receivable</td>
<td>7</td>
<td>11,215,340</td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>8</td>
<td>199,920,947</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td></td>
<td>264,467,791</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and Other Payables</td>
<td>9</td>
<td>6,514,072</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>10</td>
<td>7,225,438</td>
</tr>
<tr>
<td>Refundable Loans Payable</td>
<td>11</td>
<td>184,559,406</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td>12</td>
<td>-</td>
</tr>
<tr>
<td>Provisions</td>
<td>13</td>
<td>1,131,000</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td></td>
<td>199,429,916</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td>65,037,875</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retained Earnings</td>
<td></td>
<td>65,037,875</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td></td>
<td>65,037,875</td>
</tr>
</tbody>
</table>
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Balance as at 1 July</td>
<td>63,605,383</td>
<td>59,146,347</td>
</tr>
<tr>
<td>Surplus Attributable to the Association</td>
<td>1,432,492</td>
<td>4,459,036</td>
</tr>
<tr>
<td>Total Other Comprehensive Income for the Year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance as at 30 June</td>
<td>65,037,875</td>
<td>63,605,383</td>
</tr>
</tbody>
</table>
## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Cash Flows from Operating Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from Customers</td>
<td>93,309,108</td>
<td>92,359,490</td>
</tr>
<tr>
<td>Interest Received</td>
<td>1,031,616</td>
<td>777,372</td>
</tr>
<tr>
<td>Payments to Suppliers &amp; Employees</td>
<td>(87,226,511)</td>
<td>(86,671,478)</td>
</tr>
<tr>
<td>Interest Paid</td>
<td>(403,266)</td>
<td>(385,149)</td>
</tr>
<tr>
<td><strong>Net Cash Provided by Operating Activities</strong></td>
<td>6,710,947</td>
<td>6,080,235</td>
</tr>
<tr>
<td><strong>Cash Flows from Investing Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of Property, Plant &amp; Equipment</td>
<td>34,743</td>
<td>26,600</td>
</tr>
<tr>
<td>Purchase of Property, Plant &amp; Equipment</td>
<td>(25,277,613)</td>
<td>(28,337,004)</td>
</tr>
<tr>
<td>Acquisition of Residential Aged Care Facility</td>
<td>-</td>
<td>1,383,950</td>
</tr>
<tr>
<td><strong>Net Cash Used in Investing Activities</strong></td>
<td>(25,242,870)</td>
<td>(26,926,454)</td>
</tr>
<tr>
<td><strong>Cash Flows from Financing Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from Accommodation Payments / Entry Contributions</td>
<td>74,853,788</td>
<td>62,790,896</td>
</tr>
<tr>
<td>Payment of Finance Lease</td>
<td>-</td>
<td>(50,980)</td>
</tr>
<tr>
<td>Repayment of Accommodation Payments / Entry Contributions</td>
<td>(36,149,622)</td>
<td>(34,625,169)</td>
</tr>
<tr>
<td>Repayment of Borrowings</td>
<td>(6,036,712)</td>
<td>(6,000,000)</td>
</tr>
<tr>
<td>Proceeds from Loan</td>
<td>117,987</td>
<td>3,778,469</td>
</tr>
<tr>
<td><strong>Net Cash Provided by Financing Activities</strong></td>
<td>32,785,441</td>
<td>25,893,216</td>
</tr>
</tbody>
</table>

**Net Increase / (Decrease) in Cash Held**

<table>
<thead>
<tr>
<th></th>
<th>$</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>14,253,517</td>
<td>5,046,997</td>
</tr>
</tbody>
</table>

**Cash at the Beginning of the Year**

<table>
<thead>
<tr>
<th></th>
<th>$</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>37,855,142</td>
<td>32,808,145</td>
</tr>
</tbody>
</table>

**Cash at the End of the Year**

<table>
<thead>
<tr>
<th></th>
<th>$</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>52,108,659</td>
<td>37,855,142</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Statement of Significant Accounting Policies

Basis of Preparation
The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, (including Australian Accounting Interpretations) and the Associations Incorporation Act 1985, as appropriate for not-for-profit orientated entities.

Australian Accounting Standards (AASB) set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected fixed assets, financial assets and financial liabilities. The financial statements are presented in Australian dollars, which is Eldercare Incorporated's functional and presentational currency.

a) New, revised or amended Accounting Standards and Interpretations adopted
The Association has adopted all of the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The Association has early adopted AASB 2015-2 Amendments to Australia Accounting Standards – Disclosure Initiative: Amendments to AASB 101.

b) Liquidity Presentation Method
The Association has taken the view that in complying with the requirements of the AASBs, the treatment of refundable loans (accommodation bonds, refundable accommodation deposits and ingoing contributions) as current liabilities does not reflect the true liquidity of the entity as a proportion of these liabilities and is not likely to be repaid within 12 months.

Accordingly, in the current year the Association has chosen to present its statement of financial position under the liquidity presentation method (AASB 101 Presentation of Financial Statements) on the basis that it presents a more reliable and relevant view.

c) Comparative Figures
When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

d) Critical Accounting Estimates and Judgments
The Association evaluates estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within, the Association.

Key Estimates - Impairment
The Association assesses impairment at each reporting date by evaluating conditions specific to the Association that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculations performed in assessing recoverable amounts incorporate a number of key estimates. Refer also to note 21 (c) and the disclosures in note 8.

Key Estimates – Self Insurance Provision
As discussed elsewhere in Note 13, the Association determines its provision for self-insurance with the assistance of an actuary. The provision involves the estimates of cost and timing of settlement of both reported and incurred but not reported claims. Changes to these inputs will impact on the value of the recorded provision.
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

Note 1: Statement of Significant Accounting Policies (continued)

Key Estimates — Useful lives of asset
The Association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down. Refer also to the disclosures in note 8.

Key Estimates — Long service leave provision
As discussed elsewhere in note 1, the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account. Refer also to the disclosures in note 10.

Note 2: Other Revenue

<table>
<thead>
<tr>
<th>Other Revenue</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations</td>
<td>33,500</td>
<td>-</td>
</tr>
<tr>
<td>Grant income</td>
<td>58,927</td>
<td>-</td>
</tr>
<tr>
<td>Rental income</td>
<td>559,448</td>
<td>336,859</td>
</tr>
<tr>
<td>Sundry Income</td>
<td>253,694</td>
<td>463,942</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>905,569</td>
<td>800,801</td>
</tr>
</tbody>
</table>

Significant Accounting Policies — Revenue

Revenue is recognised on receipt of funding from the Commonwealth Government. Resident contributions are recognised when the service is provided to the resident. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

Note 3: Expenses

<table>
<thead>
<tr>
<th>Other Expenses</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Chemist and Medical Supplies</td>
<td>683,016</td>
<td>764,209</td>
</tr>
<tr>
<td>Paramedical and Lifestyle Supplies</td>
<td>364,636</td>
<td>330,907</td>
</tr>
<tr>
<td>Motor Vehicle Costs</td>
<td>94,199</td>
<td>109,524</td>
</tr>
<tr>
<td>Insurance</td>
<td>275,713</td>
<td>245,283</td>
</tr>
<tr>
<td>Lease Expenses on Property</td>
<td>29,367</td>
<td>21,745</td>
</tr>
<tr>
<td>Sundry</td>
<td>12,390</td>
<td>15,999</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,459,321</strong></td>
<td><strong>1,487,667</strong></td>
</tr>
</tbody>
</table>

a) Bed licenses are initially recorded at cost of acquisition. Purchased at cost of $6,799,021 and amortised over a period of their expected benefit, being four years. As at 30 June 2016 the Bed Licenses were fully amortised.

b) Employee Expenses including Agency incorporates the total Defined Contribution Superannuation Expense. Eldercare Inc recorded a total Defined Contribution Superannuation Expense of $4,641,897 for the 2017 financial year & $4,491,108 for the 2016 financial year.

c) The Association outsources Hotel Services (catering, cleaning and laundry) to Medirest Pty Ltd.

d) Loss on Sale of Fixed Assets relates to disposal of plant and equipment, furniture and fittings from the refurbishment of the Oxford residential care site and the sale of other motor vehicles.

e) This reflects an increase in the value during the year of Retirement Living units which have a market value type contract.

Note 4: Cash and Cash Equivalents

<table>
<thead>
<tr>
<th>Cash And Cash Equivalents</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cash at Bank</td>
<td>400,652</td>
<td>1,102,956</td>
</tr>
<tr>
<td>Cash on Hand</td>
<td>33,950</td>
<td>11,900</td>
</tr>
<tr>
<td>Westpac - Bond Liquidity</td>
<td>311,158</td>
<td>4,588</td>
</tr>
<tr>
<td>Westpac - RAD/Bond Cash Management</td>
<td></td>
<td>24,328,334</td>
</tr>
<tr>
<td>UC Invest – At Call</td>
<td>34,541,833</td>
<td></td>
</tr>
<tr>
<td>Other Short Term Deposits</td>
<td>16,821,065</td>
<td>12,407,364</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>52,108,658</strong></td>
<td><strong>37,855,142</strong></td>
</tr>
</tbody>
</table>

Funds held in the Westpac Bond Liquidity, Westpac RAD/Bond Cash Management and UC Invest – At Call accounts are quarantined for specific Permitted Uses as defined by the Aged Care Act 1997.

Significant Accounting Policies – Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank and other short term highly liquid investments with maturities of six months or less.

Note 5: Trade and Other Receivables

<table>
<thead>
<tr>
<th>Trade and Other Receivables</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Debtor Control - Fees</td>
<td>(15,852)</td>
<td>102,537</td>
</tr>
<tr>
<td>Accrued Income</td>
<td>409,934</td>
<td>439,840</td>
</tr>
<tr>
<td>Other Receivables</td>
<td>15,545</td>
<td>(15,400)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>409,627</strong></td>
<td><strong>526,977</strong></td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

Note 6: Other Assets

<table>
<thead>
<tr>
<th>Other Assets</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepayments</td>
<td>360,981</td>
<td>396,376</td>
</tr>
<tr>
<td>GST Clearing Account A/c Payables</td>
<td>434,380</td>
<td>561,467</td>
</tr>
<tr>
<td>Project Wages Capitalised Account</td>
<td>17,858</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>813,219</strong></td>
<td><strong>957,843</strong></td>
</tr>
</tbody>
</table>

Note 7: Refundable Loans

<table>
<thead>
<tr>
<th>Refundable Loans</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expected to be Received Within 12 Months</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtor Control - RL Contributions</td>
<td>-</td>
<td>148,000</td>
</tr>
<tr>
<td>Debtor Control - Refundable Accommodation Deposits</td>
<td>11,110,453</td>
<td>8,889,851</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>11,110,453</strong></td>
<td><strong>9,037,851</strong></td>
</tr>
<tr>
<td><strong>Expected to be Received After 12 Months</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtor Control - Bonds</td>
<td>104,887</td>
<td>160,201</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>104,887</strong></td>
<td><strong>160,201</strong></td>
</tr>
</tbody>
</table>

**Total Refundable Loans**

| Total Refundable Loans                          | 11,215,340 | 9,198,052 |
### Eldercare

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)**

**Note 8: Property, Plant and Equipment**

<table>
<thead>
<tr>
<th>Property, Plant &amp; Equipment</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freehold Land:</td>
<td>$37,614,364</td>
<td>$35,489,155</td>
</tr>
<tr>
<td>At Cost</td>
<td>37,614,364</td>
<td>35,489,155</td>
</tr>
<tr>
<td>Total</td>
<td>37,614,364</td>
<td>35,489,155</td>
</tr>
<tr>
<td>Buildings:</td>
<td>$182,536,611</td>
<td>$150,160,386</td>
</tr>
<tr>
<td>At Cost</td>
<td>(36,123,798)</td>
<td>(31,886,025)</td>
</tr>
<tr>
<td>Less: Accumulated Depreciation</td>
<td>(625,944)</td>
<td>(597,702)</td>
</tr>
<tr>
<td>Total</td>
<td>146,412,813</td>
<td>118,274,361</td>
</tr>
<tr>
<td>Leasehold Improvements:</td>
<td>$2,526,265</td>
<td>$2,478,433</td>
</tr>
<tr>
<td>At Cost</td>
<td>(691,520)</td>
<td>(632,675)</td>
</tr>
<tr>
<td>Less: Accumulated Depreciation</td>
<td>(228,169)</td>
<td>(236,677)</td>
</tr>
<tr>
<td>Total</td>
<td>1,900,321</td>
<td>1,880,731</td>
</tr>
<tr>
<td>Plant, Equipment, Furniture and Fittings:</td>
<td>$27,138,705</td>
<td>$18,479,719</td>
</tr>
<tr>
<td>At Cost</td>
<td>(14,185,164)</td>
<td>(12,503,807)</td>
</tr>
<tr>
<td>Less: Accumulated Depreciation</td>
<td>(625,944)</td>
<td>(597,702)</td>
</tr>
<tr>
<td>Total</td>
<td>12,953,541</td>
<td>5,975,912</td>
</tr>
<tr>
<td>Motor Vehicles:</td>
<td>$924,800</td>
<td>$821,305</td>
</tr>
<tr>
<td>At Cost</td>
<td>(691,520)</td>
<td>(632,675)</td>
</tr>
<tr>
<td>Less: Accumulated Depreciation</td>
<td>(228,169)</td>
<td>(236,677)</td>
</tr>
<tr>
<td>Total</td>
<td>233,280</td>
<td>188,630</td>
</tr>
<tr>
<td>Capital WIP:</td>
<td>$806,628</td>
<td>$21,364,000</td>
</tr>
<tr>
<td>At Cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>806,628</td>
<td>21,364,000</td>
</tr>
<tr>
<td>Total Property, Plant &amp; Equipment</td>
<td>$199,920,947</td>
<td>$183,172,791</td>
</tr>
</tbody>
</table>

### Opening Balance

<table>
<thead>
<tr>
<th>Freehold Land</th>
<th>Buildings</th>
<th>Leasehold Improvements</th>
<th>Plant, Equipment, Furniture and Fittings</th>
<th>Motor Vehicles</th>
<th>Capital WIP</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$35,489,155</td>
<td>118,274,361</td>
<td>1,880,731</td>
<td>5,975,913</td>
<td>188,631</td>
<td>21,364,000</td>
<td>183,172,791</td>
</tr>
</tbody>
</table>

### Prior Period Adjustments

<table>
<thead>
<tr>
<th>Freehold Land</th>
<th>Buildings</th>
<th>Leasehold Improvements</th>
<th>Plant, Equipment, Furniture and Fittings</th>
<th>Motor Vehicles</th>
<th>Capital WIP</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(197,931)</td>
<td>(84,859)</td>
<td>39,255</td>
<td>15,366</td>
<td></td>
<td></td>
<td>(228,169)</td>
</tr>
</tbody>
</table>

### Additions

<table>
<thead>
<tr>
<th>Freehold Land</th>
<th>Buildings</th>
<th>Leasehold Improvements</th>
<th>Plant, Equipment, Furniture and Fittings</th>
<th>Motor Vehicles</th>
<th>Capital WIP</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>241,798</td>
<td>300,000</td>
<td>-</td>
<td>117,944</td>
<td></td>
<td></td>
<td>23,542,528</td>
</tr>
</tbody>
</table>

### WIP Transfers

<table>
<thead>
<tr>
<th>Freehold Land</th>
<th>Buildings</th>
<th>Leasehold Improvements</th>
<th>Plant, Equipment, Furniture and Fittings</th>
<th>Motor Vehicles</th>
<th>Capital WIP</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,081,342</td>
<td>32,245,963</td>
<td>47,833</td>
<td>8,857,442</td>
<td>179,950</td>
<td></td>
<td>6,301,898</td>
</tr>
</tbody>
</table>

### Disposals

<table>
<thead>
<tr>
<th>Freehold Land</th>
<th>Buildings</th>
<th>Leasehold Improvements</th>
<th>Plant, Equipment, Furniture and Fittings</th>
<th>Motor Vehicles</th>
<th>Capital WIP</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(124,302)</td>
<td>(11,514)</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td>(236,677)</td>
</tr>
</tbody>
</table>

### Depreciation Expense

<table>
<thead>
<tr>
<th>Freehold Land</th>
<th>Buildings</th>
<th>Leasehold Improvements</th>
<th>Plant, Equipment, Furniture and Fittings</th>
<th>Motor Vehicles</th>
<th>Capital WIP</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(4,221,791)</td>
<td>(67,498)</td>
<td>(1,888,822)</td>
<td>(123,787)</td>
<td></td>
<td></td>
<td>(6,301,898)</td>
</tr>
</tbody>
</table>

### Expensing WIP

<table>
<thead>
<tr>
<th>Freehold Land</th>
<th>Buildings</th>
<th>Leasehold Improvements</th>
<th>Plant, Equipment, Furniture and Fittings</th>
<th>Motor Vehicles</th>
<th>Capital WIP</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td>(27,628)</td>
</tr>
</tbody>
</table>

### Closing Balance

<table>
<thead>
<tr>
<th>Freehold Land</th>
<th>Buildings</th>
<th>Leasehold Improvements</th>
<th>Plant, Equipment, Furniture and Fittings</th>
<th>Motor Vehicles</th>
<th>Capital WIP</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>37,614,364</td>
<td>146,412,813</td>
<td>1,900,321</td>
<td>12,953,541</td>
<td>233,280</td>
<td>806,628</td>
<td>199,920,947</td>
</tr>
</tbody>
</table>

A prior period net reduction of $197,931 to the cost base of land acquired at 14-20 King William Road has been recorded as the result of a refund received on Stamp Duty incurred on purchase and additional Land Titles Office Fees.
Note 8: Property, Plant and Equipment (continued)

Significant Accounting Policies - Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated
depreciation and impairment losses.

At each reporting date, the Association reviews the carrying values of its plant and equipment assets to
determine whether there is any indication that those assets have been impaired. If such an indication exists,
the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value-in-
use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable
amount is expensed to the surplus or deficit.

The cost of fixed assets constructed within the association includes the cost of materials, direct labour,
borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as
appropriate, only when it is probable that future economic benefits associated with the item will flow to the
association and the cost of the item can be measured reliably. All other repairs and maintenance are charged
to the surplus or deficit during the financial period in which they are incurred.

Significant Accounting Policies - Depreciation of Fixed Assets

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight-line basis over
their estimated useful lives to the Association, commencing from the time the asset is held ready for use.
Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the
estimated useful lives of the improvements.
The depreciable rates used for each class of depreciable asset are:

<table>
<thead>
<tr>
<th>Class of Fixed Asset</th>
<th>Depreciation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>2.5%</td>
</tr>
<tr>
<td>Leasehold Improvements</td>
<td>2.5%</td>
</tr>
<tr>
<td>Plant, Equipment, Furniture &amp; Fittings</td>
<td>1% - 100%</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>15%</td>
</tr>
<tr>
<td>Computer Hardware &amp; Software</td>
<td>12.5%-50%</td>
</tr>
</tbody>
</table>

The asset’s residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying
amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains
and losses are included in the surplus or deficit. When revalued assets are sold, amounts included in the
revaluation reserve relating to that asset are transferred to retained earnings.

Note 9: Trade and Other Payables

<table>
<thead>
<tr>
<th>Trade and Other Payables</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Trade Creditors</td>
<td>4,411,142</td>
<td>3,255,059</td>
</tr>
<tr>
<td>Sundry Payables &amp; Accrued Expenses</td>
<td>2,102,930</td>
<td>3,679,822</td>
</tr>
<tr>
<td>Total</td>
<td>6,514,072</td>
<td>6,934,881</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

Note 10: Employee Benefits

<table>
<thead>
<tr>
<th>Employee Benefits</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expected to be Paid Within 12 Months</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Superannuation</td>
<td></td>
<td>571,273</td>
</tr>
<tr>
<td>Provision for Annual Leave</td>
<td>3,525,477</td>
<td>3,579,016</td>
</tr>
<tr>
<td>Provision for Long Service Leave</td>
<td>702,760</td>
<td>237,399</td>
</tr>
<tr>
<td>Other Benefits</td>
<td>287</td>
<td>(3,831)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,228,524</td>
<td>4,383,857</td>
</tr>
<tr>
<td>Expected to be Paid After 12 Months</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision for Long Service Leave</td>
<td>2,996,914</td>
<td>3,154,010</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,996,914</td>
<td>3,154,010</td>
</tr>
<tr>
<td><strong>Total Employee Benefits</strong></td>
<td>7,225,438</td>
<td>7,537,867</td>
</tr>
</tbody>
</table>

Significant Accounting Policies - Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Note 11: Refundable Loans

<table>
<thead>
<tr>
<th>Refundable Loans</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expected to be Paid Within 12 Months</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Free Loans - Retirement Living</td>
<td>2,264,274</td>
<td>2,727,161</td>
</tr>
<tr>
<td>Interest Free Loans - Unpaid</td>
<td></td>
<td>148,000</td>
</tr>
<tr>
<td>Accommodation Bonds</td>
<td>10,839,476</td>
<td>12,293,313</td>
</tr>
<tr>
<td>Refundable Accommodation Deposit (RAD/RAC)</td>
<td>36,552,704</td>
<td>32,895,122</td>
</tr>
<tr>
<td>Refundable Accommodation Payments - Unpaid</td>
<td>3,444,240</td>
<td>4,089,331</td>
</tr>
<tr>
<td>Deposits - Retirement Living</td>
<td>30,000</td>
<td>20,500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>53,130,694</td>
<td>52,180,427</td>
</tr>
<tr>
<td>Expected to be Paid After 12 Months</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Free Loans - Retirement Living</td>
<td>26,039,155</td>
<td>24,544,439</td>
</tr>
<tr>
<td>Accommodation Bonds</td>
<td>16,259,213</td>
<td>26,136,040</td>
</tr>
<tr>
<td>Accommodation Bonds Unpaid</td>
<td>104,887</td>
<td>160,201</td>
</tr>
<tr>
<td>Refundable Accommodation Deposit (RAD/RAC)</td>
<td>81,359,244</td>
<td>38,617,187</td>
</tr>
<tr>
<td>Refundable Accommodation Payments - Unpaid</td>
<td>7,666,213</td>
<td>4,800,520</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>131,428,712</td>
<td>94,238,387</td>
</tr>
<tr>
<td><strong>Total Refundable Loans</strong></td>
<td>184,559,406</td>
<td>146,438,814</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

Note 11: Refundable Loans (continued)

Significant Accounting Policies - Interest Free Loans

Interest free loans held on behalf of residents in Retirement Living Unit accommodation have been brought to account as a liability during the year the resident occupancy commenced. Retentions earned from interest free loans are accounted for in the same manner as retentions from accommodation bonds.

Significant Accounting Policies - Accommodation Bonds / Refundable Accommodation Deposits (RADS)

Accommodation bonds and Refundable Accommodation Deposits are non-interest bearing deposits made by aged care facility residents to the Association upon their admission to care. The liability for accommodation is carried at the amount that would be payable on exit of the resident. This is the amount received on entry of the resident less deductions for fees and retentions pursuant to the Aged Care Act 1997. Under the principles of the Aged Care Act 1997 the Association complies with the prudential requirements including the prudential statement requirements outlined in the User Rights Principles 1997.

Note 12: Financial Liabilities

<table>
<thead>
<tr>
<th>Financial Liabilities</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expected to be Paid After 12 Months</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan - UC Invest</td>
<td>-</td>
<td>5,918,726</td>
</tr>
<tr>
<td>Derivative Financial Instrument at FV through P&amp;L</td>
<td>-</td>
<td>212,132</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>6,130,858</td>
</tr>
<tr>
<td>Total Financial Liabilities</td>
<td></td>
<td>6,130,858</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Expected to be Paid Within 12 Months</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self Insurance Provision</td>
<td>243,780</td>
<td>469,000</td>
</tr>
<tr>
<td>Total</td>
<td>243,780</td>
<td>469,000</td>
</tr>
<tr>
<td>Expected to be Paid After 12 Months</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self Insurance Provision</td>
<td>887,220</td>
<td>594,000</td>
</tr>
<tr>
<td>Total</td>
<td>887,220</td>
<td>594,000</td>
</tr>
<tr>
<td>Total Provisions</td>
<td>1,131,000</td>
<td>1,063,000</td>
</tr>
</tbody>
</table>

Significant Accounting Policies - Self Insurance

A provision has been recognised for self-insurance of workers compensation. The provision has been based on an actuarial report prepared by Brett & Watson Pty Ltd dated 4th August 2017 for the purposes of assessing the liability for outstanding claims including liabilities for both reported and incurred but not reported claims. It also includes an allowance for the future internal expenses incurred by the Association in settling the outstanding claims. The Self Insurance expense excludes allocations to the self-insurance provision through an internal levy which is included within Employee Expenses on the surplus or deficit.
Eldercare

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

Note 14: Cash Flow Information

Credit Standby Arrangements and Loan Facilities
As at 30 June 2017 Eldercare has the following loan arrangement/facilities with Westpac.

- $2m Overdraft Facility - nil drawn at 30 June 2017
- $12m Overdraft Facility (Bond Liquidity) – nil drawn at 30 June 2017
- $2.622m Bank Guarantee Facility (Self Insurance)

In addition, as at 1 July 2016 the association held an $11m Loan Facility with UC Invest. In December of 2016 Eldercare repaid all borrowings and the Loan Facility was closed.

UC Invest holds a first registered mortgage over five properties owned by Eldercare Incorporated. The properties and their carrying values in the accounts of the association at 30 June 2017 are:

- College Green, 17-23 Grenfell Street, Kent Town - $6.041m
- Kirkholme, 7 Victoria Street, Goodwood - $2.882m
- Old Oxford Court, 29 Hulbert Street, Hove - $1.739m
- Oxford, 35 Hulbert Street, Hove - $1.533m
- Oxford Units, 44 Wattle Avenue, Hove - $2.823m

Note 15: Capital and Leasing Commitments

Capital Commitments

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, Plant &amp; Equipment</td>
<td>2,441,704</td>
<td>12,621,000</td>
</tr>
<tr>
<td>Total</td>
<td>2,441,704</td>
<td>12,621,000</td>
</tr>
</tbody>
</table>

As at 30 June 2017 the majority of capital commitments relate to the redevelopment of the Oxford site. As at 30 June 2016 capital commitments related to the redevelopment of the Allambi and Lodge sites.

Finance Lease Commitments

For the year ended 30 June 2017 Eldercare Inc has no liabilities relating to financing lease arrangements (2016: Nil liability).

Minlaton Lease

On 18th February 2016 Eldercare Inc entered into a deed of assignment with Minlaton Hostel for the Aged Inc for Eldercare Inc to undertake the lease of the land at 1 South Terrace Minlaton from the District Council of Minlaton. The current lease arrangement requires Eldercare Inc to pay $20 per annum if demanded by the lessor. No such demands have been made by the Council. The lease has not been reflected in the above schedule as no such demands for payment are expected.

Significant Accounting Policies – Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to the Association, are classified as finance leases. Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

Note 16: Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favorable than these are available to other parties, unless otherwise stated. Transactions that occurred during the year with related parties were as follows:

Rev Dr Ian Price (Board Chair) is CEO of MediaCom Education Inc. Printing services provided by MediaCom to Eldercare during the financial year totaled $9,350 (2016: $11,220).

Mr Ramsey Andary (Non-executive Board Member) is a Practice Leader of DMAW Lawyers. Services provided by DMAW Lawyers to Eldercare during the year totaled $9,900 for Board Member Services (2016: $30,288 including $11,000 for Board member services).

Rev Dr Graham Humphris (Non-executive Board member) is Chairman of The Uniting Church in Australia Property Trust (S.A.) which operates UC Invest. Eldercare had a debt facility with UC Invest and paid $117,987 of interest on this facility during the year (2016: $492,138).

Mr James Lawes (Deputy Chair) is a Board Member of the Adelaide International Youth Film Festival. In the year ended 30 June 2016 Eldercare paid $5,000 for services provided to host a film event for Eldercare residents at a Residential Care facility.

Note 17: Key Management Personnel

<table>
<thead>
<tr>
<th>Note 17</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key Management Personnel</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Total Remuneration</td>
<td>2,542,910</td>
<td>2,635,264</td>
</tr>
<tr>
<td>Total</td>
<td>2,542,910</td>
<td>2,635,264</td>
</tr>
</tbody>
</table>

The board, executive management team and site operation managers are considered to be the key management personnel as they are involved in making and implementing high level strategic decisions.

Note 18: Association Details

The registered office of the Association is:
Eldercare Incorporated
247 Fullarton Road
Eastwood SA 5063

Note 19: Events after the Reporting Period

There are no reportable events that have occurred after the reporting date.

Note 20: Interest Rate Hedge

As at 30 June 2016 Eldercare held an interest rate swap arrangement with Westpac resulting in the recognition of a financial liability of $212,132. During the 2017 financial year this hedge was paid out and consequently no liability is recognised in the financial statements as at 30 June 2017.
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

Note 21: Other Accounting Policies

a) Income Tax

The Association is exempt from income tax in accordance with Section 50-10 of the Income Tax Assessment Act.

b) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

c) Impairment of Assets

At each reporting date, the Association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the surplus or deficit.

Where it is not possible to estimate the recoverable amount of an individual asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to the surplus or deficit immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest rate method.

The Association does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.
(ii) **Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association’s intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

(iii) **Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

(iv) **Financial liabilities**

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Derivative financial liabilities are recorded at fair value.

**Impairment**

At the end of each reporting period, the association assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are immediately recognised in the surplus or deficit. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to the surplus or deficit at this point.

**Derecognition**

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party, whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in the surplus or deficit.
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ELDERCARE INCORPORATED


Opinion

We have audited the financial report of Eldercare Incorporated (the Entity), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and other explanatory information, and the statement by the members of the board.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of Eldercare Inc as at 30 June 2017 and of its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the South Australia Associations Incorporations Act 1985.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the Financial Report section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The responsible entities of the registered entity are responsible for the other information. The other information comprises the information in the registered entity’s Board Report for the year ended 30 June 2017, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.
Responsibilities of the Board for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the South Australia Associations Incorporations Act 1985 and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditor’s responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

This description forms part of our auditor’s report.

Report on other legal and regulatory requirements

In accordance with section 37(3e) of the South Australia Associations Incorporations Act 1985, we are required to report whether we have obtained all the information and explanations required from the entity in performing our duties as auditor. We have obtained all the information and explanations required.

BDO Audit (SA) Pty Ltd

Andrew Tickle
Director

Adelaide, 19 October 2017
Eldercare Incorporated

ONGOING CONNECTION & SUPPLY CONTRACT FOR LARGE CUSTOMERS WITH GENERATING CAPACITY BETWEEN 31kW & 200kW

3605

LOCATION: 251 Young Street, Wayville SA 5034

SA Power Networks

www.sapowernetworks.com.au
ONGOING CONNECTION & SUPPLY CONTRACT FOR LARGE CUSTOMERS WITH Generating CAPACITY BETWEEN
31kW AND 200kW
(Standard Form)

Preamble

This contract is about the services which cover connection of your premises to our electricity distribution system, and the energy supplied to the premises. These services are called "customer connection services".

In addition to this contract, we are required to comply with energy laws and other consumer laws in our dealings with you. You also have a separate contract with your retailer dealing with the sale of energy to the premises.

More information about this contract and other matters is on our website www.sapowernetworks.com.au

1. THE PARTIES

This contract is between:

SA Power Networks (ABN 13 332 330 749), a partnership of Spark Infrastructure SA (No. 1) Pty Ltd ABN 54 091 142 380, Spark Infrastructure SA (No. 2) Pty Ltd ABN 19 091 143 038 and Spark Infrastructure SA (No. 3) Pty Ltd ABN 50 091 142 362, each incorporated in Australia, and CKI Utilities Development Ltd ABN 65 090 718 880 and PAI Utilities Development Ltd ABN 82 090 718 951, each incorporated in the Bahamas, of 1 Anzac Hwy, Keswick (referred to in this contract as we, our, or us); and

Eldercare Incorporated (ABN: 63 75 8127 271) being the customer to whom this contract applies (referred to in this contract as "you" or "your") for the provision of customer connection services (which may include your electrical installation) at 251 Young Street, Wayville SA 5034 (referred to in this contract as "the premises") to which premises NMI no 20017000209 applies.

2. DEFINITIONS and INTERPRETATION

(a) Terms used in this contract have the same meanings as they have in the National Energy Retail Law and the National Energy Retail Rules ('the Rules'). However, for ease of reference, a simplified explanation of some terms is given in Schedule 1 of this contract.

(b) Where the simplified explanations in Schedule 1 differ from the definitions in the National Energy Retail Law and the Rules, the definitions in the National Energy Retail Law and the Rules prevail.

3. DOES THIS CONTRACT APPLY TO YOU?

3.1 These are our terms and conditions

This contract sets out the terms and conditions for our standard connection contract for large customers with a Generating System capacity of between 31kW and 200kW.

3.2 Does this contract apply to you?

This contract only applies to you if:

a) you are a business customer who occupies business premises where the consumption of energy is at or above an annual consumption of 160MWh, or as determined by us; and
b) your premises are connected to our electricity distribution system.

3.3 What if I need a new connection?

If you require a new connection or an alteration to your existing connection we will provide you with a connection offer in accordance with the National Electricity Rules. That offer will contain terms and conditions relevant to the connection, which will form additional terms and conditions to this contract if you agree to the connection offer.

4. WHAT IS THE TERM OF THIS CONTRACT?

4.1 When does this contract start?

If your premises are connected to our distribution system, this contract starts on the date upon which you sign this contract.

4.2 When does this contract end?

(a) This contract ends:
   (i) if your retailer notifies us that the supply of energy to the premises is to be disconnected (a ‘termination notice’) — subject to paragraph (b), on a date advised by us, of which we will give you at least 5 but no more than 20 business days notice even if you have vacated the premises earlier; or
   (ii) if you start receiving supply of energy for the premises under a different customer connection contract — on the date that contract starts; or
   (iii) if a different customer starts receiving supply of energy for the premises — on the date that customer’s contract starts;
   (iv) if we both agree to a date to end the contract — on the date that is agreed; or
   (v) 10 business days after we disconnect the premises under the Rules, if you have not within that period asked your retailer to reconnect the premises and met the requirements in the Rules for reconnection.

(b) If your retailer gives us a termination notice but you do not give safe and unhindered access to your premises to conduct a final meter reading (where relevant), this contract will not end under paragraph (a)(i) until a final meter reading is carried out.

(c) If you have a Generating System connected to our distribution system at the premises when this contract ends, you must do all such things, at your cost, that may be necessary to disconnect, or arrange for the disconnection of, the Generating System from our distribution system, unless we enter into, or are taken to have entered into, a customer connection contract with a person who acquires the Generating System from you and that customer connection contract:
   (i) imposes obligations on that person in relation to the Generating System that are the same as, or similar to, your obligations under this contract; and
   (ii) gives us rights in relation to the Generating System that are the same as, or similar to, our rights under this contract.

(d) Rights and obligations accrued before the end of this contract continue despite the end of this contract.
5.  SCOPE OF THIS CONTRACT

5.1  What is covered by this contract?

(a) Under this contract we agree to provide customer connection services at the premises. We also agree to meet other obligations set out in this contract and to comply with the energy laws.

(b) Charges for customer connection services will be billed under your contract with your retailer.

(c) All obligations imposed upon you by the engineering report.

5.2  Sale of energy not covered by this contract

This contract does not cover the sale of energy to or purchase of energy from your premises. This is the role of your retailer.

5.3  Services and your connection point

(a) We must provide, install and maintain equipment for the provision of customer connection services at your premises safely and in accordance with the energy laws.

(b) Our obligations extend up to the connection point where energy is to be supplied to the premises (as defined by us) and not beyond.

6.  YOUR GENERAL OBLIGATIONS

6.1  Full information

You must give us any information we reasonably require for the purposes of this contract. The information must be correct, and you must not mislead or deceive us in relation to any information provided to us.

6.2  Updating information

You must promptly:

(a) inform your retailer of any change to your contact details; and

(b) inform your retailer of any change that you are aware of that materially affects access to your meter or to other equipment involved in providing customer connection services at the premises; and

(c) inform us of any proposed change that you are aware of in plant or equipment, including metering equipment, or any change to the capacity or operation of connected plant or equipment that may affect the quality, reliability, safety or metering of the supply of energy to the premises or the premises of any other person; and

(d) inform either your retailer or us of any permanent material change to the energy load or pattern of usage at the premises.

6.3  Your obligation to comply with energy laws and our requirements

You must comply with:

(a) the energy laws relating to the provision of customer connection services we provide to your premises under this contract; and
(b) our reasonable requirements under the energy laws, including our service and installation rules. This includes a requirement that you provide and maintain at your premises any reasonable or agreed facility required by us to provide customer connection services to the premises.

6.4 Life support equipment

(a) If a person living at your premises requires life support equipment, you must register the premises with your retailer or with us. To register, you will need to give written confirmation from a registered medical practitioner of the requirement for life support equipment at the premises.

(b) You must tell us or your retailer if the life support equipment is no longer required at the premises.

(c) If the premises are registered as having life support equipment, we must give you:

(i) general advice that there may be a planned or unplanned interruption to the supply of energy to the premises; and

(ii) at least 4 business days notice in writing of any planned interruptions to the supply of energy to the premises; and

(iii) information to assist you to prepare a plan of action in case of an unplanned interruption; and

(iv) an emergency telephone contact number.

6.5 Your Generating System

(a) If you have a Generating System connected to our distribution system at the premises, you must:

(i) ensure that each Generating Unit forming part of the Generating System complies with the requirements of Australian Standard 4777 (Grid connection of energy systems via inverters), and that each Generating Unit forming part of the Generating System and as applicable the Generating System as a whole and all related equipment essential to the function of that electricity generating unit as a single entity, is connected in accordance with the Australian Standards listed in Item 1 of Schedule 2;

(ii) ensure that there is installed and operational at all times, equipment that will automatically disconnect the Generating System if, at any time, electricity in excess of 257 volts is generated by the Generating System;

(iii) ensure the Generating System is inspected and maintained in accordance with the manufacturer’s instructions and specifications by an appropriately qualified person, with a view to ensuring that it remains safe and functional;

(iv) if there are no applicable manufacturer’s instructions and specifications for the purposes of clause 6.5(a)(iii), ensure the Generating System is inspected and maintained by an appropriately qualified person:

(A) within at least 5 years after the date of its installation; and

(B) within at least 5 years after each previous inspection;

(v) if the result of an inspection carried out in accordance with clause 6.5(a)(iii) or clause 6.5(a)(iv) is that there is a lack of functionality of the safety features of the Generating System:

(A) immediately disconnect, or arrange for the disconnection of, the Generating System from our distribution system; and

(B) not reconnect, or arrange for the reconnection of, the Generating System to our distribution system until the lack of functionality has been rectified;
(vi) provide us, upon request, with the results of any inspections carried out in accordance with clause 6.5 (a)(iii) or clause 6.5(a)(iv);

(vii) comply with all reasonable directions we give you regarding the maintenance and inspection of the Generating System;

(viii) ensure that any electrical work performed on or in relation to the Generating System is undertaken by a licensed electrical contractor lawfully permitted to do such work, and make a copy of any relevant certificates of compliance available to us (if we require them);

(ix) seek our approval in writing prior to altering the Generating System so that we can assess the ability of our distribution system, and your connection to our distribution system, to meet any additional requirements arising from that alteration;

(x) ensure that any component of the Generating System that is replaced at any time, is compliant with the requirements of this contract;

(xi) ensure that the Generating System complies with the additional technical and operating requirements set out in Schedule 2 of this contract; and

(xii) comply with any reasonable requirement we make in relation to the installation of additional equipment on or in connection with the Generating System that we specify as necessary to ensure the safe and reliable operation of our distribution system.

(xiii) ensure that your Generating System maintains at all times an aggregated generating capacity of between 31kW and 200kW.

(b) If you have a Generating System connected to our distribution system at the premises, you acknowledge and agree that:

(i) in order for you to have the ability to export electricity into our distribution system from the premises, you must have installed at the premises, at all times, an electricity meter which measures both the import and export of electricity; and

(ii) the connection of the Generating System to our distribution system is subject to fluctuations and interruptions from time to time which may affect your ability to export electricity into our distribution system for a variety of reasons and, therefore, you acknowledge and agree that:

(A) we are unable to, and do not, represent, warrant or guarantee that you, or any person who subsequently acquires the Generating System, will be able to export electricity into our distribution system at any time; and

(B) such fluctuations or interruptions may damage the Generating System or cause it to malfunction.

(c) Subject to clause 8.2, you release and forever discharge us from and against any loss, cost, damage, expense or liability that you may incur which arises out of, or in relation to any:

(i) inability to export electricity into our distribution system at any time; and

(ii) malfunction of, or any damage to, the Generating System that arises out of, or in relation to, any fluctuations or interruptions from time to time in the connection of your Generating System to our distribution system except to the extent that any such malfunction or damage is:

(A) as a result of fluctuations or interruptions caused by our negligence or bad faith; and

(B) are not as a result of your failure to install or adequately maintain or a failure of all or any part of the protection equipment required at the premises in accordance with Item 2 of Schedule 2,
in which case you agree that our liability is limited to reimbursing you for any direct costs of repairing such malfunction of, or damage to, the Generating System.

(d) You acknowledge and agree that we are unable to, and do not, represent, warrant or guarantee:

(i) your eligibility, or lack of eligibility; or

(ii) the eligibility, or lack of eligibility, of any person who subsequently acquires the Generating System,

for, nor the amount of, any rebates, tariffs or other benefits payable or allowable to you under any South Australian or national scheme relating to Generating Systems (including the South Australian solar feed-in tariff scheme), and that we have no responsibility or liability in relation to any such schemes.

(e) We may disconnect a Generating System at the premises from our distribution system:

(i) after receipt of an application from you under clause 6.5(f); or

(ii) if, at any time, electricity in excess of 257 volts is generated by the Generating System; or

(iii) if you breach a provision of this contract and:

(A) if we consider the breach is capable of being remedied, you do not remedy the breach within 7 business days of receiving written notice from us requiring you to do so; or

(B) if we consider the breach is not capable of being remedied and we consider the breach to represent a hazard or risk to the distribution system, our employees, or any other person; or

(iv) if we are entitled or required to do so under any applicable law.

(f) If you no longer want to keep a Generating System at the premises connected to our distribution system, you must apply to us for a connection alteration so that any necessary alterations to the connection can be made.

6.6 Indemnities by you

(a) In the event that you on-sell or on-supply to any person any electricity supplied to your premises, you must indemnify us for, and hold us harmless against, any losses, costs, damages, expenses and liabilities that arise as a result of any claims made against us by that person.

(b) You agree to indemnify us on demand and hold us harmless from and against all liabilities or claims for any loss or damage to us or third parties, any death or injuries to any person, and all liabilities or claims which we may incur to any third party arising out of:

(i) the operation of a Generating System at the premises;

(ii) any representation or promise made by you, or on your behalf, to any person who acquires the Generating System, as to that person’s eligibility, or lack of eligibility, for, or the amount of, any rebates, tariffs or other benefits payable or allowable under any South Australian or national scheme relating to Generating Systems (including the South Australian solar feed-in tariff scheme);

(iii) the use of electricity which has passed from our distribution system beyond the point of your connection to our distribution system;

(iv) you or your employees’, agents’ or contractors’ failure to comply with any of your obligations under this contract;

(v) you or your employees’, agents’ or contractors’ negligent or reckless acts or omissions;
(vi) any damage to the Generating System or the Premises; or
(vii) any inability to utilise the Generating System or the Premises.

(c) Subject to the exception in clause 6.5(c)(ii), you further agree to indemnify us on demand and hold us
harmless from and against any loss, cost, damage, expense or liability that you incur and which,
despite clause 6.5(c) or clause 6.5(d), you seek to, or do, recover from us.

7. WRONGFUL AND ILLEGAL USE OF ENERGY

7.1 Illegal use of energy or interference

You must not and must take reasonable steps to ensure others do not:

(a) illegally use energy supplied to the premises; or
(b) interfere or allow interference with any of our equipment at the premises, except as may be permitted
    by law; or
(c) use the energy supplied to your premises or any energy equipment in a manner that:
    (i) unreasonably interferes with the connection or supply of energy to another customer; or
    (ii) causes damage or interference to any third party; or
(d) use customer connection services provided by us in a way that is not permitted by law or this contract;
    or
(e) tamper with, or permit tampering with, any meters or associated equipment.

7.2 Consequences for wrongful or illegal use

If you do not comply with clause 7.1 above, we may, in accordance with the energy laws take any or all of the
following actions:

(a) estimate the amount of energy obtained wrongfully or illegally and take debt recovery action against you
    for that amount; and
(b) undertake (or agree that you undertake) any necessary rectification work at your cost; and
(c) arrange for the immediate disconnection of the premises.

8. OUR LIABILITY

8.1 Quality and reliability of electricity supplied to your premises

(a) The quality and reliability of your electricity supply is subject to a variety of factors that may be beyond
our control, including accidents, emergencies, weather conditions, vandalism, system demand, the
technical limitations of the distribution system and the acts of other persons, including at the direction
of a relevant authority.

(b) Subject to clauses 8.1(d), 8.2 and 8.3, unless we have acted in bad faith or negligently, we exclude our
liability for any loss or damage you suffer as a result of the partial or total failure to supply energy to your
premises.
(c) Subject to clauses 6.5(c)(ii) and 8.2, we exclude all liability for any loss or damage you suffer of any kind that is not a result of the partial or total failure to supply energy to your premises.

(d) Subject to clause 8.2, we exclude all liability for any loss or damage brought against, suffered or incurred by you as a result of your failure to install or adequately maintain or failure of all or any part of the protection equipment required at the premises in accordance with Item 2 of Schedule 2 and/or the engineering report.

8.2 How this clause operates with the Competition and Consumer Act 2010

(a) The Competition and Consumer Act 2010 and other laws imply certain conditions, warranties and rights into contracts that cannot be excluded or limited.

(b) Unless one of these laws requires it, we give no condition, warranty or undertaking, and we make no representation to you, regarding any matter including as to the condition or suitability of electricity, its quality, fitness or safety, other than those set out in this contract.

(c) Any liability we have to you under these laws that cannot be excluded but that can be limited is (at our option) limited to:

(i) in the case of services, supplying the services again or payment of the cost of having the services supplied again; and

(ii) in the case of goods, replacing the goods, supplying equivalent goods or having the goods repaired, or payment of the cost of replacing the goods, supplying equivalent goods or having the goods repaired.

(d) We are not otherwise liable to you for any loss you suffer if we have not been negligent or have not acted in bad faith.

8.3 Negligence and bad faith – cap on liability

(a) Subject to clause 8.1(d) and clause 8.2, we are liable to you only for:

(i) any physical losses and damage you suffer and for personal injury (but no other loss), due to the partial or total failure to supply energy to your premises which includes:

(A) problems in the quality of supply of electricity to your premises (such as power surges and drops); and

(B) interruptions to or failures of the supply of electricity to your premises; and

(ii) any malfunction of, or damage to, your Generating System in the circumstances referred to in clause 6.5(c)(ii),

and caused by our negligence or bad faith.

(b) Our liability to you is limited to $1,000,000 as indexed annually, on 1 July in accordance with Section 10 of the National Energy Retail Law (Local Provisions) Regulations 2012, for all claims you make in relation to an event.

8.4 Immunity

This clause 8 does not exclude the immunity provided by sections 119 and 120 of the National Electricity Law.
9. ACCESS TO PREMISES

9.1 Your obligations

Under the energy laws, you must provide us and our authorised representatives (together with all necessary equipment) safe and unhindered access to the premises, including taking appropriate action to prevent menacing or attack by animals at the premises, at any reasonable time to allow us to:

(a) read, test, maintain, inspect or alter any metering installation at the premises; and
(b) calculate or measure energy supplied or taken at the premises; and
(c) check the accuracy of metered consumption at the premises; and
(d) replace meters, control apparatus and other energy equipment of ours; and
(e) connect or disconnect the premises and/or any Generating System; and
(f) examine or inspect an energy installation and/or any Generating System at the premises; and
(g) inspect, make safe, operate, change, maintain, remove, repair or replace any of our works at the premises; and
(h) undertake repairs, testing or maintenance of the distribution system; and
(i) clear vegetation from the distribution system including any equipment owned by us; and
(j) take action to determine the appropriate tariff or charging category for the premises; and
(k) perform services requested by you or your retailer.

9.2 Our obligations

If we or our representatives seek access to the premises under clause 9.1 above we will:

(a) comply with all relevant requirements under the energy laws; and
(b) carry or wear official identification; and
(c) show the identification if requested.

10 INTERRUPTION TO SUPPLY

10.1 Distributor may interrupt supply

We may interrupt the supply of energy to your premises where permitted under the energy laws, including for a planned interruption or where there is an unplanned interruption or in accordance with the conditions of any applicable tariff or under a contract with your retailer.

10.2 Planned interruptions (maintenance, repair, etc)

(a) We may make planned interruptions to the supply of energy to the premises under the Rules for the following purposes:

(i) for the maintenance, repair or augmentation of the transmission system or the distribution system, including maintenance of metering equipment; or

(ii) for the installation of a new connection or a connection alteration to another customer.
If your energy supply will be affected by a planned interruption, we will give you at least 4 business days notice by mail, letterbox drop, press advertisement or other appropriate means, unless the energy laws exempt us from giving such notice.

10.3 Unplanned interruptions

(a) We may interrupt the supply of energy to your premises in circumstances where we consider that a customer's energy installation or the distribution system poses an immediate threat of injury or material damage to any person, property or the distribution system, including:

(i) for unplanned maintenance or repairs;
(ii) for health or safety reasons;
(iii) in an emergency;
(iv) as required by a relevant authority;
(v) to shed demand for energy because the total demand at the relevant time exceeds the total supply available; or
(vi) to restore supply to a customer.

(b) If an unplanned interruption is made, we will use our best endeavours to restore energy supply to the premises as soon as possible.

(c) We will make information about unplanned interruptions (including the nature of any emergency and, where reasonably possible, an estimate of when energy supply will be restored) available on a 24 hour telephone information service.

10.4 Your right to information about interruptions

(a) If you request us to do so, we will use our best endeavours to explain:

(i) an interruption to the supply of energy to the premises; or
(ii) a supply of energy to the premises of a quality in breach of any relevant standards under the energy laws.

(b) If you request an explanation be in writing we must, within 10 business days of receiving the request, give you either:

(i) the written explanation; or
(ii) an estimate of the time it will take to provide a more detailed explanation if a longer period is reasonably needed.

11. OUR CHARGES

11.1 Payment

The amounts you are billed under your contract with your retailer include our charges for customer connection services.

11.2 Determination of our charges

We will determine our charges for a billing cycle in accordance with the energy laws.
11.3 Compliance with tariff requirements

(a) If there are any conditions that are relevant to any tariff or charging category that applies to you for the supply of energy to your premises we must advise your retailer of those conditions.

(b) You must comply with any conditions referred to in paragraph (a).

(c) If you do not comply with the conditions referred to in paragraph (a), we may change the tariff that applies to you.

12. DISCONNECTION OF SUPPLY

12.1 When can we disconnect?

Subject to us satisfying the requirements in the Rules, we may disconnect your premises if:

(a) your retailer informs us that it has a right to arrange for disconnection under your contract with your retailer and requests that we disconnect the premises; or

(b) you use energy supplied to the premises wrongfully or illegally in breach of clause 7; or

(c) if you fail to pay any direct charges (where relevant) to us under this contract; or

(d) if you provide false information to us or your retailer such that you would not have been entitled to be connected if you had not provided the false information; or

(e) if you do not provide and maintain space, equipment, facilities or anything else you must provide under the energy laws or this contract in order for us to provide customer connection services; or

(f) if you fail to give us safe and unhindered access to the premises as required by clause 9 or any requirement under the energy laws; or

(g) In an emergency or for health and safety reasons; or

(h) if required to do so at the direction of a relevant authority; or

(i) if we are otherwise permitted by the energy laws to disconnect the premises.

Note: The energy laws allow distributors and other authorised people to disconnect or arrange the disconnection of premises in circumstances additional to those set out above.

12.2 Notice and warning of disconnection

We may disconnect your premises under clauses 12.1(c), 12.1(d), 12.1(e) or 12.1(f) only if:

(a) we have sent you a disconnection warning notice in accordance with energy laws; and

(b) you fail to rectify the matter that gave rise to the right to disconnect the premises within the time period set out and in accordance with energy laws in that disconnection warning notice.

12.3 Life support equipment

We must not disconnect your premises if they are registered as having life support equipment, unless:

(a) you have requested that we disconnect your premises; or

(b) clauses 12.1(g) or 12.1(h) above apply.
12.4 Our rights after disconnection

The disconnection of the premises does not limit or waive any of the parties’ rights and obligations under this contract arising before disconnection, including any of your obligations to pay amounts to us or your retailer.

12.5 Disconnection fee

If you have not complied with a disconnection warning notice and we arrive at the premises to disconnect the premises but do not do so because you rectify the matter referred to in the disconnection warning notice, you will be liable to pay a reasonable fee for our attendance at the premises.

13. RECONNECTION AFTER DISCONNECTION

If you request us to arrange reconnection and you pay for all of our charges and all of your retailer's connection charges in advance, we will reconnect your premises in accordance with energy laws. We may refuse to, if we are allowed to do so under the energy laws (such as where the circumstances leading to the disconnection have not been rectified).

14. NOTICES AND BILLS

(a) Notices and bills (where relevant) under this contract must be sent in writing, unless this contract or the Rules say otherwise.

(b) A notice or bill sent under this contract is taken to have been received by you or by us (as relevant):

(i) on the date it is handed to the party, left at the party’s premises (in your case) or one of our offices (which excludes depots) (in our case) or successfully faxed to the party (which occurs when the sender receives a transmission report to that effect); or

(ii) on the date two business days after it is posted; or

(iii) on the date of transmission (unless the sender receives notice that delivery did not occur or has been delayed) if sent electronically and the use of electronic communication has been agreed between us.

15. PRIVACY ACT NOTICE AND ACCESS TO INFORMATION

15.1 Privacy of personal information

We will comply with all relevant privacy legislation in relation to your personal information. You can find a summary of our privacy policy on our website. If you have any questions, you can contact our privacy officer.

15.2 Access to information

Upon request, we must give you information about your energy consumption or our charges for customer connection services. We may charge you a reasonable fee for information requested more than once in any 12 month period.

16. COMPLAINTS AND DISPUTE RESOLUTION

16.1 Complaints

If you have a complaint relating to the supply of energy to the premises, or this contract generally, you may lodge a complaint with us in accordance with our standard complaints and dispute resolution procedures. Note: Our standard complaints and dispute resolution procedures are published on our website.
16.2 Our obligations in handling complaints or disputes

If you make a complaint, we must respond to your complaint within the required timeframes in our standard complaints and dispute resolution procedures and inform you of the outcome of your complaint and the reasons for our decision.

17. FORCE MAJEURE

17.1 Effect of force majeure event

If, either you or we cannot meet an obligation under this contract because of an event outside the control of the party ('a force majeure event'):

(a) the obligation, other than an obligation to pay money, is suspended to the extent it is affected by the event for so long as the event continues; and

(b) the affected party must use its best endeavours to give the other prompt notice of that fact including full particulars of the event, an estimate of its likely duration, the extent to which its obligations are affected and the steps taken to remove, overcome or minimise those effects.

17.2 Deemed prompt notice

If the effects of a force majeure event are widespread we will be taken to have given you prompt notice if we make the necessary information available by way of a 24 hour telephone service within 30 minutes of being advised of the event or otherwise as soon as practicable.

17.3 Obligation to overcome or minimise effect of force majeure event

A party that claims a force majeure event must use its best endeavours to remove, overcome or minimise the effects of that event as soon as practicable.

17.4 Settlement of industrial disputes

Nothing in this clause requires a party to settle an industrial dispute that constitutes a force majeure event in any manner other than the manner preferred by that party.

17.5 Guaranteed Service Level Payments

The amount of any payment for failure to meet a guaranteed service level under the GSL scheme, will be reduced to take into account the effect of a force majeure event.

18. APPLICABLE LAW

The laws of South Australia govern this contract.

19. GENERAL

19.1 Our obligations

Some obligations placed on us under this contract may be carried out by another person. If an obligation is placed on us to do something under this contract, then:

(a) we are taken to have complied with the obligation if another person does it on our behalf; and

(b) if an obligation is not complied with, we are still liable to you for the failure to comply with this contract.
19.2 GST

(a) Amounts specified in the standing offer prices from time to time and other amounts payable under this contract may be stated to be exclusive or inclusive of GST. Paragraph (b) applies unless an amount payable under this contract is stated to include GST.

(b) Where an amount paid by you or by us under this contract is payment for a “taxable supply” as defined for GST purposes, to the extent permitted by law, that payment will be increased so that the cost of the GST payable on the taxable supply is passed on to the recipient of that taxable supply.

19.3 Amending this contract

This contract may only be amended from time to time by mutual agreement and in writing.

20. VACATING A PREMISES

You must give us or your retailer at least 3 business days’ notice of your intention to vacate your premises, together with a forwarding address for your final bill. When we receive the notice, we must arrange for your meter to be read on the date specified in your notice (or as soon as possible after that date if you do not give access to your meter on that date) and for a final bill to be sent to you at the forwarding address stated in your notice. If you do not give us the required notice, or if you do not give us access to your meter, you will be responsible for all electricity used at the premises until we become aware that you have vacated your premises and we arrange for your meter to be read.

21. ASSIGNMENT AND NOVATION

21.1 Dealings with this Contract by You

You must not:

(a) assign, transfer, novate or deal with any of your rights or obligations under this contract; or

(b) grant any mortgage, pledge, charge or otherwise encumber your rights to and interest in this contract

unless you have the prior written consent of SA Power Networks which consent will not be unreasonably withheld or delayed or given on unreasonable conditions.
Signed for and on behalf of
Eldercare Incorporated
ABN 6375 8127 271
in accordance with section 127 of the
Corporations Act 2001

Signature of Director

Name (please print)

Date

Or

Signature of Sole Director and Sole Company Secretary

Name (please print)

Date

Signed for and on behalf of
SA POWER NETWORKS
by its duly authorised signatory

Signature of duly authorised signatory

Name (please print)

Date

SA Power Networks use only:

SEG Approval Number

Signed for and on behalf of
Eldercare Incorporated
ABN 6375 8127 271
by its duly authorised signatory

Signature of duly authorised signatory

Name (please print)

Date

Witnessed by:

Signature of Witness

Name (please print)

Date

Eldercare Incorporated - 251 Young Street, Wayville SA 5034
3605 - Ongoing CS - Large Cust w-Gen Capacity 31 & 200kW 170911.docx
Version as at 31 September 2017

26th March 2019
15
Simplified explanation of terms

billing cycle means the regular recurrent period for which we charge for customer connection services;

business day means a day other than a Saturday, a Sunday or a public holiday;

connection point means the point at which a distribution system connects to an energy installation or equipment that serves the premises of one or more customers;

customer means a person who buys or wants to buy energy from a retailer;

customer connection services include services relating to the flow of energy to your premises;

disconnection means an action to prevent the flow of energy to the premises, but does not include an interruption;

emergency means an emergency due to the actual or imminent occurrence of an event that in any way endangers or threatens to endanger the safety or health of any person, or normal operation of the distribution system or transmission system, or that destroys or damages, or threatens to destroy or damage, any property;

energy means electricity or gas (as relevant to this contract);

energy laws means national and State and Territory laws and rules relating to energy and the legal instruments made under those laws and rules;

force majeure event means an event outside the control of a party;

Generating System means a system comprising one or more Generating Units and includes the associated control and protection equipment and all auxiliary or reactive plant that is located on the Customer's side of the Connection Point.

Generating Unit means the plant used in the production of electricity, including all related equipment essential to its functioning as a single entity;

GSL scheme has the meaning given in the National Energy Retail Law;

GST has the meaning given in the GST Act (A New Tax System (Goods and Services Tax) Act 1999 (Cth));

interruption means a temporary unavailability or temporary curtailment of the supply of energy from a distribution system to a customer, but does not include disconnection;

National Energy Retail Law means the Law of that name that is applied by each participating State and Territory;

National Electricity Rules means the rules made under the National Electricity Law;

relevant authority means any person or body who has the power under law to direct us, including the Australian Energy Market Operator and State or Federal Police;

retailer means a person that is authorised to sell energy to customers;

Rules means the National Energy Retail Rules made under the National Energy Retail Law; and
Schedule 2

Additional technical and operational requirements for Generating Systems

1. Design and installation

The design, installation, operation and repair of each Generating Unit which forms part of the Generating System, and as applicable the Generating System as a whole, must comply with:

(a) AS/NZS 4777 – Grid Connection of Energy Systems via inverters, Parts 1 and 2;
(b) AS/NZS 3000 – SAA Wiring Rules;
(c) AS/NZS 3008 – Electrical installations – Selection of cables;
(d) AS/NZS 5033 – Installation of Photovoltaic (PV) Arrays (if applicable); and
(e) all other applicable Australian Standards/Codes of Practice, current as at the date of installation.

2. Grid and customer protection requirements

2.1 Network supply matching

The Generating Systems output voltage, frequency and waveform must match that of our distribution system such that any distortion of these parameters is within acceptable limits. You must operate the Generating System so that there is no appreciable reduction in the safety and quality of supply to other users of our distribution system or risk of damage to apparatus belonging to other users of our distribution system or us.

2.2 Grid protection

Inverter Protection

The protection elements of the Inverter (which is the device that forms part of the Generating Unit which uses semiconductor devices to transfer power between a DC source and an AC source or load) must comply with AS/NZS 4777.2 “Grid Connection of Energy Systems via Inverters Part 2: Grid Protection Requirements” to ensure:

(a) disconnection of the Inverter from our distribution system in the event of a loss of supply;
(b) the Inverter is operating within acceptable operating parameters; and
(c) the Inverter is prevented from energising a de-energised circuit.

Additional Anti-Islanding Protection

The Generating System must incorporate additional anti-islanding protection with a suitable relay with both vector shift and ROCOF protection elements to ensure disconnection of the Generating System from our distribution system in the event of a loss of supply.

2.3 Multiphase systems

(a) Three phase inverters must be configured to ensure reasonably balanced output to all phases at all times whilst connected to our distribution system. All three phases of the Inverter must simultaneously disconnect from, or connect to, our distribution system in response to protection or automatic controls (e.g anti islanding trip and subsequent reconnection).
(b) Where multiple single phase inverters are connected to more than one phase, the inverters must be interlocked and configured to behave as an integrated multiphase inverter providing a reasonably balanced output to all connected phases at all times whilst connected to our distribution system. Alternatively, where Inverters cannot be interlocked by internal controls, the installation must be protected by a phase balance relay which must immediately isolate the Inverter in the absence of...
reasonable balance. The Inverters must be physically prevented from operating independently and all
installed inverters must simultaneously disconnect from, or connect to, our distribution system in
response to protection or automatic controls (eg anti islanding trip and subsequent reconnection).

(c) We may, in writing, waive the requirement for full compliance with the preceding paragraph in our
absolute discretion.

(d) Note that for Generating Systems, the maximum allowable difference in current between any two
phases must be no greater than 10A for the system to be considered reasonably balanced.

2.4 Voltage and frequency ranges of operation

The Inverter and customer installation must be designed, installed, and maintained in a manner that ensures
that the maximum steady state voltage at any socket outlet or fixed equipment (other than the Inverter) within
the installation complies at all times with the requirements of Australian Standard 4777 (Grid connection of
Energy Systems via Inverters).

The following specific voltage and frequency settings must be programmed into the Inverter:

(a) Voltage:

(i) Where the Inverter has a maximum voltage limit for sustained operation (based on averaged
measurements over periods ten minutes or less), this parameter must be set no higher than
255V. If the Inverter does not have a maximum voltage limit for sustained operation setting,
the anti islanding maximum voltage trip point (based on a short term measurement) must be
set to a low enough voltage depending on the installation characteristics, to ensure
compliance. Failure to design for this requirement may expose appliances and fixed
equipment to potentially damaging voltages.

(b) Frequency:

(i) Minimum frequency trip point (Fmin) is 47 Hz.

(ii) Maximum frequency trip point (Fmax) is 52 Hz.

If voltage and/or frequency falls outside the set limits, the Generating Units must be automatically disconnected
from our distribution system. Reconnection procedure must comply with AS/NZS 4777.2 "Grid Connection of
Energy Systems via Inverters Part 3: Grid Protection Requirements".

2.5 Reactive Power requirements

The Inverters should be capable of power factor control to meet the customer's reactive power obligations
under the Electricity Distribution Code, or additional power factor control must be installed.

2.6 Quality of Supply Data Measurements

The import/export meter must include additional functionality to record quality of supply data that SA Power
Networks can access for long term monitoring of the installation. The Customer must provide written
permission for SA Power Networks to access this information for monitoring purposes.

3. Testing

3.1 Upon, or at any time after, completion of the installation of the Generating System, we may request access to
the premises at a reasonable time to conduct a test of the Generating System for the purpose of establishing
that the Generating System complies with this contract.

3.2 The test will consist of:

(a) disconnection of the premises from our distribution system;

(b) reconnection of the premises to our distribution system; and
(c) inspection and such testing of the Generating System as we consider necessary for compliance with this contract.