



Electricity

Licence



Electricity Distribution Licence

OneSteel Manufacturing Pty Ltd

ACN 004 651 325

This licence was issued by the **Commission** on 1 January 1998 and last varied on the date specified below.



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Natasha Cheshire
Acting Chief Executive Officer and Commission authorised signatory

27 April 2022

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Date

Variation history

Amendment number	Variation date	Reason
ESCOSA01	6 June 2007	
ESCOSA02	8 August 2019	Licence varied to reflect amendments to the Act and update outdated references.
ESCOSA03	April 2022	Licence varied to reflect changes following the implementation of SSNI to remove operational and annual return reporting requirements, together with minor administrative variations to update outdated references and formatting.

1 Directions, approvals, authorisations and notices

1.1 A direction, approval, authorisation or notice under this licence:

- (a) must be in writing signed by the person authorised to give it; and
- (b) may be given, varied or revoked from time to time.

1.2 An approval or authorisation under this licence:

- (a) may be given or withheld at the absolute discretion of the person authorised to give it; and
- (b) may be given subject to conditions.

2 Term

2.1 This licence operates on and from 1 January 1998 until:

- (a) surrendered by the **Licensee** under section 29 of the **Act**; or
- (b) suspended or cancelled under section 37 of the **Act**.

3 Scope of licence

3.1 This licence authorises the **Licensee** to undertake the **Operations** in accordance with the terms and conditions of this licence.

3.2 The **Licensee** must not distribute electricity to a person for a use if the person is required to be authorised under the **Act** in respect of that use and the **Licensee** is aware that the person is not so authorised.

3.3 The Licensee must ensure that any risk of death or injury to a person, or damage to property, arising out of the **Operations** is eliminated or minimised.

4 Compliance with codes

4.1 The **licensee** must:

- (a) comply with the **Electricity Distribution Code**, and the **Electricity Transmission Code**, as varied from time to time;
- (b) comply with any other Code or Rule made by the Commission from time to time, relevant to the Licensee; and
- (c) notify the **Commission** if it commits a material breach of any of the applicable provisions of the **Electricity Distribution Code**, within 3 days after becoming aware of that breach.

5 Provision of information

5.1 The **Licensee** must inform:

- (a) each person who applies for, or who is in receipt of, network services, the terms, conditions and charges on which those services are provided by the **Licensee**; and
- (b) any person in receipt of network services, of any change in the terms, conditions or charges on which the **Licensee** provides those services.

6 Augmenting the network

- 6.1 The **Licensee** must, prior to materially augmenting **Electricity Infrastructure**, provide the **Commission** with details of the proposed augmentation and information about:
- (a) the distribution equipment utilisation factor in respect of that infrastructure; and
 - (b) the cost effectiveness of implementing demand management strategies to achieve the necessary increase in system capacity.
- 6.2 The **Licensee** must promptly notify the **Commission** of any material change to the **Electricity Infrastructure**.

7 Return and information to the Commission

- 7.1 The **Licensee** must, from time to time, provide to the **Commission**, in a manner and form determined by the **Commission**:
- (a) details of the **Licensee's** financial, technical and other capacity to continue the operations authorised by this licence; and
 - (b) such other information as the **Commission** may require from time to time.

8 Customer complaints and dispute resolution

- 8.1 The **Licensee** must:
- (a) implement procedures for the management and resolution of customer complaints and disputes which, as a minimum, ensure the basic procedures of AS 4269 – 1995 “Complaints Handling” are followed;
 - (b) participate in the Industry **Ombudsman Scheme** if requested by the **Commission** by written notice, during the period specified by written notice.

9 System controller and AEMO

- 9.1 The **Licensee** must, following a request from **AEMO**, provide to **AEMO**, such documents or information as it may reasonably require to perform its functions and exercise its powers under the **Act**.
- 9.2 The **Licensee** must comply with any directions given to it by the **System Controller**.

10 Interruption of supply

- 10.1 The **Licensee** must, in undertaking the **Operations**, use best endeavours to minimise the frequency and duration of **supply interruptions**.
- 10.2 The **Licensee** must provide not less than the following period of notice to a **Customer** likely to be affected by a planned material **supply interruption**:
- (a) in respect of an interruption caused by the **Licensee**: 3 days prior to the interruption;
 - (b) in respect of an interruption notified to the **Licensee** by another electricity entity at least 4 days prior to the interruption: 3 days prior to the interruption; or
 - (c) in respect of an interruption notified to the **Licensee** by another electricity entity less than 4 days but more than 24 hours prior to the interruption: within 24 hours of receiving that notice from the other electricity entity.

- 10.3 Notice given by the **Licensee** under clause 10.2 must include the time, expected duration of, and reason for the **supply interruption**.
- 10.4 The **Licensee** provide written notice of commencement time and duration of, and, if available, reason for, a **supply interruption** within 20 business days of receiving a request for such written notification.
- 10.5 In this clause 10, "**material supply interruption**" means any interruption of supply of more than 15 minutes duration.

11 Compliance with regulatory requirements

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

12 Switching Manual

- 12.1 The **licensee** must:
- (a) prepare and maintain an internal switching manual in accordance with the **regulations**; and
 - (b) comply with any other requirements relating to switching prescribed in the **regulations**.

13 Confidentiality

- 13.1 The **Licensee** must, unless otherwise required by law, this licence, a **Code** or the **National Electricity Rules**:
- (a) comply with any **Rules** made by the **Commission** from time to time relating to use of information acquired by the **Licensee** in the course of operating the business authorised by this licence; and
 - (b) ensure that information concerning a **Customer** is not disclosed without the prior written consent of, or as agreed in writing with, the **Customer**.

14 Compatibility of network

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

15 Insurance

- 15.1 The Licensee must comply with the insurance obligations set out in Item 2 of the Annexure.

16 Safety and technical management plan

- 16.1 The **licensee** must:
- (a) prepare, maintain and periodically revise a safety, reliability, maintenance and technical management plan dealing with matters prescribed by **regulation**;
 - (b) obtain the approval of the **Technical Regulator**:
 - (i) to the plan (prior to commencement of the operation of the transmission or distribution system to which the plan relates); and

- (ii) to any revision of the plan;
- (c) comply with the plan as approved from time to time in accordance with clause 16.1(b); and
- (d) undertake audits of its compliance with the plan from time to time and report the results of those audits to the **Technical Regulator**, in the form required by the **Technical Regulator**.

17 Metering plan

- 17.1 The **Licensee** must, if the **Licensee** undertakes metering or engages a person for that purpose, develop and obtain the approval of the **Commission** for, a **Metering Plan** setting out the **Licensee's** procedures in respect of:
- (a) installation and ownership of meters;
 - (b) minimum accuracy standards for meters and the maintenance of that accuracy (including audits of meter types);
 - (c) collection of metering data;
 - (d) field and maintenance testing of meters;
 - (e) resolution of metering disputes; and
 - (f) metering data obligations.
- 17.2 The **Commission** may:
- (a) approve the **Metering Plan**; or
 - (b) require the **Licensee** to improve the **Metering Plan** (in which case the **Licensee** must promptly do so and resubmit it for the **Commission's** approval).
- 17.3 The **Licensee** and any person engaged by the **Licensee** to undertake metering, must comply with the **Metering Plan** after the **Commission** has approved it.
- 17.4 The **Licensee** must at least once in each period of 12 months:
- (a) review the **Metering Plan** to determine whether it is operating effectively and whether the **Licensee**, and any person engaged by the **Licensee** to undertake metering, is complying with the **Plan**;
 - (b) provide a copy of that review to **Commission**; and
 - (c) if necessary, amend the **Metering Plan** (but the **Licensee** must not amend the **Plan** without the approval of the **Commission**).

18 Public safety awareness plan

- 18.1 The **Licensee** must, if requested by the **Technical Regulator**, participate in the development of a **Public Safety Awareness Plan** in accordance with any written directions provided by the **Technical Regulator** from time to time.
- 18.2 The **Licensee** must comply with the **Public Safety Awareness Plan** once developed.

19 Connection policy

- 19.1 The **Licensee** must, if requested by the **Commission**, develop a **Connection Policy** specifying:

- (a) the **Licensee's** policy in respect of extending the **Electricity Infrastructure** at the request of a potential **Customer** (including stipulations in respect of voltages and distance from load to existing infrastructure); and
- (b) the terms and conditions on which the **Licensee** will:
 - (i) extend the **Electricity Infrastructure**;
 - (ii) provide a new meter; or
 - (iii) (provide metering information services, including:
 - ▶ cost of connection to, and use of, the **Electricity Infrastructure**;
 - ▶ method of calculation and collection of capital contribution (if any) for the first **Customer** and any subsequent **Customer**; and
 - ▶ details of technical or other obligations of the **Customer** in respect of that extension or provision.

19.2 The **Licensee** must submit the Connection Policy, and any amendment to that policy, to the **Commission** for approval

19.3 The **Licensee** must not refuse to connect a person to the Network because:

- (a) the person provides its own electricity metering system; or
- (b) a third party provides an electricity metering system for the person, if that metering system complies with the **Act** or the **National Electricity Rules**.

Schedule: Definitions and Interpretation

Part 1 – Definitions

Act means the Electricity Act 1996 (SA) and includes any statutory instrument made under that Act;

AEMO means the Australian Energy Market Operator Ltd (ACN 072 010 327);

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

Code means any code made by the Commission under section 28 of the **ESC Act** from time to time;

Commission means the Essential Services Commission established under the **ESC Act**;

Customer means a customer (as defined in the Act) connected to the Network;

Electricity Distribution Code means the code of that name made by the **Commission** under section 28 of the **ESC Act** which regulates connections to a distribution network and the supply of electricity by distributors;

Electricity Infrastructure means the electricity infrastructure used in connection with the Operations (but does not include an electrical installation);

Electricity Transmission Code means the code of that name made by the **Commission** under section 28 of the **ESC Act**;

ESC Act means the Essential Services Commission Act 2002 (SA);

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

Industry Regulator means the South Australian Independent Industry Regulator under the Independent Industry Regulator Act 1999 (SA);

Licensee means OneSteel Manufacturing Pty Limited, ACN 004 651 325;

Meter does not include a meter the provision and operation of which is regulated by the National Electricity Rules; and “**metering**” means metering undertaken by means of a meter;

Minister means the person who is responsible for the administration of the Act;

National Electricity Law means the National Electricity Law referred to in the National Electricity (South Australia) Act 1996 (SA);

National Electricity Rules means the National Electricity Rules, as defined in the **National Electricity Law**;

Network means the distribution network set out in the Annexure;

Operations means the carrying on by the Licensee of the operation of the Network;

regulation means a regulation made under the **Act**;

Return Period means,

- (a) in respect of the first return under this licence, the period on and from the commencement of the licence until and including 30 June in the first twelve month period after the licence was issued;
- (b) in respect of each subsequent return (other than the last return) under this licence, the year commencing on the day following the last day of the immediately preceding return period; and

- (c) in respect of the last return period under this licence, the period on and from the day following the last day of the immediately preceding return period until and including the last day of the term;

Rule means any rule issued by the **Commission** under section 28 of the **ESC Act**.

Supply Interruption means an interruption in electricity supply affecting any customer and includes a supply interruption occurring as a result of:

- (a) an act or omission of another person; or
- (b) an outage,

but does not include:

- (c) in respect of a customer, an interruption in electricity supply in accordance with an interruptible supply contract with that customer; or
- (d) an interruption of supply rectified by an automatic fault clearing operation; and

System Controller means the person licensed under Part 3 of the **Act** to exercise system control over a power system.

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

Term means the term during which this licence operates set out in clause 2, but otherwise, terms have the same meaning as in the *Electricity Act 1996*.

Part 2 - Interpretation

In this licence, unless the context otherwise requires:

- (a) headings are for convenience only and do not affect the interpretation of this licence;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include any gender;
- (d) an expression importing a natural person includes any company, partnership, trust, joint venture, association, corporation or other body corporate and any governmental agency;
- (e) a reference to any statute, regulation, proclamation, order in council, ordinance or bylaw includes all statutes, regulations, proclamations, orders in council, ordinances or by-laws varying, consolidating, re-enacting, extending or replacing them and a reference to a statute includes all regulations, proclamations, orders in council, ordinances, by-laws and determinations issued under that statute;
- (f) a reference to a document or a provision of a document includes an amendment or supplement to, or replacement or novation of, that document or that provision of that document;
- (g) an event which is required under this licence to occur on or by a stipulated day which is not a **business day** may occur on or by the next business day; and
- (h) a reference to a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns.

ANNEXURE

1 Network – in the vicinity of Iron Knob, Iron Baron and Iron Duke and the Whyalla District.

2 Insurance

- 2.1 The Licensee must ensure that it is covered at all times during the term by an occurrence based policy against public liability for at least the amount specified in the Licence application for any one loss or occurrence (“the public liability policy”) that covers the interests and liabilities of the Licensee’s subcontractors to the same extent as the Licensee’s interests and liabilities.
- 2.2 The Licensee must:
- (a) promptly provide written proof of the existence, currency and terms of that insurance if requested to do so by the Commission; and
 - (b) not do, or permit to be done, anything that may result in that insurance cover being vitiated or rendered void or voidable.
- 2.3 In specifying levels of insurance by or under this licence, neither the Commission, the Technical Regulator or the Crown in right of the State of South Australia accepts liability for the completeness of their listing, the adequacy of the sum insured, limit of liability, scope of coverage, conditions or exclusions of those insurances with respect to how they may or may not respond to any loss, damage or liability.
- 2.4 The Licensee acknowledges and agrees that it is the Licensee’s responsibility to assess and consider the risks and scope of insurances required under this licence.



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