



**ELECTRICITY
DISTRIBUTION/RETAIL
LICENCE
COWELL ELECTRIC
SUPPLY LTD
(ACN 095 517 490)**

**Issued by the
Essential Services Commission of South Australia
on 21 June 2007**

**Last varied by the
Essential Services Commission of South Australia
on 26 February 2009**

ELECTRICITY

VARIATION HISTORY

<i>Amendment Number</i>	<i>Variation Date</i>
1 (ESCOSA)	26 February 2009

ELECTRICITY DISTRIBUTION/RETAIL LICENCE

Chapter 1. General

1. DEFINITIONS AND INTERPRETATION

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

2. GRANT OF LICENCE

- 2.1 The **licensee** is licensed under part 3 of the **Act**, subject to the conditions set out in this licence, to:
 - (a) operate the distribution network at the locations described in Annexure 1; and
 - (b) retail electricity to any person for consumption at the localities specified in Annexure 2.

3. TERM OF LICENCE

- 3.1 This licence commences on 1 July 2007 and continues until it is:
 - (a) surrendered by the **licensee** under section 29 of the **Act**; or
 - (b) suspended or cancelled by the **Commission** under section 37 of the **Act**.

4. VARIATION

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

5. TRANSFER

- 5.1 This licence may only be transferred in accordance with section 28 of the **Act**.

6. COMPLIANCE WITH APPLICABLE LAWS

- 6.1 The **licensee** must comply with all applicable laws, including, but not limited to, any technical or safety requirements or standards contained in regulations made under the **Act**.
- 6.2 The **licensee** must comply with any **codes** or **rules** made by the **Commission** from time to time, that the **Commission** has advised the **licensee** in writing as being applicable to the **licensee**.

7. OMBUDSMAN AND DISPUTES

- 7.1 The **licensee** must, if requested by the **Commission** by written notice, participate in an **Ombudsman Scheme**.

7.2 The **licensee** must also implement procedures for the management and resolution of **customer** disputes which, as a minimum, ensure that the basic procedures of AS ISO 10002-2006 "Customer Satisfaction - Guidelines for Complaints Handling in Organisations" are followed.

8. INFORMATION

8.1 The **licensee** must, from time to time, in a manner and form determined by the **Commission**, provide to 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.

8.2 If the **licensee** commits a **material breach** of a provision of an applicable law (as specified in clause 6), the **licensee** must notify the **Commission** of that breach within 3 days of becoming aware of that breach.

8.3 The **licensee** must, following a request from the **Planning Council**, provide to the **Planning Council**, such documents or information as it may reasonably require to perform its functions and exercise its powers under the **Act**.

9. ANNUAL RETURN

9.1 The **licensee** must submit an Annual Return pursuant to section 20(2)(a) of the **Act** to the **Commission** by 31 August each year in respect of the operations authorised by this licence during the preceding financial year.

9.2 Each Annual Return must contain at least the following information:

- (a) the names of the officers of the **licensee**;
- (b) the names of the major shareholders of the **licensee**;
- (c) in respect of distribution operations:
 - (i) the length of the distribution network by voltage category;
 - (ii) number and capacity of other distribution assets;
 - (iii) distribution system average outage duration measured in minutes;
 - (iv) total number of distribution network interruptions;
 - (v) number of power quality complaints received;
- (d) in respect of retail operations:
 - (i) number of **customers** by **customer** category;
 - (ii) total electricity sales (MWh) to **customers** by **customer** category;
 - (iii) total electricity sales revenue (\$) from **customers** by **customer** category;
 - (iv) the number of **customers** disconnected for failure to pay a bill;

- (e) in respect of the **licensee's** compliance with its regulatory obligations under this licence, a statement describing:
 - (i) any instances of non-compliance with those regulatory obligations; and
 - (ii) measures taken by the **licensee** to rectify reported non-compliance.

10. OPERATIONAL AND COMPLIANCE AUDITS

10.1 The **licensee** must undertake periodic audits of:

- (a) the operations authorised by this licence; and
- (b) the **licensees** compliance with its obligations under this licence; and
- (c) any applicable **codes**; and
- (d) any other matter relevant to the operations authorised by this licence as specified by the **Commission**,

at the request of, and in accordance with the requirements specified by, the **Commission**.

10.2 The results of each audit conducted under clause 10.1 must be reported to the **Commission** in a manner approved by the **Commission**.

11. CONFIDENTIALITY

11.1 The **licensee** must, unless otherwise required or permitted by law, this licence, or a **code**:

- (a) comply with any **rules** made by the **Commission** from time to time relating to the use of information acquired by the **licensee** in the course of operating the business authorised by this licence; and
- (b) ensure that information concerning a **customer** is not disclosed without the prior express consent of, or as agreed in writing with, the **customer**.

11.2 The **licensee** must not disclose confidential information to an intelligence or law enforcement agency unless requested to do so by an intelligence or law enforcement agency on the basis that:

- (a) disclosure is necessary under the terms of a warrant issued under Division 2 of the *Australian Security Intelligence Organisation Act 1979* or under the terms of any other court order; or
- (b) disclosure is reasonably necessary for the enforcement of the criminal law or of a law imposing a pecuniary penalty or for the protection of the public revenue; or
- (c) disclosure is necessary to safeguard the national security of Australia.

11.3 The **licensee** may accept an assertion of an intelligence or law enforcement agency, without making further enquiry, for the purposes of clause 11.2(b) and clause 11.2(c).

12. TAKING OVER OPERATIONS

- 12.1 Where the **licensee** becomes the subject of a proclamation under section 38 of the **Act**, it must participate in the development and implementation of arrangements under section 38 for another person to take over the operations authorised by this licence (including, but not limited to, arrangements to ensure the remuneration of that person).

Chapter 2. Distribution

13. QUALITY OF SUPPLY

- 13.1 The **licensee** must ensure that its distribution network is designed, installed, operated and maintained so that at the **customer's supply address**:
- (a) the voltage is as set out in AS 60038;
 - (b) the voltage fluctuations that occur are contained within the limits as set out in AS/NZS 61000 Parts 3.3, 3.5 and 3.7; and
 - (c) the harmonic voltage distortions do not exceed the values in AS/NZS 61000 Parts 3.2 and 3.6.
- 13.2 The **licensee** must ensure that any interference caused by its distribution network is less than the limits set out in AS/NZS 61000 Part 3.5 and AS/NZS 2344.

14. INTERRUPTION OF SUPPLY

- 14.1 The **licensee** must, in undertaking the distribution operations authorised by this licence, use its **best endeavours** to minimise the frequency and duration of **supply interruptions**.
- 14.2 The **licensee** must provide not less than the following period of notice to a **customer** likely to be affected by a planned **supply interruption** of more than 15 minutes:
- (a) in respect of an interruption planned 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.
- 14.3 Notice given by the **licensee** under this clause must include the time, expected duration of, and reason for the **supply interruption**.
- 14.4 The **licensee** must provide a 24 hour telephone service to **customers** notifying the commencement time and expected duration of and, if available, reason for, a current **supply interruption** of more than 15 minutes.

14.5 The **licensee** must 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.

15. SAFETY, RELIABILITY, MAINTENANCE AND TECHNICAL MANAGEMENT PLAN

15.1 The **licensee** must, in respect of the distribution operations authorised by this licence:

- (a) prepare a safety, reliability, maintenance and technical management plan dealing with matters prescribed by regulation 31C(2) of the *Electricity (General) Regulations 1997* and submit the plan to the **Commission** for approval;
- (b) annually review, and if necessary update, the plan to ensure its efficient operation, and submit the updated plan to the **Commission** for approval;
- (c) comply with the plan (as updated from time to time) as approved by the **Commission**;
- (d) not amend the plan without the approval of the **Commission**; and
- (e) undertake from time to time audits of its compliance with its obligations under the plan and report the results to the **Technical Regulator**, in a manner approved by the **Technical Regulator**.

16. CONNECTION POLICY

16.1 The **licensee** must, if requested by the **Commission**, develop a Connection Policy specifying the **licensee's** policy in respect of extending the **electricity infrastructure** at the request of a potential **customer**.

16.2 The Connection Policy must include:

- (a) stipulations in respect of voltage and distance from load to existing infrastructure for new **connections**;
- (b) the terms and conditions on which the **licensee** will extend the **electricity infrastructure**;
- (c) the terms and conditions on which the **licensee** will provide a new **meter**;
- (d) the terms and conditions on which the **licensee** will provide metering information services;
- (e) information about the cost to **customers** of connecting to, and using the **electricity infrastructure**;
- (f) information about the method of calculation and collection of capital contributions (if capital contributions are to be collected);
- (g) details of technical or other obligations of the **customer** in respect of the **connection**.

16.3 The **licensee** must submit the Connection Policy, and any amendment to the Connection Policy, to the **Commission** for approval.

17. METERING PLAN

17.1 The **licensee** must, if the **licensee** undertakes metering or engages a person for that purpose:

- (a) develop and obtain the approval of the **Commission** for a Metering Plan setting out the **licensee's** procedures in respect of:
 - (i) installation and ownership of **meters** (and any ancillary equipment);
 - (ii) minimum accuracy standards for **meters** and the maintenance of that accuracy (including audits of meter types);
 - (iii) collection of **metering data**;
 - (iv) field and maintenance testing of **meters**;
 - (v) resolution of metering disputes; and
 - (vi) **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 Unless otherwise agreed by the **Commission**, the **licensee** must by 31 August each year:

- (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 the **Commission**; and
- (c) if necessary, amend the Metering Plan (but the **licensee** must not amend the Plan without the approval of the **Commission**).

18. CERTIFICATES OF COMPLIANCE

18.1 The **licensee** must retain a copy of each certificate of compliance provided to it under regulation 18(1)(d) of the *Electricity (General) Regulations 1997* for at least 12 months after that provision.

18.2 The **licensee** must give the **Commission**, **Technical Regulator** or an authorised officer any assistance reasonably requested by the **Commission**, **Technical Regulator** or authorised officer in inspecting certificates of compliance retained by the **licensee**.

Chapter 3. Connection, Sale and Supply

19. CONNECTIONS

- 19.1 The **licensee** must use its **best endeavours** to connect a new **supply address** to the **licensees'** distribution network:
- (a) on a date agreed with the **customer**; or
 - (b) where no date has been agreed with the **customer**, within 10 **business days** after the **licensee's** requirements for connection are satisfied.
- 19.2 The **licensee** must use its **best endeavours** to connect a **supply address** which was previously connected to the **licensees'** distribution network:
- (a) on a date agreed with the **customer**; or
 - (b) if no date has been agreed with the **customer**, where possible on the **business day** after the **licensee's** requirements for **connection** are satisfied and, in any event, within two **business days**.
- 19.3 The **licensee** must not refuse to connect a **supply address** to the **licensees'** distribution network because:
- (a) the person provides their own electricity metering system;
 - (b) a third party provides an electricity metering system for the person, if that electricity metering system complies with the **Act** or the **National Electricity Rules**.

20. APPLICATIONS FOR CONNECTION, SALE AND SUPPLY

- 20.1 Before agreeing to connect a person's **supply address** and to sell and supply electricity to a person at that **supply address**, the **licensee** may require the person to:
- (a) make an application to the **licensee** (in person, by telephone or in writing) on a **business day**; and
 - (b) if requested by the **licensee**:
 - (i) provide **acceptable identification**;
 - (ii) pay any relevant fees and charges applicable;
 - (iii) provide contact details for billing purposes;
 - (iv) provide contact details for the owner (or the owner's agent) of the **supply address**, if the request is made in respect of a **supply address** that is a rental property;
 - (v) ensure that there is safe and convenient access to the **meter** and the electrical installation in order to connect the **supply address**;
 - (vi) provide estimated electrical load information for the proposed electricity use at the **supply address**;

- (vii) pay any outstanding debt, or make arrangements for the payment of any outstanding debt, in relation to the **connection**, sale or supply of electricity to the person by the **licensee** (other than a debt the subject of a bona fide dispute, or for which repayment arrangements have been made);
- (viii) provide certificates of compliance in respect of the electrical installation at the **supply address**;
- (ix) provide evidence that the electrical installation at the **supply address** satisfies the technical requirements set out in the standard connection and supply contract; and
- (x) agree to undertake any augmentation or extension required for the **connection** and ensure that the augmentation or extension has been completed.

21. STANDARD CONTRACTUAL TERMS AND CONDITIONS

- 21.1 The **licensee** must develop and submit for the **Commission's** approval a set of standard terms and conditions on which it will connect **customers' supply addresses** to its network and sell and supply electricity to **customers**.
- 21.2 Upon receipt of the Commission's approval of the standard terms and conditions under clause 21.1, the **licensee** must publish those terms and conditions in accordance with the requirements of section 36 of the **Act**.
- 21.3 The **licensee** must advise the **Commission** before it makes a significant amendment to the standard terms and conditions and must publish the amended terms and conditions in accordance with the requirements of section 36 of the **Act**.
- 21.4 The **Commission** may, by notice in writing to the **licensee**, require the **licensee** to amend its standard terms and conditions in accordance with the requirements of section 36 of the **Act**.
- 21.5 The **licensee** must, on request by a **customer**, provide that **customer** with a copy of the standard terms and conditions, free of charge.
- 21.6 If a **customer** has already received a copy of the standard terms and conditions and requests another copy within a 12-month period, the **licensee** may impose a reasonable charge for providing that copy.

22. USE OF ELECTRICITY AND ILLEGAL USE

- 22.1 Despite clause 25, if the **licensee** has undercharged or not charged a **customer** as a result of the **customer's** fraud or intentional consumption of electricity otherwise than in accordance with applicable regulatory instruments, the **licensee** may estimate the consumption for which the **customer** has not paid and bill or take debt recovery action for all of that unpaid amount.
- 22.2 Clause 31 does not apply if, during the course of the **customer's** dealings with the retailer, the **customer** is convicted of an offence involving fraud or theft of electricity.

- 22.3 Notwithstanding any of the requirements of clause 37, but in compliance with clause 42.1(b) a **licensee** may arrange for the disconnection of a **customer's supply address** immediately where the **customer** has used electricity contrary to clause 22.1.
- 22.4 The **licensee** must not sell or supply electricity to a person if that person is required to hold a licence under the **Act** in respect of the use of that electricity and the **licensee** is aware that the person has not been issued with such a licence or an exemption from the requirement to hold such a licence.

23. BILLING

- 23.1 The **licensee** must use its **best endeavours** to issue a bill to a **customer** at least **quarterly**.
- 23.2 Nothing in clause 23.1 will prevent the **licensee** from:
- (a) issuing a bill more frequently than **quarterly** to a **business customer** or
 - (b) issuing a bill more frequently than **quarterly** to a **residential customer** where the **licensee** has obtained a **residential customer's** explicit informed consent to issue bills on that basis
- 23.3 The **licensee** must issue a bill to a **customer** at the **supply address**, unless the **customer** nominates another address.
- 23.4 Each bill issued to a **customer** by the **licensee** must itemise separately the following charges:
- (a) all charges for electricity sold by the **licensee** to the **customer**;
 - (b) any other charge relating to the sale of electricity to the **customer** by the **licensee** at the **supply address** (including special **meter** readings, account application fees, public lighting, fixed charges for special purpose electricity sales).
 - (c) the date of the last **meter** reading or estimate and the number of days since the previous reading or estimate;
 - (d) the **meter** readings, **metering data** or estimates for the bill;
 - (e) consumption, or estimated consumption, in units used (eg kWh);
 - (f) the pay by date;
 - (g) the telephone number for billing, payment enquiries and instalment payment options;
 - (h) a 24 hour contact telephone number for faults and emergencies;
 - (i) the **customer's supply address** and any other relevant address;
 - (j) the **customer's** name and account number;
 - (k) the amount of arrears or credit;
 - (l) the amount of any **security deposit** provided by the **customer**; and

(m) on **residential customer's** bills only, a reference to the availability of concessions, if any.

23.5 If the **customer** requests its final bill for the **customer's supply address** from the **licensee**, the **licensee** must use its **best endeavours** to issue that **customer** with a final bill in accordance with the **customer's** request.

24. METER READING

24.1 Subject to clause 24.2, the **licensee** must base a **customer's** bill on an actual reading of the relevant **meter** at the **customer's supply address** and use its **best endeavours** to ensure that the **meter** at the **customer's supply address** is read as frequently as is required to prepare its bills and in any event at last once every 12 months.

24.2 Where a **licensee** is unable to base a bill on a reading of the **meter** at a **customer's supply address** because:

- (a) access is denied as a result of the actions of the **customer**, or a third party, weather conditions or an industrial dispute;
- (b) the **meter** cannot safely be accessed in order to read it;
- (c) the **meter** or ancillary equipment has recorded the electricity usage incorrectly; or
- (d) the **meter** has been tampered with,

the **licensee** may provide the **customer** with an estimated bill based on:

- (i) the **customer's** reading of the **meter**;
- (ii) the **customer's** prior electricity usage history at that **supply address**;
- (iii) where the **customer** does not have a prior electricity usage history at that **supply address**, the average usage of electricity by a comparable **customer** over the corresponding period; or
- (iv) an estimating system approved by the **Commission**.

24.3 The **licensee** may provide the **customer** with an estimated bill or bills where:

- (a) the **customer** and the **licensee** have agreed to the issue of an estimated bill or bills; and
- (b) the estimated bill or bills are based on a methodology specified in clause 24.2.

24.4 Where the **licensee** has provided a **customer** with an estimated bill, and the **meter** is subsequently read, the **licensee** must include an adjustment on the next bill to take account of the actual **meter** reading.

24.5 When the **licensee** issues a **customer** with an estimated bill it must publish a notice in a prominent location on that bill advising that the bill is based on an estimated reading of the **meter**.

24.6 Where a **customer** has denied access to a **meter** for the purpose of reading that **meter**, and subsequently requests the **licensee** to replace an estimated bill with a bill

based on a reading of the *meter*, the *licensee* must comply with that request but may pass through to that *customer* any costs it incurs in doing so.

25. UNDERCHARGING

25.1 Subject to clause 25.2, where the *licensee* has undercharged a *customer* as a result of an act or omission of the *licensee*, it may recover from the *customer* the amount undercharged.

25.2 Where the *licensee* proposes to recover an amount undercharged as a result of the *licensee's* error, the *licensee* must:

- (a) limit the amount to be recovered to the amount undercharged in the 12 months prior to the meter reading date on the *customer's* last bill;
- (b) list the amount to be recovered as a separate item in a special bill or in the next bill, together with an explanation of that amount;
- (c) not charge the *customer* interest on that amount; and
- (d) if the *customer* requests it, allow the *customer* time to pay that amount by agreed instalments, over a period nominated by the *customer* being no longer than:
 - (i) the period during which the undercharging occurred (if the undercharging occurred over a period of less than 12 months); or
 - (ii) in any other case, 12 months.

26. OVERCHARGING

26.1 Where a *customer* has been overcharged as a result of an act or omission of the *licensee*, the *licensee* must inform the *customer* accordingly within 10 *business days* of the *licensee* becoming aware of that error and:

- (a) credit that amount to the *customer's* next bill; or
- (b) if this credit cannot be made (for example, if the *customer* will not have another bill from the *licensee*) the *licensee* must repay that amount to the *customer* within 10 *business days*.

27. WHERE A TARIFF OR TARIFF TYPE HAS CHANGED

27.1 Where during a *billing cycle* a *customer* changes from one type of tariff to another type of tariff, the *licensee* must (if it is necessary to do so due to the change in the type of tariff applying to that *customer*):

- (a) obtain a *meter* reading at the time the type of tariff changes; and
- (b) calculate the *customer's* bill using the type of tariff applying during the period prior to and after the date of the *meter* reading referred to in clause 27.1(a).

27.2 Where during a *billing cycle* the tariff rate or charge applying to a *customer* changes, the *licensee* must calculate the bill on a pro rata basis using:

- (a) the old tariff rate or charge up to and including the date of change; and

- (b) the new tariff rate or change from the date of the change to the end of the **billing cycle**.

27.3 Where the **licensee** offers alternative tariffs or tariff options and a **customer**:

- (a) applies in writing to the **licensee** to transfer from that **customer's** current tariff to another tariff; and
- (b) demonstrates to the **licensee** that it satisfies all of the conditions relating to that other tariff.

the **licensee** must transfer the **customer** to that tariff within 10 **business days** of satisfying those conditions.

27.4 Where a **customer** transfers from one tariff type to another, in accordance with clause 27.3, the effective date of the transfer will be:

- (a) the date on which the last **meter** reading at the old tariff is obtained; or
- (b) where the transfer requires a change to the **meter** at the **customer's supply address**, the date the **meter** change is completed.

27.5 Where a **customer** informs the **licensee** of a change in use of the **customer's supply address**, the **licensee** may require the **customer** to transfer to a tariff applicable to the **customer's** use of the **supply address**.

27.6 If a **customer** fails to give notice to the **licensee** of a change in the use of the **customer's supply address**, and the **licensee** subsequently becomes aware of the change in use, the **licensee** may transfer the **customer** retrospectively from the date of the change.

28. PAYMENT

28.1 Unless otherwise agreed with a **customer**, the pay by date specified in the bill must not be less than 12 **business days** after the date the **licensee** sends the bill.

28.2 If a **customer** has not paid a bill by the due date, the **licensee** may send to that **customer** a reminder notice that its bill is past due, giving the **customer** a further due date (not less than 5 **business days** after the date the notice is issued).

28.3 A **licensee** may charge a **business customer** interest on a late payment, at a rate and on terms and conditions as approved by the **Commission** from time to time for a specific group of **customers**.

29. PAYMENT METHODS

29.1 The **licensee** must offer at least the following payment methods to its **customers**:

- (a) in person; and
- (b) by mail.

30. APPROVAL FROM COMMISSION TO ADOPT PRE-PAYMENT METERING SYSTEMS

- 30.1 The **licensee** must not implement a **prepayment metering system** in respect of its **customers** unless the **licensee** has obtained the **Commission's** prior written approval for the adoption of that **prepayment metering system**.

31. PAYMENT DIFFICULTIES

- 31.1 Where a **residential customer** informs the **licensee** in writing or by telephone that the **residential customer** is experiencing payment difficulties, the **licensee** must advise the **residential customer**, as soon as is reasonably practicable, of instalment plan options offered by the **licensee** at that time and, where appropriate:
- (a) the right to have a bill redirected to a third person, as long as that third person consents in writing to that redirection;
 - (b) information on independent financial and other relevant counselling services.
- 31.2 Where a **residential customer** requests information or a redirection of its bills, under this clause, the **licensee** must provide that information or redirection free of charge.

32. LONG ABSENCE OR ILLNESS

- 32.1 Where a **residential customer** is unable to arrange payment whether due to illness or long absence, the **licensee** must offer:
- (a) payment in advance facilities; and
 - (b) redirection of the **customer's** bill as requested by the **customer** free of charge.

33. PAYING BY INSTALMENTS

- 33.1 The **licensee** must offer **residential customers** at least the following payment options:
- (a) a system or arrangement under which a **residential customer** may make payments in advance towards future bills; and
 - (b) an interest and fee free instalment plan or other arrangement under which the **residential customer** is given more time to pay a bill or to pay arrears (including any disconnection or reconnection charges).
- 33.2 The **licensee** may require a **residential customer** to pay by instalments in advance if the **residential customer** is in arrears or as an alternative to the **residential customer** paying a **security deposit**.
- 33.3 The **licensee** does not have to offer a **residential customer** an instalment plan if the **residential customer** has, in the previous 12 months, had 2 instalment plans cancelled due to non-payment. In such a case, the **licensee** must offer another instalment plan only if the **licensee** is reasonably satisfied that the **residential customer** will comply with that instalment plan.

- 33.4 The **licensee** offering an instalment plan must, in determining the period of the plan and calculating the amount of the instalments, take into account information from the **residential customer** about the **residential customer's** usage needs and capacity to pay.
- 33.5 Nothing in this licence limits the payment options that a **licensee** may offer to a **customer**.

34. REVIEW OF BILL

- 34.1 The **licensee** must review a **customer's** bill when asked by that **customer**.
- 34.2 The **licensee** must inform the **customer** of the outcome of that review as soon as reasonably possible, but in any event, within 30 **business days**.
- 34.3 Where a **licensee** is reviewing a bill, the **licensee** may require the **customer** to pay:
- (a) the greater of:
 - (i) that portion of the bill under review that the **customer** and the **licensee** agree is not in dispute; or
 - (ii) an amount equal to the average amount of the **customer's** bills in the previous 12 months (excluding the bill in dispute); and
 - (b) any future bills that are properly due.
- 34.4 Where the **customer** requests that, in reviewing the bill, the **meter** reading be checked or the **meter** tested, the **licensee** must, as the case may be:
- (a) arrange for a check of the **meter** reading; or
 - (b) arrange for a test of the **meter**.
- 34.5 The **customer** must pay the **licensee** in advance the **licensee's** reasonable charge for checking the **meter** reading, **metering data** or for testing the **meter**.
- 34.6 Where, after conducting a review of the bill, the **licensee** is satisfied that it is:
- (a) correct, the **licensee** may require the **customer** to pay the amount of that bill which is still outstanding; or
 - (b) incorrect, the **licensee**:
 - (i) must correct the **customer's** bill in accordance with clause 25 or clause 26;
 - (ii) must refund (or set off against the amount in clause 34.6(b)(iii)) any fee paid in advance under clause 34.5;
 - (iii) may require the **customer** to pay the amount of that bill which is still outstanding; and
 - (iv) must advise the **customer** of the existence of its dispute resolution processes.

35. CHARGE FOR DISHONOURED PAYMENTS

- 35.1 If a **customer** pays the **licensee's** bill by cheque, by a direct debit from an account with an **ADI**, or by credit card, and the payment is dishonoured or reversed, which results in the **licensee** incurring a fee, the **licensee** may recover from the **customer** the amount of that fee.

36. SECURITY DEPOSITS AND ALTERNATIVES

- 36.1 The **licensee** may require a **customer** to provide a **security deposit** at the time the **customer** makes an application for **connection**, or an application for reconnection after being disconnected, or before selling electricity to the **customer**.
- 36.2 Subject to approval and annual review by the **Commission** and to clause 36.4:
- (a) the amount of a **security deposit** for a **customer** who is on a quarterly billing cycle must not be greater than 1.5 times the average quarterly bill; and
 - (b) the amount of a **security deposit** for a **customer** who is on a monthly billing cycle must not be greater than 2.5 times the average monthly bill.
- 36.3 The average quarterly and monthly bill for each category of **customer** will be as determined by the **Commission** from time to time.
- 36.4 The **licensee** may increase a **business customer's** existing **security deposit**, where that deposit is insufficient to secure the **business customer's** current electricity usage taking into account the limits of **security deposits** as calculated using the average of the **business customer's** last bills.
- 36.5 The **licensee** must not require a **customer** to provide a **security deposit** unless:
- (a) the **customer** has left a previous **supply address** without settling an outstanding electricity debt owing to that **licensee**, the debt remains outstanding, and the **customer** refuses to make arrangements (acceptable to both parties) to pay the debt; or
 - (b) the **customer** has within the previous two years been responsible for the use of electricity contrary to clause 22 of this licence; or
 - (c) the **customer** is a new **customer** and:
 - (i) has refused or failed to produce **acceptable identification**; or
 - (ii) has not provided information demonstrating a satisfactory history of paying electricity accounts; or
 - (iii) the **licensee** has reasonably formed the view that the new **customer** has an unsatisfactory credit rating;
- and the **licensee** has, in accordance with clauses 31 and 33 offered the **customer** an instalment plan or other payment option and the **customer** has refused, or failed to agree to, the offer.
- 36.6 The **licensee** must accept a bank guarantee from a **business customer** as an alternative to a cash **security deposit**.

- 36.7 Where the **licensee** has received a **security deposit** from a **customer**, the **licensee** must pay interest, if any, to the **customer**, on the deposit at a rate and on terms and conditions as approved by the **Commission**.
- 36.8 Where a **customer** has been required by a **licensee** to pay a **security deposit** and:
- (a) the **customer** completes 24 months (or such lesser time agreed with the **customer**) of paying its bills by the pay by dates for those bills; or
 - (b) the **customer** ceases to purchase electricity from the **licensee** at the **supply address** to which the **security deposit** relates and a final reading of the **meter** for that **supply address** is completed and the **customer** has not commenced purchasing electricity from the **licensee** at a different **supply address**,
- the **licensee** must return the **security deposit** and any interest to the **customer**.
- 36.9 The **licensee** may pay the **security deposit** to the credit of the **customer's** next bill. However, if the **customer** will not have another bill, the **licensee** must repay the **security deposit** to the **customer** within 10 **business days**.
- 36.10 Where the **licensee** has accepted a bank guarantee from a **business customer** in lieu of a **security deposit**, the **licensee** must return the bank guarantee within 10 **business days** of the **business customer** satisfying the conditions referred to in clause 36.8.
- 36.11 The **licensee** must keep **security deposits** in a separate account and separately identify in its company accounts, at all times, the value of **security deposits** which it holds for **customers**.
- 36.12 The **licensee** may use a **customer's security deposit** and interest which has accrued to it to offset any amount owed by that **customer** to the **licensee** and/or the **distributor**.
- (a) if the **customer** fails to pay a bill resulting in disconnection of the **supply address**; or
 - (b) in relation to a final bill issued by the **licensee** when the **customer** vacates a supply address or ceases to buy electricity from the **licensee** at that **supply address** or asks that the **supply address** be disconnected.

However, the **licensee** must not, without the **customer's** written consent, use a **customer's security deposit** to offset charges in respect of any goods or services (other than electricity) provided by the **licensee**.

- 36.13 The **licensee** must account to the **customer** for any use of the **security deposit** (and pay the balance, if any, to the **customer**) within 10 **business days**.

37. DISCONNECTION OF A SUPPLY ADDRESS

- 37.1 If a **customer** requests the **licensee** to disconnect the **customer's supply address**, the **licensee** must use its **best endeavours** to disconnect in accordance with the **customer's** request.

- 37.2 Subject to clauses 38 and 39 , the **licensee** may arrange to disconnect a **customer's supply address** if a **customer** has not:
- (a) paid a bill; or
 - (b) agreed to an offer (made in accordance with clause 31 and clause 33) of an instalment plan or other payment option to pay a bill; or
 - (c) adhered to the **customer's** obligations to make payments in accordance with an agreed instalment plan or other payment option relating to the payment of bills; or
 - (d) failed to allow, for 3 consecutive **billing cycles** (or such longer period as the **licensee** nominates), access to the **customer's supply address** to read a meter; or
 - (e) where the **customer** refuses to pay a **security deposit** or provide a bank guarantee in accordance with clause 36.

38. OBLIGATIONS PRIOR TO DISCONNECTION

38.1 Prior to effecting a disconnection under clause 37.2, the **licensee** must have:

- (a) used its **best endeavours** to contact the residential **customer** personally either:
 - (i) by telephone;
 - (ii) by mail;
 - (iii) by email;
 - (iv) by any other method approved by the **Commission** from time to time;
- (b) given the **customer** a reminder notice;
- (c) after the expiry of the period referred to in the reminder notice, give the **customer** a written **disconnection warning** with 5 **business days'** notice of its intention to arrange for the disconnection (the 5 **business days** shall be counted from the **date of receipt** of the **disconnection warning**);
- (d) in the case of a disconnection arising under clause 37.2(a), offered the **customer** alternative payment options of the kind referred to in clause 33 (provided that **licensee** is not obliged to offer an instalment plan as where the **customer** has in the previous twelve months had two instalment plans cancelled due to non-payment);
- (e) in the case of a disconnection arising under clause 37.2(d):
 - (i) given the **customer** an opportunity to offer reasonable alternative access arrangements; and
 - (ii) on each of the occasions access was denied, given the **customer** written notice requesting access to the **meter** or **meters** at the **supply address** and advising of the **licensee's** ability to arrange for disconnection;

39. WHEN THE LICENSEE MAY NOT DISCONNECT

39.1 The **licensee** must not disconnect a **customer's supply address**:

- (a) for non-payment of a bill where the amount outstanding is less than an amount approved by the **Commission** and the **customer** has agreed with the **licensee** to repay that amount;
- (b) where the **customer** or a person residing at the **customer's supply address** has advised the **licensee** that a person ordinarily residing at the **supply address** is dependent on designated life support equipment in accordance with the provisions of clause 42;
- (c) where a **customer** has made a complaint, directly related to the reason for the proposed disconnection, to an external dispute resolution body and the complaint remains unresolved;
- (d) after 3.00pm on a business day; or
- (e) on a Friday, on a weekend, on a public holiday or on the day before a public holiday, except in the case of a planned interruption.

40. DISCONNECTIONS FOR EMERGENCIES AND SAFETY

40.1 Notwithstanding any other clause in this licence, the **licensee** may disconnect, interrupt or cause the disconnection or interruption of supply to a **customer's supply address** in the case of an **emergency**.

40.2 Where the **licensee** exercises its disconnection right under this clause, it must:

- (a) provide, by way of a 24 hour emergency line, information on the nature of the **emergency** and an estimate of the time when supply will be restored;
- (b) use its **best endeavours** to restore supply to the **customer's supply address** as soon as possible.

40.3 Nothing in this licence should affect the **licensee** exercising any power, or obligation to comply with any direction, order or requirement under the *Emergency Powers Act 1941*, *Essential Services Act 1981*, *State Disaster Act 1980* or the *State Emergency Services Act 1987*, or any other relevant legislation.

40.4 Notwithstanding any other clause and subject to clause 40.5, the **licensee** may disconnect or interrupt supply to a **customer's supply address** for reasons of health or safety.

40.5 Except in the case of an **emergency**, or where there is a need to reduce the risk of fire or where relevant legislation, regulations or **codes** require it, the **licensee** must not disconnect a **customer's supply address** for a health or safety reason unless the **licensee** has:

- (a) given the **customer** written notice of the reason;
- (b) allowed the **customer** 5 **business days** to remove the reason (the 5 **business days** shall be counted from the **date of receipt** of the notice); and
- (c) at the expiration of those 5 **business days** given the **customer**, by way of a written **disconnection warning**, another 5 **business days'** notice of its

intention to disconnect the **customer** (the 5 **business days** shall be counted from the **date of receipt** of the notice).

41. RECONNECTION AFTER DISCONNECTION

- 41.1 Where the **licensee** has disconnected a **customer's supply address** in accordance with this licence, the **licensee** must use its **best endeavours** to reconnect the **customer** within a time agreed with the **customer**, subject to (where relevant):
- (a) the reasons for disconnection being rectified, and
 - (b) the **customer** agreeing to pay the **licensee's** reasonable charges for reconnection, if any.
- 41.2 Where under this clause the **licensee** is obliged to arrange for the reconnection of a **customer's supply address** and the **customer** makes a request for reconnection before 4.00pm on a **business day**, the **licensee** must use its **best endeavours** to arrange for the reconnection on the day of the request and, in any event, by the next **business day**.
- 41.3 Where under this clause the **licensee** is obliged to reconnect a **customer's supply address** and the **customer** makes a request for reconnection after 4.00pm and before 9.00pm on a **business day**, and pays the **licensee's** reasonable charge for after hours connection, the **licensee** must arrange for the reconnection on the day requested by the **customer** unless the **licensee** informs the **customer** that this is not possible, in which case the **licensee** must arrange for connection by the end of the next **business day** and the after hours connection fee does not apply.
- 41.4 Where under this clause the **licensee** is obliged to reconnect a **customer's supply address** and the **customer** makes a request for reconnection after 9.00pm, on a **business day**, the **licensee** must arrange for the reconnection by the end of the next **business day**.

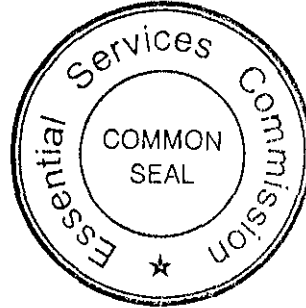
42. SPECIAL NEEDS

- 42.1 Where a **customer** provides the **licensee** with confirmation from a registered medical practitioner or a hospital that a person residing at the **customer's supply address** requires life support equipment, the **licensee** must:
- (a) register the **supply address** as a life support equipment address;
 - (b) not arrange for the disconnection of that **supply address** while the person continues to reside at that address and requires the use of life support equipment; and
 - (c) give the **customer** a faults and emergencies telephone contact number.
- 42.2 The **licensee** may require that a **customer** whose **supply address** has been registered under this clause inform the **licensee** if the person for whom the life support equipment is required vacates the **supply address** or no longer requires the life support equipment.
- 42.3 For the purposes of this clause, "life support equipment" means:
- (a) an oxygen concentrator; or

- (b) an intermittent peritoneal dialysis machine; or
- (c) a haemodialysis machine; or
- (d) a ventilator for life support (polio only); or
- (e) other equipment as notified by the **Commission** from time to time.

This licence was issued by the **Commission** on 21 June 2007 to take effect from 1 July 2007 and varied on 26 February 2009

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



[Handwritten signature]
.....
Witness

26/2/09
.....
Date

SCHEDULE

PART 1

DEFINITIONS

In this licence:

“acceptable identification” in relation to:

- (a) a **residential customer**, includes one or more of the following:
 - (i) a driver’s licence, a current passport or other form of photographic identification;
 - (ii) a Pensioner Concession Card or other entitlement card issued by the State or Commonwealth Government;
 - (iii) a birth certificate.
- (b) a **business customer** which is a sole trader or partnership, includes one or more of the forms of identification for a **residential customer** for each of the individuals that conduct the business.
- (c) a **business customer** which is a body corporate, includes the body corporate’s Australian Company Number or Australian Business Number.

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

“ADI” means an authorised deposit taking institution within the meaning of the *Banking Act 1959 (Cth)* as defined in section 4 of the *Acts Interpretation Act 1915 (SA)*;

“best endeavours” means to act in good faith and use all reasonable efforts, skill and resources;

“billing cycle” means the regular concurrent period for which a **customer** receives a bill from the **licensee**;

“business customer” means a **customer** who is not a **residential customer**;

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

“code” means any **code** made by the **Commission** under section 28 of the *Essential Services Commission Act 2002 (SA)*;

“Commission” means the Essential Services Commission established under the *Essential Services Commission Act 2002 (SA)*;

“connection” means to form a physical link to the network;

“connection point” means the agreed point of supply between the **customer’s** electrical installation and the **distribution network**;

“customer” means a *customer* as defined in the *Act*;

“date of receipt” means, in relation to the receipt by a *customer* of a notice given by the *licensee*:

- (a) in the case where the *licensee* hands the notice to the *customer*, the date the *licensee* does so;
- (b) in the case where the *licensee* sends a notice by facsimile or by email before 5.00pm on a *business day*, on that *business day*, otherwise on the next *business day*;
- (c) in the case where the *licensee* leaves the notice at the *customer’s supply address*, the date the *licensee* does so;
- (d) in the case where the *licensee* gives the notice by post or, registered mail or lettergram, a date 2 *business days* after the date the *licensee* sent the notice.

“disconnection warning” means a notice in writing in accordance with clause 38;

“distributor” means a holder of a licence to operate a distribution network under Part 3 of the *Act*;

“electricity infrastructure” means the electricity infrastructure used in connection with the operations, (but does not include an electrical installation);

“emergency” means an emergency due to the actual or imminent occurrence of an event which in any way endangers or threatens to endanger the safety or health of any person, or the maintenance of power system security, in the State of South Australia, or which destroys or damages, or threatens to destroy or damage, any property in the state of South Australia;

“licensee” means Cowell Electric Supply Ltd ACN: 095 517 490;

“material breach” means a breach of a regulatory obligation in respect of which:

- (a) the *Commission* has written to the *licensee* and informed the *licensee* that the *Commission* considers a breach of the particular regulatory obligation to be material;
- (b) the *Licensee* itself considers the breach to be material, having had regard to all relevant matters, including at least the following:
 - (i) the impact of the breach on *customers*;
 - (ii) whether the breach has a financial impact on *customers*;
 - (iii) the number of *customers* affected;
 - (iv) the potential and actual impact on safety and risk to the public,

“meter” means equipment to measure, record and, in certain cases, read records of the amount of electricity (active energy and/or reactive energy) supplied through a *customer’s connection point*;

“metering data” has the meaning given to that term in the **National Electricity Rules**;

“National Electricity Law” means the *National Electricity Law* referred to in the *National Electricity (South Australia) Act 1996*;

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

“Ombudsman Scheme” means an ombudsman scheme, the terms and conditions of which are approved by the **Commission**;

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

“prepayment meter system” means a device, componentry, software or other mechanism associated with a metering installation at a **customer’s connection point** which operates to permit the flow of electricity through the **meter** when activated by a card, code or some other method;

“quarterly” means the period of days represented by 365 days divided by 4;

“residential customers” means a **customer** who acquires electricity for domestic use;

“rule” means any rule made by the **Commission** under section 28 of the *Essential Services Commission Act 2002* (SA);

“security deposit” means an amount of money or other arrangement acceptable to the **licensee** as a security against a **customer** defaulting on a bill;

“supply address” means:

- (a) the address for which a **customer** purchases electricity from a **licensee** where there is only one **connection point** at that address; or
- (b) where there is more than one **connection point** at the address, each connection point through which the **customer** purchases electricity from the same **licensee**.

“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;

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

SCHEDULE PART 2 INTERPRETATION

In this Licence, unless the context otherwise requires:

- (a) headings are for convenience or information 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 and vice versa;
- (e) a reference to a clause, schedule or annexure is to a clause, schedule or annexure of this licence;
- (f) a reference to any statute, regulation, proclamation, order in council, ordinance or by-law includes all statutes, regulations, proclamations, orders in council, ordinances or by-laws varying, consolidating, re-enacting, extending or replacing them and a reference to a statute includes all regulations, proclamations, orders in council, ordinances, by-laws and determinations issued under that statute;
- (g) a reference to a document or a provision of a document includes an amendment or supplement to, or replacement of or novation of, that document or that provision of that document;
- (h) 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;
- (i) a reference in this licence to a distribution network includes a reference to a distribution network which is not owned by the entity but is operated by the entity;
- (j) a reference to a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns;
- (k) other parts of speech and grammatical forms of a word or phrase defined in this licence have a corresponding meaning.

ANNEXURE 1

Distribution Network – Iron Knob, Pimba, Woomera, a distribution system comprising 11kV overhead powerlines from the Geodynamics Habanero geothermal power station in the Cooper Basin to the Innamincka township; and 11kV and 415V distribution mains in the township of Innamincka.

ANNEXURE 2

Localities – Iron Knob, Pimba