



**ELECTRICITY
GENERATION LICENCE
ONESTEEL
MANUFACTURING PTY
LTD
(ACN 004 651 325)**

**Issued by the Technical Regulator
last varied
by the
Essential Services Commission
on 6 June 2007**

ELECTRICITY

VARIATION HISTORY

<i>Amendment Number</i>	<i>Variation Date</i>
1	6 June 2007

ELECTRICITY GENERATION LICENCE

1. DEFINITIONS AND INTERPRETATION

1.1 In this licence, unless the contrary intention appears,

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

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

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

“**Electricity Transmission Code**” means the code of that name made by the Commission under section 28 of the *Essential Services Commission Act 2002 (SA)* from time to time,

“**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;

“**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 a transmission or distribution network;

“**Operations**” means the carrying on by the Licensee of the generation of electricity set out in Item 1 of the Schedule;

“**Planning Council**” means the Electricity Supply Industry Planning Council established under Part 2 of 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 made by the Commission under section 28 of the *Essential Services Commission Act 2002 (SA)* from time to time;

“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 3; and

but otherwise, terms have the same meaning as in the *Electricity Act 1996*.

2. DIRECTIONS, APPROVALS, AUTHORISATIONS AND NOTICES

2.1 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.

2.2 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.

3. TERM

3.1 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.

4. SCOPE OF LICENCE

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

4.2 The Licensee must not supply electricity to a person if the Licensee is aware that the person does not hold a licence (if any) required under the Act authorising the person to undertake the operations in respect of which that electricity is supplied.

4.3 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.

5. AUDIT OF OPERATIONS

5.1 The Licensee must, at its own expense, undertake any audit of its operations reasonably required by the Commission, in a manner and form determined by the Commission from time to time, for the purpose of determining whether or not it has

complied with the Act, applicable Codes and this licence and must provide a copy of the results of that audit to the Commission.

6. COMPLIANCE WITH CODES

6.1 The Licensee must

- (a) comply with clause 7 of the Electricity Transmission Code as varied from time to time; and
- (b) comply with any other Code or Rule made by the Commission from time to time, relevant to the Licensee.

7. RETURN AND INFORMATION TO THE COMMISSION

7.1 The Licensee must, in a manner and form approved by the Commission, submit to the Commission an annual return, in respect of the Return Period.

7.2 For the purposes of section 20(2)(a) of the Act, each annual return must contain information specified by the Commission by written notice from time to time.

7.3 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. SYSTEM CONTROLLER AND PLANNING COUNCIL

8.1 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.

8.2 The Licensee must comply with any directions given to it by the System Controller.

9. INTERRUPTION OF SUPPLY

9.1 The Licensee must, in undertaking the Operations, use best endeavours to minimise the frequency and duration of outages or supply interruptions.

10. COMPLIANCE WITH REGULATORY REQUIREMENTS

10.1 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.

11. CONFIDENTIALITY

- 11.1 The Licensee must, unless otherwise required by law, this licence, a Code, or the National Electricity Rules, 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.

12. INSURANCE

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

13. SAFETY AND TECHNICAL MANAGEMENT PLAN

- 13.1 The Licensee must:

- (a) prepare a safety and technical management plan dealing with the matters prescribed by regulation 31C of the *Electricity (General) Regulations 1997*, as if regulation 31C applied to the Licensee, and submit the plan to the Technical Regulator for approval;
- (b) annually review, and if necessary update, the plan to ensure its efficient operation, and submit the updated plan to the Technical Regulator for approval;
- (c) comply with the plan (as updated from time to time) as approved by the Technical Regulator; and
- (d) not amend the plan without the approval of the Technical Regulator.

This licence was issued by the Technical Regulator and varied by the Commission on 6 June 2007

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

6/6/07.....

Date

SCHEDULE

1. GENERATION OPERATIONS – WHYALLA.

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.