



GENERATION LICENCE
AGL SA GENERATION
PTY LTD
(ABN 84 081 074 204)

Issued by the South Australian Independent Industry Regulator
on 23 March 2000

Last varied by the
Essential Services Commission of South Australia
on 26 July 2007

ELECTRICITY

VARIATION HISTORY

<i>Amendment Number</i>	<i>Variation Date</i>
1 (SAIIR)	23/3/2000
2 (ESCOSA)	1/5/2004
3 (ESCOSA)	28/7/2006
4 (ESCOSA)	26/7/2007

GENERATION LICENCE

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*, and subject to the conditions set out in this licence, to generate electricity at the generating plant listed in the Annexure.

3. TERM

- 3.1 This licence commences on the date it is issued and continues until:
 - (a) it is surrendered by the *Licensee* under section 29 of the *Act*, or
 - (b) it is suspended or cancelled by the *Commission* under section 37 of the *Act*.

4. ACCESS

- 4.1 The *Licensee* must:
 - (a) in accordance with, and to the extent required by, the *Electricity Transmission Code*, grant to an *electricity entity* holding a *transmission licence* or a *distribution licence*, rights to use, or have access to, those parts of the *Licensee's* electricity generating plant that are interconnected or interface with the *electricity entity's* assets for the purpose of ensuring the proper integrated operation of the South Australian power system and the proper conduct of the operations authorised by that *electricity entity's transmission licence* or *distribution licence*; and
 - (b) in the absence of agreement as to the terms on which such rights are to be granted, comply with a determination of the *Commission* as to those terms.

5. DISPUTE RESOLUTION

- 5.1 A dispute relating to the granting of rights to use, or have access to, any parts of the *Licensee's* electricity generating plant as referred to in clause 4 shall be resolved in accordance with such *Code* (if any) as is made by the *Commission* which establishes a scheme for the resolution of disputes in relation to such rights.
- 5.2 Clause 5.1 does not apply to the extent the dispute is subject to resolution in accordance with or under the *National Electricity Code*.

6. COMPLIANCE WITH CODES

6.1 The *Licensee* must:

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

7. SAFETY, RELIABILITY, MAINTENANCE AND TECHNICAL MANAGEMENT PLAN

7.1 The *Licensee* must:

- (a) within 6 months of the commencement of this licence, prepare a safety, reliability, maintenance and technical management plan dealing with matters prescribed by regulation 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 annual 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*.

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 and information as the *Planning Council* may reasonably require for the performance of its functions under the *Act*.

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

9. NATIONAL ELECTRICITY MARKET

9.1 At all times during the term of this licence, the *Licensee* must hold and comply with the conditions of any registration required under the *National Electricity Code* granted by *NEMMCO* (or by the person responsible for the granting of such registrations under the *National Electricity Law* or the *National Electricity Code*).

10. INFORMATION TO THE COMMISSION

10.1 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.
- 10.2 The **Licensee** must notify the **Commission** of any changes to its **officers**, and (if applicable) major shareholders, within 30 days of that change.

11. OPERATIONAL AND COMPLIANCE AUDITS

- 11.1 The **Licensee** must undertake periodic audits of the operations authorised by this licence and of its compliance with its obligations under this licence and any applicable Codes in accordance with the requirements of Electricity Industry Guideline No. 4 issued by the **Commission**.
- 11.2 The **Licensee** must also conduct any further audits at a frequency and in a manner approved by the **Commission**.
- 11.3 The results of audits conducted under this clause must be reported to the **Commission** in a manner approved by the **Commission**.
- 11.4 The **Commission** may require the licensee to use an independent expert approved by the **Commission** to conduct audits under this clause.

12. CONFIDENTIALITY

- 12.1 The **Licensee** must, unless otherwise required by law, this licence, a **Code**, or the **National Electricity Code**, 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 operations authorised by this licence.
- 12.2 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 a law imposing a pecuniary penalty for the protection of the public revenue; or
 - (c) disclosure is necessary to safeguard the national security of Australia.

The **Licensee** may accept an assertion of an intelligence or law enforcement agency, without making further enquiry, for the purposes of paragraphs (b) and (c) above.

13. COMMUNITY SERVICE

- 13.1 The **Licensee** must comply with the requirements of any scheme approved and funded by the **Minister** for the provision by the State of customer concessions or the performance of community service obligations by the **electricity entities**.

14. COMPATIBILITY

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

15. COMPLIANCE WITH LAWS

- 15.1 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*.

16. VARIATION

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

17. TRANSFER

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

This licence was issued by the **Industry Regulator** on 23 March 2000 and varied by the **Commission** on 28 July 2006 and 26 July 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:)

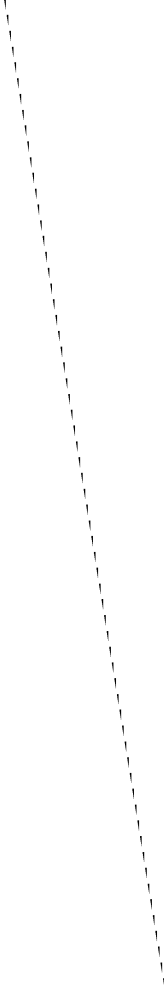
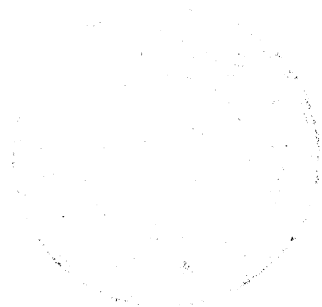


..... *J. Hall*

Witness:

..... *26/7/07*

Date



SCHEDULE: DEFINITIONS AND INTERPRETATION

1. DEFINITIONS

In this licence:

“Act” means the *Electricity Act 1996 (SA)*;

“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 23 of the **ESC Act** from time to time;

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

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

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

“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 entity” means a person who has been granted a licence under Part 3 of the **Act** to carry on operations in the electricity supply industry;

“Electricity Metering Code” means the code of that name made by the **Commission** under section 28 of the **ESC Act** which regulates the installation, maintenance and testing of meters;

“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)*;

“generator” means a holder of a licence to generate electricity granted under Part 3 of the **Act**;

“Industry Regulator” means the South Australian Independent Industry Regulator under the **Industry Regulator Act**;

“Industry Regulator Act” means the *Independent Industry Regulator Act 1999 (SA)*;

“Licensee” means AGL SA Generation Pty Ltd (ABN 84 081 074 204);

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

“National Electricity Code” means the *Code*, as defined in the **National Electricity Law**;

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

“NEMMCO” means the National Electricity Market Management Company Limited (ACN 072 010 327);

“officer” means a director or secretary;

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

“rule” means any rule, made by the **Commission** under section 28 of the *Essential Services Commission Act*, as in force from time to time;

“System Controller” means the person (if any) licensed under Part 3 of the **Act** to exercise system control over the power system of which the **Licensee’s** electricity generating plant forms a part;

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

“transmission licence” means a licence to operate a **transmission network** granted under Part 3 of the **Act**; and

“transmission network” has the meaning given to that term under the **Act**.

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 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;
- (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**.



ANNEXURE

- 1. Torrens Island Power Station A**
- 2. Torrens Island Power Station B**

