



GENERATION LICENCE
(Osborne Power Station)
ORIGIN ENERGY ELECTRICITY
LTD (ACN 071 052 287)

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

Last varied by the
Essential Services Commission of South Australia
on 24 June 2009

ELECTRICITY

(OSBORNE POWER STATION)

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**, or
 - (c) the **licensee** ceases to be bound by the **Power Purchase Agreement**.

4. COMPLIANCE WITH CODES

- 4.1 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 all applicable provisions of 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.

5. SYSTEM CONTROLLER AND PLANNING COUNCIL

- 5.1 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**.
- 5.2 The **licensee** must comply with any directions given to it by the **System Controller**.

6. NATIONAL ELECTRICITY MARKET

- 6.1 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 Rules** granted by **NEMMCO** (or the person responsible for the granting of such registrations under the **National Electricity Law** or the **National Electricity Rules**).

7. 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.
- 7.2 The **licensee** must notify the **Commission** of any changes to its **officers**, and (if applicable) major shareholders, within 30 days of that change.

8. OPERATIONAL AND COMPLIANCE AUDITS

- 8.1 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 Energy Industry Guideline No. 4 issued by the **Commission**.
- 8.2 The **licensee** must also conduct any further audits at a frequency and in a manner approved by the **Commission**.
- 8.3 The results of audits conducted under this clause must be reported to the **Commission** in a manner approved by the **Commission**.
- 8.4 The **Commission** may require the **licensee** to use an independent expert approved by the **Commission** to conduct audits under this clause.

9. COMPATIBILITY

- 9.1 The **licensee** must not cause Osborne Cogeneration Pty Ltd (ACN 072 027 331) to do anything to Osborne Cogeneration Pty Ltd's electricity generating plant which will affect the compatibility of that plant with any **distribution network** or **transmission network** so as to prejudice public safety or the security of the power system of which that electricity generating plant forms a part.

10. COMPLIANCE WITH LAWS

- 10.1 The **licensee** must comply with all applicable laws.

11. VARIATION

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

12. TRANSFER

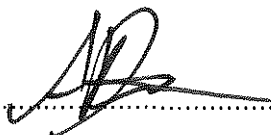
12.1 This licence may only be transferred in accordance with section 28 of the **Act**.

This licence was:

- ▲ issued by the **Industry Regulator** on 23 March 2000;
- ▲ varied by the **Industry Regulator** on 11 September 2001;
- ▲ varied by the **Industry Regulator** on 23 July 2001;
- ▲ varied by the **Commission** on 1 May 2004;
- ▲ varied by the **Commission** on 28 June 2007;
- ▲ transferred from Flinders Osborne Trading Pty Ltd (ACN 094 183 749) and Flinders Operating Services Pty Limited (ACN 094 130 837) to Origin Energy Electricity Ltd (ACN 071 052 287), and consequently varied by the **Commission**, on 24 June 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:)



.....


Witness

.....
 24/06/2009

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 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 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 Origin Energy Electricity Ltd (ACN 071 052 287);

“National Electricity Rules” has the meaning given to that term under 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;

“Osborne Power Station” means the electricity generating plant listed in the Annexure;

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

“Power Purchase Agreement” means the Power Purchase Agreement entered into between ETSA Corporation and Osborne Cogeneration Pty Limited dated 4 June 1996 (as amended or otherwise affected by subsequent agreement from time to time);

“rule” means any rule issued by the **Commission** under section 28 of the *Essential Services Commission Act*;

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

“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 a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns;
- (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 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**.

ANNEXURE

- 1. Osborne Power Station**