



Electricity

# Licence



## Electricity Distribution Licence

SA Power Networks

ACN 332 330 749

a partnership of:

SPARK INFRASTRUCTURE (NO. 1) Pty Ltd (ABN 54 091 142 380)

SPARK INFRASTRUCTURE (NO. 2) Pty LTD (ABN 19 091 143 038)

SPARK INFRASTRUCTURE (NO. 3) PTY LTD (ABN 50 091 142 362)

CKI UTILITIES DEVELOPMENT LTD (ABN 65 090 718 880)

PAI UTILITIES DEVELOPMENT LTD (ABN 82 090 718 951)

This licence was issued by the **Industry Regulator** on 11 October 1999 and last varied on the date specified below.



.....  
**Adam Wilson**  
**Chief Executive Officer and Commission authorised signatory**

15 December 2022

.....  
**Date**

## Variation history

Amendment number	Variation date	Reason
1 (SAIIR)	21 January 2000	
ESCOSA02	1 January 2005	
ESCOSA03	1 July 2005	
ESCOSA04	28 June 2007	
ESCOSA05	7 November 2007	
ESCOSA06	28 February 2008	
ESCOSA07	7 November 2008	
ESCOSA08	24 June 2010	
ESCOSA09	3 April 2012	
ESCOSA10	15 January 2013	
ESCOSA11	28 August 2013	
ESCOSA12	8 August 2019	Licence varied to reflect amendments to the Act and update outdated references.
ESCOSA13	15 December 2022	Licence varied to reflect the requirements of the <i>Electricity (General) (Prescribed Conditions) Amendment Regulations 2022</i>

# 1 Definitions and interpretation

- 1.1 Words appearing in bold 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 operate that **distribution network** (which includes the 33kV and 66kV power lines described in the maps in the Annexure) which comprises all of the system for the distribution of electricity that is electrically positioned between a **customer** supply point and a connection point of an entity that is authorized under the **Act** to carry on operations in the electricity supply industry (as such network is extended or augmented from time to time).

# 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 to distribution network

- 4.1 The **Licensee** must grant rights to use, or have access to, its **distribution network** (on non-discriminatory terms):
  - (a) to other **electricity entities** for the distribution of electricity by the other **electricity entities**; and
  - (b) to enable the other **electricity entities** and **customers** to obtain electricity from the **distribution network**.
- 4.2 The **Licensee** must:
  - (a) in accordance with, and to the extent required by, the **Electricity Transmission Code**, grant to an **electricity entity** holding a **generation licence** or a **transmission licence**, right to use, or access to, those parts of the **Licensee's distribution network** that are interconnected to or interface with the **electricity entity's** assets for the purposes 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** 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.
- 4.3 The **Licensee** must not refuse to grant the access or rights to use set out in this clause unless the **Licensee** is permitted to do so under the **National Electricity Rules**, the **Electricity Transmission Code** or the **Electricity Distribution Code**.

# 5 Dispute resolution

- 5.1 A dispute relating to the granting of rights to use or have access to a **distribution network**, as referred to in clause 4, shall be resolved in accordance with an **industry code** made by the **Commission** for the resolution of disputes.

5.2 Clause 5.1 does not apply to the extent a dispute is covered by the **National Electricity Rules**.

## 6 Audits

6.1 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 **industry codes** in accordance with the requirements of any applicable **guideline** issued by the **Commission** for this purpose.

6.2 The **Commission** may require the costs of conducting audits under this clause 6 to be met by the **licensee**.

## 7 Compliance with applicable regulatory instruments

7.1 The **licensee** must comply with all **applicable regulatory instruments**, including any technical or safety requirements under the **Act**.

7.2 The **licensee** must:

- (a) monitor and report to the **Commission** on its levels of compliance with **local regulatory instruments** in accordance with the requirements of any applicable guideline issued by the **Commission**; and
- (b) notify the **Commission** if it commits a material breach of any **local regulatory instrument** within 3 days of becoming aware of that breach.

7.3 The **licensee** must notify the **Commission** if it commits a material breach of any **national regulatory instrument** in accordance with the requirements of any applicable guideline issued by the **Commission**.

## 8 Safety, reliability, maintenance and technical management plan

8.1 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 the 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 8.1(b);
- (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**.

## 9 Provision of information

9.1 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.

## 10 National Electricity Market

10.1 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 **AEMO** (or by the person responsible for the granting of such registrations under the **National Electricity Law** or the **National Electricity Rules**).

## 11 Demand management

11.1 The **Licensee** must undertake demand management programs as directed by the **Commission** for which it has received funding in accordance with the 2005 – 2010 Electricity Distribution Price Determination made by the Commission under the **ESC Act**.

## 12 Information to the Commission

12.1 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.

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

## 13 AEMO and system controller

13.1 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**.

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

## 14 Access for telecommunications purposes

14.1 The **Licensee** must comply with the requirements of the **Electricity Transmission Code** relating to:

- (a) other bodies having access to the **Licensee's distribution network** for telecommunications purposes; and
- (b) concerning the resolution of disputes relating to the access and use of the **Licensee's distribution network** referred to in clause 14.1(a).

## 15 Location of powerlines underground

- 15.1 The **Licensee** must undertake work to locate powerlines underground in accordance with a program established under Part 5A of the **Act**.

## 16 Confidentiality

- 16.1 The **Licensee** must, unless otherwise required by law, this licence, an **industry code** or the **National Electricity Rules**:
- (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** or any other person connected to the **Licensee's distribution network** is not disclosed without the **explicit informed consent** of the **customer** or the other person connected to the **Licensee's distribution network**.
- 16.2 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.
- 16.3 The **Licensee** may accept an assertion of an intelligence or law enforcement agency, without making further enquiry, for the purposes of clause 16.2(b) and clause 16.2(c).
- 16.4 The **Licensee** must ensure that any information received from, or provided to, any other **electricity entity** is only received or provided on non-discriminatory commercial terms.

## 17 Community service

- 17.1 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 **Licensee**.

## 18 Compatibility of network

- 18.1 The **Licensee** must not do anything to its **distribution network** affecting the compatibility of its **distribution 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 **distribution network** forms a part.

## 19 Insurance

- 19.1 The **Licensee** must undertake and maintain during the term of this licence insurance against liability for causing bush fires.

- 19.2 The **Licensee** must annually provide to the **Commission** a certificate of the insurer or the insurance broker by whom the insurance was arranged (in a form acceptable to the **Commission**) to the effect that such insurance is adequate and appropriate, given the nature of the **Licensee's** operations carried out under this licence and the risks associated with those activities.

## 20 Switching Manual

- 20.1 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**.

## 21 Variation

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

## 22 Transfer

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

## 23 Procurement of designated services

- 23.1 The **licensee** must procure the **designated services** from the holder of the **relevant generation licence**, subject to the requirements of this clause 21 during the **prescribed period**.
- 23.2 The **licensee** must procure the **designated services** from the holder of the **relevant generation licence**, for the amount of AUD\$19.5 million, to be paid in the following instalments:
- (a) one third of the amount of AUD\$19.5 million, to be paid on or before 30 June 2023;
  - (b) one third of the amount of AUD\$19.5 million, to be paid on or before 30 June 2024; and
  - (c) one third of the amount of AUD\$19.5 million, to be paid on or before 30 June 2025.
- 23.3 This condition is subject to regulation 17B(3) of the *Electricity (General) (Prescribed Conditions) Amendment Regulations 2022*.

## Schedule 1 – Definitions

In this licence:

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

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

**AER** means the Australian Energy Regulator established under Part 111AA;

**applicable regulatory instruments** means any **local regulatory instrument** or **national regulatory instrument**;

**business day** means a day other than a Saturday, Sunday or public holiday in South Australia;

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

**customer** has the meaning given to that term under the **Act**;

**designated services** means services to maintain Torrens Island Power Station Unit B2 as an available and functioning electricity generating plant during the **prescribed period**;

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

**Electricity Distribution Code** means the **industry 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 Distribution Determination** means any applicable determination made by the **AER** in accordance with the **National Electricity Law** and the **National Electricity Rules** in force from time to time;

**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 **industry 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 **industry code** of that name made by the **Commission** under section 28 of the **ESC Act**;

**ESC Act** means the Essential Services Commission Act 2002;

**explicit informed consent** has the same meaning as is given to that term in the *Energy Transfer and Consent Code* made by the **Commission** under section 28 of the **ESC Act**;

**generation licence** means a licence to generate electricity granted under Part 3 of the **Act**;

**industry code** means any industry code made by the **Commission** under section 28 of the **ESC Act**;

**Licensee** means SA Power Networks (ACN 332 330 749) a partnership of: Spark Infrastructure (No. 1) Pty Ltd (ABN 54 091 142 380), Spark Infrastructure (No. 2) Pty Ltd (ABN 19 091 143 038), Spark Infrastructure (No. 3) Pty Ltd (ABN 50 091 142 362), CKI Utilities Development Ltd (ABN 65 090 718 880) and PAI Utilities Development Ltd (ABN 82 090 718 951);

**local regulatory instrument** means:

- (a) the **Act** or statutory instrument made under the **Act**; and



(b) any **industry code, industry rule, guideline** or other regulatory instrument made by the **Commission**;

**national regulatory instrument** means the **NEL** and **NERL** or statutory instrument made under the **NEL** or **NERL** which imposes obligations on the **licensee** in respect of the operations authorised by this licence;

**National Electricity Law** means the *National Electricity Law* referred to in the *National Electricity (South Australia) Act 1996* (SA) as in force from time to time;

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

**network services** means:

- (a) the distribution of electricity between **electricity entities** and from **electricity entities** to **customers** (including connection to the **distribution network**); and
- (b) controlling and regulating the quality of electricity;

**officer** means a director or secretary;

**prescribed period** means 1 September 2023 to 30 June 2026 (inclusive);

**Pricing Order** means the pricing order issued by the Treasurer under the **Act**;

**relevant generation licence** means the licence under the **Act** authorising the generation of electricity and under which Torrens Island Power Station Unit B2 is operated (which is currently held by AGL SA Generation Pty Ltd ACN 081 074 204);

**retailer** means a holder of a **retail licence** under Part 3 of the **Act**;

**retail licence** means a licence to sell electricity, granted under Part 3 of the **Act**;

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

**System Controller** means a person 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**;

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

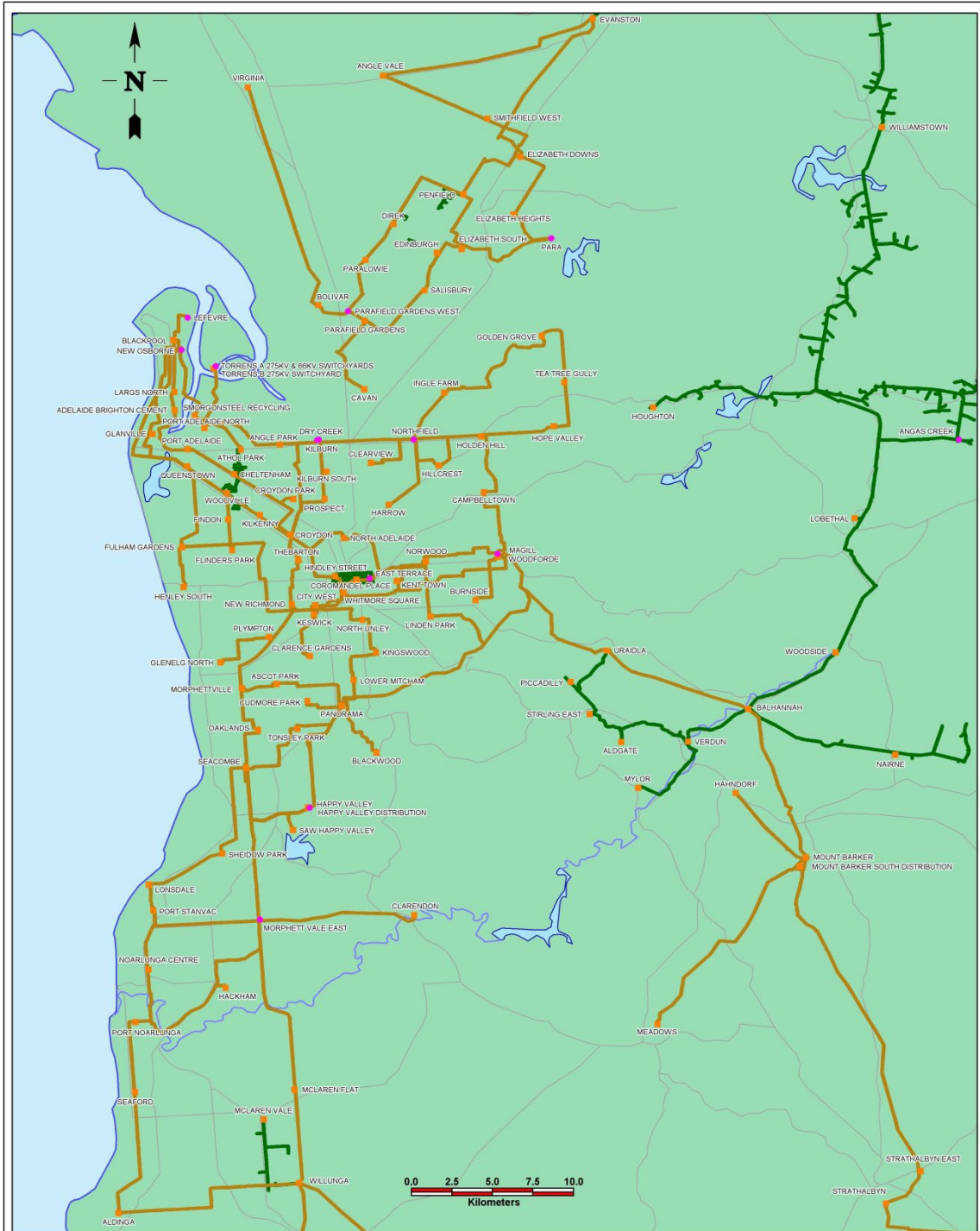
## Schedule 2 – Interpretation

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 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;
- (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 code to occur on or by a stipulated day which is not a **business day** may occur on or by the next **business day**.

## Schedule 3 – Licenced Operations

See attached maps



### 66kV & 33kV SUBTRANSMISSION NETWORK

- SA Power Network Substations
- ElectraNet SA / SA Power Networks Shared Substations
- 66kV
- 33kV
- Area supplied by SA Power Networks
- Roads
- Rivers
- Rivers Lakes



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