

## Annex C – Final template gas distribution licence (standard licence conditions)

**[Licensee name], [Licensee ACN]**

As varied on [date] (with effect from [date])



# Gas Distribution Licence

This licence is issued pursuant to section 26 of the *Gas Industry Act 2001*.

## Date

This licence was last varied on [date] with effect from [date].

## Licensee

This licence is issued to:

**[Licensee name] (Licensee ACN)** (the licensee)

[Address]

**THE COMMON SEAL of the** )  
**ESSENTIAL SERVICES COMMISSION** )  
was affixed pursuant to the authority )  
of the commission on [date] )

.....  
Kate Symons

**CHAIRPERSON**

# Part A – Interpretation

## 1 Definitions

1.1 Unless the contrary intention appears, a term has the meaning shown opposite it:

<b>Act</b>	the <i>Gas Industry Act 2001</i> .
<b>business day</b>	a day other than a Saturday, Sunday or a public holiday in the metropolitan Melbourne area.
<b>change of control</b>	occurs in relation to the <i>licensee</i> if: (a) an <i>entity</i> that <i>controls</i> the <i>licensee</i> ceases to <i>control</i> the <i>licensee</i> ; or (b) an <i>entity</i> that does not <i>control</i> the <i>licensee</i> starts to <i>control</i> the <i>licensee</i> provided that no change of control will be deemed to have occurred where the <i>ultimate holding company</i> that <i>controls</i> the <i>licensee</i> remains the same or the change in <i>control</i> results from the acquisition or cancellation of, or dealing in, securities which are traded on a recognised financial market.
<b>Code of Practice</b>	the same meaning given to it in section 3 of the <i>Essential Services Commission Act 2001</i> .
<b>Commission</b>	the Essential Services Commission established under the <i>Essential Services Commission Act 2001</i> .
<b>control</b>	the same meaning given to it in section 50AA of the <i>Corporations Act 2001</i> (Cth).
<b>customer</b>	a person to whom gas is conveyed through a <i>distribution pipeline</i> .
<b>deemed distribution contract</b>	a contract deemed to be entered into between the <i>licensee</i> and a retail customer pursuant to section 48(6) of the <i>Act</i> .
<b>distribute</b>	the same meaning given to it in section 3 of the <i>Act</i> .
<b>distribution area</b>	the area described in Schedule 1.
<b>distribution delivery point</b>	a point on a <i>distribution pipeline</i> at which gas is withdrawn from a distribution system and delivered to a <i>customer</i> or injected into a distribution connected facility.
<b>distribution pipeline</b>	the same meaning given to it in section 3 of the <i>Act</i> .

<b>entity</b>	the same meaning given to it in section 64A of the <i>Corporations Act 2001</i> (Cth).
<b>Gas Distribution Code of Practice</b>	the Gas Distribution Code of Practice applying under Part 6 of the <i>Essential Services Commission Act 2001</i> .
<b>licensee</b>	[licensee Name +ABN/ACN].
<b>Minister</b>	the person who is, from time to time, the Minister administering the <i>Act</i> .
<b>transfer point</b>	a point at which the custody of gas is injected from a transmission system into a distribution system or from a distribution system into a distribution system.
<b>ultimate holding company</b>	the same meaning given to it in section 9 of the <i>Corporations Act 2001</i> (Cth).

1.2. In this licence, unless the context otherwise requires:

- i. headings and footnotes are each for convenience only and do not affect the interpretation of this licence;
- ii. words importing the singular include the plural and vice versa;
- iii. words importing a gender include any gender;
- iv. an expression importing a natural person includes any company, partnership, trust, joint venture, association, corporation or other body corporate and any governmental agency;
- v. a reference to a condition, clause, Part or Schedule is a reference to a condition, clause, Part of, or Schedule to, this licence (as the case may be);
- vi. a Schedule is part of this licence;
- vii. a reference to any statute including the *Act* and regulation, proclamation, Order in Council, ministerial order, ordinance, code, guideline, procedure or by-law includes all statutes, regulations, proclamations, Orders in Council, ministerial orders, ordinances, codes, guidelines, procedures or by-laws varying, consolidating, re-enacting, extending or replacing them and a reference to a statute includes all regulations, proclamations, Orders in Council, ministerial orders, ordinances, by-laws and determinations issued under that statute;
- viii. 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;
- ix. a reference to a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns;
- x. other parts of speech and grammatical forms of a word or phrase defined in this licence have a corresponding meaning;

- xi. a period of time:
  - 1. which dates from a given day or the day of an act or event is to be calculated exclusive of that day; or
  - 2. which commences on a given day or the day of an act or event is to be calculated inclusive of that day;
- xii. 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*.

## 2 Notices

2.1 A notice under this licence is only effective if it is in writing, given in accordance with clause 2.2, and dealt with as follows:

- i. if given by the *licensee* to the *Commission* – addressed to the Chief Executive Officer of the *Commission* at either the physical or email address specified below (or as otherwise notified to the *licensee* by the *Commission*):

Essential Services Commission  
Level 8, 570 Bourke Street  
Melbourne VIC 3000  
licences@esc.vic.gov.au

- ii. if given by the *Commission* to the *licensee* – addressed to the Chief Executive Officer of the *licensee* (or such equivalent position) at either the physical or email address specified below (or as otherwise notified to the *Commission* by the *licensee* in accordance with clause 2.5).

[licensee's physical address]

[email]

2.2 A notice is to be:

- i. signed by or on behalf of the person giving the notice and delivered by hand; or
- ii. signed by or on behalf of the person giving the notice and sent by pre-paid post; or
- iii. transmitted electronically by or on behalf of the person giving the notice by electronic mail.

2.3 A notice is deemed to be effected:

- i. if delivered by hand – upon delivery to the relevant address;
- ii. if sent by post – upon the confirmation of delivery of the notice by the relevant delivery service, or in accordance with section 160(1) of the *Evidence Act 2008*, whichever is earlier;
- iii. if transmitted electronically – in accordance with the *Electronic Transactions (Victoria) Act 2000*.

2.4 A notice received after 5.00 pm, or on a day that is not a *business day*, is deemed to be effected on the next *business day*.

2.5 The *licensee* must:

- i. notify the *Commission* of any change to the *licensee's* physical or email address for the service of notices pursuant to clause 2.1; and
- ii. specify in such notice the new physical or email address and the effective date of the change,

as soon as practicable and no less than five *business days* prior to the effective date specified in the notice.

## Part B – Licence

### 3 Grant of licence

3.1 Subject to clauses 3.2 and 3.3, in exercise of its powers under section 26 of the *Act*, the *Commission* grants this licence to the *licensee* authorising the *licensee* to provide services by means of *distribution pipelines* in the *distribution area* subject to the conditions set out in this licence.

3.2 This licence only permits the *licensee* to provide services by means of *distribution pipelines* in the *licensee's distribution area*.

3.3 The *licensee* was first granted a licence to provide services by means of *distribution pipelines* on [Date of first licence] and the licence has been varied on the dates set out in Schedule 2.

### 4 Variation

The *Commission* may vary this licence in accordance with section 38 or 38A of the *Act*.

### 5 Transfer

This licence may be transferred in accordance with section 40 of the *Act*.

### 6 Revocation

6.1 For the purposes of section 38(3) of the *Act*, the *Commission* may revoke this licence in accordance with the procedures of this clause 6.

6.2 If the *licensee* notifies the *Commission* that it requests, or consents to, revocation of this licence:

- i. Clauses 6.3 to 6.5 do not apply; and
- ii. the *Commission* may at any time revoke this licence by issuing a notice to the *licensee* that specifies the date upon which the revocation takes effect.

- 6.3 Where the *Commission* proposes to revoke this licence, the *Commission* will issue a notice to the *licensee*, specifying:
- i. the basis upon which the *Commission* proposes to revoke the licence;
  - ii. the date upon which the revocation is proposed to take effect, such date to be no less than 20 *business days* after the date of the notice; and
  - iii. that the *licensee* has the opportunity to make submissions on the matter and the time and date by which, and manner in which, those submissions must be made.
- 6.4 Prior to making a decision to revoke the licence, the *Commission* must consider any submissions made by the *licensee* in accordance with a notice issued under clause 6.3.
- 6.5 Where the *Commission* decides to revoke this licence, the *Commission* will issue a notice to the *licensee* specifying:
- i. the basis upon which the *Commission* is revoking the licence; and
  - ii. the date upon which the revocation takes effect, being no earlier than the date specified in the notice issued under clause 6.3.
- 6.6 If the *Commission* issues a notice under clause 6.2(ii) or 6.5, this licence will be revoked on the date specified in the notice.

## Part C – Licence Conditions

### 7 Status of the requirements in this Part

A failure by the *licensee* to meet any of the requirements set out in this Part C is a breach of a civil penalty requirement for the purpose of the *Essential Services Commission Act 2001*.

### 8 Payment of fees

The *licensee* must pay a licence fee and charges as determined by the *Minister* in accordance with the provisions of section 30 of the *Act*.

### 9 Change of control

- 9.1 The *licensee* must give the *Commission* a notice if any event occurs, any decision by the *licensee* is made, or any other circumstance exists that will or is likely to result, or has resulted, in:
- i. a *change of control* of the *licensee*; or
  - ii. the *licensee* being under external administration within the meaning of the *Corporations Act 2001* (Cth).
- 9.2 The notice required under clause 9.1 must:
- i. set out particulars of the relevant event, decision or circumstance; and

- ii. be given to the *Commission* as soon as reasonably practicable, and in any case not later than three *business days* after the *licensee* becomes aware of the event or circumstances or makes the decision.

## **10 Compliance with regulatory instruments**

- 10.1 The *licensee* must have in place a system for monitoring its compliance with its licence, any applicable *Code of Practice* and the *Act*.
- 10.2 At the written request of the *Commission*, the *licensee* must participate to the extent specified by the *Commission* in the development, issue and review of any *customer*-related standards and procedures specified by the *Commission*.
- 10.3 Subject to section 32 of the *Act*, if the *Commission* considers that:
- i. the *licensee* has failed to comply with clause 10.2; or
  - ii. *customer*-related standards or procedures developed by the *licensee* are insufficient for the purpose for which they were developed,
- the *Commission* may issue *customer*-related standards and procedures applicable to the *licensee* and with which the *licensee* must comply.

## **11 Deemed Distribution Contracts**

- 11.1 The *licensee*:
- i. must by a date nominated by the *Commission* in a written notice given to the *licensee*, which is not less than 20 *business days* after the notice is given to the *licensee*; and
  - ii. may at any other time,
- prepare and submit to the *Commission* proposed terms and conditions of a *deemed distribution contract* for approval by the *Commission*.
- 11.2 As soon as practicable after approval of proposed terms and conditions of a *deemed distribution contract* by the *Commission*, the *licensee* must give notice of those terms and conditions and publish them in the Government Gazette in accordance with section 48 of the *Act*.

## **12 Provision of information to the Commission**

- 12.1 Except where expressly provided to the contrary in a *Code of Practice*, the *licensee* must maintain comprehensive records regarding any activities undertaken pursuant to this licence for a period of at least seven years.
- 12.2 The *licensee* must provide to the *Commission*, in the manner and form decided by the *Commission*, such information as the *Commission* may from time to time require.



## **13 Dispute Resolution**

The *licensee* must enter into a *customer* dispute resolution scheme approved by the *Commission* in accordance with section 36 of the *Act*.

Note: The conditions identified in Part C of this licence are not an exhaustive list of a *licensee's* obligations. A *licensee* is required to comply with additional obligations as set out in the *Act* and instruments made under that *Act*. In addition, obligations are placed on the *licensee* in *Codes of Practice*, in particular the *Gas Distribution Code of Practice*.

## Schedule 1: Distribution Area

*[insert the distribution area as presently contained in Schedule 2 to current licences]*

## Schedule 2: Variations to this licence

[Extract previous variations as set out in Schedule 3 to the existing licences]

Date	Variation
[Date]	Updates to reflect the remaking of the <i>Gas Distribution Code of Practice</i> on [date] and accompanying general review of licenses in 2024.