



*Office of the Regulator-General, Victoria*

**ELECTRICITY DISTRIBUTION LICENCE**

**POWERCOR AUSTRALIA LIMITED**

**ACN 064 651 109**

**FOR THE DOCKLANDS**

**As varied on  
22 March 2001**

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## 4.2 If:

- (a) the **Office** has received a proposed *default use of system agreement* from the **Licensee** for approval under clause 4.1; and
- (b) at the end of 60 *business days* after the day on which the proposed *default use of system agreement* was received by the **Office** (or such longer period after that day not exceeding 30 days as notified by the **Office** to the **Licensee**), the **Office** has not:
  - (1) approved the proposed *default use of system agreement*; or
  - (2) advised the **Licensee** that the proposed *default use of system agreement* will not be approved,

the **Office** will be deemed to have approved the proposed *default use of system agreement*.

- 4.3 Where a **retailer** or other person who has made an application for a *retail licence* requests the **Licensee** to offer a *use of system agreement* (for a period when no *use of system agreement* otherwise would be in force), the **Licensee** must offer to enter into a *use of system agreement* in the form of the current *default use of system agreement* with the **retailer** or other person within three *business days* of the request unless a *use of system agreement* between the **Licensee** and the person making the request has been terminated due to a material breach and the circumstances giving rise to that breach remain unchanged such that if that former agreement was still in force there would be an unremedied breach.
- 4.4 The **Licensee** and a **retailer** or other person who has made an application for a *retail licence* may negotiate a *use of system agreement* with terms and conditions different to those included in the **Licensee's default use of system agreement**.
- 4.5 A *default use of system agreement* must contain terms and conditions which are fair and reasonable and do not unreasonably discriminate, or have the effect of creating unreasonable discrimination, between **retailers** or between **customers** of any **retailer**.
- 4.6 The **Licensee** must amend its *default use of system agreement* in accordance with any direction to do so given by the **Office** if:
  - (a) the **Office** is of the opinion that, without the amendment, the terms and conditions:
    - (1) are not fair and reasonable; or
    - (2) unreasonably discriminate, or have the effect of creating unreasonable discrimination, between **retailers** or between **customers** of any **retailer**; and
  - (b) the **Office** has given the **Licensee** an opportunity to make representations on the matter and to amend the *default use of system agreement* without such a direction.

4.7 Upon approval of a new *default use of system agreement* (under clause 4.1) or any required amendment to a *default use of system agreement* (under clause 4.6), the *Licensee* must:

- (a) make an offer within 3 *business days* to each *retailer* with whom it has a *use of system agreement* to enter into a replacement *use of system agreement* in the form of the new *default use of system agreement*; and
- (b) if such offer is accepted, terminate the existing *use of system agreement*.

The offer must remain open for acceptance by a *retailer* for at least 40 *business days*.

4.8 The *Licensee* must notify the *Office* as soon as practicable if:

- (a) it gives any notice to a *retailer* in connection with the proposed termination of a *use of system agreement*; or
- (b) it terminates a *use of system agreement* without a replacement *use of system agreement* immediately coming into force.

4.9 The *Licensee* must not terminate a *use of system agreement* if the *Office* so directs the *Licensee* specifying the duration and circumstances of the prohibition on termination.

## 5. OBLIGATION TO OFFER CONNECTION SERVICES AND SUPPLY TO A CUSTOMER

5.1 If a *retailer* or a *customer* requests the *Licensee* to offer:

- (a) to provide *connection services* so as to allow the *supply* of electricity from the *Licensee's distribution system* to an *electrical installation* of the relevant *customer*; and
- (b) to *supply* electricity from the *Licensee's distribution system* to that *electrical installation*,

the *Licensee* must make such an offer within 20 *business days* in accordance with clauses 5.2 and 10 and subject to the *Electricity Distribution Code* and, if the request is made by a *retailer*, the offer must be consistent with the *retailer's use of system agreement* with the *Licensee*.

5.2 An offer by the *Licensee* under clause 5.1 must:

- (a) if it is made to a *retailer*, require the *retailer* to ensure that the relevant *customer* complies with those provisions of the *Electricity Distribution Code* which are expressed to impose obligations on *customers*;
- (b) if it is made to a *customer*, require the *customer* to comply with those provisions of the *Electricity Distribution Code* which are expressed to impose obligations on *customers*; or
- (c) if it is made to a *customer* who is a *generator*, require the *generator* to comply with the provisions of the *Electricity Distribution Code* which are expressed to

impose obligations on *customers* unless otherwise agreed by the *Licensee* and the *generator* (both of whom in that respect must act reasonably).

- 5.3 Any question as to the reasonableness of an agreement between the *Licensee* and a *generator* under clause 5.2(c) shall be decided by the *Office* on the basis of the *Office's* opinion of the reasonableness of the requirement.

## **6. OBLIGATION TO OFFER CONNECTION SERVICES TO EMBEDDED GENERATORS**

If an *embedded generator* (or a person who has made application or intends to make application for a *generation licence* or for an exemption granted under the *Act*) requests the *Licensee* to offer to provide *connection services* so as to allow the *supply* of electricity from an *embedded generating unit* of the *embedded generator* which is in the *distribution area* to the *Licensee's distribution system*, the *Licensee* must make such an offer within 65 *business days* in accordance with clause 10.

## **7. OBLIGATION TO OFFER UNDERGROUNDING AND SIMILAR SERVICES**

If a person requests the *Licensee* to participate in the development of a proposal to underground or otherwise relocate or modify any of the *Licensee's distribution fixed assets*, in order to:

- (a) avoid or minimise any threat or possible threat to the health or safety of any person or any property or the environment or an element of the environment; or
- (b) improve the amenity or appearance of the environment,

the *Licensee* must so participate and make an offer for such undergrounding or other relocation or modification within 20 *business days* in accordance with clause 10.

## **8. OBLIGATION TO OFFER TO PROVIDE CERTAIN SERVICES TO OTHER DISTRIBUTORS**

- 8.1 If a *distributor* (or a person who has made application or intends to make application for a *distribution licence*) requests the *Licensee* to offer:

- (a) to provide services to facilitate the *distribution* of electricity by the *distributor* such as:
  - (1) power transfer capability services;
  - (2) reactive capacity at relevant points of *connection*;
  - (3) control protection and monitoring services;
  - (4) metering services; or
- (b) to allow the *distributor* to:

- (1) use the poles, trenches, conduits, communication lines and cables which the *Licensee* has a right to use other than by the operation of a provision in the *distribution licence* of another *distributor* which is identical or similar to this clause 8.1(b); or
- (2) install or keep installed (as the case may be), use, maintain, modify and operate remote operations equipment,

and includes in the request all information the *Licensee* reasonably requires in order to make such an offer, the *Licensee* must make such an offer within 20 *business days* in accordance with clause 10.

- 8.2 The *Licensee* must ensure that it has sufficient rights in respect of all poles, trenches, conduits, communication lines and cables in the *distribution area* (other than those owned or controlled by another *distributor* licensed to *distribute* electricity for *supply*, and to *supply* electricity in the *distribution area*) to enter into an effective contract for their use by another *distributor* under clause 8.1(b)(1).

## 9. OBLIGATION TO OFFER PUBLIC LIGHTING SERVICES

- 9.1 If a *public lighting customer* requests the *Licensee* to provide *public lighting services*, the *Licensee* must make an offer to do so within 20 *business days* in accordance with clause 10.

- 9.2 If a *public lighting customer* accepts an offer made by the *Licensee* in accordance with clause 9.1, the *Licensee* must comply with the resulting contract.

- 9.3 If a *public lighting customer*:

- (a) does not request or has not received an offer in accordance with clause 9.1; or
- (b) has not accepted an offer made by the *Licensee* in accordance with clause 9.1,

the *Licensee* must provide *public lighting services* (other than the installation of new *public lighting assets*) at a price and on terms and conditions which comply with:

- (c) the *Price Determination*;
- (d) any applicable *approved statement*; and
- (e) the *Public Lighting Code*.

- 9.4 From a date notified to the *Licensee* by the *Office* in writing, the *Licensee* must allow a *public lighting customer* to purchase from a *retailer* or the *wholesale electricity market* the electricity *supplied* to *public lighting assets*.

## 10. REQUIREMENTS FOR OFFERS

- 10.1 A *Licensee's* obligation to make an offer within a number of *business days* under clause 5, 6, 7, 8 or 9 begins on the date when the *Licensee* receives the request or the date when the *Licensee* receives all information which the *Licensee* reasonably requires to make the offer, whichever is the later.

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- 10.2 Any question as to the reasonableness of a requirement by the *Licensee* for information as contemplated by clause 10.1 shall be decided by the *Office* on the basis of the *Office's* opinion of the reasonableness of the requirement.
- 10.3 An offer made by a *Licensee* under clause 5, 6, 7, 8 or 9 must include a price and other terms and conditions which are fair and reasonable and consistent with:
- (a) any relevant *guidelines*;
  - (b) the *Price Determination* or any other applicable price determination made by the *Office*;
  - (c) any applicable *approved statement*; and
  - (d) in the case of clause 9, the *Public Lighting Code*.
- 10.4 Any question as to the fairness and reasonableness of a term or condition shall be decided by the *Office* on the basis of the *Office's* opinion of the fairness and reasonableness of the term or condition.
- 10.5 Any question as to the relevance or applicability of a *guideline*, the *Price Determination* or *approved statement* shall be decided by the *Office* on the basis of the *Office's* opinion of the relevance or applicability of the *guideline*, the *Price Determination* or *approved statement*.
- 10.6 If requested, the *Licensee* must not refuse to make an offer contemplated by clause 5, 6, 7, 8 or 9 unless:
- (a) the *Licensee* has already made an offer in response to an earlier request and the offer has not been accepted; or
  - (b) the *Licensee* is permitted or required to do so by any of the regulatory instruments with which the *Licensee* must comply under clause 21, or any applicable law.
- 10.7 If the *Licensee* proposes to *augment* its *distribution system* in connection with an offer to provide services under clause 5, 6, 7, 8 or 9, the *Licensee* must, before making the offer, call for offers to perform the *augmentation* works from at least two other persons who compete in performing works of that kind (or who are capable of so competing). The *Licensee* must also comply with any relevant *guideline*.
- 10.8 The *Licensee* need not comply with clause 10.7 if:
- (a) the *Licensee* and the person to whom the services are to be provided agree that the *Licensee* need not comply;
  - (b) subject to clause 10.9, a copy of the agreement contemplated in clause 10.8(a) is given to the *Office* together with such other information about the proposed *augmentation* as the *Office* may reasonably require; and
  - (c) subject to clause 10.9, within 20 *business days* after the copy of the agreement is given to the *Office*, the *Office*:



- (1) gives the *Licensee* notice that the *Office* approves the agreement; or
- (2) does not do so and does not notify the *Licensee* that the *Office* requires further time to consider whether or not to approve the agreement.

10.9 Clauses 10.8(b) and (c) do not apply where the total amount the *Licensee* proposes to charge in respect of the *augmentation* is less than an amount specified for this purpose by the *Office* in any *guideline*.

10.10 The *Licensee* also need not comply with clause 10.7 where:

- (a) the *Office*, having notified the *Licensee* that the *Office* requires further time to consider whether or not to approve the agreement, as contemplated by clause 10.8(c)(2) at any time gives the *Licensee* notice that the *Office* approves the agreement;
- (b) the *Office* is satisfied that the costs likely to be incurred in such a tendering process are likely to outweigh the benefits of the process, and notifies the *Licensee* accordingly; or
- (c) the total cost to the *Licensee* of the *augmentation* is less than an amount specified for this purpose by the *Office* in any *guideline*.

## 11. PROVISION OF OTHER SERVICES

11.1 The terms on which the *Licensee*, in conducting its *distribution business*, provides services other than services of a kind referred to in clause 5, 6, 7, 8 or 9, must be fair and reasonable.

11.2 Any question as to the fairness and reasonableness of such terms and conditions shall be decided by the *Office* on the basis of the *Office's* opinion of the fairness and reasonableness of the terms and conditions.

## 12. OTHER AUGMENTATION WORKS

Where:

- (a) the *Licensee* proposes to *augment* its *distribution system* otherwise than in connection with an offer to provide services under clause 5, 6, 7, 8 or 9; and
- (b) a *guideline* requires the *Licensee*, before the *Licensee* performs or procures the performance of any *augmentation* works, to call for offers to perform the *augmentation* works,

the *Licensee* must call for offers to perform the *augmentation* works in accordance with that *guideline*.

### 13. TRANSMISSION CONNECTION ASSET PLANNING & AUGMENTATION

The *Licensee* is responsible for planning, and directing the augmentation of, *transmission connection assets* to assist it to fulfil its obligations under clause 5.

### 14. NATIONAL METERING IDENTIFIERS

- 14.1 The *Licensee* must issue a unique *NMI* for each *metering installation* in its *distribution area* (even in those cases where the *National Electricity Code* does not require it to do so) in a manner consistent with its obligations under the *National Electricity Code*.
- 14.2 The *Licensee* must issue a *NMI* under clause 14.1 prior to *connecting a customer's electrical installation* to the *distribution system*.
- 14.3 If a *retailer* makes a request for a *NMI* and *NMI standing data* in respect of a *customer's supply point*, the *Licensee* must provide the *NMI* and the *NMI standing data* as soon as possible but in any event within two *business days* of the request.

### 15. PROVISION OF INFORMATION TO THE RETAILER OF LAST RESORT

On request by a *retailer* which has been directed by the *Office* to act as a *retailer of last resort*, the *Licensee* must disclose to the *retailer* such *customer* or other information as is necessary for the *retailer* to act as the *retailer of last resort* for a *customer*.

### 16. APPROVED STATEMENTS

- 16.1 The *Licensee* may submit to the *Office* for its approval and must do so within 20 *business days* of being required by the *Office* by notice to do so, a statement setting out any or all of:
- (a) the charges it proposes to make for providing any services or doing any things of the kind referred to in clauses 5, 6, 7, 8, 9, and 11;
  - (b) maximum charges for such services or things;
  - (c) principles for setting such charges; and
  - (d) methodology for setting such charges.
- 16.2 The *Licensee* may submit to the *Office* for approval amendments to an *approved statement* and must do so within 20 *business days* of being required by the *Office* by notice to do so.

### 17. CONFIDENTIALITY

- 17.1 The *Licensee* must not:
- (a) use *customer* information acquired for one purpose for another purpose; or

(b) disclose *customer* information to any person,

unless the *customer* has given *explicit informed consent* to the use or disclosure or the *Licensee* is authorised by or under this licence or by law.

17.2 The *Licensee* must comply with any *guideline* concerning the use or disclosure of personal information about a *customer*.

## 18. STATEMENT OF CHARGES

On request from a *retailer*, the *Licensee* must provide to the *retailer* such information as the *retailer* reasonably requires to allow the *retailer* to include, in statements the *retailer* issues to any *customer* requiring payment in respect of electricity sold, the total of amounts charged by the *distributor* in respect of that *customer*.

## 19. COOPERATION WITH VENCORP

19.1 The *Licensee* must co-operate with *VENCorp* in the establishment of demand reduction procedures (including customer load shedding arrangements).

19.2 As soon as practicable after any request made by *VENCorp*, the *Licensee* must supply such information to *VENCorp* as *VENCorp* may reasonably require to perform its functions and exercise its powers under the *Act*.

19.3 Any question as to the reasonableness of a requirement by *VENCorp* for information as contemplated by clause 19.3 shall be decided by the *Office* on the basis of the *Office's* opinion of the reasonableness of the requirement.

## 20. NON-DISCRIMINATION IN CONDUCT OF BUSINESS

20.1 In conducting its *distribution business*, the *Licensee* must not unreasonably discriminate, or have the effect of creating unreasonable discrimination, between *retailers* or between *customers* of any *retailer*.

20.2 Without limiting clause 20.1, the *Licensee* must not use *customer* information or information about the activities of a *retailer* obtained by it in conducting its *distribution business* to gain an advantage for a *retail business* conducted by it or by a *related body corporate* if that information is not available to other *retailers*.

20.3 Any question as to the meaning of unreasonable discrimination or advantage, or the application of those concepts, shall be decided by the *Office* on the basis of the *Office's* opinion of the matter.

## 21. COMPLIANCE WITH ORDERS, CODES AND GUIDELINES

21.1 As well as complying with this licence, the *Licensee* must comply with all applicable provisions of:

(a) any *order*;

(b) the following codes:

- (1) the *Electricity Distribution Code*;
  - (2) the *Electricity System Code*;
  - (3) the *Public Lighting Code*; and
  - (4) the *Retail Tariff Metering Code*;
- (c) the *Price Determination*; and
- (d) any *guideline* identified as one with which the *Licensee* must comply in this licence or in a code referred to clause 21.1(b).

21.2 The *Licensee* must monitor its compliance with this licence and any *order*, code or *guideline* it is required to comply with under clause 21.1.

21.3 If the *Licensee* becomes aware of a material breach by the *Licensee* of this licence or any *order*, code or *guideline* it is required to comply with under clause 21.1, the *Licensee* must notify the *Office* of the material breach as soon as practicable.

## 22. STANDARDS AND PROCEDURES

22.1 At the request of the *Office*, the *Licensee* must participate to the extent specified by the *Office* in the development, issue and review of any *standards and procedures* specified by the *Office*.

22.2 The *Licensee* must in accordance with any *guideline* published for this purpose, or as directed by the *Office*, report to the *Office* on its performance against applicable *standards and procedures*.

22.3 In addition to its powers under section 26 of the *Act*, if the *Office* considers that:

- (a) the *Licensee* has failed to comply with clause 22.1; or
- (b) *standards or procedures* applicable to the *Licensee* have been shown to be insufficient to prevent abuses by the *Licensee* of any monopoly power it enjoys,

the *Office* may issue *standards and procedures* applicable to the *Licensee* and with which the *Licensee* must comply.

## 23. AUDITS

23.1 The *Licensee* must appoint an independent auditor to conduct audits of:

- (a) its compliance with obligations under this licence, including obligations to comply with codes and *guidelines*; and
- (b) the reliability and quality of information reported by the *Licensee* to the *Office*, and the consistency of that information with the *Office's* specifications.

23.2 The appointment of the auditor by the *Licensee* must be approved by the *Office*, subject to any terms and conditions specified by the *Office*.

23.3 The scope of the audit is to be approved by the *Office* and must meet any minimum audit requirements specified by the *Office*.

23.4 The audits must be conducted, and the results reported to the *Office*, in accordance with any applicable *guideline*.

## 24. DISPUTE RESOLUTION

24.1 The *Licensee* must submit to the *Office* for its approval, and if approved implement, a scheme for the fair, reasonable and effective investigation and resolution of disputes between it and:

- (a) a *customer* about the *Licensee's* services, billing and charging; and
- (b) aggrieved persons about the manner in which the *Licensee* conducts its business under this licence generally.

24.2 Unless it has been notified by the *Office* that it need not comply with this clause 24.2, the *Licensee* must comply with clause 24.1 by submitting to the *Office* for its approval an ombudsman scheme and implementing any such scheme that the *Office* has approved.

24.3 An ombudsman scheme that is implemented by the *Licensee* to comply with clause 24.2 must contain and comply with terms and conditions that:

- (a) bind the *Licensee* to participate in the scheme and comply with its rules (as amended from time to time) from the date on which it is approved by the *Office*;
- (b) provide the *Licensee's customers* and aggrieved persons with ready and equal access to the scheme;
- (c) subject to (d), present no cost barriers to *customers*;
- (d) do not permit fees to be charged to, or costs to be awarded against, residential and small business *customers*;
- (e) provide that the scheme be governed by a board consisting of an independent chairperson and equal numbers of *customer* representatives appointed by the *Office* and representatives appointed by the members of the scheme;
- (f) in accordance with a process approved by the *Office*, provide for those members of the scheme and *customer* representatives that are members of the board to appoint the chairperson after consultation with the *Office*;
- (g) provide for the board to appoint the ombudsman;
- (h) require the board to inform the *Office* of any proposed amendments of the scheme;
- (i) confer on the ombudsman the power to make rulings with which the *Licensee* is required to comply;

- (j) provide that, if the scheme prevents a ruling of the ombudsman from exceeding in value a maximum amount, that amount must be no less than \$20,000 in respect of a complaint from an individual customer;
- (k) confer on the ombudsman the power to impose sanctions on the *Licensee* for a breach of a ruling;
- (l) require the ombudsman to follow fair and efficient procedures, and make decisions that are fair and reasonable having regard to the law, the licences, industry codes, deemed contracts, and good industry practice;
- (m) enable the *Office* to refer complaints in relation to the conduct of the participating *Licensee's* business conducted under this licence to the ombudsman;
- (n) require the *Licensee* to bear a fair proportion of the cost of the development, establishment and operation of the ombudsman scheme;
- (o) enable a question as to the fairness of the proportion of the costs which must be borne by a *Licensee* to be decided by the *Office* on the basis of the *Office's* opinion of the fairness of the proportion;
- (p) require the ombudsman to report to the *Office* as and when required by the *Office* on the operation of the scheme in relation to the industry of which the *Licensee* is part;
- (q) require the ombudsman to publish its decisions and annual reports on the operation of the scheme and the performance of each member of the scheme in relation to the industry of which the *Licensee* is part;
- (r) require the board to conduct periodic and comprehensive reviews of the performance of the scheme in consultation with members, customer representatives, the *Office* and other interested parties; and
- (s) provide for the *Licensee* to withdraw from the scheme subject to:
  - (i) the *Office* notifying the *Licensee* that it need not comply with clause 24.2;
  - (ii) the *Licensee* providing to the *Office* 12 months' notice in writing of the *Licensee's* intention to withdraw; and
  - (iii) the *Licensee* satisfying the *Office* that the *Licensee* complies with clause 24.1.

## 25. SEPARATE ACCOUNTS

The *Licensee* must ensure that separate accounts are prepared for its *distribution business* in accordance with any *guideline* published for this purpose.

## 26. PROVISION OF INFORMATION TO THE OFFICE

The *Licensee* must provide to the *Office*, in the manner and form decided by the *Office*, such information as the *Office* may from time to time require.

## 27. PAYMENT OF LICENCE FEES

27.1 The *Licensee* must pay as directed by the *Office* a licence fee determined in accordance with section 22 of the *Act*.

27.2 Insofar as a fee or charge determined by the *Minister* under section 22 of the *Act* in respect of this licence is an annual fee or charge, it must be paid in either four equal instalments on the last days of September, December, March and June in each year or paid in one payment on or before the last date of September in each year and in the manner notified to the *Licensee* by the *Office*.

27.3 The *Licensee* must pay as directed by the *Office* such other fees and charges in respect of this licence as are determined by the *Minister* in accordance with section 22 of the *Act*.

## 28. ADMINISTRATOR

28.1 If an *administrator* is appointed to the *Licensee's* business under section 34 of the *Act*, the *administrator* must exercise its functions and powers in such a manner as may be specified by the *Office* in the instrument of appointment.

28.2 The *Licensee* is responsible for the acts and defaults of the *administrator*.

## 29. COMPLIANCE WITH LAWS

The *Licensee* must comply with all applicable laws.

## 30. VARIATION

This licence may be varied in accordance with section 29 of the *Act*.

## 31. TRANSFER OF LICENCE

This licence may be transferred in accordance with section 31 of the *Act*.

## 32. COMMUNICATIONS

32.1 A *communication* must be in *writing*.

32.2 A *communication* is to be regarded as having been given by the sender and received by the addressee:

- (a) when delivered in person to the addressee;
- (b) 3 *business days* after the date of posting, if the *communication* is posted within Australia;

- (c) 7 *business days* after the date of posting, if the *communication* is posted outside Australia;
- (d) when, according to the sender's transmission report, received by facsimile transmission by the addressee; or
- (e) when it is an electronic *communication*, in accordance with the *Electronic Transactions (Victoria) Act 2000*.

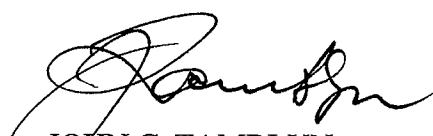
### 33. FULL RETAIL COMPETITION

- 33.1 From a date to be nominated by the *Office* in a *communication* and given to the *Licensee*, the *Licensee* must be ready to facilitate the introduction of full retail competition.
- 33.2 Without limiting clause 33.1, the *Licensee* must have the necessary systems and other resources identified in schedule 3 in place, tested and operational by the respective dates set out in schedule 3.
- 33.3 If the *Licensee* anticipates that it will be unable to meet any of its obligations under clause 33.1 or 33.2, it must immediately notify the *Office* and give reasons for its view.

**THE COMMON SEAL of  
THE OFFICE OF THE  
REGULATOR-GENERAL**

was affixed pursuant to  
the authority of the Office  
on 22 March 2001



  
JOHN C. TAMBLYN  
Regulator-General



## SCHEDULE 1 DEFINITIONS AND INTERPRETATION

### 1. DEFINITIONS

In this licence:

*Act* means the *Electricity Industry Act 2000*.

*administrator* means an administrator appointed by the *Office* under section 34 of the *Act* in respect of the *Licensee's distribution business*.

*approved statement* means a statement of the kind referred to in clause 16.1 that is submitted to and approved, by notice to the *Licensee*, by the *Office*.

*augmentation* in relation to the *transmission connection assets* or the *Licensee's distribution system*, means the process of upgrading the *transmission connection assets* or the *distribution system* by replacing or enhancing existing plant and equipment or by adding new plant and equipment and includes modifying any of the *Licensee's distribution fixed assets*.

*business day* means a day other than a Saturday or Sunday or a public holiday appointed under the *Public Holidays Act 1993*.

*communication* means a notice, agreement, consent, direction, representation, advice, statement or other communication required or given pursuant to or in connection with this licence.

*connect* means the making and maintaining of contact between the electrical systems of two persons allowing the *supply* of electricity between those systems.

*connection services* means the service of establishing *connection* between the *Licensee's distribution system* and another electrical system (including, without limitation, an *electrical installation*).

*customer* means a person who buys or proposes to buy electricity from a *retailer* or directly through the *wholesale electricity market*.

*default use of system agreement* means a form of agreement submitted to the *Office* by a *distributor* under this *distribution licence* and approved by the *Office*.

*distribute* in relation to electricity, means to distribute electricity using a *distribution system*.

*distribution area* in relation to a *distributor*, means the area in which the *distributor* is licensed to *distribute* and *supply* electricity under the *Act* which, in relation to the *Licensee*, is the area described in schedule 2.

*distribution business* means a business carried on by a *distributor* under its *distribution licence* or exemption granted under the *Act*.

***distribution fixed assets*** means any distribution fixed assets used by the ***Licensee*** to ***supply*** electricity including those which have been allocated to the ***Licensee*** by an allocation statement made under section 117 of the *Electricity Industry (Residual Provisions) Act 1993* and dated 29 September 1993, even though they may be located in another ***distributor's distribution area***.

***distribution licence*** means a licence to ***distribute*** and ***supply*** electricity granted under the ***Act***.

***distribution system*** in relation to a ***distributor***, means a system of electric lines and associated equipment (generally at nominal voltage levels of 66kV or below) which that ***distributor*** is licensed to use to ***distribute*** electricity for ***supply*** under its ***distribution licence*** or exemption granted under the ***Act***, excluding ***public lighting assets***.

***distributor*** means a person who holds, or is exempt from holding, a ***distribution licence*** under the ***Act***.

***electrical installation*** means any electrical equipment at a ***customer's*** site that is ***connected*** to, but not part of a ***distribution system***.

***electricity business*** means each of:

- (a) the ***Licensee's distribution business***; and
- (b) the ***Licensee's retail business***.

***Electricity Distribution Code*** means the code of that name certified by the ***Office***.

***Electricity System Code*** means the code of that name certified by the ***Office***.

***embedded generating unit*** means a ***generating unit*** which is ***connected*** (or to be ***connected***) to a ***distribution system***.

***embedded generator*** means a ***generator*** whose ***generating units*** are ***connected*** to a ***distribution system***.

***enforcement order*** means a provisional or final order made and served by the ***Office*** under section 35 of the *Office of the Regulator-General Act 1994*.

***explicit informed consent*** requires consent to be given in writing.

***generating unit*** means an electricity generator and related equipment essential to its operation, which together function as a single unit.

***generation licence*** means a licence to generate electricity for ***supply*** and sale granted under the ***Act***.

***generator*** means a person who holds, or is exempt from holding, a ***generation licence*** under the ***Act***.

***guideline*** means a guideline published by the ***Office***.

**Licensee** means Powercor Australia Ltd ACN 064 651 109.

**metering installation** has the meaning given to that term by the *National Electricity Code*.

**Minister** means the person who is the Minister for the purposes of the relevant section of the *Act*.

**National Electricity Code** means the Code approved in accordance with section 6(1) of the National Electricity (Victoria) Law applicable in Victoria as a result of the operation of section 6 of the *National Electricity (Victoria) Act 1997*.

**NEMMCO** means National Electricity Market Management Company Limited ACN 072 010 327.

**NMI** means a national metering identifier.

**NMI standing data** means each of the following in respect of a **NMI**:

- (a) the NMI checksum;
- (b) the transmission node identifier;
- (c) the distribution loss factor;
- (d) the **distributor's** network tariff.

**Office** means the Office of the Regulator-General under the *Office of the Regulator-General Act 1994*.

**order** means an order in council made or in force under the *Act*.

**policy objectives** means the objectives specified in section 10 of the *Act* and section 7 of the *Office of the Regulator-General Act 1994* and, to the extent the context requires, in a statement of government policy to the extent that it continues to apply under section 9A of the *Office of the Regulator-General Act 1994*.

**Price Determination** means the Electricity Distribution Price Determination 2001-2005, the 2001 Electricity Distribution Price Review Re-Determination and any other price determination in force.

**public lighting assets** means all assets of the **Licensee** which are dedicated to the provision of public lighting in the **distribution area**, including lamps, luminaries, mounting brackets and poles on which the fixtures are mounted, supply cables and control equipment (for example, photoelectric cells and control circuitry) but not including the **Licensee's** protection equipment (for example fuses and circuit breakers).

**public lighting customer** means:

- (a) VicRoads in respect of public lighting of declared roads (as defined in the *Transport Act 1983*);

- (b) a municipal council in respect of public lighting in its municipal district other than public lighting of declared roads; and
- (c) the Docklands Authority in respect of public lighting in the docklands area (as defined in the *Docklands Authority Act 1991*) other than public lighting of declared roads.

**public lighting services** means the following services provided for the purpose of lighting public places:

- (a) the operation of **public lighting assets**, including handling enquiries and complaints about public lighting, and dispatching crews to repair **public lighting assets**;
- (b) the maintenance, repair, alteration, relocation and replacement of **public lighting assets**; and
- (c) the installation of new **public lighting assets**.

**Public Lighting Code** means the code of that name certified by the *Office*.

**related body corporate** has the meaning given to that term by the *Corporations Law*.

**retailer** means a person who holds, or is exempt from holding, a **retail licence** under the *Act*.

**retailer of last resort** means a retailer acting as a retailer of last resort under its **retail licence**.

**retail licence** means a licence granted under the *Act* to sell electricity otherwise than through the **wholesale electricity market**.

**Retail Tariff Metering Code** means the code of that name certified by the *Office*.

**retail business** means the business that a **retailer** carries on under its **retail licence** or exemption granted under the *Act*.

**standards and procedures** means:

- (a) customer-related standards;
- (b) overall performance standards;
- (c) complaint handling, escalation and resolution policies, practices and procedures;
- (d) security deposit, disconnection and credit policies, practices and procedures including practices and procedures concerning the installation and use of load limiters;
- (e) rules and procedures for compensating **customers** for the **Licensee's** failure to comply with any such standards, policies, practices and procedures; and
- (f) procedures for the introduction of debit or prepaid meter cards or other prepayment schemes,

which are issued by the *Licensee* under clause 22.1 or by the *Office* under clause 22.3.

**supply** in relation to electricity, means the delivery of electricity.

**supply point** in relation to the supply of electricity to a person, means the point at which that supply of electricity last leaves a supply facility owned or operated by a *distributor* before being *supplied* to the person, whether or not the electricity passes through facilities owned or operated by any other person after leaving that point before being so *supplied*.

**transmission connection assets** means those parts of an electricity transmission network which are dedicated to the connection of customers at a single point, including transformers, associated switchgear and plant and equipment.

**undertaking** means an undertaking given by the *Licensee* under section 35(5)(a) of the *Office of the Regulator-General Act 1994*.

**use of system agreement** means an agreement between a *retailer* and a *distributor* which is necessary to ensure that, subject to the *Act*, electricity is *distributed* or *supplied* by means of the *distributor's distribution system* to the extent necessary to enable the *retailer* or other person to sell electricity to its *customers*.

**VENCorp** means Victorian Energy Networks Corporation established under Part 2A of the *Gas Industry Act 1994*.

**wholesale electricity market** means the market for wholesale trading in electricity operated by *NEMMCO* under the *National Electricity Code*.

**writing** includes any mode of representing or reproducing words, figures, drawings or symbols in a visible form.

## 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 condition, clause, schedule or part is to a condition, clause, schedule or part of this licence;
- (f) a reference to terms of an offer or agreement is to all terms, conditions and provisions of the offer or agreement;
- (g) 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 and by-laws issued under that statute;
- (h) 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;
- (i) a reference to a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns;
- (j) when italicised, other parts of speech and grammatical forms of a word or phrase defined in this licence have a corresponding meaning;
- (k) 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; and
- (l) 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***.

**SCHEDULE 2**  
**DISTRIBUTION AREA**

## **POWERCOR AUSTRALIA LIMITED DISTRIBUTION AREA FOR THE DOCKLANDS**

Comprises so much of the area described below as, at the date this licence takes effect, comprises part of the "Docklands area" under the Docklands Authority Act 1991:

At a point which is the junction of the centre of Moonee Ponds Creek and the northern boundary of Footscray Road; then easterly along the northern boundary of Footscray Road; then easterly along the northern boundary of Dudley Street, then south easterly along the north east boundary of Allotment ONE C of Section 98 (Vol. 10269 Fol. 527) in the City of Melbourne Parish of Melbourne North; then south easterly along the north east boundary of Allotment ONE D of Section 98 (Vol. 10269 Fol. 528) in the City of Melbourne Parish of Melbourne North; then south easterly along the north east boundary of Allotment ONE E of Section 98 (Vol. 10269 Fol. 529) in the City of Melbourne Parish of Melbourne North; then westerly along the southern boundary of Flinders Street; then westerly along the southern boundary of North Wharf Road; then southerly along the eastern boundary of Charles Grimes Bridge Road; then southerly along the eastern boundary of Charles Grimes Bridge; then southerly along the eastern boundary of Montague Street; then westerly along the southern boundary of Lorimer Street to the western boundary of Graham Street; then due north to the centre of Yarra River; then westerly along the centre of the Yarra River; then north easterly along Railway Canal; then northerly along the centre of Moonee Ponds Creek to the northern boundary of Footscray Road.



### SCHEDULE 3

### SYSTEM OR PROCESS REQUIREMENTS

System or Process	Date System to be Operational
<b>Transfer and NMI:</b> <ul style="list-style-type: none"> <li>Establishment of systems and processes to allocate and maintain NMIs, with allocation completed</li> <li>Establishment of systems and processes to maintain NMI standing data required to be available pre-transfer; all data available</li> </ul>	<p>1 May 2001 for all metering installations</p> <p>1 May 2001 for all metering installations</p>
<b>Distributor / MSATS<sup>1</sup> Interfaces</b> <b>Transfer and NMI:</b> <ul style="list-style-type: none"> <li>Establishment of systems and processes to maintain NMI discovery and standing data required to be available pre-transfer via MSATS; all data available</li> <li>Establishment of systems and processes to maintain the data required, including any additional standing data, to facilitate transfer via MSATS for which the licensee is responsible; all data available</li> <li>Establishment of NMI, standing data and NMI discovery interfaces to MSATS</li> <li>Establishment of customer transfer system interface to MSATS</li> </ul> <b>Settlement Data:</b> <ul style="list-style-type: none"> <li>Establishment of systems to interface with the central Meter Data Management (MDM) data base</li> </ul>	<p>24 September 2001<sup>2</sup></p> <p>24 September 2001</p> <p>24 September 2001</p> <p>24 September 2001</p> <p>24 September 2001</p>

<sup>1</sup> Market Settlement and Transfer Solution

<p><b>Compliance with Code<sup>3</sup></b></p> <p><b>Meter Provision:</b></p> <ul style="list-style-type: none"> <li>• Establishment of systems to manage Type 5 metering installations<sup>4</sup></li> </ul> <p><b>Meter Data Services:</b></p> <ul style="list-style-type: none"> <li>• Establishment of systems to manage Type 5 meter reading and Type 5 and 7 data processing and forwarding for settlement to the enhanced Metering Administration System (EMAS)</li> <li>• Establishment of data forwarding interface for metering installations Type 5, 6 and 7 (MSATS)</li> </ul> <p>Full implementation of the Metrology Procedure obligations<sup>4</sup> with respect to Type 7 including:</p> <ul style="list-style-type: none"> <li>• Establishment and management of load, inventory and on/off tables as specified by the Metrology Procedure for Type 7 metering installations; data table complete</li> <li>• Establishment and management of a system for calculation of trading interval energy data as specified by the Metrology Procedure for Type 7 metering installations</li> </ul>	<p>30 June 2001</p> <p>30 June 2001</p> <p>24 September 2001</p> <p>30 June 2001 (Public Lighting) and 24 September 2001 (all other Type 7 metering installations)</p>
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<sup>2</sup> Corresponding to readiness to commence MSATS open market trial consistent with achieving the jurisdictional market start date for all customers of January 2002

<sup>3</sup> National Electricity Code; including compliance with Metrology Procedure under the Code

<sup>4</sup> Exclusivity in this role is intended (subject to the relevant jurisdictional derogations to the Code being granted by ACCC)

<p><b>Distributor / Retailer Interfaces</b></p> <ul style="list-style-type: none"> <li>• Establishment of enhanced systems to manage billing, collection and credit management of network revenue with multiple retailers</li> <li>• Establishment of distribution / retailer interfaces to manage: <ul style="list-style-type: none"> <li>• Call centre enhancement for non-fault retailer queries</li> <li>• Outage and fault call management for multiple retailers</li> <li>• Electronic interface with retailers re connection, disconnection and reconnection requests<sup>5</sup></li> </ul> </li> </ul>	<p>31 December 2000 &gt; 40 MWh customers, 31 December 2001 all customers</p> <p>31 December 2001</p>
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<sup>5</sup> As required by the Distribution Code, section 9.1.11

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**SCHEDULE 4**  
**VARIATIONS TO THE LICENCE**

<b>Date</b>	<b>Reason for variation</b>
22 March 2001	To establish the regulatory framework for full retail competition, to reflect changes established by the Electricity Industry Act 2000, to make other minor amendments and to amend the dispute resolution clause to establish the Energy and Water Ombudsman.