

Revision 1.0, 29 June 2018

**TASMANIAN NETWORKS PTY LTD**  
ABN 24 167 357 299

and

**[insert GENERATOR]**  
ABN **[insert]**

**GENERATOR CONNECTION AGREEMENT**

for

**[insert FACILITY NAME]**

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**AGREEMENT** made the \_\_\_\_\_ day of \_\_\_\_\_ [insert]

- PARTIES**
1. **Tasmanian Networks Pty Limited**  
 ABN 24 167 357 299  
 of 1-7 Maria Street, Lenah Valley in Tasmania  
 (**TasNetworks**)
  2. **[insert company name]**  
 ABN [insert]  
 of [insert] in Tasmania  
 (**Network User**)

## RECITALS

- A. TasNetworks holds a licence issued under the *ESI Act* authorising it to operate its *transmission system* to transmit electricity within Tasmania.
- B. Network User holds a licence under the *ESI Act* authorising it to operate its *generating plant* to generate electricity.
- C. TasNetworks has offered to provide Network User with *connection* and access to its *transmission system* on the terms set out in this agreement and Network User agrees to accept that offer by entering into this *connection agreement*.

## THE PARTIES AGREE

### 1. DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

In this agreement, except so far as the contrary intention appears:

**agreed capability** means, for a *connection point*, the maximum capability in MVA to receive or send out power through the *connection point* as specified in the relevant *SDS* in the circumstances specified in the relevant *SDS*;

**agreed maximum demand** means, for a *connection point*, the maximum amount of demand (in kW or MW) for a *trading interval* nominated in the relevant *SDS*;

**approved credit rating** is a credit rating of at least BBB issued by Standard & Poor's or, if nominated and agreed to by TasNetworks, an equivalent credit rating from another credit rating agency acceptable to TasNetworks;

**Asset Development Agreement** means the Asset Development Agreement between TasNetworks and Network User dated [insert date];

**Asset Management Plans** means plans that a prudent *transmission network service provider* would prepare and maintain outlining its plans, including financial forecasts for operations, maintenance, expansion and refurbishment of its assets that forms the basis of its planning and management of those assets;

**associate** means, for a party:

- (a) a related body corporate (as defined in the *Corporations Act 2001* (Cth)) of the party; or
- (b) an officer or employee of the party;

**Australian bank** means an “Australian bank” as defined in the *Corporations Act 2001* (Cth) which is incorporated in Australia;

**Authority** means the Crown, any government or regulatory department, body, instrumentality, minister, agency or other authority, or any body which is the successor to the administrative responsibilities of such department, body, instrumentality, minister of the Crown, agency or other authority (but does not include the parties unless in the case of TasNetworks it is acting as **System Operator**) including the AEMC, the AER and AEMO;

**business day** means any *day* except a Saturday, Sunday or public holiday in Hobart;

**cap amount** means the amount stated in Schedule 8 for the first *financial year* or part *financial year* of this agreement and for each subsequent *financial year* or part *financial year* means the amount for the previous *financial year* or part *financial year* multiplied by **CPI**;

**cash rate** means the cash rate (also known as the interbank overnight rate), recorded to two decimal places, as set by the Reserve Bank of Australia provided that if the **cash rate** cannot be so determined, then **cash rate** will mean such rate as may be determined in accordance with the dispute resolution procedure in clause 19;

**charges** means any one or more of the charges for the **entry services**, **transmission network services** and **other services** calculated in accordance with Schedule 3 and, where relevant, clause 3.7;

**commencement date** means the date specified as the commencement date in Schedule 1;

**[Note: Connection assets definition used where TasNetworks constructing and owning dedicated connection assets.]**

*connection assets* for a *connection site* means the *dedicated connection assets* for which TasNetworks is registered and that are associated with each *connection point*, as more particularly described in the relevant *SDS*;

*connection point* means, for a *generating unit*, the point of *connection* specified in the relevant *SDS*;

*connection site* means the generation site, or other site, specified in Schedule 1;

*contestable IUSA components* means the contestable *identified user shared assets* that are constructed by the IUSA Provider (as defined in the *IWCA*) and set out in the *IWCA*;

*CPI* means for a particular year:

(a) the Consumer Price Index: All Groups Index Number, weighted average of eight capital cities published by the Australian Bureau of Statistics for the March quarter immediately preceding the start of the relevant year;

divided by:

(b) the Consumer Price Index: All Groups Index Number, weighted average of eight capital cities published by the Australian Bureau of Statistics for the March quarter immediately preceding the March quarter referred to in (a) above.

*defaulting party* has the meaning set out in Clause 15.1;

*direct loss* means loss, injury, damage or expense suffered or incurred by the Affected Party that results directly from, whether solely or in part, an act or omission of the First Party for which the First Party is liable to the Affected Party (whether for the First Party's breach of this agreement, negligence or otherwise), but does not include:

- (a) any loss, damage or expense arising out of interruption to business, increased costs of working, loss of use of property, loss of contract, or loss of production;
- (b) any loss of actual or anticipated profit or revenue or saving (but excluding TasNetworks' profit that forms part of the *charges*);
- (c) any damage to goodwill, reputation or share price; or
- (d) any indirect or consequential loss (being any loss that does not fall within the first limb of the decision in *Hadley v Baxendale*) or special or contingent damages of any kind..

**dispute** means any dispute or difference of opinion between TasNetworks and Network User or the absence of agreement between them about a matter under or arising out of this agreement;

**emergency** means the actual or imminent occurrence of an event, which in any way poses or has the potential to pose a threat to the safety of persons, hazard to any *facilities*, **connection assets** or property or a threat to *power system security*;

**end date** has the meaning set out in Schedule 1;

**entry services** has the meaning set out in Schedule 2;

**ESI Act** means the *Electricity Supply Industry Act 1995* (Tas);

**event of default** has the meaning given to it in clause 15.1;

**execution date** means the date this agreement is executed by the last party to do so;

**FM notifying party** has the meaning given to it in clause 17.1;

**force majeure event** means an event that:

- (a) is beyond the reasonable control of the **FM notifying party** and its **associates**;
- (b) is not caused by an act or omission of the **FM notifying party** or its **associates**; and
- (c) could not have been avoided or overcome by the **FM notifying party** and its **associates** taking reasonable precautions and steps,

including the following events, to the extent they satisfy paragraphs (a) to (c) (inclusive):

- (d) any industrial or labour dispute which the notifying party can demonstrate:
  - (i) involves persons other than the notifying party's **associates**; and
  - (ii) was not caused or induced by the acts or omissions of the notifying party or its **associates**;
- (e) natural disasters;
- (f) landslide, flood, cyclone, earthquake, sever storm, lightning strike, severe and abnormal weather condition, electro-magnetic radiation storm, explosion or fire;
- (g) an act of war, terrorism, riot, civil commotion, malicious damage, sabotage or revolution; and
- (h) an act or omission of another person (including an **Authority**) who is not under the control of the **FM notifying party**;

**generating unit** means the *generating unit(s)* described in the **SDS** for each **connection site**;

**Generator Performance Standards** means the performance standards for each *generating unit* set out in Section 2 of the relevant *SDS*;

**GST** means a goods and services tax imposed under the *GST Act* and related legislation;

**GST Act** means A New Tax System (Goods and Services Tax) Act 1999 (Cth);

**incident** means the occurrence of a physical event which interrupts the flow of electricity to or from TasNetworks' *transmission system* at the *connection point* excluding momentary interruptions to the flow which have no substantial consequence;

**insolvency event** means for a party any of the following events:

- (a) an administrator is appointed or a resolution is passed or any steps are taken to appoint, or to pass a resolution to appoint an administrator to that party; or
- (b) a receiver, receiver and manager, official manager, trustee, administrator, other controller (as defined in the *Corporations Act 2001* (Cth) or similar officer is appointed over the assets or undertaking of that party; or
- (c) that party enters into or proposes to enter into any arrangement, composition or compromise with or assignment for the benefit of, its creditors or a class of them; or

that party is deemed by the provisions of the *Corporations Act 2001* (Cth) to be insolvent;

**Interface Works Construction Agreement or IWCA** means the Interface User Construction Agreement between TasNetworks, Network User and IUSA Provider (as defined in the *IUCA*) dated [insert date];

**law** means:

- (a) those principles of law or equity established by decisions of courts;
- (b) statutes, regulations or by-laws of the Commonwealth of Australia, the State of Tasmania or an *Authority* which have the force of law;
- (c) the Constitution of the Commonwealth of Australia;
- (d) the *Rules* and any authorisation, including conditions, provided by an *Authority* in respect thereof which have the force of law;
- (e) binding requirements and mandatory approvals, including conditions, of the Commonwealth of Australia, the State of Tasmania or an *Authority* which have the force of law; and
- (f) guidelines of the Commonwealth of Australia, the State of Tasmania or an *Authority* which have the force of law;

**Network Operating Agreement or NOA** means the Networks Operating Agreement between TasNetworks and IUSA Owner (as defined under the *Network Operating Agreement*) dated [insert date];

**Network User equipment** for a *connection site* means:

- (a) the primary equipment between a *generating unit* and the *connection point* for the *generating unit*; and
  - (b) associated secondary equipment for such primary equipment,
- as more particularly described in the relevant *SDS*, and includes any *third party DCA*;

**non-contestable IUSA Components** means the non-contestable *identified user shared assets* that are to be constructed by TasNetworks;

**OH&S procedures** means the most recent version which has been provided to the other party, from time to time of the occupational health and safety management procedures adopted by the party on whose property the *work* is being performed;

**other services** means any service (other than *entry services*, *prescribed common transmission services*, or *transmission network services*) which TasNetworks agrees with Network User to provide under this agreement as more particularly described in Schedule 6;

**Performance Standards** means the *power system* performance and quality of *supply* standards set out in schedules 5.1a and 5.1 of the *Rules* from time to time as those standards apply to *Transmission Network Service Providers* as those standards are modified, extended or completed by any *derogations* in force under the *Rules* at that time as set out for the *connection site* in the relevant *SDS*;

**planned works** means any *work* notified by a party in accordance with clause 6.2 or 6.4;

**records** means the records, data and information to be maintained by the parties under clause 10;

**related company** means any person or entity which:

- (a) is registered as a generator under the *Rules* for any *generating unit*; or
- (b) would have been required under the *Rules* to be registered as a *Generator* for any *generating unit* if another party had not been registered as an *intermediary* under the *Rules* for the relevant *generating unit*; or
- (c) otherwise bids in electricity generated by any *generating unit* into the spot market;

**review notice** has the meaning in clause 11.2

**Rules** means the National Electricity Rules made under the *National Electricity Law*, as that law applies in Tasmania;

**SDS** means the site data sheet for a **connection site** signed by the parties, which forms part of the terms and conditions of this agreement, as varied by the parties from time to time in accordance with clause 11.6;

**security** means any guarantee, performance, undertaking, security interest or other document provided under clause 18 for the payment of money under this agreement;

**services** means the **entry services**, **prescribed common transmission services**, **transmission network services** and **other services**;

**suspend** includes interrupt, suspend, limit or reduce (or any combination of these things) and **suspension** has a corresponding meaning;

**switching** means opening or closing an electrical circuit;

**System Operator** means a person who *AEMO* has appointed as its delegate, agent or service provider under clause 4.3.3 of the **Rules**;

**termination amount** means the amount specified in Schedule 3 payable by Network User in accordance with clause 4.9;

**transmission network services** means a **transmission service** other than an **entry service**, **prescribed common transmission service** or **other service**;

**unplanned works** means any **work** relating to a party's electricity infrastructure which may adversely affect the other party but which the party, acting reasonably, considers must be undertaken, to prevent or deal with an **emergency** or as a result of an **emergency**;

**variation** has the meaning given in clause 11.6;

**variation notice** has the meaning given in clause 11.6;

**variation response** has the meaning given in clause 11.6;

**wilful default** means intentional misconduct or reckless acts or omissions in breach of this agreement but it does not mean any innocent act or omission, mistake, error of judgement, whether in breach of this agreement or not; and

**work** means any construction, commissioning, augmentation, extension, removal, inspection, testing, undertaking of repairs or undertaking of maintenance.

## 1.1 Interpretation

In this agreement unless the contrary intention appears:

- (a) a reference to a recital, clause, party, paragraph, Schedule or attachment is a reference to a recital and clause of and a party, paragraph, Schedule or attachment to, this agreement and references to this agreement include any Schedule or attachment;
- (b) a reference to this agreement, any other agreement or instrument or any provision of any of them includes any amendment, variation or replacement of that agreement, instrument or provision;
- (c) a reference to an *applicable regulatory instrument*, *Australian Standard* or published index includes regulations and other instruments under, and consolidations, amendments, re-enactments, extensions or replacements, as applicable, of the same;
- (d) a reference to a thing (including, an amount) is a reference to the whole or any part of it, but nothing in this clause 1.2(d) implies that the performance of part of an obligation constitutes performance of that obligation;
- (e) the singular includes the plural and vice versa;
- (f) the word “person” includes a natural person, firm, body corporate, partnership (whether limited or otherwise), joint venture, trust, an unincorporated association and any **Authority**;
- (g) a reference to a person includes a reference to the person's executors, administrators, successors, and permitted assigns;
- (h) if a period of time is specified and the period dates from a given *day* or the *day* of an act or event, it is to be calculated exclusive of that *day* and, if a period of time is specified as commencing on a given *day* or the *day* of an act or event, it is to be calculated inclusive of that *day*;
- (i) a reference to a month is a reference to a calendar month;
- (j) if a term is defined in this agreement other parts of speech and grammatical forms of that term have corresponding meanings; and
- (k) the word “includes” in any of its forms is not a word of limitation.

## 1.1 Headings, italics and bold type

- (a) Headings are inserted for convenience and do not affect the interpretation of this agreement.

- (b) Italics used to identify terms defined in the **Rules** and bold italics used to identify terms defined in this agreement form part of this agreement; however, if a term so defined is not identified by italics or bold italics that fact is to be disregarded in deciding whether or not to apply the definition. If such a term is both defined in the **Rules** and in this agreement, the definition in this agreement will apply.

### 1.1 Rules terms

- (a) Where a term defined in the **Rules** in general terms is used in this agreement it will be interpreted in its context within this agreement to refer specifically to assets and services relevant to this agreement.
- (b) Where a provision of the **Rules** may be varied or waived by agreement of the parties that provision will apply except to the extent that it is waived or varied by this agreement or in relation to a *connection point* in the relevant **SDS**.

### 1.1 Standards and indexes

Where an *Australian Standard* or published index referred to in this agreement ceases to exist a replacement standard or index agreed by the parties to have the same purpose will be substituted for that standard or index.

## 2. AGREEMENT

### 2.1 Agreement between the parties

On and from the **commencement date** and subject to and in accordance with this agreement TasNetworks and Network User agree that:

- (a) each **generating unit** will be *connected* to the *transmission system*, via the **Network User equipment**, at the **connection point** for the **generating unit** described in the relevant **SDS**;
- (b) TasNetworks will provide the **services** to Network User; and
- (c) Network User will pay the **charges** and all other amounts payable by Network User under this agreement to TasNetworks.

## 2.1 Term

This agreement will commence at 12:00 am on the *commencement date* and unless earlier terminated by a party pursuant to the terms of this agreement will continue until 12:00 am on the date specified as the end date in Schedule 1.

## 2.2 Compliance with the law, practice and standards

Each party agrees to:

- (a) perform its obligations under this agreement in accordance with the *law*;
- (b) perform its obligations under this agreement in accordance with applicable standards of *good electricity industry practice*;
- (c) comply in all material respects with all applicable *Australian Standards* if failure to so comply would materially impair its ability to perform its obligations under this agreement; and
- (d) accept and to the extent required of it comply with the technical standards and requirements set out in Schedule 5 and the relevant *SDS*.

**[Note: if TasNetworks is to take ownership of contestable IUSA assets then the following clauses will apply.]**

### 2.1 Transfer of Contestable IUSA

- (a) Network User agrees to transfer ownership of the *contestable IUSA components* upon practical completion (as defined under the *IWCA*) being reached free of monetary charge.
- (b) Network User warrants that the *contestable IUSA components* comply with the function specifications (as defined under the *IWCA*).
- (c) Network User must, at Network User's own expense, do anything that TasNetworks asks (including obtaining consents, signing and producing documents and arranging signature of documents) as may be necessary or desirable to effect the transfer of the *contestable IUSA components*.
- (d) Without limiting Network User's obligation under clause 2.4(b), Network User must, at Network User's own expense, arrange for the transfer of the benefit of any warranties for material, plant and equipment which form part of the *contestable IUSA components*.

- (e) Without limiting Network User's obligation under clause 2.4(b), Network User must provide TasNetworks the following:
- (i) As built drawings;
  - (ii) Site inductions;
  - (iii) Training,

for the *contestable IUSA components*.

- (f) Network User must pay any stamp duty and any other taxes of any kind (whether State or Commonwealth) which are imposed or payable in respect of the transfer of the *contestable IUSA components* and arrange for any necessary stamping and registration of documents. TasNetworks may require Network User to pay any taxes of any kind (whether State or Commonwealth) which are imposed or payable in respect of TasNetworks' ownership and operation of the *contestable IUSA components*.

#### 2.1 Transfer of Contestable IUSA

- (a) Networks User must, at the time of transfer of the *contestable IUSA components*, procure and provide TasNetworks with duly completed and executed deeds of collateral warranty from the IUSA Provider (as defined under the *IWCA*) in the form set out in Schedule 3 in favour of TasNetworks.

### 3. ENTRY SERVICES AND OTHER SERVICES

#### 3.1 Entry Services

- (a) TasNetworks will provide the *entry services* to Network User at the *connection points* for each *generating unit* in accordance with the *Performance Standards* and the other requirements of this agreement.
- (b) The *entry services* do not include any guarantee of access, any firm access rights, any particular level of access or any actual *power transfer capability* of TasNetworks' *transmission network*.

### 3.1 Prescribed Common Transmission Services

The Parties acknowledge that TasNetworks will provide *prescribed common transmission services* for the benefit of all *Network Users* (including Network User) during the term of this agreement in accordance with the *Performance Standards*, the *Rules* and the other requirements of this agreement.

### 3.2 Other Services

TasNetworks will provide the *other services* to Network User in accordance with the requirements of Schedule 6.

### 3.3 Establishing New Connections

- (a) Each application or request by Network User after the *execution date* to:
  - (i) establish a new *connection* with TasNetworks' *transmission network*; or
  - (ii) modify an existing *connection* with TasNetworks' *transmission network*,
 will be dealt with as an application to establish a new *connection* to TasNetworks' *transmission network* for the purposes of chapter 5 of the *Rules*.
- (b) The parties will execute any amendments to this agreement necessary to give effect to the result of any application or request made by Network User under clause 3.5(a).

### 3.1 Transmission Network Services

- (a) If at any time after the *commencement date*, as a result of a change in a relevant *law*, TasNetworks is required to provide to Network User any *transmission network services* then the parties will use reasonable endeavours (acting in good faith) to agree the required *transmission network services* to be provided to Network User for so long as TasNetworks is required under such relevant *law* to do so.
- (b) TasNetworks must provide any *transmission network services* to Network User, in accordance with the other requirements of this agreement and subject to:
  - (i) the provision of the agreed *transmission network services* not resulting in:
    - (A) TasNetworks' *transmission system* being overloaded; or
    - (B) TasNetworks contravening any of the conditions of its *transmission licence*;
 and

- (ii) any *constraints* that might arise on TasNetworks' *transmission system*:
  - (A) in an *emergency*;
  - (B) to carry out *planned work* in accordance with clause 6; or
  - (C) to comply with a direction under the *ESI Act* or a direction of *AEMO*.

### 3.1 Other Network Users

Network User agrees that TasNetworks may, at its cost and responsibility, following the provision of reasonable notice, utilise the *connection assets* and *non-contestable IUSA Components* or any other purpose provided that TasNetworks is able, despite any additional connections or usage of those assets, to provide the *services* to Network User in accordance with this agreement.

## 4. CHARGES AND PAYMENTS

### 4.1 Amount of Charges

Subject to clause 4.5 Network User must pay to TasNetworks the *charges* and all other amounts payable by Network User to TasNetworks under this agreement from time to time.

### 4.2 Invoices

- (a) TasNetworks will send tax invoices within 10 *business days* following the end of the month, or such other agreed period, in which the *charges* were incurred.
- (b) A tax invoice must contain sufficient information to allow Network User to assess the accuracy of the *charges* specified in the invoice.

### 4.1 GST

- (a) The *charges* in Schedule 3 are exclusive of *GST*.
- (b) Subject to TasNetworks' tax invoice being in a form which satisfies the requirements of the *GST Act* for a valid tax invoice, Network User agrees to pay to TasNetworks at the same time and in the same manner as the *charges* specified in the tax invoice an additional

amount on account of the amount of TasNetworks' **GST** liability for the supply of the *services* covered by the tax invoice.

#### 4.1 Payments

Subject to clause 4.5 Network User will pay the **charges** to TasNetworks. All payments must be:

- (a) for the amount of each tax invoice including **GST**;
- (b) electronically transferred into an account or accounts nominated by TasNetworks;
- (c) transferred to the nominated account or accounts by 4:00 pm on the tenth **business day** after the date of the tax invoice or **2 business days** after receipt of the tax invoice, whichever is the later;
- (d) without set-off or counterclaim; and
- (e) without any deduction or withholding.

#### 4.1 Manifest error

If Network User in good faith (acting reasonably and for genuine reasons) considers that there is a manifest error on the face of an invoice, then provided it has notified TasNetworks of the error prior to the date for payment of a tax invoice, Network User may pay TasNetworks such amount as it considers to be due and payable, and refer the balance to TasNetworks for TasNetworks' consideration. If TasNetworks disputes Network User's assessment of the tax invoice, the provisions of clause 19 (Dispute Resolution) will apply.

#### 4.2 Adjustment of disputed invoices

- (a) If Network User has paid a tax invoice and, within 24 months of the date of the tax invoice, either party considers that Network User has been undercharged or overcharged it may refer the tax invoice to the other party with a view to establishing whether an adjustment is warranted.
- (b) If the parties agree to adjust the tax invoice TasNetworks must issue an adjusting note for the amount of the adjustment agreed by the parties plus interest calculated in accordance with clause 4.8 from the date of the original tax invoice until the date of the adjusting note.
- (c) Within **15 business days** of the issue of an adjusting note:

- (i) Network User will pay the amount determined for an agreed undercharge to TasNetworks in accordance with clause 4.4; and
  - (ii) TasNetworks will pay the amount determined for an agreed overcharge to Network User as directed by Network User.
- (d) If the parties cannot agree on the adjustment of a tax invoice, the provisions of clause 19 (Dispute Resolution) will apply.

#### 4.1 Late or non-payment

If a payment is not made by a party in accordance with clause 4.4 or clause 4.6 then the party required to make the payment must pay interest on the amount for the period from the date the payment is due until the date of payment calculated in accordance with clause 4.8.

#### 4.2 Interest

Interest payable under this agreement will:

- (a) accrue daily at the **cash rate** for each relevant *day* plus:
  - (i) 2% in the case of interest referred to in clause 4.7; and
  - (ii) 0% in all other cases; and
- (b) be calculated at:
  - (i) on a daily compounding basis; and
  - (ii) assuming a 365 *day* year.

#### 4.1 Termination amount

- (a) If this agreement is terminated for any reason (including in accordance with clauses 15.2 and 17.4 ) Network User must, within 5 **business days**, pay TasNetworks the **termination amount** for the relevant year.
- (b) The **termination amount** specified in Schedule 3 is exclusive of **GST**.
- (c) Subject to TasNetworks providing Network User with a tax invoice for the **termination amount** in a form which satisfies the requirements of the **GST Act** for a valid tax invoice, Network User agrees to pay to TasNetworks at the same time and in the same manner as the **termination amount** specified in the tax invoice an additional amount on account of the amount of TasNetworks' **GST** liability in respect of the **termination amount**.

- (d) If Network User does not pay the **termination amount**, in accordance with this clause 4.9, TasNetworks may call on the **security** provided pursuant to clause 18 to satisfy the amount payable.
- (e) If the **termination amount** is found for any reason to be void, invalid or otherwise unenforceable so as to disentitle TasNetworks from recovering the **termination amount**, then TasNetworks is entitled to recover from Network User damages at common law for the loss or damage suffered or incurred by TasNetworks because of the relevant termination event, including TasNetworks' cost of debt and lost profit margin. Network User's liability for any such common law damages will not exceed the amount of the **termination amount** that would have been payable if the **termination amount** had been enforceable.

#### 4.1 Survival

This clause 4 survives the termination or expiry of this agreement to the maximum extent necessary to ensure that all amounts (contingent or otherwise) payable to TasNetworks by Network User under this agreement are paid in accordance with this clause 4.

### 5. OTHER OBLIGATIONS OF NETWORK USER

#### 5.1 Provision of network equipment by Network User

Network User must provide the **Network User equipment** and must operate and maintain the **Network User equipment** in accordance with the technical requirements and standards specified in Schedule 5 and so as to permit the **transmission** of electricity by TasNetworks up to the **agreed capability** in accordance with *good electricity industry practice*.

#### 5.2 Generator Performance Standards

- (a) Subject to clause 5.2 (d) , TasNetworks and Network User agree that the **Generator Performance Standards**:
  - (i) set out all of the *performance standards* that apply to the operation of each **generating unit** or any *plant* comprised within a **generating unit**; and
  - (ii) are deemed to and will apply to the operation of each **generating unit** or any *plant* comprised within a **generating unit** in place of the standards set out in schedule 5.2

of the **Rules**, except to the extent that any compliance with the **Generator Performance Standards** would be in breach of the **Rules**.

- (b) Network User must operate, control and maintain each **generating unit** in accordance with the **Generator Performance Standards** and the other requirements of this agreement.
- (c) Network User must develop and maintain in accordance with the requirements of the **Rules** a compliance program which satisfies the requirements of clauses 4.15(b) and 5.7.3 of the **Rules** for the initial and ongoing compliance of its **generating units** with the **Generator Performance Standards**.
- (d) If the wording of a **Generator Performance Standard** states that TasNetworks may exercise a right specified in that **Generator Performance Standard**, that wording will be deemed to form part of this clause 5.2.

#### 5.1 Maximum Power Transfer Capability

- (a) Network User must not submit a *dispatch offer* for a **generating unit** which would require the **generating unit** to be operated so as to exceed the **agreed capability** for that **generating unit**.
- (b) Network User must not operate a *non-scheduled generating unit* or *semi-scheduled generating unit* so as to exceed the **agreed capability** for that **generating unit**.

#### 5.1 Metering

Unless otherwise provided in the relevant **SDS**:

- (a) Network User is responsible for the payment of all costs associated with the provision, installation, maintenance, routine testing and inspection of the *metering installations* for the **connection point**;
- (b) a party will not incur any liability to the other party should *metering data* substitution be required due to a *metering installation* failing to operate as required by the **Rules** unless such failure is a result of the **wilful default** of that party;
- (c) Network User will engage a *Metering Provider* to install and maintain the *metering installations*;
- (d) Network User is the *Metering Coordinator* under the **Rules** for the *metering installations* for the **connection point**;

- (e) Network User will ensure that the *metering installations* are installed to meet minimum *Australian Standards* and those required under the **Rules** in respect of installation of such *metering installations*; and
- (f) Network User, or its *Metering Coordinator*, will engage a *Metering Data Provider* to conduct meter readings, store data for each *metering installation* and provide such data to TasNetworks in such form as TasNetworks reasonably determines in accordance with the **Rules**.

For the purposes of this clause 5.4, the *metering installations* covering each **connection point** and the location of the *metering point* for each *metering installation* is specified in the relevant **SDS**.

### 5.1 System Protection

Network User must participate in the *protection systems* for each **connection site** as specified in the relevant **SDS** and comply with its obligations as set out in the relevant **SDS** relating to the *protection systems*.

### 5.2 Obligation to provide information

Network User must provide information and data required under the **Rules**, including schedules 5.2 and 5.7 of the **Rules**, within 20 **business days** of TasNetworks giving notice to Network User requesting such information or, if it is impractical to provide the information requested within 20 **business days**, such reasonable longer period agreed between the parties

### 5.3 Communications

Network User is responsible under the **Rules** for the provision and maintenance of the communication systems between each **generating unit** and the communications interface with TasNetworks identified in the **Generator Performance Standards**.

### 5.1 Special Protection Scheme Obligations

Network User must participate in the special protection schemes specified in the **SDS** by receiving and responding to signals issued by TasNetworks.

## 6. CO-ORDINATION OF PLANNED WORKS

### 6.1 General

- (a) The parties will:
  - (i) use reasonable endeavours to ensure the co-ordination of **work** so as to minimise disruption to provision of the **services**; and
  - (ii) not unreasonably delay or restrict the other party from performing **work** which is necessary for that party to perform to comply with the requirements of this agreement, including conforming with *good electricity industry practice*.
- (b) Each party will, in carrying out any **work** diligently carry out that **work** and ensure that it is completed in a timely manner.
- (c) Where a party requires the other party's consent under any **law** before it can perform any **work**, that consent will not be unreasonably withheld or delayed.
- (d) Nothing in this clause 6.1 will prevent a party immediately carrying out any **unplanned works**. The party needing to undertake any **unplanned works** must notify the other party as soon as possible after it becomes aware of the need to undertake the **unplanned works**.

### 6.1 Notification of planned works

- (a) No later than one month before the end of each financial year, each party will notify the other of any work the party proposes to perform in the next two financial years on its facilities which, acting reasonably, it considers may have a material adverse effect on:
  - (i) the provision of the **services** under this agreement;
  - (ii) the supply of electricity to the **network** from a **connection site**; or
  - (iii) the **connection assets**, the other party's **facilities** or other property.
- (b) Despite clause 6.2(a) should either party wish to perform any **work** not previously notified in accordance with clause 6.2(a), that the party, acting reasonably, considers may have a material adverse effect on the matters set out in clause 6.2(a)(i), 6.2(a)(ii) or 6.2(a)(iii), then that party must notify the other party as soon as reasonably practicable of its intention to undertake that **work**.

## 6.1 Co-ordination of planned works

Within the period of 60 *days* following the delivery of the notifications required under clause 6.2 the parties will use reasonable endeavours to co-ordinate the *planned works* they propose to perform in the next two *financial years*, including any required *outages*, into a program to ensure as far as practicable that the parties' *planned works* and *outages* required to carry out the *planned works* are co-ordinated to minimise disruption to the *services*.

## 6.2 Amendment of the planned works program

If at any time after the delivery of notifications referred to in clause 6.2(a) a party becomes aware of additional *work* which is to be undertaken during the period covered by the current *planned works program* then:

- (a) that party must notify the other party as soon as possible after it becomes aware of the need to perform the *work*; and
- (b) the parties must use reasonable endeavours to co-ordinate the additional *work* into the existing *planned works program* so as to ensure, as far as practicable, that the parties' *planned works* and *outages* required to perform the *planned works* are co-ordinated to minimise disruption to the *services*.

## 6.1 Asset management obligations

- (a) Each party must manage and maintain its electricity infrastructure:
  - (i) in accordance with the requirements of all *laws*, this agreement, including the technical obligations set out in the *SDS*, *good electricity industry practice*, any *Asset Management Plans* and any practices approved and agreed between the parties; and
  - (ii) so as to avoid any damage to or other adverse effect upon:
    - (A) the other party's electricity infrastructure or other property; or
    - (B) any property of a third person that is connected to the other party's electricity infrastructure; or
    - (C) any other person connected to TasNetworks' *transmission system* which that party knows, or reasonably ought to know, could occur if it does not comply with this clause 6.5.

- (b) In this clause 6.5 'manage and maintain' includes providing, managing and maintaining such systems and procedures as are reasonably required to manage and maintain that electricity infrastructure.

#### 6.1 Asset management plans

- (a) TasNetworks will develop and maintain *Asset Management Plans* for its electricity infrastructure including the *connection assets* in accordance with *good electricity industry practice* and taking into account contracted service levels and current performance.
- (b) Network User will develop and maintain *Asset Management Plans* for its electricity infrastructure including the *Network User equipment* in accordance with *good electricity industry practice* and taking into account contracted service levels and current performance.
- (c) Either party may, by written notice to the other party, require the other party to provide within 10 *business days* copies of the relevant parts of the other party's *Asset Management Plans*, developed and maintained in accordance with this clause 6.6, provided that such request is made for the purpose of co-ordinating *planned works* in accordance with clause 6.3.
- (d) This clause 6.6 does not oblige a party to agree to a request by the other party to amend any *Asset Management Plans* prepared in accordance with this clause 6.6.

## 7. SWITCHING

### 7.1 Requested switching

- (a) Each party will perform *switching* on its electricity infrastructure reasonably requested by the other party for the purpose of undertaking *planned works* or to achieve the conditions specified for a *connection site* in the relevant *SDS*.
- (b) Each party will provide at least 5 *business days'* notice to the other party of *switching* required by it under clause 7.1(a).

### 7.1 Emergency switching

TasNetworks and Network User must have operating staff available to ensure minimal delay in performing **switching** which could be requested by the other party at less than the notice specified in clause 7.1 due to an **emergency**.

## 7.2 General switching requirements

The parties acknowledge that all **switching** carried out under this agreement must be conducted by operators with the requisite qualifications and experience and in accordance with *good electricity industry practice*, and must be communicated to the other party where the **switching** could reasonably be anticipated to affect the other party's *network*.

## 8. DISCONNECTION AND REDUCTION IN SERVICES

### 8.1 Disconnection and suspension

TasNetworks may disconnect a **connection point** at a **connection site** or otherwise **suspend** the **services**:

- (a) for the purpose of performing any **work** on the **connection assets**, **contestable IUSA components** or its *transmission system*;
- (b) if TasNetworks gives Network User notice of a **force majeure** event under clause 17 (Force majeure);
- (c) if, in TasNetworks' reasonable opinion, a failure to do so would result in TasNetworks' *transmission system* being overloaded or a contravention of the conditions of TasNetworks' transmission licence;
- (d) if, TasNetworks suspends all or part of the **services** in accordance with clause 15.2 (notice of default);
- (e) as required to carry out **planned works** in accordance with this agreement;
- (f) immediately in circumstances where, in TasNetworks' reasonable opinion, it is urgently required as a result of any actual or potential **emergency**;
- (g) if requested in writing by Network User;
- (h) upon termination of this agreement under clause 15 (Default) or clause 17 (Force majeure);
- (i) in accordance with any direction, order, requisition, or injunction of any **Authority** including, without limitation, under any **law**;
- (j) if required in line with circuit outage conditions as identified in section 1.5 of the **SDS**; or

- (k) as otherwise provided or required under any *law*.

#### 8.1 Reason for disconnection or suspension

- (a) Subject to clause 8.2(b), if TasNetworks proposes to exercise its rights under clause 8.1 in circumstances where it considers Network User would not reasonably be likely to be aware of the reason for such exercise, it must notify Network User of the proposed action and the reasons why TasNetworks proposes to exercise that right.
- (b) If TasNetworks' exercise of a right under clause 8.1 arises by reason of an *emergency*, then TasNetworks must notify Network User of the action taken and as soon as reasonably possible after the exercise of that right, TasNetworks will notify Network User of the nature of the *emergency* and the steps being taken to deal with that *emergency*.

#### 8.1 No effect on Charges

Any exercise of TasNetworks' rights under clause 8.1 does not affect the Network User's obligation to pay the *charges*.

#### 8.2 Reconnection and restoration of transmission services

- (a) If TasNetworks *disconnects* a *connection point*, TasNetworks must reconnect or energise that *connection point* (as the case may be) as soon as possible after the circumstances giving rise to the *disconnection* have ceased or have been rectified, unless the *disconnection* occurred as a result of the termination of this agreement or of particular *services* under this agreement.
- (b) If TasNetworks *suspends* the provision of *services*, TasNetworks must stop *suspending* the *services* as soon as possible after the circumstances justifying limiting the *suspension* of *services* have ceased or have been rectified.

#### 8.1 Costs of reconnection or restoration of transmission services

- (a) TasNetworks will bear all costs of a *disconnection* or *suspension* of *services* in accordance with clauses 8.1 unless:
  - (i) the *disconnection* or *suspension* of *services* in accordance with clause 8.1 was solely due to the act or omission of Network User. In such circumstances, Network User

must pay to TasNetworks the reasonable costs incurred by TasNetworks in complying with its obligations under clause 8.4; or

(ii) the *disconnection* or *suspension* of *services* in accordance with clause 8.1 was due in part to the act or omission of Network User. In such circumstances, Network User must pay to TasNetworks such proportion of the reasonable costs incurred by TasNetworks in complying with its obligations under clause 8.4, as reflects the extent to which the *disconnection* or *suspension* was due to such act or omission. The parties agree that they will discuss in good faith the reasonable proportion of costs to be paid by Network User.

(b) After reconnection or resumption of *services*, TasNetworks will provide Network User with a tax invoice for any amount payable by the Network User under clauses 8.5(a). Subject to Network User disputing the amount payable (in which case clause 19 shall apply), Network User must pay the amount stated in the tax invoice within 5 *business days* after receipt of the tax invoice.

## 9. ACCESS

### 9.1 TasNetworks' site access

- (a) If any of TasNetworks' electricity infrastructure is to be located or is located on Network User's property, TasNetworks will have:
- (i) a right of access to, and over, Network User's property for the purpose of installing, testing, inspecting, maintaining, reading, repairing, replacing, operating or removing any of TasNetworks' electricity infrastructure and for any related purpose; and
  - (ii) a right to use (at its own expense or on the condition that it reimburses Network User for expenditure incurred) amenities available to Network User at the property, provided, however, that such rights of access or use may not be exercised in a manner which prevents Network User from performing its obligations under this agreement or otherwise performing its day to day activities at the property.
- (b) In exercising the rights of access and use under this clause 9.1, TasNetworks must comply with any reasonable procedures notified from time to time by Network User, including the *OH&S procedures*.

### 9.1 Network User's site access

- (a) If any of Network User's electricity infrastructure is to be located, or is located, on TasNetworks' property, Network User will have:
- (i) a right of access to and over TasNetworks' property for the purpose of installing, testing, inspecting, maintaining, reading, repairing, replacing, operating or removing any of Network User's electricity infrastructure and for any related purpose; and
  - (ii) a right to use (at its own expense or on the condition that it reimburses TasNetworks for expenditure incurred) amenities available to TasNetworks at the property provided, however, that such rights of access or use may not be exercised in a manner which prevents TasNetworks from performing its obligations under this agreement or otherwise performing its day to day activities at the property.
- (b) In exercising the rights of access and use under this clause 9.2, Network User must comply with the terms of the access arrangement and any reasonable procedures or directions as notified from time to time by TasNetworks, including the ***OH&S procedures***.

### 9.1 Provisions applying to access

The right of access conferred by clause 9.1 or 9.2 will, where or when appropriate, be exercised as follows:

- (a) where reasonably practicable to do so, the party seeking access will give the other party notice which is reasonable in the circumstances that it will be exercising its right of access and the purpose for which access is required; and
- (b) the party seeking access will cause as little inconvenience to the other party as is practicable and will observe the other party's ***OH&S procedures*** (to the extent they are applicable) at all times,

and will be in addition to any right of access either party may have under *applicable regulatory instruments* and the Rules.

### 9.1 Each Party's access to another person's property

If a party's electricity infrastructure occupies third party property and the other party requires access to the same for the proper performance of its obligations under this agreement, the occupying party must use its reasonable endeavours to secure a right of access for the other party on terms

acceptable to that party, provided that the other party complies with any reasonable requirements imposed by those terms. If the occupying party fails to secure such right of access then the other party may suspend performance of those obligations under this agreement the proper performance of which requires access to the third party property, until such access is secured.

## 9.2 Survive termination

This clause 9 survives expiration or termination of this agreement for 12 months but only for the purpose of enabling TasNetworks to *disconnect* Network User's electricity infrastructure or either party to remove any electricity infrastructure provided by it on property belonging to the other party or a third party.

## 9.3 Safety

- (a) In respect of the ***connection sites*** each party must observe the obligations placed on it under applicable occupational health and safety legislation (including, without limitation, the *Electricity Industry Safety and Administration Act 1997* (Tas), any regulations made under that Act, and the applicable ***OH&S procedures***) and must provide a safe working environment.
- (b) Each party must promptly notify the other of the existence of any hazard which will affect or is likely to affect the other party and which is known to the party and is not known to, or observable by, the other party, regardless of the ownership of the property on which it exists.
- (c) A party is not required to provide the other party with any information which is subject to legal professional privilege or is subject to an obligation of confidentiality.

## 9.1 Environmental management

- (a) Each party must observe the obligations placed on it under applicable environmental legislation.
- (b) Each party must promptly notify the other party of the existence of any environmental hazard or the occurrence of an environmental event affecting or likely to affect the other party if the environmental hazard or the environmental event is known to the party, regardless of the ownership of the property on which it exists or occurs.

- (c) A party is not required to provide the other party with any information which is subject to legal professional privilege or is subject to an obligation of confidentiality.

## 10. RECORDS

Each party will maintain the *records* specified for it in Schedule 7 and will provide to the other party all such *records* maintained by it upon reasonable request by the other party. Such *records* must be kept up to date and any revision sent to the other party as soon as practicable after the *record* is revised.

## 11. REVIEWS

### 11.1 Review of agreement

Subject to clause 11.2 the parties will review this agreement in the following circumstances:

- (a) following or in anticipation of a new *law* or a change in *law* which directly impacts on this agreement for a party in a way which has, or is likely to have a material adverse effect on that party; or
- (b) at any other time agreed by the parties.

### 11.1 Initiation of Review

- (a) If a circumstance referred to in clause 11.1(a) exists either party may give notice (“*review notice*”) initiating a review.
- (b) A *review notice* under this clause must set out:
  - (i) the circumstances giving rise to the request;
  - (ii) if the request is made under clause 11.1(a), the manner in which the new *law* or the change in *law* materially adversely affects, or is likely to so affect, the notifying party’s rights and obligations under this agreement; and
  - (iii) a summary of the provisions of the agreement which the notifying party considers require review and a summary of any variations to the agreement proposed by the notifying party.
- (c) A *review notice* is taken to be given on the date it is served on the other party in accordance with clause 22.

### 11.1 Good faith negotiations

If a *review notice* is given under clause 11.2, the parties must negotiate in good faith and use reasonable endeavours to agree:

- (a) such changes to the provisions of this agreement as may be necessary to reflect any new *law* or any change in *law* as it applies to either or both of the parties, including changes necessary, to the extent possible, to keep the parties in the same position they would have been in but for the change in *law*;
- (b) modifications to the practices and arrangements that exist between the parties in connection with the performance of their obligations under this agreement; and
- (c) any other circumstances which are open to the parties at the time.

### 11.1 Conduct of review

- (a) After a *review notice* is given the parties must promptly meet to discuss the timetable and conduct of the review.
- (b) Each party must pay its own cost of any review.
- (c) If the request for review is made under clause 11.1(a) the review must be commenced within 1 month of the date the *review notice* is given.
- (d) Unless otherwise agreed by the parties, a review is taken to have ended 3 months after the relevant *review notice* was given.

### 11.1 Outcome of review

- (a) If and only if the parties reach agreement expressed in writing before the end of a review, then the parties will enter into a deed amending this agreement and with effect from the time agreed between the parties (or if no time is agreed, then from the end of the review).
- (b) If at the end of the review the parties are unable to agree on changes to accommodate a new *law* or a change in *law* a party can require (by notice in writing to the other party) the matter to be determined in accordance with clause 19 (dispute resolution).

## 11.1 Variation of SDS

- (a) If as a result of an *application to connect* in accordance with Chapter 5 of the **Rules** the parties agree to vary an SDS for the purpose of entering into a *connection agreement* for the *connection* to be modified as a result of the *application to connect*, subject to gaining all relevant approvals for any necessary augmentation or extension works to a network, the **SDS** will be varied with effect from the later of the date of the parties' agreement based on the offer to *connect* or the date on which the required approvals are obtained.
- (b) Either party may give notice initiating a variation of an **SDS** ("**variation notice**") if the party:
  - (i) identifies any inaccuracy in the **SDS**;
  - (ii) considers that the **SDS** needs to be updated as a result of a new **law** or a change in **law**; or
  - (iii) proposes some other amendment to the **SDS**.
- (c) A **variation notice** under clause 11.6(b) must state:
  - (i) the **SDS** to which it relates;
  - (ii) the variation proposed ("**variation**"); and
  - (iii) reasons supporting the **variation**.
- (d) Within 30 **days** after a **variation notice** is given, the party receiving the **variation notice** must advise the other party in writing ("**variation response**"):
  - (i) whether it accepts the **variation**; or
  - (ii) if it does not accept the **variation**, its reasons for not accepting the **variation** and the conditions, if any on which it will agree to the **variation** or an alternate **variation**.
- (e) If the party requesting the **variation** accepts the conditions or alternate **variation** delivered under clause 11.6(d)(ii) the party must advise its acceptance by notice in writing within 10 **business days** of the date of the response.
- (f) In a case where the party receiving the **variation notice** does not agree to the **variation** or is only prepared to agree subject to conditions which are not accepted in writing by the party giving the **variation notice** in accordance with clause 11.6(e):
  - (i) if the **variation** is requested by Network User and relates to a change in protection settings and TasNetworks considers the protection setting changes are not appropriate Network User may make an application under Chapter 5 of the **Rules** to modify the *connection*; and

(ii) in any other case,

the parties must meet within a further 5 *business days* to discuss the *SDS* referred to in the *variation notice*.

- (g) If the parties reach agreement recorded in writing under clause 11.6(d) or (e) or as the outcome of a meeting or process agreed at a meeting under clause 11.6(f) the *SDS* will be amended in accordance with the agreement of the parties with effect from the date the change is agreed in writing or such other date that the parties agree in writing.
- (h) Following the variation of an *SDS* in accordance with this clause TasNetworks will update the master version of the *SDS*, arrange for execution by each party and provide a copy of the *SDS* varied as agreed by the parties to Network User.

## 12. COMMUNICATIONS

### 12.1 Operational Communications

The parties agree that communications in the course of the day to day running of the *transmission system* or a *facility* of either party for which written notice is not required by this agreement (in this clause called “operational communications”) may be by telephone or other instantaneous means of communication. A party may determine the manner in which it records operational communications provided it ensures that logs are kept in which persons giving and receiving operational communications record brief details of the substance and timing of the communications. Each party must keep its records of operational communications according to the requirements and procedures outlined in the *Rules*.

### 12.2 Exchange of information following an incident

- (a) Following an *incident* a party must, on written request made by the other party, within 5 *business days* of such a request in writing respond explaining the *incident* and including:
- (i) a description of the *incident* and its impact;
  - (ii) the cause of the *incident* and any relevant findings; and
  - (iii) details of any steps which have been (or which will be) taken to mitigate or prevent a recurrence of the *incident*.

- (b) If any of the information required under clause 12.2 (a) is not available at the time the response is provided the party required to provide the information will provide a further report to the other party within 20 *business days* of the date of the *incident*.

#### 12.1 Recording of telephone conversations

Network User acknowledges that all telephone calls to or from TasNetworks' control room are recorded and to any extent required by *law* consents to the recording of such telephone calls for and on behalf of its *representatives*.

### 13. REPRESENTATIONS AND WARRANTIES

#### 13.1 Representations and warranties

As at the *execution date*, each party represents and warrants to the other party that:

- (a) it is duly formed and validly existing under the laws of Australia;
- (b) it has the power to execute this agreement and to perform its obligations under this agreement and has taken all necessary action to authorise such execution and performance;
- (c) the execution and performance of this agreement does not violate, breach, conflict with or result in a contravention of any *law* applicable to it in relation to this agreement, any provision of its constitutional documents, any order or judgment of any court or *Authority* applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets; and
- (d) all licences that are required of it with respect to this agreement have been obtained and are in full force and effect and all conditions of such licences have been complied with.

**[Note: if Network User is a trustee – additional warranties, representations and covenants will be needed.]**

#### 13.1 Continuing representations and warranties

The representations and warranties given in clause 13.1 are continuing representations and warranties, and will not merge on, and will remain in full force and effect after, the *execution date*.

### 13.2 Separate representations and warranties

Each representation and warranty given in clause 13.1 is to be treated as a separate representation and warranty in respect of each statement made and the interpretation of any statement made is not restricted by any reference to or inference from any other statement.

## 14. LIABILITY AND INDEMNITIES

### 14.1 Exclusion of Implied Terms

The parties exclude from this agreement all conditions, warranties and terms imposed or implied by *law*, except any condition, warranty or term the exclusion of which would:

- (a) contravene the *law* which imposed or implied it; or
- (b) cause this clause 14 to be void.

### 14.1 No Waiver

Each party acknowledges that the terms of this agreement do not represent a waiver by the other party of, nor an agreement to exclude, any limitation of its liability, which it may have under the *National Electricity Law*.

### 14.2 Liability for damage to property, death and personal injury

Except as specified in clause 4, neither party is liable to the other except in the event that any act or omission of either party or any of its representatives:

- (a) constitutes a failure to observe *good electricity industry practice* or an act of *wilful default* or negligence of that party or any of its *representatives*; and
- (b) causes loss or damage to be suffered or incurred by the other party,

in which case the liability of the offending party to the other party shall be limited to the following:

- (c) the direct loss or damage to the equipment or *facilities* of the other party;
- (d) the liability of the other party for any third party property damage; and
- (e) damages for death or personal injury to *representatives* of the other party.

#### 14.1 Cap amount

- (a) Subject to clause 14.4(b), the aggregate amount recoverable by one party from the other party in relation to events occurring in a *financial year* under this agreement and all other *connection agreements* between the parties is limited to the **cap amount** in that *financial year*.
- (b) A party's liability in respect of the following is not limited by clause 14.4(a), and is not counted towards the limit on the party's liability under clause 14.4(a):
  - (i) Network User's liability for the **charges** under clause 4;
  - (ii) Networks User's liability for the **termination amount** under clause 4.9;
  - (iii) liability for personal injury or death;
  - (iv) liability for third party property damage; and
  - (v) liability for fraud or **wilful default** of the party or its associates.

#### 14.1 Limitations on Liability

- (a) TasNetworks' liability under this clause 14 shall be reduced proportionally by the extent that the negligent act or omission of Network User or *representatives* of Network User contributes to any claims or damages.
- (b) Network User's liability under this clause 14 shall be reduced proportionally by the extent that the negligent act or omission of TasNetworks or *representatives* of TasNetworks contributes to any claims or damages.
- (c) Despite any other clause in this agreement, TasNetworks will not be liable for any loss, injury, damage or expense that Network User suffers or incurs as a direct or indirect result of any action which TasNetworks is permitted or authorised to take under clause 8.
- (d) To the maximum extent permissible by law, in no event or circumstance, other than as specified in clauses 4 or 14.3, shall either party or any of its representatives be liable to the other party under this agreement whether for direct or consequential loss or damage of any type (including as a result of a negligent act or omission).
- (e) A party shall not be liable to the other party for any claims or damages incurred or suffered by a party resulting from action taken by the other party as a result of a direction, order, requisition, or injunction of any **Authority** (other than as a consequence of a failure by the

other party to comply with this agreement) or any action or failure to act by an *Authority* in the discharge of its functions.

- (f) Neither party shall be liable to the other party if the actions or omissions of that other party result in the first party not being able to comply with clause 6.1.

#### 14.1 Limitation of TasNetworks' liability as a system operator

Despite any other provision of this agreement, Network User acknowledges and agrees that TasNetworks will not be liable to Network User for any claim for damages arising from any act or omission (including a negligent act or omission) of TasNetworks in relation to the performance, non-performance or purported performance by TasNetworks of any functions as *System Operator* to the maximum extent permitted by *law*.

#### 14.2 Suspension or termination

- (a) TasNetworks shall not be liable for any loss, injury or damage suffered by Network User under this agreement that arises after or as a result of TasNetworks validly *suspending* the *services* in accordance with this agreement.
- (b) Neither party shall be liable for any loss, injury or damage suffered by the other party under this agreement that arises after or as a result of a party validly terminating this agreement under clause 15 or clause 17.4 or if its obligations are suspended under clause 17 (Force majeure).
- (c) For the avoidance of doubt, this clause 14.2 shall not apply in respect of any liability which arises prior to the time at which TasNetworks *suspends* the *services* under clause 17.2(c), obligations are suspended under clause 17 or the agreement is terminated under clause 15 or clause 17.4.

#### 14.1 Related Company

- (a) Network User will not appoint a *related company* without first requiring the *related company* to enter into a tripartite deed with TasNetworks and Network User, which deed will limit and exclude any liability that TasNetworks may have to the *related company* in the same manner as TasNetworks has limited and excluded its liability to Network User under this clause 14.

- (b) The appointment of a *related company* by Network User does not excuse or relieve Network User from any of its obligations to TasNetworks under this agreement and Network User is responsible and liable for all acts or omissions of its *related company* in connection with, relating to or arising from this agreement.
- (c) If, despite clause 14.8(a), Network User appoints a *related company* without requiring the *related company* to enter into the tripartite deed, then Network User indemnifies TasNetworks and its officers, employees and agents, against any claim, action or proceeding made against TasNetworks by the *related company* as a result of any act or omission of TasNetworks relating directly or indirectly out of or in connection with this agreement, including any inability of the *related company* to participate in the spot market in relation to any one or more of the *generating unit* as a result of any negligent act or omission of TasNetworks or any breach by TasNetworks of its obligations under this agreement.

#### 14.1 Threshold and timing limitations

A party may not claim against the other party under this clause 14:

- (a) unless details of the claim have been given to the other party within 12 months of the occurrence giving rise to the claim; or
- (b) if the amount of the claim in respect of a single event or series of associated events is less than \$20,000.

## 15. DEFAULT PROVISIONS

### 15.1 Breach of the agreement

If a party:

- (a) fails to pay an invoice in accordance with clause 4 (which is not the subject of a bona fide dispute where the amount not in dispute is paid);
- (b) fails to maintain *security* in accordance with clause 18.1 or provide replacement *security* in accordance with clause 18(c)(iv);
- (c) fails to remedy a breach of a provision of this agreement, other than clause 4.4, which obliges it to pay money to the other party, within the reasonable time (being not less than 10 *business days*) specified in a notice from the other party requiring remedy of the breach;

- (d) fails to remedy a breach of a provision of this agreement (other than an obligation to pay money) which is capable of being remedied, within the reasonable time (being not less than 60 *days*) specified in a notice from the other party requiring remedy of the breach; or
- (e) breaches a provision of this agreement in a manner which is incapable of remedy and that breach causes, or could reasonably be expected to cause, a material adverse effect on TasNetworks' *transmission system*, the *power system* or another *Network User*, or the *Network User's facilities*, and fails to:
  - (i) provide to the other party within 5 *business days* of demand a written undertaking:
    - (A) not to repeat the breach; and
    - (B) to take all reasonable steps to prevent the circumstances giving rise to the breach being repeated; and
  - (ii) demonstrate to the reasonable satisfaction of the other party that all reasonable steps to prevent the circumstances giving rise to the breach being repeated have been taken,

then a default event ("*default event*") will occur for that party (the "*defaulting party*") and the *defaulting party* will be in default of this agreement for the relevant *default event*.

### 15.1 Notice of Default

If a *default event* occurs for a party under clause 15.1, the other party is entitled to serve written notice on the *defaulting party* and, if after the expiration of 5 *business days* from the receipt by the *defaulting party* of the notice, the other party reasonably believes that:

- (a) the *defaulting party* is still in default; and
- (b) (i) if the breach is capable of being remedied, a remedy is not being diligently pursued; or
  - (ii) if the breach is incapable of being remedied, an undertaking requested under clause 15.1 (e) is not provided in the required time;

then the other party may do any one or more of the following:

- (c) call on any *security* which is exercisable for the breach;
- (d) where the other party is TasNetworks - by written notice to the *defaulting party*, *suspend* the *services*; or
- (e) by written notice to the *defaulting party*, terminate this agreement (either as an alternative to suspension or during any period of suspension).

### 15.1 Repeat of breach

If a party repeats a breach of this agreement for which it has given a written undertaking under clause 15.1(e), then the other party may:

- (a) where the other party is TasNetworks - *suspend* the *services*; or
- (b) terminate this agreement (either as an alternative to suspension or during any period of suspension).

### 15.1 Effect of insolvency

If an *insolvency event* occurs to a party:

- (a) that party must immediately notify the other party that the *insolvency event* has occurred; and
- (b) the other party may terminate this agreement at any time by giving written notice to the party suffering an *insolvency event*, regardless of whether notice is given under clause 15.4 (a).

### 15.1 Rights, liabilities and obligations upon termination

- (a) On termination by either party, or on expiry of this agreement, TasNetworks may de-energise and disconnect the *connection assets* from its *transmission network* and may decommission and remove any TasNetworks assets associated with the provision of the services under this agreement.
- (b) Termination of this agreement for any reason does not affect:
  - (i) any rights of either party against the other party which:
    - (A) arose prior to the time at which such termination occurred; and
    - (B) otherwise relate to or may arise at any future time from any breach or non-observance of obligations under this agreement occurring prior to the termination of this agreement;
  - (ii) the rights and obligations of the parties under clauses which survive the termination of this agreement, regardless of the reasons for the termination; or
  - (iii) the right of TasNetworks to make a claim on any *security* held for the obligations of Network User for the amount owing by Network User to TasNetworks under, or as a consequence of the termination of, this agreement.

## 16. NETWORK USER'S EQUIPMENT

- (a) Network User acknowledges that for TasNetworks to satisfy its own business needs and its obligations under the **Rules**, TasNetworks requires the owner or operator of any electrical infrastructure connected to its *transmission system* to enter into a *connection agreement* with TasNetworks.
- (b) If Network User proposes that:
- (i) ownership of any of the **Network User equipment** connected to TasNetworks' *transmission system* be transferred to a third party; or
  - (ii) any of the **Network User equipment** connected to TasNetworks' *transmission system* be operated by a third party;
- then Network User must give notice of that proposal to TasNetworks.
- (c) Upon receipt of a notice under clause 16(b) and provided that the nominated third party:
- (i) is, in TasNetworks' reasonable opinion, a responsible and solvent person with sufficient financial, business and technical capacity to successfully carry out obligations similar to those of Network User under this agreement; and
  - (ii) first obtains all licences and permits required of a Network User under all *applicable regulatory instruments* and the **Rules** and the nominated third party has otherwise complied with the requirements of the **Rules**,
- TasNetworks will promptly:
- (iii) enter into negotiations in good faith with the third party to agree on the terms of a *connection agreement* with that third party; and
  - (iv) enter into negotiations in good faith with Network User to agree on any amendments necessary to this agreement to reflect the change of ownership or operation of the relevant **Network User equipment**.
- (d) Subject to clause 16(c), Network User agrees that if ownership or operation of any of the **Network User equipment** passes to a third party without that third party first having entered into a *connection agreement* with TasNetworks, then TasNetworks may suspend performance of its obligations under this agreement until such time as a *connection agreement* is in place between TasNetworks and the third party.

## 17. FORCE MAJEURE

### 17.1 Suspension of obligations by either party

A party (“the *FM notifying party*”) may suspend the performance or observance of this agreement (other than monetary obligations) if a *force majeure event* prevents it performing or observing its obligations under this agreement.

### 17.2 Notice obligations

If a party invokes clause 17.1 it must:

- (a) immediately notify the other party;
- (b) as soon as practicable thereafter, but not later than 3 *business days* following the date on which the affected party became aware of a *force majeure* event, give particulars to the other party of the *force majeure* event and of the obligations of the affected party under this agreement which have been, will be or are likely to be affected by the *force majeure* event; and
- (c) keep the other party informed, both at reasonable intervals and upon request by the other party, as soon as practicable following the receipt of that request, of:
  - (i) the *FM notifying party's* estimate of the likely duration of the *force majeure* event and its likely implications on the affected party’s ability to perform its obligations under this agreement;
  - (ii) the action taken and the action proposed to be taken to mitigate the effect of the *force majeure* event;
  - (iii) the cessation of the *force majeure event* or the successful mitigation or minimisation of the effects of the *force majeure event*; and
  - (iv) any other matter which the other party may reasonably request in connection with the occurrence of the *force majeure event*.

### 17.1 Mitigation

Subject to clause 17.4, the *notifying party* must:

- (a) as soon as practicable after the occurrence of the *force majeure event*, use its reasonable endeavours to mitigate the effects of the *force majeure event*;

- (b) the *notifying party* must use its reasonable endeavours to overcome or remove the *force majeure event*; and
- (c) the other party must cooperate and give such assistance to the *notifying party* as may be reasonably requested.

#### 17.1 Amendment or termination of agreement

- (a) If a *force majeure event* continues to prevent a party from performing or observing its substantial obligations under this agreement for a period of twelve months or more from the date of its occurrence, either party may upon not less than 10 *business days* but no more than 2 months' notice either:
  - (i) request that the other party negotiate in good faith amendments to this agreement (including any obligations to make any payments under this agreement) which would remove the aspects of this agreement affected by the *force majeure event* from the operation of this agreement; or
  - (ii) notify the other party of its intention to terminate this agreement.
- (b) If the *force majeure event* continues substantially to impede the performance of this agreement after 20 *business days* from receipt of the written notice under clause 17.4(a), the party who gave the written notice may terminate this agreement at any time by issuing further written notice.

### 18. SECURITY

#### 18.1 Requirement for security

- (a) Network User must on and from the *commencement date* at all times provide and maintain *security* in the amount and in the form stated in Schedule 10.
- (b) All *security* must be in the form of either:
  - (i) a bank guarantee which must at all times be:
    - (A) given by an *Australian bank* (lawfully carrying on business under the *Banking Act 1959* (Cth)) that meets the requirements of TasNetworks' Credit Risk Management Policy and which *Australian bank* is otherwise acceptable to TasNetworks;

- (B) an irrevocable and unconditional commitment by the *Australian bank* to pay, without enquiry or reference to User, the amount demanded by TasNetworks, without set-off or counterclaim, up to the amount of the *security*;
  - (C) issued from a branch of the issuing Australian Bank in Hobart and provide for presentation and payment at that branch; and
  - (D) otherwise on terms acceptable to TasNetworks;
- (ii) a guarantee (on terms acceptable to TasNetworks) by a *related body corporate* or other entity that TasNetworks is satisfied has an *approved credit rating*, or such other form of security as TasNetworks agrees to accept.
- (c) Where any *security* provided in accordance with clause 18.1 has an expiry date which is earlier than the end date referred to in Schedule 1 then:
- (i) that expiry date must be midnight on the 30th day of June in any relevant year;
  - (ii) Network User must, not later than 60 *business days* before that expiry date, provide TasNetworks with the proposed form of Network User's replacement *security*;
  - (iii) TasNetworks must, not more than 20 *business days* after receipt of the proposed form of Network User's replacement *security*, advise Network User whether or not the proposed form of *security* is acceptable; and
  - (iv) Network User must provide TasNetworks with replacement *security* in a form acceptable to TasNetworks not less than 20 *business days* before that expiry date;
- (d) If User fails to provide replacement security in accordance with clause 18 (c) then TasNetworks may, without notice or reference to User, draw down or call upon the *security* as payment of that amount secured.
- (e) Network User must provide the required *security* on or before the *commencement date*.
- (f) Network User must immediately notify TasNetworks if the *Australian bank* that issued a bank guarantee or an entity that provided a guarantee fails to hold and maintain the *approved credit rating*.
- (g) TasNetworks may, by notice, request Network User to provide a replacement *security*, that complies with clause 18.1(b), if the *Australian bank* issuing the bank guarantee or the entity who provides the guarantee fails to hold and maintain the *approved credit rating*.
- (h) Network User must comply with a notice under clause 18.1(g) within 10 *business days* from the date of TasNetworks' notice.
- (i) If TasNetworks draws down or calls upon the *security* in accordance with this clause 18.1 (c)(iv), and the Network User subsequently provides TasNetworks with *security* which

complies with this clause 18, then TasNetworks must within 10 *business days* after written request by the User pay to the User (or as it directs) the amount which TasNetworks has drawn down or called upon.

#### 18.1 Recourse to security

TasNetworks may have recourse to the *security* without notice to Network User at any time TasNetworks reasonably claims that Network User has money owing to TasNetworks in connection with this agreement, including any claims that it is entitled to:

- (a) the payment of monies or an indemnity by Network User; or
- (b) reimbursement of any monies paid to others in connection with this agreement.

### 19. DISPUTE RESOLUTION

#### 19.1 Disputes

Subject to clause 4 the parties agree that:

- (a) any *disputes* shall be settled in accordance with this clause 19;
- (b) all *services* and other obligations under this agreement shall continue to be performed despite any *dispute*; and
- (c) all payments the subject of a *dispute* shall be suspended to the extent of the amount in *dispute* until the *dispute* is resolved.

#### 19.1 *Rules* disputes

If a *dispute* is a dispute to which the *Rules* apply that *dispute* will be dealt with in accordance with the dispute resolution regime set out in or implemented in compliance with the *Rules*.

#### 19.2 Non-*Rules* disputes

- (a) If a *dispute* arises that is not a *dispute* to which the *Rules* apply, the parties shall comply with the provisions of this clause 19.3.
- (b) Either party may give to the other party a written notice ("*dispute notice*") identifying the matters in *dispute*.

- (c) The parties must meet within 10 *business days* after the *dispute notice* has been given and attempt to resolve the *dispute*. Each party must be represented at the meeting by a person who has authority to agree to a resolution of the *dispute*.
- (d) If the *dispute* has not been resolved within 20 *business days* after the *dispute notice* has been given, the parties must participate in a mediation of the *dispute* in accordance with the provisions of the Mediation Determination Rules 2016 as published by Resolution Institute (or any replacement or successor body).
- (e) If the *dispute* has not been resolved within 20 *business days* after the termination of the mediation, the parties may agree to refer the *dispute* to determination by an independent expert in accordance with clause 19.3(h) or to arbitration in accordance with clause 19.3(i) or either party may give to the other a notice referring the *dispute* to litigation.
- (f) Subject to clause 19.3(g), a party must not issue court proceedings in connection with a *dispute* unless a notice referring the *dispute* has been given in accordance with clause 19.3(e).
- (g) Clause 19.3(f) does not apply to an application for an urgent injunction or declaration.
- (h) Where the parties agree to refer the dispute to an independent expert the expert determination will be conducted in accordance with the Expert Determination Rules 2016 as published by Resolution Institute (or any replacement or successor body). The parties agree that the determination of an expert will be binding on the parties.
- (i) Where the parties agree to refer the *dispute* to arbitration the arbitration will be conducted in accordance with the Arbitration Rules 2016 as published by Resolution Institute (or any replacement or successor body).
- (j) Where this clause refers to rules of the Resolution Institute that reference is to the version of the rules in force at the date of the Notice or, if there is no such version, the version of the rules most recently published.
- (k) Unless otherwise agreed by the parties in writing, the costs of mediator, independent expert or arbitrator will be borne equally by the parties.

### 19.1 Expert determination

Despite any other provision of this agreement, the parties agree that where a *dispute* under any of the following clauses is not resolved within 20 *business days* after the termination of mediation the *dispute* will be referred to an expert for determination in accordance with clause 19.3(h):

- (a) the definition of *cash rate* in clause 1.1;
- (b) clause 3.6(b) (Transmission Network Services); and
- (c) clause 3.7 (Other Network Users).

## 20. CONFIDENTIALITY

### 20.1 Non-disclosure

Subject to clause 20.2, the information contained in, relating to or provided in accordance with this agreement and all negotiations leading up to its execution are confidential to the parties and must not be disclosed to any other person.

### 20.2 Exceptions

Clause 20.1 does not prevent disclosure of information by a party:

- (a) which is in the public domain or comes into the public domain otherwise than as a result of a breach by the party of its obligations under clause 20.1 provided that participants in the Tasmanian electricity industry do not of themselves constitute the public domain;
- (b) where the party is required by *law* to disclose the information or where the party, acting reasonably, discloses the information in the course of legal proceedings;
- (c) to the lawyers, consultants, contractors or professional advisers of the party who has entered into a confidentiality undertaking with similar effect to this part, but which obliges the party to enforce its rights under that confidentiality undertaking if and to the extent required by the other party;
- (d) to any bank, financier, investor or insurer to or of the party who has entered into a confidentiality undertaking with similar effect to this part but which:
  - (i) does not contain a provision corresponding to this clause 20.2(d); and
  - (ii) obliges the party to enforce its rights under that confidentiality undertaking if and to the extent required by the other party;
- (e) with the consent of the other party;
- (f) to the extent required by *law* or by a lawful requirement of any *Authority* having jurisdiction over a party or its *related body corporate*;
- (g) to the extent required by a lawful requirement of any stock exchange having jurisdiction over a party or its *related body corporate*;

- (h) to its *related body corporate*, but only on the basis permitted under clause 20.2(d);
- (i) in the context of the sale of shares in or the sale of, or lease of, the assets of a party, to any consultant, bank, financier, insurer or professional adviser to a prospective purchaser or lessee of the relevant shares or assets as the case may be any the prospective purchaser or lessee but only on the basis permitted under clause 20.2(d); or
- (j) to *AEMO* as required by this agreement or the **Rules**.

### 20.1 Enforcement of Undertaking

On request of a party, the other party whom has entered into the confidentiality undertaking in accordance with clauses 20.2(c) or 20.2(d) must do all things necessary to enforce its rights under the confidentiality undertaking.

### 20.2 Survive expiration

The obligations contained in clauses 20.1, 20.2 and 20.3 survive the termination of this agreement.

## 21. ASSIGNMENT AND OTHER DEALINGS

### 21.1 TasNetworks

Subject to the **Rules** TasNetworks may at any time transfer, assign, delegate or otherwise deal with some or all of its rights and obligations under this agreement and the powers and benefits of the relevant parts of this agreement will be exercised and enjoyed by any delegate, transferee or assignee and any subsequent successors in title in accordance with the terms of the delegation, transfer or assignment. Network User will on request execute any assignment or novation documentation requested by TasNetworks including a surrender of this agreement and an agreement of identical form to this agreement direct with any transferee, assignee or delegate.

### 21.2 Network User

Network User may with the consent in writing of TasNetworks transfer or assign this agreement and TasNetworks will not withhold its consent in circumstances where:

- (a) Network User requests the consent of TasNetworks to the transfer or assignment to the proposed assignee in writing;
- (b) Network User has provided to TasNetworks any information reasonably required by TasNetworks regarding the proposed assignee or transferee;
- (c) the proposed assignee or transferee is a responsible and solvent person with sufficient financial, business and technical capacity to successfully carry out the obligations of Network User under this agreement;
- (d) the proposed assignee or transferee first obtains all licences and permits required of the Network User under all *applicable regulatory instruments* and the **Rules** and the proposed assignee or transferee has otherwise complied with the requirements of the **Rules**;
- (e) Network User is not in default under this agreement and before settlement of any transfer or assignment pays to TasNetworks moneys outstanding to TasNetworks under this agreement; and
- (f) the proposed assignee or transferee first executes a deed of assignment or novation of this agreement in a form agreed between the parties acting reasonably.

### 21.1 Deemed assignment

It is taken to be an assignment or transfer of Network User's interest in this agreement in breach of clause 21.2 if, without the prior written approval of TasNetworks (such approval to not be unreasonably withheld including in those circumstances set out in clause 21.2), by transfer or allotment of shares or amendment of its constitution or by some other act or deed, the party or parties with effective control of Network User as at the date of this agreement, ceases to have effective control of Network User.

### 21.2 Costs of assignment or novation

The party requesting an assignment or novation of this agreement must pay the other party's reasonable costs arising out of the assignment or novation.

## 22. NOTICES

### 22.1 Form

A notice or other communication to a party under this agreement, excepting an operational communication under clause 12.1, must be in writing and served on the party in accordance with this clause 22.

### 22.2 Service

- (a) Notices may be served by being:
  - (i) delivered by hand at the party's then current address for service;
  - (ii) sent to the party's then current address for service by pre paid ordinary mail; or
  - (iii) sent to the party's then current address for service by electronic mail.
- (b) Notice given by post is taken to be received on the third **business day** after posting.
- (c) Notice given by electronic mail is taken to be received when the sender receives a read receipt confirming the recipient viewed the message.
- (d) A notice received by a party after 5:00 pm or on a *day* which is not a **business day** in the place where it is received, will be taken to have been received on the next **business day** in the place where it is received.

### 22.1 Address

- (a) The street address, postal address and nominated representative of each party at the **commencement date** are specified in Schedule 9.
- (b) A party may at any time by notice in writing to the other party designate a different person or address and Schedule 9 will be updated to record the revised details provided the address is within Australia.

## 23. MISCELLANEOUS

### 23.1 Waiver

No failure to exercise and no delay in exercising any right, power or remedy under this agreement will operate as a waiver. No single or partial exercise of any right, power or remedy will preclude any other or future exercise of that or any other right, power or remedy.

### 23.2 Entire agreement

This agreement constitutes the entire understanding of the parties on the subject matter and supersedes any and all other representations or statements by either party or its *representatives*, whether oral or in writing, made prior to the date of this agreement.

### 23.3 Amendment of agreement

Subject to clause 11.6 (Variation of an *SDS*) and clause 22.3 (b) (Notices) any amendments or alterations to this agreement must be by agreement in writing executed by both parties.

### 23.4 Severability

Any provision of this agreement which is invalid or unenforceable in any jurisdiction is, if possible, to be read down for the purposes of that jurisdiction so as to be valid and enforceable, and is otherwise severed to the extent of the invalidity or unenforceability, without affecting the remaining provisions of this agreement or affecting the validity or enforceability of that provision in any other jurisdiction.

### 23.5 No precedent

Nothing in this agreement will operate or be taken by either party to be a precedent as to the form or substance of any new (or supplementary) terms and conditions or other agreement which may be entered into between the parties.

### 23.6 No third party rights

Except as specifically provided in this agreement, the parties do not intend to create rights in or grant remedies to any third party as a beneficiary of this agreement and all covenants, stipulations, promises and agreements contained in this agreement are for the sole and exclusive benefit of the parties to this agreement.

### 23.7 Governing law

This agreement will be governed by the laws of Tasmania.

### 23.8 Submission to jurisdiction

Each party irrevocably and unconditionally submits to the nonexclusive jurisdiction of the courts of Tasmania, the Federal Court of Australia in Tasmania and courts of appeal from them for determining any *dispute* concerning this agreement.

### 23.9 Service of process

Any document in any action may be served by delivery to the party being served at its address for service of notices as specified in accordance with clause 22. (Notices)

### 23.10 Acknowledgment of System Operator function

Network User agrees that, notwithstanding any other term of this agreement, the performance by TasNetworks of *System Operator* duties, rights, functions and responsibilities in accordance with clause 4.3.3 of the *Rules*, will not represent a breach of this agreement or a failure to provide any service to the Network User under this agreement.

### 23.11 Counterparts

This agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

**EXECUTED AS AN AGREEMENT**

SIGNED FOR AND ON BEHALF OF  
**TASMANIAN NETWORKS PTY LTD**

by its duly authorised representative  
in the presence of:

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Authorised Representative

\_\_\_\_\_  
Name (print)

\_\_\_\_\_  
Name (print)

\_\_\_\_\_  
Position of witness (print)

\_\_\_\_\_  
Position (print)

**SIGNED** by **NETWORK USER** )  
in accordance with section 127 )  
of the Corporations Act 2001 )

\_\_\_\_\_  
Signature of Director

\_\_\_\_\_  
Signature of Director/Secretary

\_\_\_\_\_  
Name of Director (print)

\_\_\_\_\_  
Name of Director/Secretary (print)

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SCHEDULE 1 – COMMENCEMENT AND END DATE

Clause 1.1

The *commencement date* is the later of:

- (a) the date of execution of this agreement;
- (a) the date upon which Network User delivers to TasNetworks the *security* required under clause 18;
- (b) the date on which TasNetworks approves Network User's commissioning program for the *generation unit*;
- (c) the date on which AEMO notifies TasNetworks that registration of Networks User's *generating unit* has been completed;
- (d) the date of execution of the *SDS*;
- (e) the date that practical completion (as defined in the *Asset Development Agreement*) is achieved under the *Asset Development Agreement*;

**[Note: the following condition applies where contestable IUSA being constructed by third party.]**

- (f) If Network User is using a third party to construct the *contestable IUSA components* and TasNetworks will own the *contestable IUSA components*, then on transfer of ownership of the *contestable IUSA components* in accordance with clause 2.4;

**[Note: the following condition applies where contestable IUSA being constructed and owned by third party.]**

- (g) If a third party is constructing and owning the *contestable IUSA components*, then on the commencement date (as defined in the *Network Operating Agreement*) of the *NOA*; and
- (h) **[insert any other necessary prerequisites].**

The end date is: **[insert]**

The *connection site/s* are:

**[insert]**

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SCHEDULE 2 ENTRY SERVICES

Clause 3.1

**Entry services** are:

- (a) the provision of capability at the **connection points** to enable Network User to:
- (i) deliver electricity to TasNetworks' *transmission system* at the **connection points**; and
  - (ii) take delivery from TasNetworks' *transmission system* at the **connection points** up to the **agreed maximum demand** stated in the relevant **SDS** for the **connection point** for the purposes of starting up the **generating unit connected** to the **connection point** from time to time;

**[Note: Paragraph (b) below not required where TasNetworks not constructing and owning dedicated connection assets]**

- (b) the management, maintenance and operation of the **connection assets** associated with each **connection point** so as to provide the capability referred to in paragraph (a) above subject to this agreement, using *good electricity industry practice* and requirements of all **laws** including by:
- (i) maintaining those auto-reclose *facilities* which form part of the **connection assets** for each **connection point**;
  - (ii) the provision of supervisory control and data acquisition capabilities for each **connection point** by means of the **connection assets**; and
  - (iii) attendance and advice responses in relation an **emergency**;
  - (iv) fault clearance services in relation to each **connection point** (for example by the provision and maintenance of the *protection system*, control systems and auto-reclose systems (where installed) at each **connection point**, and testing of TasNetworks' *protection system* for that **connection point** at intervals of not more than 5 years, or such other period as is specified in the **SDS**).
- (c) the management, maintenance and operation of the **non-contestable IUSA components** in accordance with the **Rules** and **NOA**;
- (d) the provision of backup *protection facilities* for each **connection point**;
- (e) the provision of a *communications link* from TasNetworks' interface with **AEMO** to the communication interface with Network User specified in the **Generator Performance Standards**; and
- (f) any other services which are specified in the relevant **SDS** from time to time.

*Entry services* includes work which arises as a result of fair wear and tear but subject to the terms of the NOA, excludes replacement of any assets that fail.

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SCHEDULE 3 DEED OF COLLATERAL WARRANTY

[to be inserted]

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## SCHEDULE 4 CHARGES

### 1. Interpretation

For the purpose of this schedule “*CPI*” means, for a particular year:

- (a) the Consumer Price Index: All Groups Index Number, weighted average of eight capital cities published by the Australian Bureau of Statistics for the March quarter immediately preceding the start of the relevant year;  
divided by:
- (b) the Consumer Price Index: All Groups Index Number, weighted average of eight capital cities published by the Australian Bureau of Statistics for the March quarter of the **[insert]** *financial year*.

### 2. Charges for *Entry Services*

- (a) The *charge* for *entry services* for the first *financial year* of this agreement will be the annual charge for **[insert year]** in Table 1 below.
- (b) The *charge* for *entry services* for each subsequent *financial year* will be the annual *charge* for the relevant *financial year* shown in Table 1 below multiplied by *CPI*.

### 3. Charges for *Transmission Network Services*

As at the *execution date* TasNetworks does not provide Network User with any *Transmission Network Services* and therefore no *charges* are payable for *Transmission Network Services* as at the *commencement date*.

### 4. Charges for *Other Services*

As at the *execution date* TasNetworks does not provide Network User with any *other services* and therefore no *charges* are payable for *other services* as at the *commencement date*.

### 5. Termination Amount

The *termination amount* for the first *financial year* of this agreement will be the termination amount for **[insert year]** in the Table 1 below.

The *termination amount* for each subsequent *financial year* will be the termination amount for the relevant *financial year* shown in the Table 1 below multiplied by *CPI*.

**Table 1**

<b>Year</b>	<b>Annual Charge (\$)</b>	<b>Termination Amount (\$)</b>	<b>Year</b>	<b>Annual Charge (\$)</b>	<b>Termination Amount (\$)</b>
2017-18			2028-29		
2018-19			2029-30		
2019-20			2030-31		
2020-21			2031-32		
2021-22			2032-33		
2017-18			2033-34		
2018-19			2034-35		
2022-23			2035-36		
2023-24			2036-37		
2024-25			2037-38		
2025-26			2038-39		
2026-27			2039-40		
2027-28			2040-41		

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## SCHEDULE 5 TECHNICAL REQUIREMENTS AND STANDARDS

[Generic schedule to be reviewed by Network Performance team with reference to specific connection]

Clause 2.3(d) and 5.1

### A. Protection, controls and alarms

Each of the following technical requirements and standards is to be read subject to any exclusions, changes or further information or specifications set out in the relevant *SDS*.

TasNetworks and Network User will provide protection for the *connection site* as defined in the *SDS*. There will be 2 types of protection systems, namely:

- (a) automatic sensing of system abnormalities; and
- (b) any specific schemes which may be implemented to ensure *system security* and to protect specific assets from damage caused by system conditions.

TasNetworks and Network User will also, as defined in the *SDS* for the *connection site*:

- (c) provide the settings for all protection systems; and
- (d) receive and act on inter-trip signals from the *Network User*; and
- (e) receive and act upon runback signals from TasNetworks.

Testing intervals for each type of protection will be as specified in the relevant party's *Asset Management Plan*.

### B. Voltage standard

The relevant *SDS* sets out the nominal voltage and target voltage range for the *connection site*.

- (a) **Power frequency voltage**

[Relates to and covers the issues dealt with in clauses S5.1a.4 of the Rules]

- (i) TasNetworks' *transmission system* is designed to operate in the range of  $\pm 10\%$  variations in the nominal *voltage* which limits *voltage* rise to +10% of nominal irrespective of the *voltage* at the *connection point* prior to the occurrence of a *credible contingency event*.

### C. Quality of supply

Quality of supply associated with the *connection site* shall be in accordance with the AS/NZ 61000 series.

**(a) Generator Reactive Power Capability**

- (i) The reactive power capability at all levels of generation output is defined by Clause S5.2.5.1 in the *Generator Performance Standards*.

**(b) Voltage fluctuations**

**[Relates to and covers the issues dealt with in clauses S5.1a.5 and S5.1.5 of Rules]**

- (i) Refer to Clause S5.2.5.2 in the *Generator Performance Standards* for the short-term and long-term Voltage Fluctuation Contribution levels for the Network User's Generating Units which have been developed by TasNetworks in line with TR IEC 61000.3.7:2012.
- (ii) Network User must ensure that its reactive power capability is correctly controlled to ensure that the voltage at the *connection point* is regulated such that Clause S5.2.5.2 in the *Generator Performance Standards* is met. If the Voltage Changes exceed the per hour Emission Limits prescribed in Clause S5.2.5.2 then the output of the *generating unit* must be constrained to a level that ensures that the per hour Voltage Changes remain within the limits until Network User has taken remedial action to *TasNetworks'* satisfaction, including provision of additional reactive support to *TasNetworks'* design.

**(c) Voltage waveform distortion**

**[Relates to and covers the issues dealt with in clauses S5.1a.6 and S5.1.6 of the Rules]**

- (i) Refer to Clause S5.2.5.2 in the *Generator Performance Standards* for the Harmonic Voltage Emission Limits allocated to Network User's Generating Units developed by TasNetworks in line with TR IEC 61000.3.6:2012. If the voltage harmonic emissions exceed the limits prescribed in Clause S5.2.5.2 then the output of the *generating unit* must be constrained to a level that ensures that the voltage harmonics remain within the limits until Network User has taken remedial action to *TasNetworks'* satisfaction, including provision of additional harmonic filters to *TasNetworks'* design.

**D. Additional technical requirements**

- (a) TasNetworks will ensure the fault current contribution from the *transmission system* to the three phase and single phase fault levels on the *connection site* busbars is not more than specified in Clause S5.2.8 of the ***Generator Performance Standards***
- (b) Each party will ensure that the design of its electricity infrastructure allows for a maximum fault current contribution from Network User to the three phase and single phase fault levels on the *connection site* busbars as specified in Clause S5.2.8 of the ***Generator Performance Standards***.

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SCHEDULE 6 OTHER SERVICES

Clause 3.4

[insert if any otherwise “nil at commencement”]

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SCHEDULE 7 RECORDS, DATA AND INFORMATION

**[Check requirements for this connection]**

The *records* to be kept by TasNetworks, in relation to TasNetworks' *electricity infrastructure* are:

Record	Record Form	Retention Period
<b>Operational Diagrams</b>		
- Power Circuit One Line Diagram	Electronic	7 years
- Metering and Protection One Line Diagram	Electronic	7 years
<b><i>OH&amp;S procedures</i></b>	Electronic	7 years
Operational Procedures	Electronic	7 years
<b>Plant Setting Data</b>		
- Protection	Electronic / Hard Copy	7 years
- <b><i>Incident</i></b> data	Electronic	7 years

The *records* to be kept by Network User, in relation to Network User's *electricity infrastructure* at the *connection sites* are:

Record	Record Form	Retention Period
<b>Operational Diagrams</b>		
- Power Circuit One Line Diagram	Electronic	7 years
- Metering and Protection One Line Diagram	Electronic	7 years
<b><i>OH&amp;S procedures</i></b>	Electronic	7 years
Operational Procedures	Electronic	7 years
<b>Plant Setting Data</b>		
- Generator setting data	Electronic / Hard Copy	7 years

Record	Record Form	Retention Period
- Protection	Electronic / Hard Copy	7 years
- <i>Incident</i> data	Electronic	7 years
Generator Models	Electronic	7 years

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SCHEDULE 8 LIABILITY LIMIT AMOUNTS

cap amount – clauses 1.1 and 14.4

[insert] as at 1 July [insert commencement year]

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SCHEDULE 9 ADDRESS DETAILS

Clause 22

**TasNetworks: Tasmanian Networks Pty Ltd**

Street Address:	1-7 Maria Street, Lenah Valley in Tasmania
Postal Address:	PO Box 606, Moonah, TAS, 7009
Nominated Representatives:	General Manager, Customer Engagement & Network Operations

Network User:.....**[insert]**

Street Address:	<b>[insert]</b>
Postal Address:	<b>[insert]</b>
Nominated Representatives:	<b>[insert]</b>
or as most recently notified by the party under clause 22.3.	

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SCHEDULE 10 SECURITY

Clause 18

**Item 1 – Security for payments**

[To be confirmed]