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SPECIAL LICENCE

(Independent Power Producer)

Issued to

LMS ENERGY PTY LTD

Date of Issue

1 July 2005

Date of Variation

25 October 2017

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Special Licence (Independent Power Producer)

Licensee: LMS Energy Pty Ltd

1 Definitions and Interpretation

1.1 In this licence a word or phrase in italics:

- (a) has the meaning given to it in part 1 of schedule 1; or
- (b) if the word or phrase is not defined in part 1 of schedule 1, then it has the meaning given to it in the *Electricity Reform Act*.

1.2 This licence must be interpreted in accordance with the rules set out in part 2 of schedule 1.

2 Grant of licence

Under Part 3 of the *Electricity Reform Act*, the *Utilities Commission* grants the licensee a licence to:

- (a) generate electricity at the *electricity generating plants* described in schedule 2(a) for own use or for sale as contemplated by paragraphs (b) and (c);
 - (b) sell electricity to *electricity entities* holding a generation licence; and
 - (c) sell electricity to a person specified in schedule 2(b),
- in accordance with the terms and conditions of this licence.

3 Term

This licence commences on the date it is issued and continues until the earlier of:

- (a) when it is surrendered by the licensee under section 35 of the *Electricity Reform Act*; or
- (b) when it is cancelled by the *Utilities Commission* under section 36 of the *Electricity Reform Act*.

4 Annual return

The licensee must lodge an annual return containing such information as is required from time to time by the *Utilities Commission* by written notice.

5 Suspension of licence

This licence may be suspended under section 36 of the *Electricity Reform Act*.

6 Variation of licence

This licence may only be varied in accordance with section 32 of the *Electricity Reform Act*.

7 Transfer of licence

This licence may only be transferred in accordance with section 33 of the *Electricity Reform Act*.

8 Licence fee and other charges

8.1 The licensee must pay an annual licence fee or instalment of the annual licence fee, as the case may be, to the *Utilities Commission* as determined by the *Minister* under section 19 of the *Electricity Reform Act*.

8.2 The licensee must pay the *System Controller* any charges relating to the operations of system control in accordance with *Regulations*.

9 Compliance with laws and regulatory instruments

9.1 The licensee must:

- (a) comply with all applicable provisions of the *Network Access Code*, the *System Control Technical Code* and the *Network Technical Code*;
- (b) comply with all applicable provisions of any *code* or *rule* made under the *Utilities Commission Act* from time to time;
- (c) comply with any applicable protocol, standard and *code* applying to the licensee under the *Regulations*; and
- (d) comply with all applicable laws including the *Regulations* and any technical or safety requirements or standards contained in *Regulations*.

9.2 The licensee must notify the *Utilities Commission* within 3 *business days* if it becomes aware of a material breach by the licensee of this licence or any of the regulatory instruments described in clause 9.1 of this licence.

9.3 The licensee must notify the *Utilities Commission* at least 20 *business days* before the expiry of the arrangements to sell to *electricity entities* holding a *generation licence*, as contemplated in clause 2(b) of this licence.

10 Directions of System Controller

The licensee must comply with the directions of the *System Controller*, where applicable.

11 Quality of electricity

Where the activities authorised under this licence include interconnection of the licensee's *electricity generating plants* with an *electricity network*, the licensee must provide electricity

of a quality suitable for any *electricity network* which is interconnected or interfaces with the licensee's *electricity generating plants*.

12 Compatibility

Where the activities authorised under this licence include interconnection of the licensee's *electricity generating plants* with an *electricity network*, the licensee must not do anything to its *electricity generating plants* affecting the compatibility of its *electricity generating plants* with any *electricity network* so as to prejudice public safety or the security of supply.

13 Right of use

The licensee must:

- (a) grant each *electricity entity* holding a *network licence* rights to use or have access to the licensee's *electricity generating plants* that are interconnected or interface with the *electricity entity's* assets for the purposes of ensuring the proper integrated operation of the *power system* and the proper conduct of the *operations* authorised by the *electricity entity's* licence; and
- (b) in the absence of agreement as to the terms on which such rights are to be granted, comply with any determination by the *Utilities Commission* as to those terms.

14 Consultation

The licensee must participate, to the extent specified by the *Utilities Commission*, in the development, issue and review of any regulatory instruments.

15 Provision of information to the Utilities Commission and System Controller

The licensee must, from time to time, provide the *Utilities Commission* or the *System Controller*, in a manner and form to be determined by the *Utilities Commission* or the *System Controller*, such information as the *Utilities Commission* or the *System Controller* may request.

Date: 26 October 2017.....

THE COMMON SEAL of UTILITIES
COMMISSION is duly affixed in the
presence of:)

Signature of authorised person)

Director Utilities Commission)

Office held

Justin Martyn.....

Name of authorised person (block
letters)



Schedule 1

Part 1 - Definitions

In this licence:

“*business day*” means a day on which banks are open for general banking business in Darwin, excluding a Saturday or Sunday;

“*code*” means any code made by the *Utilities Commission* under section 24 of the *Utilities Commission Act*;

“*Electricity Reform Act*” means the Electricity Reform Act 2000 (NT);

“*electricity entity*” means a person licensed under Part 3 of the *Electricity Reform Act* to carry on operations in the *electricity supply industry*;

“*electricity generating plants*” means the electricity generating plants described in schedule 2(a) of this licence;

“*electricity network*” has the meaning given to that term under the *Electricity Reform Act*;

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

“*Minister*” means the Minister of the Crown who is responsible for the administration of the *Electricity Reform Act*;

“*network licence*” means a licence to operate or own an *electricity network* granted under Part 3 of the *Electricity Reform Act*;

“*power system*” means the system for generating, transmitting, distributing and *supplying* electricity and includes a part of the system;

“*Regulations*” means the regulations made under the *Electricity Reform Act*;

“*rule*” means any rule made by the *Utilities Commission* under section 24 of the *Utilities Commission Act*;

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

“*Utilities Commission*” means the Utilities Commission under the *Utilities Commission Act*; and

“*Utilities Commission Act*” means the Utilities Commission Act 2000 (NT).

Part 2 - Interpretation

In this licence, unless the contrary intention appears:

1. headings are inserted for convenience and do not affect the interpretation of this licence;
 2. the singular includes the plural and vice versa;
 3. words importing a gender include any gender;
 4. the word “person” includes a firm, a body corporate, a partnership, joint venture, an unincorporated body or association, trust or any governmental agency;
 5. a reference to a condition, clause or schedule is to a condition, clause or schedule of this licence;
 6. a reference to terms of an offer or agreement is to all terms, conditions and provisions of the offer or agreement;
 7. a reference to this licence or another document includes any variation or replacement of any of them;
 8. a reference to a statute, regulation, proclamation, order in council, ordinance, by-laws, code, law or similar instrument includes all statutes, regulations, proclamations, orders in council, ordinances, by-laws, codes, laws and similar instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
 9. a reference to a person includes that person’s executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns;
 10. the verb “include” (in all its parts, tenses and variants) is not used as, nor is it to be interpreted as, a word of limitation; and
 11. if an event must occur on a stipulated day which is not a Business Day then the stipulated day will be taken to be the next Business Day.
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Schedule 2(a)

Electricity Generation Plants

The electricity generating plants covered by this licence are:

Power Station	Description
Shoal Bay Renewable Energy Facility	1.1MW landfill gas-fuelled renewable energy facility

Schedule 2(b)

Permitted Electricity Sales

Under clause 2(c) of this licence, electricity sales are permitted to the following parties:

Persons to whom electricity sales are permitted
Nil

Schedule 3

Variations to the licence

Date	Reason for variation
29 August 2007	Change of name from Landfill Management Services Pty Ltd to LMS Generation Pty Ltd
25 October 2017	Change of name from LMS Generation Pty Ltd to LMS Energy Pty Ltd Amend clause 3 to remove the link between the term of the licence and the term of any arrangements that a licensee has in place to sell to a generator. Minor amendments to ensure consistency across the Special Licences and correct minor typographical errors.
