

## **24 Licence conditions – general**

(1) The Utilities Commission must, on granting a licence, make the licence subject to conditions determined by the Utilities Commission:

- (a) requiring compliance with applicable codes or rules (with modifications or exemptions determined by the Utilities Commission) made under the *Utilities Commission Act* as in force from time to time;
- (b) requiring compliance with protocols, standards and codes applying to the electricity entity under the Regulations;
- (c) relating to the electricity entity's financial or other capacity to continue operations under the licence;
- (d) requiring the electricity entity to have all or part of the operations authorised by the licence audited and to report the results of the audit to the Utilities Commission;
- (e) requiring the electricity entity to notify the Utilities Commission about changes to officers and, if applicable, major shareholders of the entity; and
- (f) requiring the electricity entity to comply with the requirements of any scheme approved and funded by the Minister for the performance of community service obligations by electricity entities.

(2) The Utilities Commission must, on granting a licence, make the licence subject to further conditions that the Utilities Commission is required by the Regulations to impose on granting the licence.

(3) The Utilities Commission must, on granting a licence, make the licence subject to further conditions:

- (a) if 2 or more people are granted a single licence in partnership or as an unincorporated joint venture – relating to the carrying on of those activities in that manner; and
- (b) requiring the electricity entity to develop and comply with customer related standards and procedures.

(4) The Utilities Commission may, on granting a licence, make the licence subject to further conditions that are considered appropriate by the Utilities Commission.

(5) The Utilities Commission must provide to the Minister any information that the Minister requires in connection with the performance of community service obligations relating to the generation, supply or sale of electricity.

## **25 Licence conditions – licence authorising generation of electricity**

(1) The Utilities Commission may, on granting a licence authorising the generation of electricity, make the licence subject to conditions determined by the Utilities Commission:

- (a) requiring compliance with directions of the system controller;
- (b) requiring the electricity entity to provide electricity of a quality suitable for the electricity network stated in the licence;

(c) requiring the electricity entity not to do anything affecting the compatibility of the entity's electricity generating plant with any electricity network so as to prejudice public safety or the security of supply; and

(d) requiring the electricity entity:

(i) to grant to each electricity entity holding a licence authorising the operation of an electricity network rights to use or have access to the electricity entity's electricity generating plant that are necessary for the purpose of ensuring the proper integrated operation of the power system and the proper carrying on of the operations authorised by the entity's licence; and

(ii) in the absence of agreement as to the terms on which those rights are to be granted – to comply with any determination of the Utilities Commission as to those terms.

(2) This section does not limit the matters that may be dealt with by terms or conditions of a licence authorising the generation of electricity.

## **28 Licence conditions – licence authorising selling of electricity**

(1) The Utilities Commission may, on granting a licence authorising the selling of electricity, make the licence subject to conditions determined by the Utilities Commission:

(a) if the licence authorises the selling of electricity to non-contestable customers and the electricity entity is a related body corporate in relation to an electricity entity

granted a licence authorising the generation of electricity or the selling of electricity to contestable customers – requiring the business of selling of electricity authorised by the licence as it relates to non-contestable customers to be kept separate from these other businesses in the manner and to the extent specified in the conditions;

(b) requiring the electricity entity to sell electricity to non-contestable consumers who own or occupy premises within its retail area on application by non-contestable customers;

(c) requiring the electricity entity to sell electricity to non-contestable customers on fair and reasonable terms (which terms may differ between customers or classes of customers);

(d) if the electricity entity sells electricity to non-contestable customers – requiring the electricity entity to maintain specified accounting records and to prepare accounts according to specified principles;

(e) if the electricity entity sells electricity to contestable customers – requiring the electricity entity to take reasonable steps to ensure that it has in place at all times arrangements to generate and supply electricity to these contestable customers;

(f) if the electricity entity sells electricity to non-contestable customers – requiring the electricity entity, until a date determined by the Minister:

(i) to request these non-contestable customers to give written consent to the electricity entity providing their names, addresses and other contact details from time to time to the Utilities Commission and the Utilities Commission providing that information to other electricity entities holding licences authorising the selling of electricity; and

(ii) to provide copies of those consents and the information relating to the consenting customers to the Utilities Commission;

(g) if the electricity entity sells electricity to non-contestable customers:

(i) requiring the electricity entity to take reasonable steps to identify when its non-contestable customers will or could become contestable customers and to give those

customers at least 28 days notice of that fact and specifying the manner in which the notice is to be given; and

(ii) requiring the electricity entity to request these non-contestable customers to give written consent to the electricity entity providing their names, addresses and other contact details from time to time to the Utilities Commission and the Utilities Commission providing that information to other electricity entities holding licences authorising the selling of electricity;

(h) if the electricity entity sells electricity to non-contestable customers:

(i) requiring the standard terms and conditions governing the sale of electricity by the electricity entity to offer to sell electricity to contestable customers on the same tariff schedule that applied to those customers immediately before becoming contestable customers for a period specified in the Regulations after they become contestable customers;

(ii) requiring the electricity entity to take reasonable steps to give the customers at least 28 days notice of the date on which the specified period will expire; and

(iii) specifying the manner in which the notice must be given; and

(j) requiring the electricity entity to enter into and comply with an agreement (on terms approved from time to time by the Utilities Commission) with each electricity entity holding a licence authorising the generation of electricity and the operation of an electricity network that provides services to the customers supplied by the entity as to the co-ordination of the provision of services to those customers, including arrangements whereby any complaint that a customer has about the quality of the services being supplied is taken up by the electricity entity with those electricity entities on the customer's behalf.

(2) For the purposes of subsection (1)(c), the Regulations may declare what is or is not fair and reasonable, including, for example, whether or not and, if so, in what circumstances requiring different advance payments or security deposits from different customers or different contract terms is fair and reasonable.

(3) This section does not limit the matters that may be dealt with by terms or conditions of a licence authorising the selling of electricity.

(4) In subsection (1), **retail area** means a geographical area specified in the electricity entity's licence authorising the selling of electricity in which the entity has an exclusive right to sell electricity to non-contestable customers.