

Ongoing Connection and Supply Contract

Table of contents

Introduction	4
Terms and Conditions.....	4
1. Definitions and Interpretation.....	4
1.1 Defined terms.....	4
1.2 Interpretation	4
2. Application of this contract	4
2.1 Who are the parties?	4
2.2 When does this contract not apply?	4
3. Duration of this contract	5
3.1 When does this contract start?	5
3.2 When does this contract end?.....	5
4. Scope of this contract.....	5
4.1 What does this contract cover?.....	5
4.2 What is not covered?	5
4.3 Provision of Services to you and your Retailer	5
5. Compliance with the Distribution Code and the Electricity Law	5
6. Technical and operational issues	6
6.1 Our technical requirements	6
6.2 Our equipment on your premises.....	6
6.3 Your equipment on your premises.....	6
6.4 Your maximum allocated capacity	6
6.5 Assignment of Network Tariffs.....	6
7. Billing and Charges.....	7
7.1 What are our charges?.....	7
7.2 When will we bill you directly?	7
7.3 GST.....	7
7.4 Set-off.....	7
8. Your retailer's relationship with us	7
9. Liability.....	7
9.1 When we are not liable	7
9.2 Limitation of statutory liability.....	8
9.3 Our liability under the Trade Practices Act, etc.....	8
9.4 Quality and reliability of supply.....	8
9.5 Taking precautions.....	8
10. Other terms.....	8

10.1	Notices	8
10.2	Waiver.....	9
10.3	Severability	9
10.4	Law of this contract.....	9
	Schedule 1 - Glossary.....	10

Introduction

These standard terms and conditions for electricity distribution are published under section 40A of the **Electricity Industry Act 2000** (the **Act**) and have been approved by the **Regulator**.

These terms and conditions take effect on 1 August 2002. Unless clause 2.2 applies, they form a contract that is binding on United Energy Limited and you, the customer, for the period specified in clause 3.

This contract sets out:

- the terms and conditions on which we will maintain the **connection** of your **supply address** to our **distribution system**; and
- certain rights and obligations relating to the supply of electricity to your **supply address**.

Terms and Conditions

1. Definitions and Interpretation

1.1 Defined terms

The meaning of words which appear in **bold and italics** in this contract is explained in Schedule 1 - Glossary.

1.2 Interpretation

The following rules of interpretation apply in this contract unless otherwise stated.

- (Acts, etc.)** A reference to an act, regulation, code, licence or other legal instrument is a reference to that act, regulation, code, licence or other legal instrument as it may be amended, re-enacted, consolidated or replaced from time to time.
- (singular and plural)** References to the singular include the plural and vice-versa
- (including)** Examples after the words 'including', 'includes' or 'for example' are descriptive only and are not exhaustive.
- (clauses and schedules)** A reference to a 'clause' or 'schedule' is to a clause of, or a schedule to, this contract.
- (forms)** Other parts of speech and grammatical forms of a word or phrase defined in this contract have a corresponding meaning.

2. Application of this contract

2.1 Who are the parties?

Unless clause 2.2 applies, this contract binds United Energy Limited ABN 70 064 651 029 (referred to as 'us', 'we', 'our' or the 'distributor') and any **retail customer** whose **supply address** is **connected** to our **distribution system** (referred to as 'you', 'your' or the 'customer').

2.2 When does this contract not apply?

This contract does not apply to you in relation to a particular **supply address** if you are not a **retail customer** or to the extent that you have a separate written agreement with us that deals with a matter that is covered by a provision of this contract, to the extent of any inconsistency. If there is any inconsistency

between a provision of this contract and a provision of the separate written agreement you have with us, the provision of the separate written agreement will prevail to the extent of the inconsistency.

3. Duration of this contract

3.1 When does this contract start?

- a) This contract starts on the date specified in the Introduction on page 1, if your **supply address** is already **connected** to our **distribution system** on that date.
- b) If a request is made for **connection** or **reconnection** of your supply address to our **distribution system** after that date, this contract starts on the date that the request is received by us.

3.2 When does this contract end?

This contract will end on the earlier of:

- a) the date we **disconnect** your **supply address** from our **distribution system**; or
- b) the effective date of any new terms and conditions published by us in accordance with section 40A of the **Act**.

4. Scope of this contract

4.1 What does this contract cover?

This contract sets out or incorporates the rights and obligations of you and us relating to the way in which **distribution services** will be provided to your retailer to supply to you in respect of your **supply address**, unless you have a separate contract with us in respect of these matters.

4.2 What is not covered?

This contract does not cover:

- a) the sale of electricity to you (this is covered by the contract between you and your **retailer**);
- b) any work carried out by us to **connect** your **supply address** to our **distribution system** (this would be covered by a separate contract between you and us); or
- c) any work carried out by us to increase the capacity of a **supply point** (this would be covered by a separate contract between you and us).

4.3 Provision of Services to you and your Retailer

Our **network services**, and some **excluded services**, are provided to your **retailer**, who will in turn supply these services to you. We may supply some **excluded services** to you directly. This contract gives you certain contractual rights in relation to the attributes of or incidental to all those services, and imposes certain obligations on you (see, for example, clause 5(b)).

5. Compliance with the Distribution Code and the Electricity Law

- a) The **Distribution Code** sets out a number of rights and obligations of customers and distributors. This contract is taken to include each provision of the **Distribution Code** except clauses 1.1 (purpose), 1.2 (date of effect) 1.3 (to whom and how the Code applies) and 1.7 (amendment).
- b) You must comply with the obligations imposed on customers under the **Distribution Code**.
- c) We must comply with the obligations imposed on us under the **Distribution Code**.

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- d) If there is an inconsistency between the **Distribution Code** and this contract, the **Distribution Code** prevails. A term or condition of this contract is void to the extent that it is inconsistent with the **Distribution Code**.
 - e) If the **Distribution Code** is amended after the date this contract starts, as specified in clause 3.1, the **Distribution Code** will apply to this contract as amended.
 - f) You may request a copy of the **Distribution Code** from us.
 - g) The parties must also comply with all other applicable provisions of the **Electricity Law** in relation to **distribution services**.

6. Technical and operational issues

6.1 Our technical requirements

You must ensure that your **electrical installation** complies with, and is installed and maintained in accordance with:

- a) our reasonable technical requirements from time to time, which requirements include the **Service & Installation Rules** to the extent that they apply to your electrical installation;
- b) all applicable Australian Standards; and
- c) the **Electricity Safety Act 1998** and the regulations made under that Act.

6.2 Our equipment on your premises

None of the equipment and assets that we install at your **supply address**, whether or not they are fixed to the land or any buildings on the land, will become part of the land or premises at the **supply address** and we may remove them after **disconnection** of your **supply address**. Your obligations in respect of our equipment and assets will continue after this contract ends.

6.3 Your equipment on your premises

Your equipment at your **supply address** that is **connected** to the **distribution system** must have a nominal voltage rating within the nominal voltage supply range for the **supply point**.

6.4 Your maximum allocated capacity

You must ensure that the demand for electricity at your **supply address** does not exceed your maximum allocated capacity. Your maximum allocated capacity is the rating of the lowest-rated component of the **distribution system** used solely to supply electricity to your **electrical installation** unless otherwise advised by us directly or via your **retailer**.

If you wish to increase your maximum allocated capacity, we may be entitled to charge you for the cost of any necessary works, as provided for in our customer contribution policy.

6.5 Assignment of Network Tariffs

You agree that we may assign or reassign your **network tariff** or any component thereof by applying the criteria approved by the **Regulator** in conjunction with our **network tariffs**. Any such assignment or reassignment will be based on the load and connection characteristics at your **supply point**. Additional information on **network tariffs** may be obtained from your **retailer**, or alternatively on our web site www.unitedenergy.com.au or the website maintained by the **Regulator**.

7. Billing and Charges

7.1 What are our charges?

We do not bill you for our **network services**, and certain **excluded services** we provide to your **retailer**, which services your **retailer** provides to you. We bill your **retailer** under our **Use of System Agreement** with your **retailer**. However, if there is a separate agreement about our services between you and us, we will bill you under that separate agreement. Those charges which will not be billed under this contract include:

- a) our **network tariffs** relating to the supply of electricity to your **supply address**;
- b) our charges for **excluded services** provided in respect of your supply; and
- c) any additional or supplementary charge relating to the supply of electricity to your **supply address** if the **Commission** has approved that charge, or we are otherwise permitted under the **Electricity Law** to impose that charge.

7.2 When will we bill you directly?

We may bill you directly for some **excluded services** that we provide you directly, i.e. that we do not provide to your **retailer** to provide to you. We may also bill you directly for some services that we provide in accordance with electricity industry practice, even though you do not request these services.

7.3 GST

Our charges for **excluded services** are inclusive of GST.

If any other amount payable by you or us under this contract relates to a taxable supply for GST purposes then, to the extent permitted by law, the payment will be adjusted so that the recipient of the taxable supply bears the GST payable in respect of that taxable supply.

7.4 Set-off

You agree to make any payments under this contract without set-off or counterclaim and free and clear of any withholding or deduction for taxes unless prohibited by law.

8. Your retailer's relationship with us

Your **retailer** must have a use of system agreement with us relating to the supply of electricity to its customers from our **distribution system**. Under that agreement we will provide **distribution services** to your **retailer** in respect of your **supply address**. We will bill your **retailer** and your **retailer** will bill you for **network tariffs** and other charges relating to those services.

9. Liability

9.1 When we are not liable

Subject to clause 9.3, each party is not liable for any failure to comply with this contract or the **Electricity Law**, as the case may be, if and to the extent that:

- a) that party is relieved from performance of, or liability in respect of, any of its obligations by the operation of section 117 of the **Act**, section 78 of the **National Electricity Law** or any other provision of the **Electricity Law** (and, for the avoidance of doubt, nothing in this contract varies the operation of any such provision);

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- b) the failure to comply arises as a result of the other party's breach of this contract or the **Electricity Law** or (subject to the party's compliance with its relevant obligations under the **Distribution Code**) by a **force majeure event**; or
 - c) you have not complied with clause 9.5.

Paragraphs (a) to (c) above are not exhaustive and do not limit or diminish other reasons why each party may not be liable to the other party under the law.

9.2 Limitation of statutory liability

To the extent permitted by law, all statutory or implied conditions and warranties are excluded from this contract and, to the extent they cannot be excluded, all liability in relation to them is disclaimed to the maximum extent permitted by law.

9.3 Our liability under the Trade Practices Act, etc.

The **Trade Practices Act 1974** and other laws may imply certain terms into contracts that cannot be legally excluded. Any liability we have to you under any such term is limited to the maximum extent permitted by law and, if the law allows, is limited to:

- a) in the case of goods, the supply of equivalent goods or paying you the cost of acquiring equivalent goods (at our option); and
- b) in the case of services, supplying the services again or paying you the cost of acquiring equivalent services (at our option).

9.4 Quality and reliability of supply

You acknowledge that:

- a) the quality and reliability of the supply of electricity to your **supply address** is subject to a variety of factors which may be beyond our control, including but not limited to accidents and emergencies, weather conditions, vandalism, system demand, the technical limitations of our network and the acts of other persons, including customers, electricity generators, transmission companies and system controllers;
- b) we may interrupt or limit the supply of electricity to your **supply address** in accordance with the **Electricity Law**; and
- c) variations in voltage or frequency may cause damage, for example, to appliances or machines **connected** to the electricity supply.

9.5 Taking precautions

If you do not take reasonable precautions to minimise the risk of any loss or damage to your equipment, premises or business which may result from poor quality or reliability of electricity supply then your rights to recover damages may be adversely affected. Reasonable precautions may include, where appropriate, installing surge protection equipment or obtaining a back-up supply. In addition business customers have specific obligations to take precautions under the **Distribution Code**.

10. Other terms

10.1 Notices

- a) Notices (including all communications) from you to us under this contract must be in writing, must identify the customer, the **supply address** and **supply point** and may only be sent by hand, prepaid post or fax to:

United Energy Limited,
PO Box 449
Mt Waverley, Vic. 3149.
Fax: (03) 8846 9999.

or to any other address or fax number that we notify to you for this purpose.

- b) We may serve notices on you by leaving them at your **supply address** by hand, by prepaid post or fax. Where a matter is urgent or affects a significant area or number of customers, we may also advise you of matters affecting you via the mass media (eg newspapers, television or radio) or via our website, e-mail, SMS messaging or IVR call centre recordings.
- c) If a notice is sent by prepaid post, it is taken to be received two business days after it was posted.
- d) Your **retailer** may send you notices under this contract on our behalf.

10.2 Waiver

A failure to exercise or delay in exercising a power or right does not operate as a waiver of that power or right.

The exercise of a power or right does not preclude either its exercise in the future or the exercise of any other power or right.

A waiver is not effective unless it is in writing and is effective only in respect of the specific instance to which it relates and for the specific purpose for which it is given.

10.3 Severability

If any term of this contract is unenforceable, illegal or void then it is severed and the rest of this contract remains in force.

10.4 Law of this contract

The law of Victoria governs this contract.

Schedule 1 - Glossary

- Words appearing in ***bold and italics*** have these meanings in this contract:
- ***Act*** means the **Electricity Industry Act 2000** (Vic).
- ***connect*** has the meaning given to that term in the ***Distribution Code***.
- ***Distribution Code*** means the Electricity Distribution Code issued by the ***Regulator***.
- ***distribution services*** means ***network services, excluded services*** that are not the subject of a separate agreement between you and us and the provision and maintenance of the ***connection*** between our ***distribution system*** and a ***supply point***.
- ***distribution system*** means our distribution network of electric lines and associated equipment.
- ***electrical installation*** means any electrical equipment at a ***supply address*** that is ***connected*** to, but not part of, our ***distribution system***.
- ***Electricity Customer Metering Code*** means the Electricity Customer Metering Code issued by the
- ***Regulator***.
- ***Electricity Law*** means:
 - a) the ***Act***;
 - b) the ***Distribution Code***;
 - c) the ***Electricity Customer Metering Code*** issued by the ***Regulator***;
 - d) the distribution licence issued to us by the Regulator;
 - e) the ***National Electricity Law***;
 - f) the **Electricity Safety Act 1998**;
 - g) the **Essential Services Commission Act 2001**;
 - h) all regulations, orders, determinations, codes and guidelines made under any act listed above; and
 - i) any other law, statute, regulation, proclamation, order, directions, code, tariffs, guideline or standard in relation to electricity supply which can be enforced by law or by the ***Regulator, NEMMCO, VENCORP*** or any other regulatory authority against electricity distributors or customers.
- ***excluded services*** means services that we may provide in relation to your electricity supply or ***connection*** or the ***distribution system*** and that are not subject to ***network tariffs***.
- ***force majeure event*** means an event outside the reasonable control of the distributor or the customer (as the case may be).
- ***National Electricity Code*** means the code of practice for the conduct of the National Electricity Market which is administered by the National Electrical Code Administrator (NECA).
- ***National Electricity Law*** means the **National Electricity (Victoria) Act 1997** (including the National Electricity Law and the ***National Electricity Code***).
- ***NEMMCO*** means National Electricity Market Management Company Limited.
- ***network services*** means the transportation and delivery of electricity to ***supply points*** using our ***distribution system*** and any other services included in our ***network tariffs***.
- ***network tariffs*** means the tariff or tariffs charged by us in accordance with the ***Electricity Law*** for distributing electricity using our ***distribution system*** and the transmission system.
- ***Regulator*** means the Essential Services Commission or any entity assuming the functions of that Commission in respect of electricity distribution.
- ***Retail Code*** means the Electricity Retail Code issued by the Regulator.
- ***retail customer*** has the meaning given to that term in section 40A of the Act.

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- **retailer** means, in relation to a customer, a person that holds, or is exempt from holding, a retail licence under the **Act** and sells electricity at the customer's **supply address**.
 - **Service & Installation Rules** means the Victorian Service & Installation Rules, Code of Practice for the Connection of Electrical Installations to Distribution Companies' Mains 1999, as revised, replaced or amended from time to time.
 - **supply address** means the address where a customer is (or will be) supplied with electricity.
 - **supply point** means the point where electricity being delivered to a **supply address** leaves our **distribution system**.
 - **use of system agreement** means an agreement between us and your **retailer** in respect of the provision of **distribution services** by us to your **retailer** and the provision of certain services by your **retailer** to us.
 - **VENCorp** means Victorian Energy Networks Corporation.