

- (b.) A water-race and or a pipe-line leading from such diverting weir or dam to the power-house hereinafter referred to.
- (c.) A power-house with all necessary equipment, including water-turbines, generators, transformers, lightning-arresters, switchboards, switches, exciters, and other appliances for generating and transforming electricity.
- (d.) Such transmission and other lines, together with such transforming and converting apparatus as may be required to serve the purpose of this license.
7. Notwithstanding anything in the last preceding clause, no work of any nature shall be erected or constructed in pursuance of this license upon, over, or under any part of the Government railways until the licensee has obtained the consent of the Minister of Railways thereto, as required by section 4 of the Government Railways Amendment Act, 1910 (No. 2).
8. (a.) The licensee shall have the right at any time or times during the continuance of this license, with the consent of the Minister, but subject to the payment of compensation for loss, damage, or injury occasioned thereby, to enter upon any road, railway, or other land, whether vested in or occupied by the Crown or any other person or body corporate, and there to construct, erect, lay down, maintain, renew, or repair all such lines, poles, and other things as are required for the purpose of this license.
- (b.) Notwithstanding anything hereinbefore contained the licensee shall not be entitled to erect, maintain, or use any electric line within the Borough of Whangarei or the Borough of Dargaville except subject to such conditions not inconsistent with the provisions of this license as may from time to time be agreed on between the licensee and the Whangarei Borough Council and between the licensee and the Dargaville Borough Council.
9. The licensee shall, before the works hereinafter mentioned are commenced, forward for the approval of the Minister,—
- (a.) Full detailed drawings and specifications of the diverting weir and dam, if any.
- (b.) Drawings showing how and in what manner the water diverted is to be returned to the said stream.
10. The Minister may require any or all of the aforesaid drawings and specifications to be modified or varied in such manner as he thinks fit, if in his opinion they are not suitable for the purposes for which this license is issued, or if in his opinion the works would be dangerous for public safety, and the licensee shall carry out such works in accordance with such modification or variation as the Minister approves.
11. The licensee shall, within six months from the date of the signification of the Minister's approval of the drawings and specifications mentioned in the last preceding paragraph hereof, make a substantial commencement of such works, and shall proceed continuously and energetically with the construction of all such works until they are completed, and such works shall be completed by the licensee within three years from the date of this license; provided, however, that in the event of unavoidable accident or delay the Minister may grant such further time within which the works shall be commenced or completed as in his opinion is just and reasonable in the circumstances.
12. The Inspecting Engineer, both during and after the construction of the works authorized by this license, shall have free access to and liberty at any time to inspect the works so as to insure that the provisions of this license are being given due effect to.
13. After the works required by this license to be constructed by the licensee shall have been completed the licensee shall maintain, or shall cause such works to be maintained, continuously in proper working-order during the continuance of such license, so as to effectually serve the purposes of this license.
14. Notwithstanding anything hereinbefore contained, the right is hereby reserved to His Majesty the King to purchase, at his option, at such price, and on such conditions as may be mutually agreed upon (or, failing such mutual agreement, then by arbitration in the manner prescribed by the Arbitration Act, 1908) this license, together with the whole or any part of the business and undertaking of the licensee, so far as the same relates to or is connected with the exercise of this license, and together with all real and personal property and all rights acquired by the licensee under this license, and used or enjoyed in connection therewith. The said right may be exercised by His Majesty the King at any time during the currency of this license, but the said valuation shall not include any sum in respect of the value of the goodwill of the licensee's business or undertaking, or in respect of the value of the license for the unexpired period thereof or in respect of the value of any Crown land held or occupied by the licensee in connection with the undertaking. On the completion of the purchase His Majesty the King shall be deemed to be the assignee of this license, and all the rights vested in the licensee by the license shall thereupon vest in His Majesty the King:
- Provided that in the event of His Majesty the King exercising his right to purchase the license as aforesaid, His Majesty shall thereupon, if the licensee shall so require, supply the licensee with such quantity of electrical power for the use of the said licensee's manufacturing-works as is equal in quantity to that which the licensee has been using on the average for those works for three years immediately prior to the said purchase, and the charge for such power, shall not exceed the rate which the production of such power has cost the said licensee during that period, plus an amount equal to 5-per-cent. interest on the amount of the purchase-money paid by His Majesty to the licensee, but if any power is sold to any person, corporate body, or company other than the licensee, then and in any such case the licensee shall be charged with interest on such proportion only of the said purchase-money as the quantity of electrical energy sold to the licensee bears to the total sales.
15. The licensee is hereby empowered to take such land under the Public Works Act, 1908, and its amendments (as for a public work) as may in the opinion of the Governor be necessary to enable the licensee to construct, maintain, develop, or carry on the various works authorized by this license. Such land shall be taken in the manner provided by Part II of the Public Works Act, 1908, and for that purpose the licensee shall be deemed to be a local authority within the meaning of that Act: Provided, however, that the Governor shall not issue a Proclamation taking any part of the bed of the said stream, or Crown land, nor shall he issue a Proclamation taking any land until he is satisfied that the licensee is financially able to pay the compensation likely to be due and payable to the owners or lessees of such land; and nothing in this clause shall be deemed to prevent the Governor refusing to issue such Proclamation if in his opinion the proposal to take the land is contrary to the public interest or to the terms of this license.
16. In respect of all land injuriously affected and in respect of all damage done by the exercise of any of the powers conferred upon the licensee by this license, the licensee shall from time to time, as and when any such injury or damage accrues or happens, pay compensation in accordance with the provisions of the Public Works Act, 1908, in the same manner (subject to all necessary modifications) as if such licensee were a local authority and the claim was one for injury or damage arising out of the construction of a public work.
17. Nothing in this license shall be held to cast upon or imply any liability upon His Majesty the King or upon the Government of New Zealand to pay compensation to any person, corporate body, or local authority by reason of the exercise by the licensee of the authority hereby granted; but the licensee shall be liable for any loss or damage which any person, corporate body, or local authority may sustain as the result of the exercise by the licensee of any of the powers granted by this license.
18. The licensee shall, subject to the terms and conditions of this license, supply electrical energy to the Whangarei Borough Council upon the terms and subject to the conditions set forth in the agreement dated the 31st March, 1913, between the Dominion Portland Cement Company (Limited) and Messrs. T. H. Steadman and L. T. Pickmere, acting as a committee of the Whangarei Borough Council (a copy of which agreement is set forth in the Second Schedule hereto) if the said Council shall within three months from the date of this license ratify such agreement under the seal of the Corporation of the said borough.
19. The licensee agrees, when called upon so to do, and upon the local bodies hereinafter mentioned bearing the cost of all necessary transmission-lines, to supply the Dargaville Borough Council and the Whangarei County Council with electricity or electrical energy from the generating-station for street-lighting or public purposes, to the extent in the aggregate of 250 horse-power at a price of not exceeding £9 per horse-power per annum; provided, however, that if at any time or from time to time surplus energy is available the licensee shall, during such time when so required by either or both of the said Councils, supply them with energy amounting in the aggregate but not exceeding 500 horse-power at the price per horse-power hereinbefore mentioned.
20. Subject to the licensee's obligations under the two preceding clauses, the licensee shall supply and sell to any person, company, or corporate body within the area of supply requiring the same for any purpose within that area, any surplus electricity to the extent to which it may be available. Such surplus electricity shall be sold by the licensee to any such person, company, or corporate body applying for the same at a price or rate not exceeding £10 per horse-power per annum; provided that such person, company, or corporate body pays the cost of erecting the necessary