

3. LOCATION OF HEADWORKS.

The said water shall be taken from the said stream at the headworks, situated on the Silverstream Creek on the west bank of the Opihi River at Silverstream, at a point indicated on the plan marked P.W.D. 51250, deposited in the office of the Minister at Wellington, in the Wellington Land District.

4. GENERAL DESCRIPTION OF WORKS.

The licensee is hereby authorized to construct, maintain, and use the following works for the purposes of this license; the position of the said works being indicated on the plans marked P.W.D. 51144 and 51250, deposited in the office of the Minister as aforesaid:—

- (a.) Headworks consisting of a dam and necessary intake.
- (b.) Race and pipe-line leading from such 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 electricity.
- (d.) Such further transmission and other lines within the area of supply as may from time to time be required within such area of supply, and after compliance with the provisions of clause 48 of the regulations.

5. INSPECTION OF WORKS.

The Inspecting Engineer, both during and after the construction of the works, shall have free access to and liberty at any time to inspect the same so as to ensure that the provisions of this license are given due effect to.

6. MAINTENANCE OF WORKS.

After the said works have been completed the licensee shall maintain the same in proper working-order during the continuance of this license.

7. RIGHT TO ENTER LANDS, ETC.

The licensee shall have the right at any time or times during the continuance of this license, with the consent of the Minister, to enter upon any road 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 transmission-lines, poles, or other things as are required for the transmission of electricity between the generating-stations and any of the substations to which this license applies.

8. POWER TO TAKE LAND.

The licensee is hereby empowered to take, under the Public Works Act, 1908, as for a public work such land as may, in the opinion of the Governor-General, be necessary to enable the licensee to construct and maintain the various works authorized by this license.

9. DURATION OF LICENSE.

This license shall, unless sooner determined in accordance with the provisions hereinafter expressed, continue in force for a period of forty-two years from the date hereof. Upon the expiry of the said term, or upon the sooner determination of this license by revocation or otherwise, all rights hereby granted to the licensee shall thereupon cease and determine, but such expiration or determination shall not relieve the licensee of any liability theretofore incurred under this license.

10. RENTAL.

The licensee shall, in respect of this license, pay to the Public Works Engineer for the district, or otherwise as the Minister may from time to time require, a rental at the rate of 1s. per annum per kilowatt of maximum output, as recorded by the wattmeter to be installed by the licensee at the power-house mentioned in clause 4 (c) hereof; payment to be made yearly on the 31st day of March in each year, commencing from the day electrical power is first supplied. For the purpose of this clause "maximum output" means twice the number of units generated in the half-hour during which the output is the maximum for the year. The said period shall be recorded at the end of each half-hour commencing from noon of each day. The minimum rental shall not be less than £10 per annum.

11. GRANTING OF OTHER WATER-RIGHTS.

Nothing herein shall prevent the Governor-General in Council from granting to any person or body corporate other than the licensee a license to take water from any portion of the said stream, except at the place where the licensee is by this license empowered to take it; provided that no such license shall so operate as to reduce the natural fall between the headworks and tail-water, or the volume of the water which the licensee is by this license authorized to take from the said stream.

12. VARIATION IN CONDITIONS OF LICENSE.

The terms and conditions of this license may at any time or from time to time, at the request or with the consent in writing of the licensee, be altered by the Governor-General by Order in Council.

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13. SURRENDER OF LICENSE.

The licensee may at any time, with the consent of the Minister, surrender this license, and shall thereupon, if so required by the Minister, remove from the ground all removable equipment, machinery, buildings, poles, transmission-lines, and other plant herein authorized to be installed or provided. If the licensee fails or neglects so to remove the said plant within twelve months after being required so to do, such equipment, machinery, buildings, poles, lines, and other plant shall, without payment or compensation, vest in and become the property of the Crown.

14. CHARGES FOR ELECTRICAL ENERGY.

The charges for electrical energy shall not exceed 1s. per unit for lighting purposes, and 6d. per unit for motor-power, heating, or cooking purposes; provided that "lighting purposes" shall include the operation of motor generators for lighting purposes; and provided further that if accounts are paid within fourteen days of due date the charges shall not exceed 9d. per unit for lighting purposes and 4½d. per unit for motor-power, cooking, or heating purposes.

15. AREA OF SUPPLY.

The area of supply comprises the Fairlie and Opuha Ridings of the Mackenzie County as at present constituted, and as shown by means of a distinctive-coloured red border on the plan marked P.W.D. 51250, deposited in the office of the Minister at Wellington, in the Wellington Land District.

16. SYSTEM OF SUPPLY.

The system of supply shall be as described in paragraph (c) of clause 3 of the regulations.

The generating voltage shall be approximately 400 volts between the terminals.

17. DATUM TEMPERATURE.

For the purposes of calculating stresses as provided in clause 15 of the regulations, the datum temperature shall be taken as 20 degrees Fahrenheit.

18. COMPENSATION PAYABLE FOR LAND INJURIOUSLY AFFECTED, ETC.

In respect of all land injuriously affected, and in respect of all damages 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.

19. CROWN NOT LIABLE TO PAY COMPENSATION.

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.

20. CONSUMERS ENTITLED TO SUPPLY.

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, electricity to the extent to which it may be available; provided that such person, company, or corporate body pays the cost of connecting his or its premises with the transmission-line erected by the licensee in pursuance of this license, or alternatively pays a line rental at a rate not exceeding 15 per cent. on the cost of such connecting line together with any additional transmission-line required to supply such person, company, or corporate body.

21. BED OF STREAM NOT LEASED.

Nothing herein shall be held to constitute a lease from the Crown of the bed of the said stream, nor shall the provisions of Part IX of the Property Law Act, 1908, apply to this license.

22. CONTRACT BETWEEN LICENSEE AND CROWN.

This license shall be deemed to constitute a contract as between the licensee and His Majesty the King, and may be enforced as a contract by and against His said Majesty or the licensee accordingly.

23. TIME FOR SUBSTANTIAL COMPLETION OF WORKS.

The licensee shall substantially complete the works hereby authorized within a period of one year from the date of this license, or within such further time as the Minister may allow in the event of the work being delayed by strikes, lockouts, breakdowns, or other unavoidable causes not due to any neglect by the licensee.