

6. 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.

7. MAINTENANCE OF WORKS.

The licensee shall maintain the works used under this license in proper working-order during the continuance of such license.

8. 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, subject to such conditions as he may think fit to impose, 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 and maintain the various works authorized by this license.

9. 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.

10. 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.

11. 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 powerhouse 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 and recorded in the half-hour during which the output is the maximum for the year. Wattmeter readings shall be recorded half-hourly throughout each day. The minimum rental shall not be less than £10 per annum.

12. 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 river, 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 river.

13. 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.

14. 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, 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 and other plant shall, without payment or compensation, vest in and become the property of the Crown.

15. 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 charge shall not exceed 9d. per unit for lighting purposes and 4½d. per unit for motor-power, cooking, and heating purposes.

In the case of wholesale supply the charges shall not exceed £16 per kilovolt-ampere per year plus ½d. per unit. Wholesale supply for this period shall be held to be a supply in respect

of which the consumer shall guarantee to pay not less than £180 per annum.

16. 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.

17. 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.

18. BED OF RIVER NOT LEASED.

Nothing herein shall be held to constitute a lease from the Crown of the bed of the river shown on the aforesaid plan marked P.W.D. 62751, nor shall the provisions of Part IX of the Property Law Act, 1908, apply to this license.

19. 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.

20. FINES.

If the licensee fails or neglects—

- (a.) To use or maintain the said works, after completion, so as to secure the full benefit of the undertaking; or
- (b.) To observe any of the conditions or obligations herein imposed,—

then and in any such case the licensee shall be liable to a fine of £50 for every week or part of a week during which such default or neglect continues; or the Governor-General may by Order in Council revoke this license.

21. SERVICE OF NOTICE.

Notwithstanding anything in the last preceding clause, this license shall not be revoked, and no proceedings shall be taken for the recovery of a fine in respect of the breach thereof, unless and until notice in writing of the intention so to revoke the license or to take such proceedings has been served upon the licensee, or placed upon some principal or conspicuous part of the works, and default has been made by the licensee in repairing or remedying the breach or breaches specified in the said notice for the following periods:—

- (a.) For any breach which in the opinion of the Governor-General can be met by a fine, for thirty days after the service of such notice.
- (b.) For any breach which in the opinion of the Governor-General is of such a nature as to require the revocation of this license, for ninety days after the service of such notice.

22. ASSIGNMENT.

This license and the benefits and obligations thereunder shall not be assigned or delegated by the licensee without the express consent in writing of the Governor-General in Council first had and obtained, upon such terms and conditions as he shall approve; but such consent shall not be withheld if it is proved to the satisfaction of the Minister that the transferee is financially and otherwise able to carry out the obligations specified under the license.

23. GOVERNOR-GENERAL'S DECISION FINAL.

The Governor-General shall be the sole judge of the fact whether the requirements of these regulations have been complied with; and he may from time to time cause inquiry to be made into any matter connected therewith or arising hereunder, in such manner as he thinks fit, and his decision shall be final, and the licensee shall comply with such decision: Provided always that this clause shall not affect the right of any person, corporate body, or local authority in cases of damage or injury for which an action by such person, corporate body, or local authority may lie against the licensee.

F. D. THOMSON,
Clerk of the Executive Council.