

13. SYSTEM OF SUPPLY.

Electrical energy shall be received in bulk from the Public Works Substations at Mamaku and Ngongotaha, and shall be distributed in accordance with the system described in paragraph (e) of clause 5 of the regulations. The licensee is also authorized to distribute electrical energy generated in its own stations at Okere and Rotorua.

14. DATUM TEMPERATURE.

For the purposes of calculating stresses as provided in clause 108 of the regulations, the datum temperature shall be taken as 20 degrees Fahrenheit.

15. EXPIRY OF LICENSE.—CROWN MAY TAKE OVER WORKS OR ALLOW LICENSEE TO REMOVE BUILDINGS, ETC.

Upon the expiration of the term of the license hereby granted, the following provisions shall apply:—

(a) His Majesty the King may take over and use the whole of the works hereby authorized, including all structures, buildings, equipment, machinery, plant, and land, hereinafter in this clause called "the works," on payment by him to the licensee of the then value of the works. The price to be paid under this clause shall be fixed by mutual agreement or, failing that, by arbitration under the Arbitration Act, 1908; or

(b) The Governor-General may, at his option, by Order in Council, grant to the licensee a new license for a further period of forty-two years, subject to such terms, conditions, and payment of rental as may then be imposed by him; or

(c) If His Majesty the King does not elect to take over the works under subclause (a), or the Governor-General declines to issue a further Order in Council under subclause (b) hereof, the licensee may, within such time and subject to such conditions as the Minister may then impose, remove all structures, buildings, equipment, machinery, and plant erected or installed by the licensee under the powers conferred by this license. If the licensee fails or neglects to effect such removal within the time or subject to the conditions imposed by the Minister, such structures, buildings, equipment, machinery, and plant shall, without payment of any compensation, vest in and become the property of His Majesty the King.

16. PURCHASE OF INSTALLATION BY ELECTRIC-POWER BOARD.

Subject to the provisions of the Electric-power Boards Act, 1925, or any Act passed in amendment thereof or in substitution thereof, and provided the licensee shall have legal power to comply with the requirements of this clause, any Electric-power Board duly constituted in terms of the aforesaid Acts, if its district or outer area shall include the area of supply hereinbefore described, shall have the right at any time during the currency of this license, to purchase and take over the licensee's installation in the said area of supply, at a valuation to be agreed upon between the Board and the licensee, and failing such agreement, at a valuation to be fixed by a single arbitrator to be appointed pursuant to the provisions of the Arbitration Act, 1908, and thereupon the Governor-General may by Order in Council revoke this license.

17. 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, 1928, 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.

18. 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.

19. INTERCHANGE OF SUPPLY OF ELECTRICAL ENERGY.

(a) In the event of the Minister establishing a hydro-electric-power scheme outside the area of supply of a frequency of 50 cycles per second on the three-phase alternating-current system, he may require the licensee to connect that system

with the licensee's electrical system in such a manner that an interchange of electrical energy between the two systems may be made from time to time and when required by either the licensee or the Minister, up to at least one-half of the total capacity of the plant installed at the licensee's power-house.

(b) The licensee shall erect and maintain in good order, at the expense of the licensee, the necessary transmission-lines between the licensee's power-house and a point on the boundary of the area of supply to be determined by the Minister, such point being not more than half a mile from some transmission-line of the licensee.

(c) The Minister shall erect and maintain in good order, at the expense of the Minister, the necessary transmission-lines outside the area of supply for the purpose of connecting the two systems at the point last mentioned in subclause (b) hereof.

(d) The licensee and the Minister respectively shall, on demand, and from time to time as and when required, supply to each other so much of the surplus electrical energy as is then required and is available, but not in excess of one-half of the capacity of the plant installed in the licensee's power-house.

(e) The price to be paid by the licensee or the Minister shall not exceed $\frac{1}{4}$ d. per unit; to be measured in each case at the point last mentioned in subclause (b) hereof.

(f) For the purpose of this clause either the licensee or the Minister may have the unit measured in kilovolt-ampere hours instead of kilowatt hours.

20. BED OF RIVER NOT LEASED.

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

21. 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.

22. 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 the said river, except at the place where the licensee is by this license empowered to take it.

23. DEFAULT.

If the licensee fails or neglects to observe any of the conditions or obligations imposed by this license, then, and in any such case, the provisions of clause 229 of the regulations shall apply to the breach of any such condition or obligation.

24. VARIATION IN CONDITIONS OF LICENSE.

The terms and conditions of this license may at any time or from time to time, if found necessary and if duly agreed upon between the licensee and the Governor-General in Council, be altered by the Governor-General by Order in Council, whereupon all the terms and conditions in this license contained (save and except as they may have been so altered or modified by such alteration) shall, *mutatis mutandis*, apply to such alterations as if the latter had formed part of this license as originally issued.

25. 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 of any compensation, vest in and become the property of the Crown.

26. DISFIGUREMENT OF NATURAL FEATURES.

The licensee shall not unnecessarily cause serious disfigurement from a scenic point of view, and shall use all precautions to preserve the scenic attractions of the neighbourhood.

27. PROTECTION OF BIRDS AND WILD ANIMAL LIFE.

The licensee or its assigns shall not do or permit any of their agents, servants, officers, or workmen to do anything in pursuance of this license which may cause the destruction of birds or any forms of wild animal life.