

lighting, heating, or other uses within that portion of the Grey Electric-power District (as at present constituted) as shown on plans marked P.W.D. 61807 and 61808 (hereinafter referred to as "the said plans"), and deposited in the office of the Minister of Public Works at Wellington, such electric lines at present proposed to be used being indicated on the said plans by white lines. Nothing herein shall be held to guarantee that the said river contains sufficient water to supply the volume of water hereinbefore referred to; and all rights hereby granted shall be subject to all existing rights heretofore granted under the Mining Acts or otherwise.

SCHEDULE.

1. PLANS.

THE licensee shall forward to the Minister of Public Works (hereinafter referred to as "the Minister")—

- (a) Full detailed drawings and specifications of the diverting weirs;
- (b) Drawings showing how and in what manner the water diverted is to be returned to the said river;
- (c) Contour-plans showing difference in level of water due to the construction of the headworks;
- (d) Drawings giving full particulars of any tunnels, aqueducts, and pipe-lines used in conveying the water from the headworks to the power-station.
- (e) Drawings showing the arrangement of the generating, switching, and transforming plant in the power-station.

2. UTILIZATION OF THE WATER.

The said water (less such volume of water as is otherwise authorized to be used for mining purposes) shall be used solely for the purpose of generating electricity, and the whole of such water shall be conveyed to the Arnold River at or near the power-house.

3. LOCATION OF HEADWORKS.

The said water shall be taken from the said river at the headworks as indicated on plan marked P.W.D. 74931.

4. GENERAL DESCRIPTION OF WORKS.

The licensee is hereby authorized, subject to the conditions herein contained, to construct, maintain, and use the following works for the purposes of this license, the position of the said works being indicated on the said plan P.W.D. 74931.

- (a) Headworks consisting of weirs and necessary intakes;
- (b) Races, penstocks, and pipe-lines leading from such weirs to the power-house hereinafter referred to; also tail-race from the power-house to the Arnold River;
- (c) Power-house with all necessary equipment, including water-turbines, generators, transformers, lightning-arresters, switchboards, switches, exciters, and other appliances for generating electricity;
- (d) Transmission and other lines over the routes shown on the plans P.W.D. 61807 and 61808 after compliance with the provisions of clause 18 hereof;
- (e) Such further transmission and other lines within the area of supply as may from time to time be required within such area of supply. Any extensions or alterations of lines pursuant to this paragraph shall be made only after compliance with the provisions of clause 21 of the regulations.

5. MAINTENANCE OF WORKS.

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

6. DURATION OF LICENSE.

This license shall, unless sooner determined in accordance with the provisions hereinafter expressed, continue in force for a period of thirty 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.

7. 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 2s. 6d. per annum per kilowatt of maximum output, as recorded by the watt-hour meter to be installed by the licensee at the power-house; payment to be made yearly on the 31st day of March in each year, the first payment to be made on the 31st day of March, 1935. 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. Watt-hour-meter readings shall be recorded half-hourly throughout each day, but if generating-station is operated part time unattended, then the watt-hour meter shall be fitted with a maximum demand indicator. The minimum rental shall be £10 per annum.

8. 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 authorize any such person or body corporate 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.

9. VARIATION IN CONDITIONS OF LICENSE.

The terms and conditions of this license may 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.

10. SURRENDER OF LICENSE.

The licensee may at any time, with the consent of the Minister, surrender this license, and shall thereupon remove from the ground (if so required by the Minister) 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 compensation, vest in and become the property of the Crown.

11. SYSTEM OF SUPPLY.

The system of supply shall be as described in paragraph (e) of clause 5 of the Electrical Supply Regulations, 1927.

The generating voltage shall be approximately 3,300 between phases and transformed to 33,000 volts for transmission. Primary distribution voltage shall be approximately 11,000 volts between phases.

12. CHARGES FOR ELECTRICAL ENERGY.

The charges for electrical energy shall not exceed 1s. per unit for lighting purposes (including the operation of motor-generators for lighting purposes), and 6d. per unit for motor-power, heating, or cooking purposes: Provided that, if accounts be paid within fourteen days of due date the charges shall not exceed 9d. per unit for lighting and 4½d. per unit for motor-power, heating, or cooking. In the case of wholesale supply the charge shall not exceed £16 per kilovolt-ampere per annum, plus ½d. per unit. "Wholesale supply" for this purpose shall be held to be a supply in respect of which the consumer shall guarantee to pay not less than £180 per annum. Supply may be given to wholesale consumers at 11,000 volts.

Notwithstanding anything in the foregoing provisions of this clause, if not less than 25 per centum of the consumers at any time represent to the Minister that the licensee is charging for the supply of electrical energy at a rate which is returning an excessive profit, after allowing for the creation of a reasonable reserve fund, the Minister shall have power to cause such inquiry and investigation of the licensee's books and accounts as he may deem necessary; and if, after such inquiry and investigation, he is of opinion that unreasonably high profits are being made, having regard to all surrounding circumstances and conditions and to the nature of the undertaking, the Governor-General may, on the recommendation of the Minister, from time to time reduce or otherwise amend the rates permitted to be charged to consumers under this license.

13. INTERCHANGE OF SUPPLY OF ELECTRICAL ENERGY.

(1) In the event of the Minister establishing within or outside the area of supply a hydro-electric-power scheme 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 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.

(2) 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, to be determined by the Minister, not beyond the boundary of the area of supply.