

Summary

This document comprises the Relocation Deed template.

TransGrid publishes this information under clause 5.2A.5 of the National Electricity Rules.

Document Control

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Disclaimer and important notice

This document and the information in it is for general guidance only and may be subsequently updated or amended.



TransGrid
Infrastructure

Relocation Deed [Customer project name]

NSW Electricity Networks Operations Pty Ltd (ACN 609 169 959) as trustee for the NSW Electricity Networks Operations Trust (ABN 70 250 995 390) trading as TransGrid

[Customer name] (ABN [Customer ABN])

[Date]

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AGREEMENT MADE AT SYDNEY ON [DATE]

PARTIES **NSW Electricity Networks Operations Pty Ltd** (ACN 609 169 959) as trustee for the NSW Electricity Networks Operations Trust (ABN 70 250 995 390) trading as TransGrid of Level 1, 180 Thomas Street, Sydney NSW 2000 ("**TransGrid**")

[**Customer name**], (ABN [Customer ABN]) of [Customer address] (the "**Customer**")

Background

- A. TransGrid builds, owns, operates and manages a high voltage electricity network in New South Wales.
- B. The Customer has requested the Relocation Works to be performed and TransGrid has agreed to undertake the Relocation Works in accordance with the terms and conditions set out in this Agreement.
- C. The existing TransGrid transmission line known as line number [xx] is located in the vicinity of [xx]. To achieve its objectives, the Customer requires a section of TransGrid's line number [xx] to be relocated.
- D. The Relocation Works are not scheduled as part of TransGrid's regulated program and TransGrid is only undertaking the Relocation Works at the Customer's request.
- E. TransGrid will use best endeavours to deliver the Relocation Works by the Target Completion Date but is not liable in any way whatsoever under this Agreement for the late delivery of the Relocation Works. The Customer will pay TransGrid the Completion Bonus in accordance with clause 9.3 if TransGrid completes the Relocation Works by the Target Completion Date.

The parties agree

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"**Additional Costs**" means all costs incurred by TransGrid arising out of or in connection with an extension of the Target Completion Date in accordance with clause 6.3(a).

"**Adjustment Costs**" means those amounts owed to TransGrid resulting from:

- (a) Additional Costs; and/or
- (b) Increased Scope Costs,

in accordance with clause 9.2 ("Adjustment Costs").

"**AEMO**" means Australian Energy Market Operator Limited.

"**AER**" means the Australian Energy Regulator.

"**All Customer Projects Dispatch Interval Count**" means the total number of Qualifying Dispatch Intervals that are associated with all project work undertaken by TransGrid across all customers during the 2018 calendar year. This count is equal to the Qualifying Relocation Dispatch Interval count (which is related to this project), plus the total count of all other Qualifying Dispatch Intervals which are associated with any other customer project undertaken by TransGrid during the 2018 calendar year. [This will need to be updated every calendar year. Please ensure this is current throughout the agreement].

"Applicable Law" means any direction or determination by the AER, the NEL, the Rules and any other legislation, rules, regulations, codes, directives, licence conditions or other regulatory instruments which are directly or indirectly binding on or are expressed to apply to TransGrid or the Customer and relate to the Relocation Works.

"Authorisation" means:

- (a) any consent, authorisation, registration, filing, lodgement, agreement, notarisation, certificate, permission, licence, approval, declaration, permit, ruling, statutory required policy of insurance, authority or exemption from (and any renewal or variation of any of them), by or with an Authority; or
- (b) in relation to anything which will be fully or partly prohibited or restricted by law if an Authority intervenes or acts in a way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action,

"Authority" means any government, governmental, semi-governmental or judicial entity or authority, including any self-regulatory organisation established under statute.

"Business Day" means a day that is not a Saturday, Sunday or public holiday in Sydney.

"Collar Exceedance Dispatch Interval Count" means the total number of Qualifying Dispatch Intervals that exceed the Qualifying Dispatch Interval Collar value in 2018. If TransGrid's total count of Qualifying Dispatch Intervals does not exceed the Qualifying Dispatch Interval Collar value in 2018, then the Collar Exceedance Dispatch Interval Count is zero. This value is determined by the AER as part of the 2018 TransGrid Service Target Performance Incentive Scheme (STPIS) ruling expected to be published in April 2019.

"Confidential Information" means:

- (a) the terms of this Agreement but not the existence of it;
- (b) any information, data, documents or other material that is supplied directly to or received directly by one party from the other pursuant to this Agreement; and
- (c) any report, decision or determination (draft or final) of any expert appointed under clause 14 ("Dispute resolution").

"Commencement Date" means the date on which this Agreement is executed.

"Complete" means the day the Relocation Works are completed as notified by TransGrid to the Customer in accordance with clause 6.7 and the term "Completion" has a corresponding meaning.

"Completion Bonus" means \$XX.

"Completion Date" has the same meaning as contained in clause 6.7.

"Construction Access Rights" mean:

- (a) access (in and out) to the land the subject of New Easement Area;
- (b) access (in and out) to the land the subject of Existing Easements area; and
- (c) reasonable access (in and out) to the Site as per Schedule 1 and any other areas related to the construction of the Relocation Works,

to enable TransGrid to perform the Relocation Works or comply with the obligations under this Agreement, including obtaining any required consents or approvals from third parties for such access.

"**Contract Sum**" means the lump sum price submitted by TransGrid (exclusive of GST), being \$ [REDACTED] plus any adjustments, variations or increases to the "Contract Sum." The Contract Sum shall be invoiced on completion of each of the milestones and in accordance with the Milestone Schedule.

"**Contract Works Insurance**" means insurance covering the Relocation Works against the usual works and construction risks including physical loss, destruction or damage, for their full reinstatement and replacement value.

"**Contractor**" means a contractor and any sub-contractor engaged by TransGrid to undertake the Relocation Works.

"**Coordination Committee**" means the committee established under clause 7.1.

"**Credit Support**" has the meaning given in clause 3.1(a).

"**Customer Entities**" means the Customer and any of its Related Bodies Corporate.

"**Cut-Over Works**" means all works, effort, resources and things necessary to:

- (a) de-energise and disconnect each Existing Transmission Line from TransGrid's Transmission Network; and
- (b) connect the Relocated Transmission Line to TransGrid's Transmission Network, including: testing, commissioning and energising the Relocated Transmission Line so that it is capable of conveying electricity through the line.

"**Default Rate**" means the Interest Rate plus a margin of 2.5%.

"**Directive**" means any present or future requirement, instruction, direction or order of an Authority (whether formal or informal) which is binding on, or expressed to apply to TransGrid or relates directly or indirectly to the design, construction, operation or maintenance of the TransGrid Transmission Network or the Relocation Works.

"**Easement Costs**" means the following third party costs, charges and expenses associated with the New Easements, any other easements needed for the Relocation Works and the surrender of the Existing Easements:

- (a) any compensation which is:
 - (i) agreed to be paid; and/or
 - (ii) ordered to be paid by the Land and Environment Court in proceedings brought under section 67 of the *Land Acquisition (Just Terms Compensation) Act 1991*(NSW),

to a person to obtain an easement which is required for the Relocation Works; and all other costs including but not limited to:

- (i) survey costs;
- (ii) legal costs;
- (iii) statutory registration fees;

- (iv) stamp duty; and
- (v) all costs of the MHC which TransGrid is required to reimburse the MHC.

"**Existing Easements**" means the existing easements in favour of, for the benefit of or over which TransGrid has the enjoyment of, relating to each Existing Transmission Line shown in Schedule 1 – The Site.

"**Existing Transmission Line**" means [insert, for example: the electrical conductors, insulators, optical power ground wire, steel lattice towers, monopoles, earth grids, footings] and all other things comprising either of the existing [xx] transmission line located on and around the Site generally shown in Schedule 1 – The Site.

"**Expert**" means an independent expert engaged for the purpose of resolving a dispute under this Agreement.

"**Extension Event**" has the meaning given to that term in clause 6.3(a).

"**Force Majeure Event**" has the meaning given to that term in clause 16.1(a).

"**Good Electricity Industry Practice**" has the meaning given in the Rules.

"**Increased Scope Costs**" means all costs incurred by TransGrid arising out of or in connection with any variation to the Scope of Works as requested by the Customer under clause 6.4(a) or which TransGrid is entitled to under clause 6.4(b).

"**Insolvency Event**" means:

- (a) a person informs the other party in writing, or its creditors generally, that the person is insolvent or is unable to proceed with the agreement for financial reasons;
- (b) execution is levied against a person by a creditor;
- (c) notice is given of a meeting of creditors with a view to a corporation entering into a deed of company arrangement;
- (d) a corporation enters a deed of company arrangement with its creditors;
- (e) a controller, administrator, receiver, receiver and manager, provisional liquidator or liquidator is appointed to a corporation;
- (f) an application is made to a court for the winding up of a corporation and not stayed within 10 Business Days;
- (g) a winding up order is made in respect of a corporation;
- (h) a corporation resolves by special resolution that it be wound up voluntarily (other than for a members' voluntary winding up); or
- (i) a mortgagee of any property of a corporation takes possession of that property.

"**Interest Rate**" means, in relation to a particular day, the Overdraft Index Rate applied that day by the Commonwealth Bank of Australia (ACN 123 123 124) (which rate is published at <https://www.commbank.com.au/business/rates-fees.html>). If the bank stops publishing that rate, then it means an equivalent rate used on that day by the Commonwealth Bank of Australia at which it lends money to its corporate customers.

"**Latent Conditions**" means any physical conditions on the Site (including any surface or sub-surface conditions) which differ materially from the physical conditions which should have reasonably have been anticipated by TransGrid as at the Commencement Date, having regard to TransGrid's investigations in relation to the Site and prior to the Commencement Date.

"**Market Impact Payment**" means the STPIS Upfront Payment as adjusted by the STPIS Adjustment Payment, payable under clause 9.5 ("TransGrid's Service Target Performance Incentive Scheme – Market Impact Payment").

"**MHC**" means the Electricity Ministerial Holding Corporation.

"**Milestone Payments**" means the payments referred to in Schedule 3 – Milestone Schedule.

"**Milestone Schedule**" means the schedule set out in Schedule 3 – Milestone Schedule.

"**Motor Vehicle Insurance**" means comprehensive motor vehicle insurance (including insurance against a liability to a third party for property damage) and insurance against a liability to a third party for personal injury (as required under statute), for all motor vehicles used by the Contractor at any time in connection with the Relocation Works.

"**National Electricity Law**" or "**NEL**" means the 'National Electricity Law' set out in the Schedule to the *National Electricity (South Australia) Act 1996 (SA)* as it applies to New South Wales.

"**New Easements**" means the easements to be granted to TransGrid or the MHC for the Relocated Transmission Lines over those parts of the New Easement Area owned by the Customer, the Customer Entities, the Commonwealth of Australia, New South Wales Crown Lands and any other third party landowner, on the terms and conditions set out in Schedule 2

"**New Easement Area**" means the corridor of land which is the subject of the New Easements, the width of which must be at least 30 metres either side of the centre of each transmission line, or as otherwise provided by TransGrid.

"**Operational Requirements**" means all directions, instructions, notices and requirements of the Principal Contractor in connection with or related to the performance, compliance and discharge of the Principal Contractor's duties, functions and obligations under the *Work Health and Safety Regulation 2011 (NSW)* and *Work Health and Safety Act 2011 (NSW)*.

"**Outage**" means full or partial unavailability of the Existing Transmission Line or the Relocated Transmission Line.

"**Outage Plan**" means a plan for the management of Outages required to perform the Cut-Over Works and any other Relocation Works that require an Outage for their completion, which plan must contain information about the proposed number, duration and timing of Outages.

"**Outage Principle**" means the number, duration and timing of Outages are, using Good Electricity Industry Practice, to be minimised to the greatest extent possible to reduce the Customer's exposure and liability to payments under clause 9.5 ("TransGrid's Service Target Performance Incentive Scheme – Market Impact Payment").

"**Plant and Equipment Insurance**" means insurance covering such plant or equipment belonging to, hired to or otherwise in the care, custody or control of the Contractor for use in connection with the Relocation Works.

"**Policy Sub Limits**" means limits in excess of:

- (a) professional fees: \$10,000,000 any one occurrence;

- (b) removal of debris: \$20,000,000 any one occurrence;
- (c) temporary Protection and/or Government Expenses: \$10,000,000 any one occurrence;
- (d) expediting expenses: \$15,000,000 any one occurrence;
- (e) claims preparation costs: \$250,000 any one occurrence;
- (f) extra cost of reinstatement: \$10,000,000 any one occurrence;
- (g) inland transit: \$5,000,000 any one occurrence;
- (h) escalation limit: 15% of the sum insured;
- (i) loss prevention: \$5,000,000 any one occurrence; and
- (j) materials stored offsite: \$5,000,000 any one occurrence.

"**Possession of the Site**" means the date contained in Schedule 3 – Milestone Schedule for which the Customer is to provide access to site so that TransGrid can commence the Relocation Works.

"**Pre-Extinguishment Activities**" means [XXXXX]. [eg clearance of materials, rubbish, spillage and/or wreckage]

"**Principal Contractor**" has the same meaning prescribed to that term in the Work Health and Safety Regulation 2011 (NSW).

"**Professional Indemnity Insurance**" means insurance covering liability howsoever arising in connection with the provision of any professional services provided by the Contractor to TransGrid relating to the design of the Relocated Transmission Line.

"**Project Approvals**" means the items listed in Schedule 6.

"**Public Liability Insurance**" means insurance covering legal liability for:

- (a) damage to any real or personal property, including third party property; and
- (b) injury to, or death of, any person,

arising out of the performance of the Relocation Works.

"**Qualifying Dispatch Interval**" means any "dispatch interval" having the meaning in the Rules where an outage on TransGrid's Transmission Network results in a "network outage constraint" with a "marginal value" absolute value greater than \$10/MWh (as each of those concepts is defined in Appendix C of the STPIS Guideline, and where more than one "network outage constraint" with a "marginal value" absolute value greater than \$10/MWh occurs in one "dispatch interval", each is treated as a separate Qualifying Dispatch Interval, but excluding any dispatch interval that is excluded because of one of the exclusions listed in Appendix C of the STPIS Guideline, as determined and verified in writing by the AER.

For example: where an outage occurs from 9am to 2pm and causes a network outage constraint with a marginal value of \$11/MWh from 12pm to 1pm and a separate network outage constraint with a marginal value of \$12/MWh from 12:30pm to 1pm (and none of the exclusions in Appendix C of the STPIS Guideline applies), there are 18 separate Qualifying Dispatch Intervals (12 resulting from the first network outage constraint and six resulting from the second network outage constraint).

"**Qualifying Dispatch Interval Actual Penalty**" means the financial penalty per Qualifying Dispatch Interval as determined by the AER as set out in the STPIS Guideline, in accordance with clause 4.2(j) of the AER published guideline for Service Target Performance Incentive Scheme for transmission network service providers (version 5).

"**Qualifying Dispatch Interval Collar**" means the total number of Qualifying Dispatch Intervals, if accumulated by TransGrid in 2018, that will result in any additional Qualifying Dispatch Intervals in 2018 not having a financial impact on TransGrid.

"**Qualifying Outage**" means any period during which an Existing Transmission Line is not available, understood to be when a TransGrid network asset is taken out of service as determined by TransGrid at its sole discretion.

"**Qualifying Relocation Dispatch Interval**" means a Qualifying Dispatch Interval caused by a Qualifying Relocation Outage.

"**Qualifying Relocation Outage**" means a Qualifying Outage of an Existing Transmission Line caused by the Relocation Works.

"**Related Body Corporate**":

- (a) in the case of TransGrid, means NSW Electricity Networks Assets Pty Limited (ACN 609 169 922) as trustee for the NSW Electricity Networks Assets Trust and each of their respective related bodies corporate (within the meaning of limb (b) below); and
- (b) otherwise, in the case of either party, has the meaning given in the *Corporations Act 2001* (Cth), but on the basis that "subsidiary" has the meaning given to Subsidiary in this Agreement and that "body corporate" includes a trust, a partnership or similar vehicle that is used for collective investment by investors or members.

"**Relocated Transmission Line**" means all the electrical conductors, insulators, optical power ground wire, steel lattice towers, monopoles, earth grids, footings and all other things to be constructed on the New Easement Area, in accordance with the Scope of Works, [for a distance of approximately 9km] in order to provide the equivalent electrical functionality as each Existing Transmission Line and generally in accordance with Good Electricity Industry Practice.

"**Relocation Works**" means the relocation of the Existing Transmission Line to the New Easement Area in accordance with the Scope of Works.

"**Rules**" means the 'National Electricity Rules' as defined in the National Electricity Law.

"**Scope of Works**" means the scope of works as set out in Schedule 4 (as amended from time to time), describing the activities and work TransGrid has agreed to undertake to relocate the Existing Transmission Line.

"**Security Amount**" means \$XXXX.

"**Site**" means Customer site located at XX and shown generally in Schedule 1 – The Site.

"**Statutory Requirements**" means:

- (a) acts, ordinances, regulations, by laws, orders, awards and proclamations of New South Wales or the Commonwealth of Australia, including, without limitation those relating to its activities, industrial relations and environment including:

- (i) the *Work Health and Safety Act 2011* (NSW) and the *Work Health and Safety Regulation 2011* (NSW); and
- (ii) the *Protection of the Environment Operations Act 1997* (NSW);
- (b) certificates, licences, consents, permits, approvals and requirements of government departments, agencies or other organisations having jurisdiction in connection with the performance of the Relocation Works, including, without limitation the Project Approvals;
- (c) the requirements of the NSW Department of Resources and Energy (including safety alerts issued by the NSW Department of Resources and Energy); and
- (d) any environmental impact statement or environmental assessment, approved under the Environmental Planning and Assessment Act 1979 (NSW), relating to the relocation of the TransGrid Transmission Lines and the use of the Site.

"**STPIS Guideline**" means the Service Target Performance Incentive Scheme applying to TransGrid as developed and published by the AER in accordance with clause 6A.7.4 of the Rules and published by the AER in October 2015 as it is subsequently updated and/or amended from time to time, as well as the relevant parts of the TransGrid Transmission Determination made by the AER for the 2015-18 regulatory period or other subsequent transmission determinations made by the AER for TransGrid.

"**STPIS Adjustment Payment**" has the meaning given in clause 9.5(c).

"**STPIS Upfront Payment**" has the meaning given in clause 9.5(b).

"**Subsidiary**" has the meaning given to "subsidiary" in the *Corporations Act 2001* (Cth), amended as necessary such that:

- (a) a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share; and
- (b) a body corporate or trust may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a body corporate.

"**Target Completion Date**" means the date referred to as the final Milestone, as contained in Milestone Schedule or unless adjusted under clause 6.3 ("Adjustments to Target Completion Date").

"**Term**" means the term of this Agreement specified in clause 2.1.

"**TransGrid Works Approvals**" means obtaining:

- (a) any required road crossing consents, approvals, permits and agreements from the Roads and Maritime Services; and
- (b) any other consents, approvals and permits necessary to perform the Relocation Works, other than the Project Approvals.

"**Transit Insurance**" means insurance (including wet marine insurance) covering materials, components and things which are to be incorporated in the Relocation Works.

"**Trust**" means the NSW Electricity Networks Operations Trust ABN 70 250 995 390.

"**Trustee**" means the trustee of the Trust.

"Workers Compensation Insurance" means workers compensation insurance as required by law to cover liability arising out of death or injury to persons employed (or deemed to be employed) by the person taking out the relevant insurance, including liability under statute and common law.

1.2 General interpretation

In this Agreement unless the contrary intention is specifically expressed:

- (a) italicised words and phrases *like this* have the meaning ascribed to them in the glossary which comprises chapter 10 of the Rules. If a word in italics is no longer defined in the Rules, it will have the meaning last assigned to it by the Rules until the parties otherwise agree.
- (b) a reference to a recital, clause, paragraph, schedule or attachment is a reference to a recital, clause or paragraph of or schedule or attachment to this Agreement and references to this Agreement include any schedule or attachment;
- (c) a reference to this Agreement, any other agreement, deed or instrument or any provision of any of them includes any amendment, variation or replacement of that agreement, deed, instrument or provision;
- (d) a reference to a statute, ordinance, licence, code or other law includes regulations and other instruments under, and consolidations, amendments, re-enactments, extensions or replacements of that statute, ordinance, licence, code or law;
- (e) a reference to a thing (including an amount) is a reference to the whole and each part of it;
- (f) the singular includes the plural and vice versa;
- (g) the word "person" includes a natural person, firm, body corporate, partnership (whether limited or otherwise), joint venture, trust, an unincorporated association and any authority;
- (h) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and permitted assigns;
- (i) a reference to one gender includes all genders;
- (j) if a period of time is specified and the period dates from a given day or the day of an act or event, it is to be calculated exclusive of that day and, if a period of time is specified as commencing on a given day or the day of an act or event, it is to be calculated inclusive of that day;
- (k) a reference to a day is a reference to a period of time commencing at midnight and ending the following midnight;
- (l) a reference to a month is a reference to a calendar month;
- (m) a reference to time is a reference to Sydney time;
- (n) mentioning anything after include, includes or including does not limit what else might be included;
- (o) if a word or phrase is specifically defined in this Agreement other parts of speech and grammatical forms of that word or phrase have corresponding meanings;
- (p) a reference to "\$", AUD or dollars is to Australian currency.

1.3 Determinations, consents and discretions

A reference in this Agreement to a party:

- (a) making a determination;
- (b) giving its consent; or
- (c) exercising a discretion,

will be interpreted as a reference to that party making that determination, giving that consent or exercising that discretion on reasonable grounds, after taking into account all relevant facts and (where applicable) in a manner which reflects and is consistent with *good electricity industry practice* at that time.

1.4 Headings

Headings are inserted for convenience and do not affect the interpretation of this Agreement.

1.5 National Electricity Rules

The parties acknowledge that the Rules contain certain provisions which are relevant to the operation of this Agreement, and which need to be incorporated into this Agreement to enable TransGrid to properly comply with its obligations as a registered *Network Service Provider* under the Rules.

2. TERM

2.1 Term

This Agreement starts on the Commencement Date and ends on the later of:

- (a) Completion of the Relocation Works;
- (b) settlement of the STPIS Adjustment Payment;
- (c) registration of the New Easements; and
- (d) surrender of the Existing Easements,

in accordance with this Agreement.

2.2 Survival

- (a) Termination or expiry of this Agreement does not affect any rights of a party to this Agreement that arose before the expiry or termination, or otherwise relate to a breach of this Agreement before its expiry or termination.
- (b) Clause 13 ("Liability") and any other clauses necessary for the interpretation or effectiveness of that clause survive termination or expiry of this Agreement.

3. CREDIT SUPPORT

3.1 Credit Support

- (a) The Customer must within 10 Business Days of the Commencement Date provide TransGrid credit support in TransGrid's favour that:
 - (i) is for an amount equal to the Security Amount;

- (ii) is payable on demand by TransGrid; and
- (iii) satisfies the requirements set out in clause 3.2,

(Credit Support).

- (b) Without limiting TransGrid's rights under this Agreement, if Customer fails to provide Credit Support when required and in accordance with clause 3.1(a), TransGrid may immediately cease undertaking the Relocation Works until such time the Customer provides the outstanding Credit Support.

3.2 Requirements

- (a) The Credit Support must:
 - (i) be issued by a bank or a financial institution approved by TransGrid (acting reasonably) which which is an Approved Deposit-taking Institution supervised by the Australia Prudential Regulatory Authority ("**APRA**") and carries an acceptable credit rating;
 - (ii) is issued from a branch located in Australia by the entity described in clause 3.2(a)(i);
 - (iii) is in the form of an unconditional and irrevocable bank guarantee reasonably acceptable to TransGrid;
 - (iv) is duly executed by the credit support provider and delivered unconditionally to TransGrid;
 - (v) constitutes a valid and binding unsubordinated obligation of the credit support provider to make payment to TransGrid; and
 - (vi) permits drawings or claims which is not less than the amount set out in Schedule 5.
- (b) For the purposes of this clause 3.2, an entity will have acceptable credit rating if at all times it holds a long term issuer credit rating of at least A- in respect of unsecured obligations of the entity, as rated by Standard & Poor's (Australia) Pty Limited ("**Standard & Poor's**") or its equivalent by other rating agencies as may be agreed by TransGrid acting reasonably.
- (c) If, in TransGrid's reasonable opinion, the methods by which Standard & Poor's or the relevant rating agency determine credit ratings materially change or that organisation no longer determines credit ratings then TransGrid may, from time to time, in its discretion determine a credit rating for the relevant entity for the purposes of this clause 3.2.

3.3 TransGrid's recourse to the Credit Support

- (a) TransGrid has an irrevocable and unconditional right to draw on the Credit Support in the following circumstances:
 - (i) if this Agreement is terminated by TransGrid under clause 17.1 and the Customer fails to pay any amount due by the time prescribed for payment;
 - (ii) if the Customer fails to pay the Completion Bonus in accordance with clause 9.3, in circumstances where TransGrid is entitled to payment of the Completion Bonus; and
 - (iii) if the Customer fails to provide replacement Credit Support in accordance with clause 3.6.

- (b) Where TransGrid has a right to draw on the Credit Support in accordance with this clause 3.3, TransGrid may draw on the Credit Support up to an amount which is equal to the estimated value of:
 - (i) in the case of the right referred to in clause 3.3(a)(i), the amount payable by the Customer to TransGrid as at the date of termination under clause 9 (as relevant);
 - (ii) in the case of the right referred to in clause 3.3(a)(ii), the amount payable by the Customer to TransGrid under clause 9.3; and
 - (iii) in the case of the right referred to in clause 3.3(a)(iii), the amount of the replacement Credit Support.

3.4 Refund of drawing

If TransGrid has drawn on a Credit Support:

- (a) for an amount which the Customer was not liable to pay or reimburse TransGrid under the terms of this Agreement; or
- (b) in excess of an amount for which the Customer was liable to pay or reimburse TransGrid under the terms of this agreement,

then, TransGrid must:

- (c) in the case of a drawing referred to in clause 3.4(a), refund the amount drawn to the Customer; or
- (d) in the case of a drawing referred to in clause 3.4(b), refund the difference between the amount that was drawn and the amount for which the Customer is liable to pay TransGrid.

3.5 Return of Credit Support

TransGrid must return the Credit Support referred to in clause 3.1 to the Customer within 10 Business Days of the full discharge of the Customer's obligations under this Agreement, to the extent not drawn in accordance with this Agreement.

3.6 Expiry of Credit Support

- (a) If a Credit Support is due to expire prior to the date when TransGrid must return that Credit Support under clause 3.5, then 20 Business Days prior to the expiration of the term of that Credit Support (and any replacement of that Credit Support in accordance with this clause) the Customer must provide to TransGrid a replacement Credit Support from an issuer described in clause 3.2 on the same terms as the Credit Support it replaces.
- (b) The Customer agrees that in addition to any other right of TransGrid's to draw on any Credit Support, TransGrid may make a drawing on a Credit Support if the obligation to provide a replacement Credit Support in accordance with clause 3.6(a) is not satisfied prior to the expiry of the Credit Support, in which event TransGrid may draw the full face value of that Credit Support prior to its expiry and hold that amount as security until such time as the Customer provides a replacement Credit Support.

4. APPROVALS

4.1 Customer Works Approvals

- (a) The Customer acknowledges and warrants that it has obtained the Project Approvals and must provide copies of them to TransGrid promptly after the Commencement Date.
- (b) The Customer must:
 - (i) promptly after the Commencement Date, obtain the New Easements and keep TransGrid reasonably informed about its progress;
 - (ii) inform TransGrid promptly after it obtains a New Easement and provide to TransGrid copies of the materials in support of the obtained New Easement; and
- (c) TransGrid agrees to provide the Customer with assistance it reasonably requests to enable the Customer to obtain the New Easements and all other consents, approvals and permits necessary to perform the Relocation Works, other than the Project Approvals.

4.2 TransGrid Works Approvals

- (a) TransGrid must:
 - (i) promptly after the Commencement Date, obtain the TransGrid Works Approvals and keep the Customer reasonably informed about its progress; and
 - (ii) inform the Customer promptly after it obtains a TransGrid Works Approval and provide to the Customer copies of the materials in support of the obtained TransGrid Works Approval.
- (b) The Customer agrees to provide TransGrid with assistance that TransGrid reasonably requests to enable TransGrid to obtain the TransGrid Works Approvals.

5. TRANSGRID'S CONSTRUCTION ACCESS RIGHTS

- (a) From the Commencement Date and during the Term, the Customer agrees to provide TransGrid with, and will ensure that TransGrid is provided with, the Construction Access Rights. TransGrid may require the Construction Access Rights to be granted to the MHC but on terms which permit TransGrid to have the benefit of those rights.
- (b) In using the Construction Access Rights, TransGrid must:
 - (i) comply with all Statutory Requirements and Operational Requirements; and
 - (ii) not prevent the Customer from operating the Site in a safe and efficient way and in accordance with all Statutory Requirements and Operational Requirements.
- (c) Despite any other rights TransGrid may have under this Agreement, if TransGrid's Construction Access Rights has been denied, interfered with or suspended because of an Operational Requirement, the parties will discuss and agree, in a timely way and in good faith, other alternate access arrangements during period of the requirement.
- (d) The Customer agrees to keep TransGrid reasonably informed of the happening or imminent happening of a requirement referred to in clause 5(c).
- (e) Nothing in this Agreement limits any right of access that TransGrid has under the *Electricity Supply Act 1995* (NSW).

6. RELOCATION WORKS

6.1 Carrying out the Relocation Works

- (a) Subject to the Customer providing all copies of the Project Approvals to TransGrid under clause 4.1(a), TransGrid agrees to:
 - (i) start the Relocation Works promptly after the Commencement Date;
 - (ii) carry out and Complete the Relocation Works in accordance with the Milestone Schedule and this Agreement; and
 - (iii) subject to clause 6.3 ("Adjustments to Target Completion Date"), Complete the Relocation Works by the Target Completion Date.

6.2 Project management and delivery

- (a) TransGrid is responsible for the project management, supervision, procurement and delivery of the Relocation Works.
- (b) TransGrid may determine the terms on which it engages any Contractor. At all times TransGrid shall remain fully responsible for the Completion of the Relocation Works in accordance with this Agreement, and for the acts, omissions, defaults and breaches of any Contractor. TransGrid must also ensure the Contractor complies with all of TransGrid's obligations under this Agreement that relate to the performance of the Relocation Works.

6.3 Adjustment to the Target Completion Date

- (a) To the extent that the Relocation Works is delayed by:
 - (i) a delay to TransGrid in obtaining a TransGrid Works Approval but subject to TransGrid using reasonable endeavours to obtain the TransGrid Works Approval;
 - (ii) a delay by the Customer in obtaining any Authorisation for the Relocation Works, including but not limited to an Authorisation under Project Approvals;
 - (iii) a Force Majeure Event;
 - (iv) TransGrid's Construction Access Rights having been denied, interfered with or suspended;
 - (v) a delay caused by any third party not engaged by TransGrid;
 - (vi) a delay in taking an outage for the Relocation Work
 - (vii) a works deferral required by the Customer under clause 6.6(b) ("Works that involve an Outage");
 - (viii) the Customer not complying with any obligation or condition stated in Schedule 4, except to the extent that TransGrid caused or contributed to the relevant non-compliance;
 - (ix) an amendment to any condition stated in the Scope of Works;
 - (x) a delay to TransGrid performing the Relocation Works due to an Operational Requirement;
 - (xi) a breach of this Agreement by the Customer; or
 - (xii) an extension of time approved by the Coordination Committee,

(each an **Extension Event**)

the Target Completion Date will be extended by the period of that delay to the Target Completion Date anticipated by TransGrid (acting reasonably) caused by the Extension Event.

- (b) If the Target Completion Date is extended under clause 6.3(a), TransGrid must notify the Customer (in writing) of the following:
 - (i) the expected duration of the delay (including the anticipated revised Target Completion Date or any necessary variation to the Milestone Schedule);
 - (ii) information relating to the Additional Costs; and
 - (iii) TransGrid's proposed mitigation strategy to reduce the impact and effects of any delay.
- (c) TransGrid shall be entitled to an extension to the Target Completion Date for the duration of delay and the Additional Costs as set out in the notice in clause 6.3(b).

6.4 Adjustment to the Scope of Works

- (a) In the event the Customer requests a change in the Scope of Works, then the following process must be followed:
 - (i) the Customer must submit a request for a change in Scope of Works(in writing);
 - (ii) within 7 Business Days, TransGrid must respond (in writing), either declining the request (in its absolute discretion) or providing an estimate as to the expected duration and the Increased Scope Costs;
 - (iii) within 3 Business Days, the Customer must reply (in writing) either declining or accepting TransGrid's proposal; and
 - (iv) TransGrid is not obliged to proceed with any change in the Scope of Works until such time as the parties reach an agreement as to the expected duration and the Increased Scope Costs.
- (b) If any of the assumptions referred to in the Scope of Works is determined to be incorrect after the Commencement Date and as a result:
 - (i) a change is required to the Relocation Works; or
 - (ii) a change is required in the manner by which the Relocation Works will be undertaken (as compared to the manner referred to in the Scope of Works) and accordingly,

TransGrid is required to:

- (iii) undertake work in addition to the Relocation Work detailed in the Scope of Work;
- (iv) undertake the Relocation Work to a standard which is higher than that referred to in the Scope of Work;
- (v) undertake Relocation Work in a manner that is different to the manner outlined in the Scope of Works; and/ or
- (vi) otherwise incur any costs in undertaking the Relocation Work in addition to the costs which would have been incurred were that assumption correct,

then TransGrid will be entitled to the Increased Scope Costs that TransGrid will incur as a result of that assumption being incorrect.

6.5 Outages and Outage Plan

- (a) TransGrid agrees to:
 - (i) prepare, maintain and manage the Outage Plan to achieve the Outage Principle;
 - (ii) regularly review and update the Outage Plan to achieve the Outage Principle;
 - (iii) fully involve, engage and consult with the Customer in the processes and considerations referred to in clauses 6.5(a)(i) and (ii) and accommodate the Customer's reasonable requests and requirements about the review and update of the Outage Plan; and
 - (iv) provide the Customer with information reasonably requested by it about the Outage Plan and the reasons for any proposed updates to the Outage Plan.
- (b) The parties acknowledge and agree that:
 - (i) the Outage Plan has no legally binding effect on TransGrid; and
 - (ii) TransGrid is not liable to the Customer for any non-compliance of the Outage Plan, provided that TransGrid has used best endeavours to comply with the Outage Principle so as to manage and minimise the Customer's liability under clause 9.4 ("TransGrid's Service Target Performance Incentive Scheme – Market Impact Payment").

6.6 Works that involve an Outage

- (a) TransGrid must obtain the Customer's approval (approval of which must not unreasonably withheld) before it does any Relocation Works that will require an Outage.
- (b) The Customer may request TransGrid to defer any such work if it believes the deferral will best achieve the Outage Principle and the parties will follow the processes in clause 6.5 ("Outages and Outage Plan") for any works deferrals.
- (c) The Customer agrees to pay all costs incurred and losses suffered by TransGrid to the extent caused by the deferral requested by the Customer under clause 6.6(b).

6.7 Completion of the Relocation Works

TransGrid must give the Customer a written notice within 3 Business Days of the completion of the Relocation Works. The **Completion Date** means the date stated in the notice which must be the day that the Relocation Works achieved Completion, as certified by TransGrid in accordance with Good Electricity Industry Practice (which may be earlier than the date of the notice itself).

6.8 Customer's operations

- (a) The Customer must not unreasonably obstruct, delay or interfere with:
 - (i) TransGrid (or any Contractor) performing the Relocation Works; and
 - (ii) the Construction Access Rights.

- (b) The Customer will not be in breach of clause 6.8(a) if it is required to interfere with the performance of the Relocation Works or the Construction Access Rights in order to comply with Statutory Requirements and Operational Requirements.

6.9 Transmission Line Ownership Rights

As between TransGrid and the Customer, TransGrid owns all rights, title and interest in the Relocated Transmission Lines.

6.10 Compliance with statutory and other obligations

Each party must comply with all Statutory Requirements and Operational Requirements relating to their respective obligations under this Agreement.

7. COORDINATION OF RELOCATION WORKS

7.1 Coordination Committee

Promptly after the date of this Agreement, the Customer and TransGrid must establish a Co-ordination Committee which will be a forum in which the parties may consider and discuss the following matters:

- (a) the construction of the Relocation Works (including the activities set out in the Milestone Schedule) to ensure that the Relocation Works are Completed in a safe, timely and efficient manner in accordance with the Milestone Schedule;
- (b) progress of current activities against the Milestone Schedule, potentials for delays, management of delays and impact on the Target Completion Date;
- (c) co-ordination of the Cut-Over Works, Outage Plan and Outages; and
- (d) any other matters or activities undertaken by TransGrid during construction and Completion of the Relocation Works that may affect or impact on the Target Completion Date.

7.2 Coordination Committee dissolution

The Coordination Committee dissolves within 30 days after Completion of the Relocation Works, or at any earlier time agreed by the parties.

7.3 Procedures

The Co-ordination Committee must:

- (a) consist of two appropriately qualified representatives from each party;
- (b) meet at least monthly and more often on a party's written request;
- (c) keep written records of each meeting signed by a representative of each party; and
- (d) allow either party to include additional representatives at any meeting, where the party can demonstrate to the Co-ordination Committee's reasonable satisfaction that the presence of the representatives is required.

7.4 Disputes

The parties agree that:

- (a) this clause 7 ("Coordination of Relocation Works") does not give the Co-ordination Committee any right to amend this Agreement; and
- (b) any disputes arising under this clause 7 ("Coordination of Relocation Works") must be resolved under clause 14 ("Dispute resolution").

8. EASEMENTS

8.1 New Easements

- (a) The parties acknowledge that TransGrid will require easements located on land that is owned by the Customer or third parties.
- (b) On or before Completion of the Relocation Works, the Customer must provide (and procure each relevant Customer Entity and third party to provide) TransGrid with an executed instrument for the grant of easement (capable of registration) for the New Easements.

8.2 TransGrid Easements on Customer land

On Completion of the Relocation Works and subject to the Customer having complied with clause 8.1(b), TransGrid must:

- (a) for the Existing Easements in which TransGrid is the registered grantee, provide the Customer with an executed instrument for the surrender of the relevant Existing Easement (capable of registration);
- (b) for the Existing Easements in which TransGrid is not the registered grantee (but enjoys the benefit of the easement), use its reasonable endeavours to provide the Customer with an executed instrument for the surrender of the relevant Existing Easement (capable of registration); and
- (c) for any other Customer owned land that is subject to a statutory right of access relating to the Existing Transmission Lines, use its reasonable endeavours to provide the Customer with an executed instrument surrendering any access rights relating to that land.

8.3 Customer access to Existing Easements

- (a) After completion of the Relocation Works and the Customer having complied with clause 8.1(b) but prior to extinguishment of the Existing Easements, the Customer may require access to the Existing Easements for the purpose of carrying out the Pre-Extinguishment Activities.
- (b) TransGrid agrees to grant the Customer access to the Existing Easements to carry out the Pre-Extinguishment Activities before the Existing Easements have been extinguished, provided that it may not commence such activities within the Existing Easements until:
 - (i) TransGrid has issued the notice referred to in clause 6.7 that the Relocation Works have been completed; and
 - (ii) the Customer has complied with clause 8.1(b),

unless otherwise agreed in writing by TransGrid.

9. PROJECT COSTS

9.1 Milestone Payments

- (a) The Customer agrees to pay TransGrid the Milestone Payments in accordance with Schedule 3.

- (b) TransGrid will invoice the Customer for the Milestone Payments. Each invoice will be supported by a written notice certifying the milestone as complete and where practical:
 - (i) further relevant documentation; and
 - (ii) an invitation by TransGrid for the Customer to inspect the completed milestone.
- (c) The Customer must pay tax invoices issued to it under clause 9.1(b), within 10 Business Days of receiving it.

9.2 Adjustment Costs

- (a) The Customer agrees to pay TransGrid the Adjustment Costs.
- (b) TransGrid will invoice the Customer for the Adjustment Costs. The invoice shall be accompanied by a document setting out details for the Adjustment Costs.
- (c) The Customer must pay the tax invoices issued to it under clause 9.2(b), within 10 Business Days of receiving them.

9.3 Completion Bonus

- (a) TransGrid shall be entitled to the Completion Bonus if it completes the Relocation Works by the Target Completion Date.
- (b) If TransGrid is entitled to the Completion Bonus, it may issue a tax invoice to the Customer for the Completion Bonus.
- (c) The Customer must pay a tax invoice issued to it under clause 9.3(b), within 10 Business Days of receiving it.

9.4 TransGrid's Service Target Performance Incentive Scheme – Market Impact Payment

- (a) By undertaking the Relocation Works, there may be more Qualifying Dispatch Intervals than would otherwise occur if TransGrid had not agreed to perform those works. This may therefore result in TransGrid receiving less of an adjustment to its maximum allowed revenue than if it had not agreed to perform the Relocation Works. The Customer therefore agrees, on the terms of clauses 9.4 and 9.5, to compensate TransGrid for receiving lower adjusted maximum allowed revenue because of Qualifying Relocation Dispatch Intervals.
- (b) The STPIS Upfront Payment to be made by The Customer to TransGrid in respect of the Market Impact Payment for all Qualifying Outages will be determined by the following formula:

$$QRDI_{Number} \times QDIAP = STPIS \text{ Upfront Payment}$$

Where:

$QRDI_{Number}$ = the number of Qualifying Relocation Dispatch Intervals.

$QDIAP$ = Qualifying Dispatch Interval Actual Penalty.

- (c) The STPIS Adjustment Payment in respect of the Market Impact Payment will be determined by the following formula:

$$STPIS \text{ Adjustment Payment} = STPIS \text{ Upfront Payment} - STPIS_{Payment} \text{ Actual}$$

Where:

$STPISPayment_{Actual} = (QRDI_{Number} / ACPDIC) \times \text{Max}(0, ACPDIC - CEDIC) \times QDIAP$ And:

QRDI_{Number} = the number of Qualifying Relocation Dispatch Intervals.

QDIAP = Qualifying Dispatch Interval Actual Penalty.

STPISPayment_{Actual} = the STPIS payment that must be made for all Qualifying Outages.

CEDIC = the number of Collar Exceedance Dispatch Interval Count.

ACPDIC = the number of All Customer Projects Dispatch Interval Count.

9.5 Payment of Market Impact Payment

- (a) Following the final Outage required to complete the Relocation Works and the AER determination of the Qualifying Dispatch Interval Actual Penalty:
 - (i) TransGrid must calculate the STPIS Upfront Payment and issue a corresponding Tax Invoice; and
 - (ii) provide documentation to support the STPIS Upfront Payment from the Customer; and
 - (iii) the Customer must pay tax invoices issued to it under clause 9.5(a)(i) within 10 Business Days of receiving it..
- (b) Following the determination of the Collar Exceedance Dispatch Interval Count:
 - (i) TransGrid must calculate the STPIS Adjustment Payment and issue a corresponding Adjustment Note if applicable;
 - (ii) provide documentation to support the STPIS Adjustment Payment; and
 - (iii) TransGrid must pay the STPIS Adjustment Payment to the Customer within 10 Business Days of issuing the adjustment note under clause 9.5(b)(i).
- (c) If TransGrid performs other planned outage works during any Outage period, which it would not have performed at that time but for the Relocation Works, then TransGrid must provide details of the work to the Customer and the parties agree to enter into good faith discussions to decide if the performance of the other planned outage works would have resulted in TransGrid foregoing revenue or incurring a penalty under TransGrid's Service Target Performance Incentive Scheme, and if so whether any payments under clauses 9.4 and 9.5 should be reduced by the benefit gained by TransGrid.

9.6 Easement Costs

- (a) The Customer agrees to pay all Easement Costs.
- (b) If TransGrid incurs any Easement Costs, then the Customer must reimburse all of these costs and indemnify TransGrid in respect of any such Easement Costs.

10. CHANGES TO THE APPLICABLE LAW

10.1 Amendments to this Agreement

If, after the Commencement Date, an Applicable Law:

- (a) is introduced or commences operation; or
- (b) is modified, re-enacted or substituted,

then subject to clause 10.2 and 10.3, this Agreement will be interpreted (as far as possible) in such a way as to enable compliance with that Applicable Law.

10.2 Negotiation

Despite clause 10.1, if at any time after the Commencement Date:

- (a) an Applicable Law is introduced, modified, re-enacted, substituted or commences operation;
- (b) the manner in which any Applicable Law is interpreted or applied materially changes;
- (c) without limiting clauses 10.2(a) or (b), the manner in which an Applicable Law or any authority regulates how any costs are to be calculated, varied or applied materially changes;
- (d) without limiting clauses 10.2(a), (b) or (c) the activities comprised within or the service standards applying to the Relocation Works materially change due to a change in an Applicable Law; or
- (e) without limiting 10.2(a), (b), (c) or (d) any other event, circumstance or change occurs which materially affects the way in which any of the Relocation Works are provided such event, circumstance or change is the result of a change in an Applicable Law,

and that change in circumstances or event will result in a material change in the commercial position of either party, the parties will consider and negotiate in good faith any specific amendment to this Agreement requested by a party to take account of that change, event or circumstance so as to substantially return the parties to their respective commercial positions under this Agreement prior to that change, event or circumstance.

10.3 Disputes

- (a) If the parties are unable to agree upon any amendment to this Agreement proposed by a party in accordance with 10.2 within 28 days of commencing negotiations, either party may refer that dispute for resolution in accordance with clause 14.
- (b) In determining a dispute under this clause 10, the expert must take into account (amongst other things) the following factors:
 - (i) that the contents of this Agreement must be fair and reasonable having regard to the commercial interests of the parties;
 - (ii) that at all times, any Relocation Works provided under this Agreement must be provided in accordance with Good Electricity Industry Practice, all Applicable Laws and the other requirements of this Agreement; and
 - (iii) that this Agreement should be consistent with the prevailing practices and standards in the electricity industry at that time.
- (c) The parties agree that each party will be responsible for its own costs associated with resolving the dispute.

11. DISPUTED INVOICES

11.1 Disputed invoices

- (a) In the event of any dispute concerning an invoiced amount the Customer will, within 10 Business Days from the date it received the invoice, notify TransGrid in writing identifying the amount in dispute and giving full reasons for the dispute.

- (b) The Customer will pay the full amount of any portion of the invoice which is not in dispute.
- (c) The parties will meet to try to resolve the dispute, and failing resolution within a further 10 Business Days, the dispute will be determined in accordance with clause 14.

11.2 Interest on disputed amount

Where, as a result of the determination of a dispute of the nature referred to in clause 11.1, either party has to pay money to the other then, in addition to such payment, interest will be payable thereon from the date the disputed invoice was due until the date the paying party actually pays the other party the relevant amount at a rate equal to the Interest Rate calculated on a daily basis with payment of such interest due on the date agreed between the parties or determined in accordance with clause 14 for the payment of the principal amount.

11.3 Adjustment of invoices

- (a) This clause 11.3 applies if:
 - (i) the Customer has been overcharged or undercharged in any form whatsoever;
 - (ii) the Customer has actually paid the invoices containing such overcharge or undercharge; and
 - (iii) the overcharge or undercharge is in relation to an invoice dated within the preceding [12] months from the date of discovery of the overcharge or undercharge.
- (b) Within 20 Business Days after the overcharge or undercharge (as the case may be) has been discovered and the amount of the overcharge or undercharge has been agreed by the parties or determined pursuant to the provisions of clause 14, TransGrid will refund to the Customer the amount of the overcharge (if any) and the Customer will pay to TransGrid the amount of the undercharge (if any).
- (c) Interest will be payable at a rate equal to the Interest Rate on such amounts from the date on which the incorrect invoice was due for payment until the date of payment of such undercharge or overcharge calculated on a daily basis with payment of such interest due on the date on which the amount of the undercharge or overcharge is due.

11.4 Default interest

If either party fails to pay any amount payable under this agreement on the due date for payment (or, where the amount is upon demand, upon such demand being made) then interest will be payable on the amount unpaid from the due date for payment until actual payment, at a rate equal to the Default Rate, calculated on a daily basis. This clause 11.4 does not apply to any amount that is permitted to be withheld under clause 11.1.

12. INSURANCES

12.1 TransGrid Insurances

TransGrid must effect and maintain, at its expense, the following insurances:

- (a) insurance against liability for death of or injury to persons employed or deemed to be employed by TransGrid in the performance of its obligations under this Agreement, including liability by statute and at common law, in compliance with the requirements of the Workers Compensation Act 1987 (NSW) from the Commencement Date until Completion;

- (b) a prudent level of public liability insurance for risks in excess of or not covered by the insurance effected by the Customer pursuant to clause 12.2 below;
- (c) Professional Indemnity Insurance from the date of commencement of this Agreement until six years from Completion, with cover of \$10 million; and
- (d) Motor Vehicle Insurance for such period as any motor vehicle capable of registration is used in connection with the Relocation Works.

12.2 Customer arranged Insurances

- (a) The Customer agrees to effect and maintain, at its expense, and for the benefit of the Customer and TransGrid, the following insurances:
 - (i) Contract Works Insurance Policy with cover of an amount equal to the Contract Sum and Policy Sub Limits; and
 - (ii) Public Liability Insurance on an occurrence basis for personal injury and property damage or loss, with a limit of cover of \$50 million for each and every claim.
- (b) The Customer will:
 - (i) ensure that TransGrid is named as a party to the insurance policies referred to in this clause;
 - (ii) if requested by TransGrid, provide TransGrid with a certificate of currency and policy documents issued by the insurer for each of the policies referred to in this clause; and
 - (iii) ensure that the insurance policies referred to in this clause remain in place until Completion of all of the Relocation Works.
- (c) The Customer will ensure that each contract of insurance referred to in this clause provides that:
 - (i) it operates as if there was a separate policy of insurance issued to each insured party (subject always to the overall sum insured not being increased as a result);
 - (ii) the knowledge of one insured party shall not be imputed to another insured party in assessing compliance with the applicable duty or duties of disclosure;
 - (iii) any inadvertent non-disclosure or inadvertent inaccurate disclosure by one insured party does not prejudice the rights under the policy of another insured party;
 - (iv) the insurer waives all rights of subrogation to which it may otherwise become entitled against all or any of the insured parties and their employees and officers;
 - (v) the insurance is primary and without right of contribution from other insurance, self-insurance or indemnification arrangements available to or given by an insured party (including the Customer);
 - (vi) failure by one insured party to observe and fulfil the terms of, and their duties under, the policy does not prejudice the rights under the policy of another insured party;
 - (vii) a notice to the insurer by one insured party is deemed to be notice by all insured parties;
 - (viii) disclosure to the insurer by one insured party is deemed to be disclosure by all of the insured parties; and

- (ix) if the insurance provides cover in respect of any liability to pay damages or compensation, that the relevant contract of insurance does not contain an exclusion or clause whereby a liability is excluded from coverage by reason only that it is owed to an insured party.

12.3 No limitation

The effecting or approval of any or all insurance as required by this clause will not in any way limit or derogate from the liabilities or obligations of the parties under this Agreement.

13. LIABILITY

13.1 Indemnities for Site subsidence and foundation footings

- (a) The Customer indemnifies TransGrid, its Related Bodies Corporate and all their respective directors and employees against:
 - (b) damage to TransGrid's Transmission Network; and
 - (i) all claims, actions and demands brought against TransGrid or its Related Bodies Corporate by:
 - A. any third party for loss of or damage to property of the third party; or
 - B. any person for personal injury or death,
 - (ii) costs and expenses reasonably incurred in connection with the matters referred to in clauses 13.1(b) and (i),

to the extent that such loss, damage, injury, death, costs and expenses was caused by:
 - (iii) the negligence, fraud or wilful misconduct of the Customer in the carrying out its activities within the Site; or
 - (iv) the transmission tower foundations being left in the ground of the Existing Easement Area by TransGrid after Completion of the Relocation Works.
- (c) The indemnity in clause 13.1(a) does not apply to the extent that any liability, loss, damage, cost or expense is caused by or contributed to by TransGrid, its Related Bodies Corporate or their respective officers, employees or agents (including its contractor(s)).

13.2 Remedy for not meeting Target Completion Date and Release

- (a) The parties agree that the only consequence for TransGrid failing to meet the Target Completion Date for the Relocation Works is that it will not be entitled to receive the Completion Bonus (in accordance with clause 9.3). The Customer acknowledges this is its sole and exclusive remedy in connection with TransGrid failing to complete the Relocation Works by the Target Completion Date.
- (b) TransGrid has no other liability to the Customer for not completing the Relocation Works by the Target Completion Date and the Customer releases TransGrid from any such other liability.

13.3 TransGrid Limitation of Liability

Notwithstanding any other provision of this Agreement and to the full extent permitted at law, the total liability of TransGrid and its Related Bodies Corporate to the Customer arising out of or in connection with the Agreement for all loss, damage, cost or expense suffered or incurred whether in contract or tort (including negligence), in equity, in restitution, by way of warranty or indemnity or under statute shall be limited to no more than 10% of the Contract Sum.

13.4 Exclusion of consequential loss

Notwithstanding any other provision of this Agreement and to the full extent permitted at law, neither party is liable for any indirect, special, contingent or consequential type losses or damages which includes but is not limited to actual or anticipated profits, loss of opportunity, loss of goodwill or loss of revenue.

14. DISPUTE RESOLUTION

14.1 Rule disputes

If a dispute arises between the parties under or in relation to this Agreement which:

- (a) relates to the obligations of either party under the Rules;
- (b) relates to the interpretation of the Rules; or
- (c) is otherwise within the terms of clause 8.2.1(a) of the Rules,

then such disputes will be resolved in accordance with clause 8.2 of the Rules.

14.2 Other Disputes

- (a) If a dispute arises between the parties under or in relation to this agreement which is not required in accordance with clause 14.1 to be resolved in accordance with clause 8.2 of the Rules, then one party in dispute may give the other party a notice specifying the matters in dispute (a "**notice of dispute**").
- (b) If after a period of **[25]** Business Days after delivery of a notice of dispute, the parties have not been able to resolve the dispute then either party may, by notice in writing to the other, require the dispute to be determined by an Expert. For the avoidance of doubt, this clause 14 is not a reference to arbitration.

14.3 Agreement to appoint Expert

If a dispute is to be determined by an Expert then the parties must use their reasonable endeavours to agree to appoint a suitably qualified person to act as the Expert. If the parties have not agreed on the person to be appointed within 3 Business Days of a party requiring the dispute to be determined by an Expert then either party may serve a notice nominating a person to be appointed. If the parties do not agree on the person to be appointed within 5 Business Days of the delivery of such notice, then:

- (a) either party may request the President of the Law Society of New South Wales, from time to time (or in the event that there is no office of such society of that name, the person who in substance carries out the role of such office) to appoint the Expert; and
- (b) the person appointed by the President of the Law Society of New South Wales, from time to time (or in the event that there is no office of such society of that name, the person who in substance carries out the role of such office) following the first request by a party to make such appointment is the Expert for the purpose of determining the dispute.

14.4 Expert Determination

If any matter must be determined by the Expert in accordance with this clause 14, then the parties to the dispute must continue to perform their obligations under this Agreement while the dispute is being resolved.

14.5 Terms of Appointment of Expert

The parties must ensure that the Expert's terms of appointment include the following requirements:

- (a) the Expert must consult with the parties concerning the matters under dispute;
- (b) the Expert must make a draft report available to the parties within 20 Business Days of their appointment;
- (c) the Expert must meet with representatives of the parties to discuss any queries they may have in relation to the draft report;
- (d) the Expert must keep confidential, information provided by or on behalf of the parties to the Expert;
- (e) the Expert may investigate the matters under dispute and make inquiries in relation to them, and take the advice of any other person the Expert wishes; and
- (f) the Expert will use its reasonable endeavours to notify the parties of its determination within 35 Business Days of the reference to the Expert.

14.6 Expert not liable

The parties agree that the Expert will not be liable in contract, tort (including negligence) or otherwise for any loss or damage incurred by a party or any other person as a consequence of any matter or thing done or omitted to be done by the Expert if the matter or thing was done or omitted in good faith for the purposes of carrying out the responsibilities of the Expert as contemplated by this clause 14 (and if required by an Expert appointed under this clause 14, the parties will enter into an agreement or deed with the Expert agreeing that this clause 14.5 applies and binds them in relation to the matters referred to the Expert).

14.7 Parties to Provide Information

The parties must comply with all reasonable requests by the Expert appointed in accordance with this clause 14 for information relating to the matters giving rise to its appointment.

14.8 Parties Bound by Determination

On notification by the Expert of the Expert's determination under clause 14.5(f), the parties are bound by that determination, except in the existence of fraud or manifest error.

14.9 Urgent Interlocutory Relief

This clause 14 does not prevent either party from:

- (a) obtaining, from a court, any injunctive, declaratory or other interlocutory relief that may be urgently required; or
- (b) initiating any legal process immediately prior to the end of any period specified by a relevant law during which legal process or the bringing of an action must be initiated.

15. WARRANTIES

15.1 Warranty of Capacity

Each party promises to every other party that:

- (a) it is a separate legal entity capable of being sued;
- (b) it has power to enter into and perform all of its obligations under this Agreement;
- (c) it has done everything the law requires to be done in order that it may lawfully execute this Agreement and to perform its obligations under this Agreement;
- (d) its execution of this Agreement and performance of its obligations is not illegal;
- (e) its execution of this Agreement and performance of its obligations do not contravene any contractual or fiduciary obligation it may have to anyone else; and
- (f) it has not been threatened with any court or governmental orders, proceedings or judgements that might prevent it from performing its obligations under this Agreement.

15.2 Statutory Implications

- (a) The provisions of any act or law (including without limitation the Competition and Consumer Act 2010 (Cth)) implying or imposing terms, conditions, warranties or guarantees which might otherwise apply or arise out of the provisions of this Agreement are hereby negated and excluded to the full extent permitted by law.
- (b) If any such statute applies to the provisions of this Agreement then, to the extent each party is entitled to do so, each party's liability under the statutory provisions will be limited at that party's option to:
 - (i) the repair, replacement or re-supply of the things used in performance of its obligation under this Agreement; or
 - (ii) the costs of having a thing repaired or replaced.

16. FORCE MAJEURE

16.1 Force Majeure

- (a) If either party fails to comply with or observe any provision of this agreement (other than an obligation to make a payment) and that failure is caused by an event or circumstance which is beyond the reasonable control of that party and which that party could not have prevented by the exercise of reasonable care and Good electricity Industry Practice (a "**Force Majeure Event**") that failure will not give rise to any cause of action or liability based on breach of the relevant provision of this Agreement.
- (b) Without limiting clause 16.1(a), the following events will be Force Majeure Events to the extent that they satisfy the requirements of clause 16.1(a):
 - (i) **Acts of God etc:** any event or circumstance occasioned by or in consequence of any acts of God, acts of public enemy, wars, terrorism, blockades, insurrections, riots, epidemics, animals, aircraft, landslips, landslides, lightning, earthquakes, fires, storms, floods, washouts, geomagnetically induced currents, arrests, restraints of rulers and civil disturbances;

- (ii) **Applicable Laws:** the compliance by the affected party in good faith with Applicable Laws;
- (iii) **Directives, court orders etc:** the binding order or Directive of any court, tribunal or Authority (other than TransGrid) by reason of any cause beyond the control of the party invoking this clause 16.1 and which does not arise from a breach of this agreement by the party invoking this clause 16.1;
- (iv) **Breakages and accidents:** breakage or failure of and accidents to any plant, equipment or other facility owned or operated by the party invoking this clause 16.1;
- (v) **Strikes and lockouts:** strikes, lockouts and other labour disputes other than those solely involving the employees (or employees of contractors and sub-contractors) of the party invoking this clause 16.1;
- (vi) **Power supply failure:** a partial or entire failure of the supply or availability of electricity to the power system, a partial or entire failure of any *Generator* or *Market Network Service Provider*, to inject electricity into the national grid, or a partial or entire failure of any other person to take electricity;
- (vii) **Failure of supplier:** a failure by a supplier (being a party with whom the affected party contracts from time to time) of goods and services to provide such goods or services by reason of any event, circumstance, act or omission, or combination of them, which is beyond the reasonable control of that supplier;
- (viii) **Delay of supplier:** a delay by a supplier (being a party with whom the affected party contracts from time to time) of goods and services to provide those goods or services, where that supplier is entitled under the terms of its contract with the affected party to claim an extension of time for the provision of those goods or services;
- (ix) **Network Constraint:** a limitation on the capability of the TransGrid Transmission Network resulting in a binding constraint which may require TransGrid to stop performing the Modification Works during the period of the limitation; and
- (x) **Acts of third parties:** acts or omissions by a third party beyond the control of the party invoking this clause 16, including an Authority and a Contractor,

16.2 Notice

If a party becomes aware of the existence of, or a serious prospect of, a forthcoming Force Majeure Event, it will notify the other party as soon as reasonably practicable of the particulars of which it is aware. If a party invokes clause 16.1, it will notify the other party as soon as reasonably practicable of full particulars of the Force Majeure Event relied upon.

16.3 Avoidance of and Mitigation

The party invoking clause 16.1 will:

- (a) use its reasonable endeavours to overcome or avoid the Force Majeure Event;
- (b) use its reasonable endeavours to mitigate the effects or consequences of the Force Majeure Event; and
- (c) consult with the other party on the performance of the obligations referred to in clauses 16.3(a) and 16.3(b).

However, nothing in this clause 16.3 will be construed as requiring the party invoking clause 16.1 to settle a strike, lock-out or other industrial disturbance by acceding against its judgment to the demands of opposing parties.

16.4 Expiration on Account

If the Force Majeure Event or its direct effect or consequence on the operations of either party, is of such magnitude or will be (or it is more probable than not that it will be) of such duration, that after a period of not less than **six** consecutive months from the date of the commencement of the Force Majeure Event, it is unreasonable in all the circumstances for either party to perform, comply with or observe this Agreement, that party may, upon not less than 10 Business Days' notice, terminate this Agreement.

17. TERMINATION

17.1 Termination for events of default

A party ("non-defaulting party") may, by written notice, immediately terminate this Agreement if:

- (a) the other party ("defaulting party") breached a material obligation under this Agreement, which the defaulting party fails to remedy within 30 Business Days from the date of service of a notice from the non-defaulting party on the defaulting party specifying the relevant breach and requiring the defaulting party to cure the breach within 30 Business Days; or
- (b) the other party is subject to an Insolvency Event.

17.2 Consequences of termination

All parties will be excused from the further performance of all their obligations under this Agreement if one party informs all the others that it chooses to terminate all obligations under clause 17.1 ("Termination for events of default"). The termination of the parties' obligations takes effect in the future and does not excuse any party from performing any obligation that has already accrued, and does not prevent a party from exercising its rights and remedies arising from the breach of those obligations.

18. GENERAL

18.1 GST

The recipient of any taxable supply made under this Agreement will pay to the supplier a further amount equal to the GST on that taxable supply. That amount must be paid at the same time as the consideration for the taxable supply is paid, so long as the supplier has provided a tax invoice. Terms which are defined under A New Tax System (Good and Services Tax) Act 1999 (Cth) have the same meaning in this clause 18.1. To the extent that the payment is consideration for an indemnity in this Agreement, then the consideration will be taken to have been reduced by any input tax credit received by the supplier.

18.2 Confidentiality

- (a) Each party must keep all Confidential Information confidential, and must not copy or reproduce the other party's Confidential Information for any purpose other than the performance of its obligations in accordance with this Agreement or disclose it to a third party without the prior written consent of the party who supplied it. A party who receives Confidential Information will either return it or destroy all copies or records of it immediately upon termination of this Agreement, or when required by the party who supplied the information.
- (b) The obligations in clause 18.2(a) do not apply in respect of Confidential Information which is in the public domain other than by way of a breach of this clause.

- (c) This clause does not apply to the extent copying, reproduction or disclosure is required either by any Court, law or competent government authority.
- (d) The obligations contained in clause 18.2 will remain in effect for a period of 5 years from the date of the Agreement is signed by the parties.

18.3 No Publicity

- (a) A party to this Agreement will not make any public statement, or publish any document or article, about its subject matter without the other party's consent.
- (b) A party to this Agreement will not provide any information or comment about the subject matter of this Agreement to any journalist, public relations representative, government lobbyist or any other person without every other party's consent.
- (c) Any consent required to be sought under this clause will not be unreasonably withheld.
- (d) This clause does not apply to the extent public disclosure is required either by any Court, law or competent government authority.

18.4 Notices

- (a) All notices must be signed by the sender or an authorised officer of the sender. A notice to TransGrid may be given either:
 - (i) by hand delivering it to Level 1, 180 Thomas Street, Sydney in the state of New South Wales;
 - (ii) by marking it for the attention of [XXXXX] and sending it by post to PO Box A1000 Sydney South, New South Wales 1235; or
 - (iii) by sending it by email to [xx@transgrid.com.au].
- (b) All notices must be signed by the sender or an authorised officer of the sender. A notice to the Customer may be given either:
 - (i) by hand delivering it to [XXXXX];
 - (ii) by marking it for the attention of XXXXX and sending it by post to XXXXX; or
 - (iii) by sending it by email to xx@xxxxx.com.au.
- (c) A notice is deemed delivered:
 - (i) if delivering by hand, upon handing (with or without acknowledgement of delivery) to any person at that address who, in the reasonable judgment of the person making the delivery (upon making appropriate enquiries), represents themselves and appears to be an officer of the party;
 - (ii) if sent by post, at the time when the letter containing it would have been delivered in the ordinary course of post;
 - (iii) if sent by email, when the addressee's email system logs the email message as having been received; or
 - (iv) if a communication is received on a day which is not a Business Day or after 5:00pm on a Business Day, it is taken to be received on the next Business Day.

18.5 Further Assurances

Each party will do and sign everything necessary, or which appears to a reasonable bystander to be convenient, in order to give further or better effect to the intent of the parties expressed in this Agreement.

18.6 Remedies

The rights and remedies of a party under this Agreement are cumulative and do not exclude any remedies provided by law or in equity.

18.7 No assignment

Neither party may assign its rights under this Agreement without the consent of the other party, which must not be unreasonably withheld. Notwithstanding the foregoing, either party may assign all or part of the benefit of this Agreement to any of its related bodies corporate (as defined in the Corporations Act 2001 (Cth)).

18.8 Variation

An amendment or variation to the provisions of this Agreement is not effective unless it is in writing and signed by all parties.

18.9 Severability

This Agreement is to be read as if it omitted illegal, invalid or unenforceable terms, but only to the extent permitted by law and if the remaining terms have an unambiguous meaning and effect. For that purpose, this Agreement may be read in different ways in various jurisdictions.

18.10 Aggregate Parties

An obligation binds everyone comprising a party jointly and severally.

18.11 Relationship of the Parties

The relationship between the parties is limited to the performance of this Agreement and nothing will be considered to constitute the parties as being in a relationship of partnership, principal and agent, trust, fiduciary or any other special relationship.

18.12 Governing Law

This Agreement will be governed by and construed in accordance with the laws in force in New South Wales and each party will submit to the jurisdiction of its courts (and any courts competent to hear appeals from its courts).

18.13 No other Arrangements

This Agreement supersedes and replaces all other contracts, arrangements or understandings, between the parties. No other contracts, arrangements or understandings about the same subject matter were made between the parties concurrently with or in consideration of this Agreement. The parties did not enter into this Agreement in reliance on any statement or promise which is not expressed in this Agreement. So far as allowed by law (and subject to clause 15.2 ("Statutory Implications")), no additional terms are to be implied into this Agreement.

18.14 Indemnities

- (a) Each indemnity in this Agreement is a continuing obligation, separate and independent from the other obligations of the parties, and survives termination, completion or expiration of this Agreement.
- (b) It is not necessary for a party to incur expense or to make any payment before enforcing a right of indemnity conferred by this Agreement.
- (c) A party must pay on demand any amount it must pay under an indemnity in this Agreement.

18.15 Expenses

Each party must pay its own costs and expenses in connection with negotiating, preparing, executing and performing this Agreement.

18.16 Counterparts

- (a) This Agreement may be executed in any number of counterparts and by the parties on separate counterparts. Each counterpart constitutes an original of this Agreement, all of which together constitute one agreement.
- (b) A party who has executed a counterpart of this Agreement may exchange that counterpart with another party by emailing the counterpart executed by it to that other party and, upon request by that other party, will thereafter promptly deliver by hand or post to that other party the executed counterpart so exchanged by email, but delay or failure by that party to so deliver a counterpart of this Agreement executed by it will not affect the validity of this Agreement.

19. TRUSTEE'S CAPACITY AND LIABILITY

19.1 Limitation of Liability

Despite any other provision of this Agreement:

- (a) the Trustee enters into this Agreement in its capacity as trustee of the Trust and in no other capacity;
- (b) subject to clause 19.1(d), the recourse of the Customer or any other person to the Trustee in respect of any of the Trustee's obligations and liabilities under or in connection with this Agreement is limited to the amount the Trustee actually receives in the exercise of its right of indemnity from the assets of the Trust;
- (c) subject to clause 19.1(d), if the Trustee does not receive all or any part of the money owing to it in connection with the Trustee not complying with any obligation or not paying any liability under or in connection with this Agreement because the Trustee cannot obtain that money under the indemnity referred to in clause 19.1(b), the Customer cannot bring proceedings against the Trustee in its personal capacity to recover that money; and
- (d) clauses 19.1(b) and 19.1(c) do not apply to any obligation or liability of the Trustee under or in connection with this Agreement to the extent that it is not complied with or paid because the Trustee's right to be indemnified from the Trust assets is reduced because of the Trustee's own fraud or breach of trust.

19.2 Contribution to Liability

An act or omission of the Trustee (including acts and omission that result in the Trustee not complying with any obligation or not paying any liability under or in connection with this Agreement) does not constitute fraud or breach of trust by the Trustee for the purposes of this clause 19 to the extent to which that act or omission was caused or contributed to by any act or omission of the Customer.

Executed as an agreement on [Date]

Each attorney executing this agreements states that he or she has no notice of the revocation or suspension his or her power of attorney.

SIGNED for and on behalf of **NSW Electricity Networks Operations Pty Limited** ACN 609 169 959 as trustee for **NSW Electricity Networks Operations Trust** ABN 70 250 995 390 by its attorneys under registered power of attorney Book 4728 no 681:

Signature of Attorney

Name and position of Attorney

Executed for and on behalf of **[Customer name]** (ABN [Customer ABN]) by its duly authorised officer in accordance with **section 127 of the Corporations Act 2001** (Cth):

Signature of Director/Secretary (delete as applicable)

Name of Director/Secretary

Signature of Attorney

Name and position of Attorney

Signature of Director

Name of Director

Schedule 1 – The Site

Schedule 2 – New Easement Terms and Conditions

Part A: Electricity Transmission Line Easement Terms

MEMORANDUM OF ENERGY TRANSMISSION EASEMENT

The Transferor grants to the Transferee the easement for transmission and acknowledges and agrees that any lessee of the Transferee's transmission system, and any nominee of such lessee (which may include a sublessee of the Transferee's transmission system from that lessee), may exercise the rights and perform the obligations of the Transferee as if that lessee or nominee were the Transferee, but only for so long as the lessee leases the Transferee's transmission system from the Transferee.

A reference in this Memorandum to 'Authorised Persons' of the Transferee means tenants, employees, agents, contractors, visitors, invitees, licensees and lessees of, and other persons claiming by, through or under, the Transferee, any lessee of the Transferee's transmission system, or any nominee of such lessee (but does not include such lessee or nominee).

- (a) The Transferor grants FULL AND FREE right for the Transferee and its successors, assigns and Authorised Persons, to do all things reasonably necessary or appropriate to carry out its functions under any legislation or to establish, construct, maintain and operate all facilities and structures and things for the transmission of electricity and telecommunications in, on or under the land burdened, including but not limited to:
- (i) the removal, re-erection, re-construction, replacement, re-installation, upgrade, alteration, repair and renewal of such facilities, structures and things; and
 - (ii) the placement and operation of vehicles, plant and equipment; and
 - (iii) the establishment, construction, maintenance, removal, re-erection, re-construction, replacement, re-installation, upgrade, alteration, repair and renewal of gates, roads (to a maximum width of 5m), bridges, culverts, piped crossings and the like; and
 - (iv) the removal, trimming, cutting, lopping and maintenance of trees and other vegetation.
- (b) The owners of the land burdened or the holder of any interest therein must not do, or knowingly permit or suffer to be done, any of the following acts, things or activities:
- (i) the placement, erection, construction or installation of any building, structure or thing in, on or under the land burdened; or
 - (ii) the operation, installation or placement of any plant, equipment, machinery, utilities or thing, having a height of 4.3 metres or use thereof above a height of 4.3 metres, in, on or under the land burdened: or
 - (iii) the, planting or placement of any trees, shrubs or bushes in, on or under the land burdened; or
 - (iv) the placement or use of any flammable material, explosives, fire, waste products or refuse in, on or under the land burdened; or
 - (v) the excavation or carrying out of construction works in, on, or under the land burdened.
- (c) Notwithstanding, (b) above, the acts, things and activities therein may be carried out only with the prior permission in writing of the Transferee, its successors or assigns.
- (d) In exercising rights under this easement, the Transferee and its successors and assigns will take such precautions to minimise disturbance to the land burdened as is reasonably practicable.

Part B: Access Easement Terms

TERMS OF EASEMENT FOR ACCESS

The Transferor grants to the Transferee the easement for access and acknowledges and agrees that any lessee of the Transferee's transmission system, and any nominee of such lessee (which may include a sublessee of the Transferee's transmission system from that lessee), may exercise the rights and perform the obligations of the Transferee as if that lessee or nominee were the Transferee, but only for so long as the lessee leases the Transferee's transmission system from the Transferee.

A reference in this Memorandum to 'Authorised Persons' of the Transferee means tenants, employees, agents, contractors, visitors, invitees, licensees and lessees of, and other persons claiming by, through or under, the Transferee, any lessee of the Transferee's transmission system, or any nominee of such lessee (but does not include such lessee or nominee).

The Transferor grants FULL AND FREE right for the Transferee, and its successors, assigns and Authorised Persons:

- (a) With or without vehicles, plant, equipment or materials, to enter, pass, repass and be in or on the land burdened,
- (b) to lay upon the surface of the land burdened rock, stone, gravel, bitumen, concrete or other material, remove the surface and under surface of the lot burdened and substitute them for rock, stone, gravel, bitumen, concrete or other material;
- (c) to form and maintain a road on the land burdened and for that purpose construct any bridges, culverts, piped crossings, water channels, fords and other ancillary and incidental works;
- (d) to cut, trim, lop and remove trees, branches, roots, bushes, grass, undergrowth and other vegetation which stand in or on the land burdened or overhang or encroach upon it and which interfere or may interfere with any of their rights; and
- (e) to do all such other things as may be necessary to exercise any of its or their rights.

In exercising its or their rights under the above provisions, the Transferee and its successors and assigns will take due precautions to cause as little disturbance as reasonably practicable to the land burdened.

Schedule 3– Milestone Schedule

Table 1 Milestone Schedule

Milestone	Target Dates	Milestone Task	Payment Amount
1			
2			
3			
4			
5			
6			
7			
8			

Schedule 4– Scope of Works

A. Background

B. Customer Obligations

The Customer is responsible for:

1. XXXX.
2. XXXX.
3. XXXX.

C. Pre-Conditions for TransGrid Possession of the Site

The date for Possession of the Site is XXXX.

Table 2 – Preconditions

Item	Customer Responsibility	Required Date for Precondition
1.		X weeks prior to Possession of the Site
2.		X weeks prior to Possession of the Site
3.		X weeks prior to Possession of the Site

D. Exclusions to TransGrid's scope of work

[The below is to be used as an example only]

The following are excluded from TransGrid's construction scope of works and do not form part of TransGrid's services under this Agreement:

1. Clearing of the easement for construction of the transmission line and the access tracks.
2. TransGrid site supervision during clearing works.
3. Environmental and development approvals.
4. Easement purchases.
5. Community consultation.
6. Works to minimise visual impacts (i.e. painting steel towers).
7. Special conditions or specialist mitigations for requirements including, but not limited to, threatened species, Heritage, offsets or other specialised conditions of approval.
8. Adjustment to the Target Completion Date or Costs due to Inclement weather on the Site exceeding three days per month.
9. Remediation of Relocation Works in progress including access due to extreme weather conditions.

E. TransGrid's scope of work

1. [REDACTED].
2. [REDACTED].
3. [REDACTED].

F. Assumptions

[Set out all assumptions for scope of work, including e.g. as to authorisations, no latent conditions, inclement weather, no changes in law affecting works, no force majeure events affecting work]

Schedule 5– Minimum Bank Guarantee Schedule

Table 3 - Minimum Bank Guarantee Schedule

Milestone No.	Milestone Task	Minimum Balance	Bank	Guarantee
1				
2				
3				
4				
5				
6				
7				
8				

Schedule 6– Project Approvals

- (a) Development Consent Application Number XXXXX granted by XXXXX.
- (b) Development Application No. XXXXX approval granted by XXXXX.
- (c) Obtaining all environmental and pre-construction approvals.
- (d) Visible identification at site of any indigenous and non-indigenous constraint areas.
- (e) Visible identification at site of any environmental constraint areas.
- (f) Completed all vegetation clearing and/or removal/ destroying of indigenous and non-indigenous artefacts within the "project boundary" where the project lay down areas, the transmission line works, and access road are to be located.
- (g) The Customer has approved TransGrid's erosion sediment control plan and certify that it is consistent with The Customer project approvals.

[Items a – g are a general guide only. Please ensure the accuracy of the project approval requirements].