Negotiated Connection Establishment Contract (transferable assets): Large Customers comprising CACs, ICCs and EGs: [insert site]

NMI: [insert]

Work Request No. [insert]

Ergon Energy Corporation Limited
ABN 50 087 646 062

[insert counterparty]
ABN [insert]

WITHOUT PREJUDICE
NOTE TO COUNTERPARTIES: THIS DOCUMENT MAY BE UNILATERALLY VARIED BY ERGON ENERGY UP UNTIL THE DATE OF OFFER TO COMPLY WITH THE CURRENT ERGON ENERGY TEMPLATE.

Please note: This contract is for use only by ICCs, CACs or EGs (Major Customers) and not by SACs or NSPs, and only in conjunction with the negotiated Part 4 ongoing connection contract.
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Large Customers comprising CACs, ICCs & EGs

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1. PARTIES TO THIS CONTRACT

This contract is between:
(a) Ergon Energy Corporation Limited ABN 50 087 646 062, of 420 Flinders St, Townsville QLD 4810 (Ergon Energy or we, our or us); and
(b) [insert name] ABN [insert ABN], of [insert registered address] (the Customer or you or your).

[Drafting note: Additional clauses may be required if the Customer is other than a corporation (such as a joint venture, partnership or trust.)]

2. RECITALS

(a) You want to [establish a new connection/proceed with a connection alteration of the connection point] between your premises and our distribution system.

(b) This contract sets out the arrangements between the parties in relation to the carrying out of the works to achieve the above.

3. INTERPRETATION

3.1. Definitions

Italicised terms (other than references to laws and Latin phrases) are defined in the following order of priority:
(a) in this clause;
(b) in the ongoing connection contract (mutatis mutandis);
(c) in the NEL or the NER; and
(d) in the NERL or the NERR.

Words used in the Corporations Act 2001 (Cth) have the meaning defined in that Act. If a word is defined, other grammatical forms of that word have that meaning.

accredited auditor has the meaning given to that term in the Electrical Safety Act 2002 (Qld);

ACS component means those Ergon Energy activities that are classified as alternative control services;

amounts received means amounts received by us from you attributable to the construction charges;

approved contractor means a contractor on our approved contractors panel or a contractor nominated by you that we have confirmed as being satisfactory under clause 7.3(d);

approved contractors panel means our list of approved contractors, as set out in Item 1(h) of Schedule 1;

approved supplier means, for prescribed materials and equipment, a supplier on our approved suppliers panel or a supplier nominated by you that we have confirmed as being satisfactory under clause 7.3(d);

approved suppliers panel means our list of approved suppliers, as set out in Item 1(i) of Schedule 1;

change notice means a notice of an actual or potential material change given under clause 8.5(c);

[concept scope and design means the document that sets out the preliminary design and preliminary estimate for the works required to achieve the outcome referred to in the Recitals, being the document prepared by [insert] entitled “[insert]” and dated [insert];]

connection alteration means an alteration to an existing connection, including an addition, upgrade, extension, expansion, augmentation or any other kind of alteration;

connection application means an application made by you to us for the new connection or connection alteration (as relevant) referred to in the Recitals;

connection service means a customer connection service relating to the establishment of a new connection or a connection alteration;

consent obtaining date means [insert];
construction charges means the charges payable by you to us under this contract for the Ergon Energy activities, being the charges for the ACS component (determined in accordance with clause 19.1(a)(i)) and the unregulated component (determined in accordance with clause 19.1(a)(iii)) of those works;

contract means this document as executed and as amended or supplemented from time to time;

Customer means the entity set out in clause 1(b);

Customer’s activities means all works to be completed by you to facilitate the new connection or connection alteration (as relevant) referred to in the Recitals and to transfer the transferable assets to us, including:

(a) the activities described as such in Item 2(d) of Schedule 2; and

(b) all items necessary and incidental to the completion of such activities, including the obtaining of any authorisations and any relevant land acquisitions.

The Customer’s activities comprise works relevant to the transferable assets, and works relevant to other assets that are not to be transferred to us;

Customer’s completion notice means the notice described in clause 11.2(a);

date of transfer means the date on which the transferable assets are transferred to us under this contract;

default notice means a notice given under clause 22.1;

defects rectification period means \([2/3]\) years from the date of transfer;

design documentation means all design documents, specifications, plans, drawings, calculations, dimensions, layouts and other technical information required for the performance of those Customer’s activities relevant to the transferable assets and, for the avoidance of doubt, includes the construction plans referred to in the design specifications;

design specifications means the documents prepared by us that set out the minimum standards to be adhered to in the design of the transferable assets;

[detailed response] means the relevant “detailed response” (as that term is defined in rule 5.3A.2(a) of the NER, being the document prepared by [insert] entitled “[insert]” and dated [insert];)

encumbrance means any:

(a) security interest as defined in the Personal Property Securities Act 2009 (Cth);

(b) mortgage, lien, charge, pledge, claim, restriction against transfer, encumbrance or other third party interest;

(c) security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power, or flawed deposit arrangement;

(d) right, interest or arrangement which has the effect of giving another person a preference, priority or advantage over creditors, including any right of set-off;

(e) right that a person (other than the owner) has to remove something from land (known as a profit à prendre), easement, public right of way, restrictive or positive covenant, lease or licence to use or occupy; or

(f) third party right or interest or any right arising as a consequence of the enforcement of a judgment, or any agreement to create any of them or allow them to exist, other than liens arising by operation of law;

Ergon Energy activities means all works to be completed by us to facilitate the new connection or connection alteration (as relevant) referred to in the Recitals and to accept the transfer of the transferable assets, including:

(a) the activities described as such in Items 2(a) to 2(c) of Schedule 2; and

(b) all items necessary and incidental to the completion of such activities, including the obtaining of any authorisations and any relevant land acquisitions;

Ergon Energy completion notice means the notice described in clause 11.2(b).

Ergon Energy defect means:
(a) any error, deficiency, omission, non-conformity, fault, failure, malfunction, irregularity or other defect in the Ergon Energy activities;

(b) any loss or damage to the Ergon Energy activities; or

(c) any aspect of the Ergon Energy activities that is not in accordance with the requirements of this contract,

except to the extent that this is caused or contributed to by you;

final commissioning means the process of testing and commissioning the works (and any relevant associated electrical infrastructure at the premises) that is carried out at the end of the works, a part of which is dependent upon energisation of the connection point or the connection assets;

final design documentation has the meaning set out in clause 7.5(c)(ii).

land acquisition means all land, interests in land (such as easements), landowner consents and any other access rights necessary to carry out the works and to access, install, own, operate, maintain, replace and remove the relevant assets;

liaison personnel means the people nominated by each party in accordance with clause 15;

long lead time items means any materials or equipment that are required to carry out the works which is expected to take in excess of [insert time period] from the time of ordering to the time of arrival at the place at which the relevant works are being carried out;

material change means anything that meets one or more of the following requirements:

(a) it comprises a force majeure event or an action to overcome, avoid or mitigate the effects of a force majeure event;

(b) it will, or is likely to, result in:
   (i) a change having to be made to the other party’s works (including, without limitation, in order to re-align the timing of each party’s works);
   (ii) a party’s works not meeting a milestone or target completion date for those works;
   (iii) a substantive discrepancy between the amounts received and the construction charges;

(c) it is a change to the Ergon Energy activities that is done to meet a Customer request (including, without limitation, a request to carry out additional works to overcome, or avoid, a delay in completion of the works); and

(d) it is a change in the works that arises in connection with a change in law occurring after the date of this contract, where the specific relevant impact of the change in law was not reasonably capable of assessment prior to such date,

where “change” refers to any change, whether it is an addition, increase, correction, substitution, decrease, omission or deletion;

new connection means the establishment of a new connection point between your premises and our distribution system;

non-financial default means:

(a) with respect to us, a failure to comply with a provision of this contract that has, or could reasonably be expected to have, a material adverse effect on our capacity to carry out the Ergon Energy activities in accordance with this contract; and

(b) with respect to you, a failure to comply with a provision of this contract that has, or could reasonably be expected to have, a material adverse effect on:
   (i) the security of any part of our distribution system;
   (ii) the performance of any part of our distribution system; or
   (iii) our capacity to carry out the Ergon Energy activities in accordance with this contract,

but does not include a financial default.

notice of acceptance means a notice issued in accordance with clause 11.5(a);

Ongoing Connection Contract means a connection contract between the parties (to be dated on or about the date of this contract) under either of Chapters 5 or 5A of the NER or Part 4 of the NERR that
deals with the provision of supply services at the relevant connection point after completion of the works;

[planning report means the document that sets out an assessment of options to achieve the outcome referred to in the Recitals, being the document prepared by [insert] entitled “[insert]” and dated [insert];]

[preliminary response means the relevant “preliminary response” (as that term is defined in rule 5.3A.2(a) of the NER, being the document prepared by [insert] entitled “[insert]” and dated [insert];]

prescribed materials and equipment means the materials and equipment set out in Item 1(j) of Schedule 1;

revenue metering installation means a metering installation that is used as the primary source of metering data for determining revenues at the connection point;

RPEQ means an engineer registered with the Board of Professional Engineers under the Professional Engineers Act 2002 (Qld) in the area of electrical engineering;

scope of works means the works set out in:

(a)   for a connection application under rule 5.3A of the NER, the preliminary response and the detailed response; and

(b)   for a connection application under Chapter 5A of the NER, the planning report and concept scope and design,

as further detailed in Schedule 2 and as amended by the parties;

SCS component means those Ergon Energy activities that are classified as standard control services;

security means a cash deposit, bank guarantee, surety bond or other form of security referred to in clause 19.8(a) and includes any new or substitute security provided in accordance with clauses 20.3 or 20.6;

security amount means, for a security, the relevant amount set out in Item 1(b) of Schedule 1;

security end date means, for a security, the date on which that security is to end, as set out in Item 1(b) of Schedule 1;

security for construction charges means a security to be given by you to us to secure the construction charges until payment of the relevant tax invoice, as envisaged in clause 19.5;

security for defects means a security to be given by you to us to cover estimated costs that may be incurred by us in rectifying any transferable asset defects during the defects rectification period;

security for removal means a security to cover any loss or damage that may be suffered by us as a result of us removing assets in accordance with this contract. For the avoidance of doubt, the security for removal covers any amounts payable under clause 18.3;

security for stranded assets means a security to be given by you to us to secure the estimated amount of future revenue recoverable by us in respect of the works attributable to the distribution network;

security start date means, for a security, the relevant date for provision of that security, as set out in Item 1(b) of Schedule 1;

specifications means the specifications that the design of the transferable assets, or the materials and equipment forming part of the transferable assets, must meet, as described more fully in Item 1(g) of Schedule 1. For the avoidance of doubt, this includes the design specifications, where relevant. Note that the specifications may specify specific plant and secondary systems equipment required to ensure that the transferable assets are compatible with our existing distribution system and relevant standards applying to our distribution system;

statement means a statement under clause 19.5(a);

target completion date means, for a party, the relevant date set out in Item 1(a) of Schedule 1;

technical construction requirements means the technical requirements set out in Schedule 4 of this contract;

transferable asset defect means anything in relation to the transferable assets that causes or constitutes a breach of the obligations, undertakings or warranties in this contract (including, without limitation, the warranties contained in clause 27);
transferable assets means the assets to be constructed by you that are specified as such in Item 2(e) of Schedule 2;

unregulated component means those Ergon Energy activities that are not subject to economic regulation under the NER;

works means the Ergon Energy activities and the Customer’s activities;

works program means the program for completion of the works as initially set out in 3 or as revised by the parties, which is intended to include key dates for completion of critical elements of the works; and

works protocol means the protocol for carrying out the works that is developed by the parties in accordance with clause 16.

3.2. Incorporation of provisions from the Ongoing Connection Contract

The following clauses of the Ongoing Connection Contract are incorporated into this contract as if set out in full in this contract, mutatis mutandis:

[Drafting note: check clause references.]

(a) clause 3.2 (Rules for interpreting this contract);
(b) clause 3.3 (Multiple parties);
(c) clause 12 (GST);
(d) clause 17 (Dispute resolution);
(e) clause 18 (Confidentiality, privacy and access to information);
(f) clause 19 (Notices and tax invoices);
(g) clause 20 (Amendment and assignment) (provided that clause 20(a) is subject to clause 8.3(c)(i)); and
(h) clause 21 (General).

4. SCOPE AND OPERATION OF THIS CONTRACT

4.1. Application of this contract

This contract is a connection contract for the provision of the new connection or connection alteration (as relevant) referred to in the Recitals, which principally involves you carrying out the Customer’s activities and us carrying out the Ergon Energy activities.

4.2. What is not covered by this contract

This contract does not cover:

(a) the provision of supply services (as this is covered by the ongoing connection contract);
(b) the sale of energy to the premises at the connection point (as this is a matter for you and/or your retailer); or
(c) the purchase of any electricity exported from the premises into the distribution system at the connection point.

5. TERM

5.1. When this contract starts

Unless otherwise specified in this contract, the rights and obligations under this contract start on the day on which this contract is fully executed.

5.2. When this contract finishes

(a) Subject to any relevant energy laws, this contract will terminate on the date on which all of the following have been completed:

(i) all works under this contract have been completed, tested and commissioned;
(ii) all amounts payable by one party to another under this contract have been paid;
(iii) the transferable assets have been transferred to us under this contract; and
(iv) the defects rectification period has ended,
unless terminated earlier in accordance with this contract.

(g) Rights and obligations accrued before the end of this contract continue despite the ending of this contract.

6. INTRODUCTORY INFORMATION

6.1. Intent of the works

The parties acknowledge that:

(a) the works are to enable the new connection or connection alteration (as relevant) referred to in the Recitals, to enable the provision of supply services as contemplated in the Ongoing Connection Contract, and the connection point will comprise a single connection without complete redundancy (so the circumstances referred to in clause [6.10(c)] of the Ongoing Connection Contract may affect the provision of these supply services); and

(b) the reliability of the distribution system under normal operating conditions will be determined by us in accordance with the energy laws.

6.2. Contract based on certain information

The parties acknowledge and agree that:

(a) this contract (in particular, the scope of works and the estimate of the construction charges) has been determined by us based on:
   (i) our knowledge of our distribution system in the vicinity of the premises from a desktop perspective (i.e. without a detailed site inspection);
   (ii) publicly available information concerning the requirements of local, State and Federal governments and relevant environmental, cultural and world heritage issues;
   (iii) information contained in the relevant connection application and:
      (A) for a connection application under rule 5.3A of the NER, the preliminary response and the detailed response; and
      (B) for a connection application under Chapter 5A of the NER, the planning report and concept scope and design;
   (iv) certain underlying assumptions about the works that will not be fully verified until the completion of the detailed design stage or later (for example, the location of the connection point and the time taken to obtain necessary authorisations, land acquisitions and long lead time items); and
   (v) information provided by you,

and both the scope of works and the resultant construction charges will be further revised and defined during the progress of the works, for example as a result of site inspections, detailed design, construction and other relevant processes, including to comply with our policies, good electricity industry practice, relevant energy laws, Australian Standards and the terms of any authorisations, and may be affected by force majeure events.

6.3. Responsibility for works

(a) We must carry out the Ergon Energy activities in exchange for the construction charges.

(b) You are responsible for carrying out the Customer’s activities at your cost.

(c) In connection with rule 5.3.5(b) of the NER:
   (i) we advise you that the relevant planning and environmental laws are complex, and we strongly recommend that you seek your own independent legal advice on any planning and environmental laws relevant to the Customer’s activities; and
   (ii) you agree that we have satisfied our obligations under the abovementioned rule.

6.4. Manner of carrying out the works

(a) Subject to any express contrary provisions in this contract, each party must:
   (i) obtain all of the authorisations and land acquisitions required for their works; and
(ii) design, install, construct, test and commission and otherwise perform that party’s works to comply with this contract, all relevant authorisations, land acquisitions, Australian Standards, laws and good electricity industry practice and to achieve the outcome contemplated in the Ongoing Connection Contract.

(b) We may determine the design and specification of, and any other requirements for, the Ergon Energy activities, provided there is compliance with clause 6.4(a).

(c) We may subcontract any part of the Ergon Energy activities at our discretion.

7. REQUIREMENTS APPLICABLE TO TRANSFERABLE ASSETS

7.1. Application
This clause 7 only applies in relation to transferable assets and the works relevant to transferable assets.

7.2. Design documentation to comply with design specifications
(a) As soon as possible after this contract starts, we must give you a copy of the design specifications (including any attachments).

(b) You must ensure that the design documentation complies with the design specifications.

7.3. Manner of carrying out relevant works
(a) You acknowledge that we wish to ensure that the transferable assets are compatible with our existing distribution system, and, accordingly, you must ensure that any of the Customer’s activities relevant to the transferable assets are carried out:

(i) by appropriately qualified personnel;

(ii) by an approved contractor;

(iii) in accordance with the design specifications, any other specifications and any construction standards specified by us;

(iv) in respect of any construction works, in accordance with the final design documentation;

(v) where the materials and equipment:

(A) are prescribed materials and equipment, using materials and equipment sourced from an approved supplier; and

(B) are not prescribed materials and equipment, using materials and equipment either as specified by us, or from appropriate manufacturers and suppliers, where you have satisfied us that the materials and equipment meet the specifications and any other requirements of this contract.

(b) If you wish to source prescribed materials and equipment from a supplier other than an approved supplier, you may notify us of the identity of the relevant supplier.

(c) If you wish to use a contractor for any Customer’s activities that relate to transferable assets other than an approved contractor, you may notify us of the identity of the relevant contractor.

(d) If we receive a notification under either of clauses 7.3(b) or 7.3(c), we must, within twenty business days, advise you of whether such supplier or contractor (as relevant) is (at our sole discretion) satisfactory to us.

(e) If any part of the Customer’s activities that relate to transferable assets is subcontracted to a new or replacement designer or contractor, you must notify us of the name, address and contact details of the designer or contractor prior to that entity starting any work.

7.4. Design review process
(a) You and us must regularly liaise during the preparation of the design documentation to enable you to provide us with design documentation that achieves the following:

(i) meets relevant laws, Australian Standards, specifications and other requirements of this contract;

(ii) a design that, when constructed, can be integrated into our physical distribution system;

(iii) is in a format that is compatible with our internal computer systems and programs;
(iv) reduces the likelihood that we will advise you that any substantive changes are required under clause 7.5(c)(i); and
(v) is otherwise satisfactory to us.

(b) We and you must notify each other of at least one person each to carry out the liaison referred to in clause 7.4(a).

(c) The persons nominated under clause 7.4(b) must:
   (i) meet on a regular basis in order to carry out their responsibilities; and
   (ii) ensure that decisions made in relation to the design documentation are put in writing.

7.5. Submission of design documentation

(a) You must ensure that the design documentation has been certified by an RPEQ (engaged by you at your cost, who has experience in the relevant types of work comprising the transferable assets) and complies with the format requirements set out in Schedule 5.

(b) You must submit the design documentation and RPEQ certification to us for our review at least [20] business days before starting the construction of any Customer’s activities that relate to the transferable assets.

(c) We must, acting reasonably and within a reasonable time after receiving the design documentation (or any resubmitted design documentation under clause 7.5(d)), either:
   (i) advise you of any changes that we require to the design documentation, including additional information, and the reason for those changes; or
   (ii) notify you that the design documentation is acceptable to us (at which point the design documentation will become the final design documentation).

(d) If we notify you under clause 7.5(c)(i) that changes are required, you must make those changes and resubmit the RPEQ re-certified design documentation to us for our review.

(e) We must use the final design documentation to populate our internal asset registers with the transferable assets, expand our network operating model to incorporate the relevant details of the transferable assets in accordance with our internal systems, and verify and manage the data (and the costs of doing this are part of the construction charges).

7.6. Authorisations and land acquisitions to commence works

(a) You must, before starting any construction works relevant to transferable assets, provide satisfactory evidence to us that the appropriate authorisations and land acquisitions have been obtained by you to permit the Customer’s activities.

(b) We must, acting reasonably and within a reasonable time after receiving this evidence, notify you whether the evidence is satisfactory to us.

7.7. Preconditions to construction

The construction component of the Customer’s activities relevant to the transferable assets must not start until:

(a) we have notified you under clause 7.5(c)(ii) that the design documentation is acceptable to us and under clause 7.6(b) that the evidence is satisfactory to us;
(b) the meeting referred to in clause 14.1(a) has been held and we have has ratified the outcome of the meeting under clause 14.1(b); and
(c) you have given us copies of all of the authorisations required for the Customer’s activities relevant to the transferable assets and the accessing, installation, ownership, operation, maintenance, replacement and removal of the transferable assets, including, without limitation, the following:
   (i) Ergon Energy Approval of Principal Contractor Safety Management Plan (SMP) and Environmental Management Plan (EMP) for the construction project; and
   (ii) copies of all relevant authorisations for staff involved in construction project, including, but not limited to, electrical licenses, Ergon Energy authorisations, and other relevant licenses including Construction Industry White Cards,
and we have satisfied ourselves that all necessary authorisations have been obtained in the appropriate form.

7.8. Notification of concealment of works

(a) You acknowledge that:
   (i) the purpose of clause 12 is to provide reasonable assurance to us that we will not assume any risk in excess of its acceptable risk profile; and
   (ii) certain components of the transferable assets will, as part of the Customer’s activities, be concealed, covered, buried or otherwise treated in a manner that will result in those components not being readily visible to a person attempting to view those components.

(b) You must, before any materials or equipment included in the Customer’s activities relevant to the transferable assets are treated as contemplated in clause 7.8(a)(ii), notify us that such treatment will occur and the expected date of such treatment.

(c) The notification under clause 7.8(b) must be given to us sufficiently prior to the expected date of such treatment to enable us to carry out an audit of the materials and equipment under clause 12.

(d) No materials or equipment included in the Customer’s activities relevant to the transferable assets may be treated as contemplated in clause 7.8(a)(ii), unless we either carry out an audit as contemplated in clause 7.8(b) or notify you that we do not intend to undertake such an audit.

(e) If we receive a notice under clause 7.8(b), we must, within five business days, advise you as to which of the actions contemplated in clause 7.8(d) we intend to pursue.

8. GENERAL PROVISIONS APPLICABLE TO WORKS

8.1. Scheduling the initial Ergon Energy activities

After receiving payment of the amounts invoiced under clause 19.3(a) (or, if a statement is issued under that clause, receiving a security for construction charges in accordance with that statement), we must schedule the following components of the Ergon Energy activities into our works schedule and commence these Ergon Energy activities in accordance with that works schedule:

(a) preparation of a detailed design and estimate;
(b) acquisition of any relevant land acquisitions; and
(c) procuring any long lead time items identified at the time.

8.2. Provision of revised information after completion of detailed design and estimate

Upon completing the detailed design and estimate, we must give you:

(a) revisions to Schedules 2 and 3;
(b) a reconciliation of the amounts received attributable to Ergon Energy activities completed at that time against the construction charges attributable to those activities (to which the reconciliation process set out in clause 19.2(d) applies); and
(c) a revised estimate for that component of the construction charges attributable to the remainder of the Ergon Energy activities (principally the construction and final commissioning phases).

8.3. Election to proceed or terminate

(a) Within [20] business days of receiving the information referred to in clause 8.2, you must notify us whether you elect to proceed with the works or to terminate this contract immediately.

(b) If we do not receive a notification within the above timeframe, this contract will automatically terminate at the end of that timeframe.

(c) If we receive a notification to proceed within the above timeframe:
   (i) this contract is amended as notified under clause 8.2;
   (ii) if the revised estimate referred to in clause 8.2(c) is more than the relevant amounts received attributable to the remainder of the Ergon Energy activities, we will issue a tax invoice for the difference (or, if agreed under clause 19.5, a statement).
(iii) we must schedule the remaining components of the Ergon Energy activities into our works schedule and, provided that we have either received payment of the tax invoice, or a security for construction charges in respect of the statement, referred to in clause 8.3(c)(ii), commence those Ergon Energy activities in accordance with that works schedule.

8.4. Updating the works and the works program

(a) The parties acknowledge and agree that:

(i) the works in 2 and the works program in 3 will not list all activities or components of the works, or milestones for the works;

(ii) the parties must liaise and update the works program as required; and

(iii) each party must use reasonable endeavours to carry out their works in accordance with the works program, including completing their works by the relevant target completion date.

(b) A failure by us to complete any of the Ergon Energy activities by a milestone date or target completion date because of a delay caused by you is not a default by us.

8.5. Changes to works

(a) This clause does not apply to the matters dealt with under clauses 8.2 and 8.3.

(b) Each party may make changes to its works at its own cost and without notice to the other party, provided this does not cause a material change.

(c) As soon as practicable after becoming aware that a material change has occurred, or is likely to occur, a party must give the other party a change notice, setting out the following (to the extent known at the time):

(i) the event or circumstance giving rise to the requirement for the change;

(ii) the expected impact on the works (including changes, delays and changes in cost); and

(iii) potential mechanisms for mitigating the impact that are consistent with good electricity industry practice, and any particular advantages or disadvantages of these suggested mechanisms.

(d) Within eight business days of the date of a change notice, the parties must start liaising with each other in respect of the material change.

(e) As part of the abovementioned liaison, the parties must:

(i) share any further information about the material change;

(ii) use all reasonable endeavours to regularly meet (via communications technology or in person) and agree with each other as to the optimal and appropriate actions to take to:

(A) remove, overcome or minimise the effects of the event; and

(B) proceed with the works in a manner that is, as far as practicable, acceptable to each party and designed to meet the requirements of the Ongoing Connection Contract, provided that such agreement must not be unreasonably withheld, but that it is reasonable for us to withhold our agreement if the proposed actions may, or would, result in:

(I) the Customer’s activities not complying with the requirements of this contract;

(II) an adverse effect on the proposed connection or the distribution system; or

(III) a change to the Ergon Energy activities that is not acceptable to us; and

(iii) upon reaching agreement under clause 8.5(e), document this agreement in accordance with clause [20(a)] of the Ongoing Connection Contract, as incorporated into this contract by clause 3.2(g) of this contract.

(f) Where the agreed actions under clause 8.5(e)(ii)(B) change the recoverable costs of the Ergon Energy activities (using the principles set out in clause 19.1, then we must use reasonable endeavours to determine an estimate for the revised construction charges and carry out a reconciliation of the amounts received against the construction charges, and notify you of this.
(g) Unless otherwise agreed, or where necessary or highly desirable to manage the event or circumstance, the parties must not commence any changes to the works in connection with a material change prior to documenting these under clause 8.5(e)(iii).

9. METERING

9.1. Installation

You must cause a revenue metering installation to be installed as close as possible to the connection point, and maintained, in order to measure and record the amount of electricity transferred across the connection point in accordance with the energy laws and must ensure compliance with:

(a) for connection points for type 7 metering installations where you are, or are taken to be, an excluded customer under the Electricity Act 1994 (Qld), or where the connection point is in an isolated power system, Chapter 5 of the Electricity Distribution Network Code under that Act; and

(b) for any other load, Chapter 7 of the NER and documents relevant to that Chapter, including, without limitation, any of the following that are relevant:
   (i) MSATS Procedures: CATS Procedure Principles and Obligations;
   (ii) MSATS Procedures: Procedure for the Management of WIGS NMIs; and
   (iii) NEM metrology procedures.

9.2. Retailer and responsible person

(a) If we are not the responsible person for the purposes of the NER, you must inform us in writing of who is the responsible person.

(b) If there is, or will be, a retailer for the premises, you must inform us in writing of the identity of that retailer.

(c) The notifications under clauses 9.2(a) and 9.2(b) must be made at least 30 business days prior to the expected date to start final commissioning.

(d) If your retailer changes, you must notify Ergon Energy of that change within 10 business days of that change occurring.

10. ERGON ENERGY DEFECTS

(a) We must notify you as soon as we become aware of any Ergon Energy defect.

(b) We must, at our cost, remedy or rectify any Ergon Energy defect.

(c) You are not liable to us, and we are not entitled to make a claim against you, in connection with any Ergon Energy defect, or the remedying or rectification of any Ergon Energy defect.

11. COMPLETING CONSTRUCTION AND TESTING AND COMMISSIONING

11.1. No encumbrances

From the date of this contract, you must not, unless we otherwise agree in writing (at our sole discretion) create or grant any encumbrance over any transferable assets or agree to do so.

11.2. Obligations upon completion of works

(a) You must give us a notice once you reasonably consider that sufficient Customer’s activities relevant to the connection point (apart from final commissioning) have been completed in accordance with this contract to facilitate final commissioning, and you are ready to commence final commissioning in coordination with us.

(b) We must give you a notice once we reasonably consider that sufficient Ergon Energy activities (apart from final commissioning) have been completed and we are ready to commence final commissioning in coordination with you.

11.3. Preconditions to final commissioning

(a) Notwithstanding anything else in this contract, each of the following must be satisfied before final commissioning can start:
   (i) the parties have complied with clause 11.2;
(ii) all monies due and payable by you under this contract have been paid, where an amount is not taken to have been paid for the purposes of this clause unless either:

(A) a tax invoice was issued for that amount and paid in accordance with clause 19.3(b) and clause 19.3(c) has been satisfied; or

(B) where clause 19.5 applies and the relevant tax invoice was not paid, we have drawn down on the security for construction charges and have received the full construction charges due; and

(iii) the revenue metering installation referred to in clause 9.1 has been installed and is ready to be commissioned;

(iv) you have given us the security for defects referred to in Item 1(c) of Schedule 1;

(v) we are satisfied that the transferable assets have been completed in accordance with, and otherwise comply with, the requirements of this contract and are suitable for use with our distribution system to permit the connection of the premises to the distribution system; and

(vi) we have received sufficient information for us to comply with clause 7.5(e), and we are satisfied that our asset registers and network operating model include all the relevant information about the transferable assets to enable us to operate and maintain those assets as part of its distribution system.

11.4. Final commissioning and preconditions to energisation

(a) The parties must liaise to determine an appropriate time to carry out the final commissioning of the connection point and any connection assets.

(b) The provisions of rule 5.8 of the NER apply to you and us in relation to the final commissioning, and, for the purposes of that rule, as between you and us, you are deemed to be a Registered Participant, a Generator and a Customer under the NER and we are deemed to be only a Network Service Provider under the NER.

(c) You acknowledge that rule 5.8.1(a) of the NER (incorporated into this contract by virtue of clause 11.4(b)) requires you to ensure that any new or replacement equipment installed at the premises is inspected and tested to demonstrate compliance with this contract and the Ongoing Connection Contract.

(d) The parties must cooperate to develop appropriate procedures for such commissioning tests, including negotiation of relevant parameter settings and protection grading, test procedures and proposed test equipment.

(e) You and we must cooperate to develop a commissioning program under rule 5.8.4 of the NER for the final commissioning, and to commence this final commissioning in a coordinated fashion.

(f) Any additional costs incurred by us as a result of any non-compliance of the Customer’s activities or any delay in the final commissioning due to that non-compliance are added to the construction charges.

(g) Each of the following must be satisfied before any connection assets and the connection point can be energised:

(i) the preconditions set out in clause 11.3 have been completed;

(ii) if required by us, you have agreed to provide sufficient load to facilitate energisation;

(iii) all necessary commissioning and testing of the revenue metering installation referred to in clause 9.1 has been done and the revenue metering installation is capable of measuring electricity flows;

(iv) you have given us all securities that you are required to provide under the Ongoing Connection Contract, in accordance with that contract;

(v) if you are not the Market Participant for the connection point and you will be importing electricity from the distribution system at the connection point, you have entered into an electricity retail sale agreement with a retailer for the premises and advised us of the identity of that retailer;

(vi) we are aware of the identity of:
(A) the financially responsible Market Participant for the connection point; and
(B) the responsible person in respect of the metering installations for the connection point;

(vii) we have received either a “new connection” or “re-energisation” (as applicable) service order request from the financially responsible Market Participant for the connection point in accordance with the B2B Procedures;

(viii) we must consider (acting reasonably) that sufficient works have been carried out by both parties and that the connection assets and connection point have been appropriately tested and commissioned in a not electrically connected condition to allow us to physically connect and energise the connection point to complete the final commissioning and for future operational purposes;

(ix) if, at the proposed time of energisation of the connection point, you will be connecting high voltage electrical equipment (as that term is defined in the Electrical Safety Act 2002 (Qld)) to the connection point, you have, at your own cost, provided us with a certificate from an accredited auditor confirming that such high voltage electrical equipment complies with clause 221 of the Electrical Safety Regulation 2013 (Qld);

(x) you must have obtained our approval of the settings to be applied to your protection and control equipment (unless we agree otherwise);

(xi) we have completed all audits of the transferable assets that we require to complete our due diligence and are satisfied (acting reasonably) with the outcomes of this due diligence;

(xii) you have given us the following in respect of the transferable assets:

(A) all things necessary for us to operate and maintain the transferable assets as part of our distribution system, including, as required, keys, access cards and the like;

(B) detailed marked up drawings illustrating any changes from the final design documentation, provided that the mark-ups comply with our relevant specifications referred to in 5;

(C) copies of test certificates, test results and inspection and test plans;

(D) manuals for any materials and equipment;

(E) copies of any technical documentation received from any manufacturers or suppliers of materials or equipment;

(F) manufacturer test certificates for any materials and equipment;

(G) completed asset data sheets for each item of equipment included in the transferable assets, in the form provided by us to you during formulation of the inspection and test plans;

(H) the warranties referred to in clause 27, in a form which enables us to claim under those warranties;

(I) the security for defects;

(J) an enforceable undertaking that the transferable assets are free from any encumbrances;

(K) copies of all assessments, agreements and management plans that have been carried out under relevant laws, including, without limitation, native title, cultural heritage and environmental laws; and

(L) any other documents or items that are reasonably required by us to enable us to access, own, install, operate, maintain, replace and remove the transferable assets in the same manner as for the rest of our distribution system; and

(xiii) where any of the transferable assets are located on land that is not owned by us, we are satisfied that we will, upon issue of the notice of acceptance, hold appropriate and relevant land acquisitions to access, own, operate, maintain, replace and remove such transferable assets, as contemplated in clause 14.3(b).
11.5. Notice of acceptance and energisation

(a) Once the preconditions set out in clause 11.4(g) have been satisfied, we must promptly issue a notice of acceptance, which will be evidence of the performance of your obligations under this contract except in respect of the following:

(i) the presence or absence of any transferable asset defect;
(ii) any negligence, bad faith, wilful misconduct, fraud, breach of law or failure to comply with any relevant authorisation, land acquisition or this contract; or
(iii) the suitability or otherwise of the authorisations and land acquisitions obtained by you.

(b) Upon issue of the notice of acceptance, the parties must promptly carry out all necessary and desirable actions:

(i) to energise the connection point; and
(ii) if required by us, for you to provide sufficient load to enable the relevant entity to carry out on-load checks or similar on the relevant metering installations and finalise the testing and commissioning of the metering installations.

(c) All title in, and rights relating to, the transferable assets remains with you until the time of issue of the notice of acceptance, at which time the risk of, and all interest, title and ownership in, those assets will pass from you to us, and we will be under no obligation to transfer these assets back to you.

(d) From the time when the notice of acceptance is issued, you grant for all time to us an irrevocable, royalty-free and fully assignable licence to use any copyright and other intellectual property comprised in any design, materials, processes, documents and methods of working relevant to the transferable assets for any purpose required by us, and you must ensure that any relevant representatives of you involved in the works in relation to the transferable assets grant us a corresponding licence.

(e) Within 12 weeks of the issue of a notice of acceptance, you must give us detailed “as constructed” plans in respect of the transferable assets, together with certification by an RPEQ, engaged by you at your cost, who has experience in the relevant types of work comprising the transferable assets, that the transferable assets have been designed, constructed and tested in accordance with our requirements and are fit for service.

(f) If you do not comply with clause 11.5(e), then we may arrange for the preparation of the detailed “as constructed” plans in respect of the transferable assets and certification by an RPEQ, as contemplated in that clause, provided that:

(i) notwithstanding clause 19.4(a), our costs of carrying out such activities will be added to the construction charges without the necessity for us to provide an estimate of those costs, and such costs will be a debt due and payable by you; and
(ii) you must use your best endeavours to facilitate liaison between us and any relevant contractor to the extent that we consider reasonably necessary to prepare the “as constructed” plans.

12. AUDITS

(a) We are, at our discretion, entitled to undertake an audit of those Customer’s activities that relate to the transferable assets at any time, without notice to you.

(b) Without limitation, we are entitled to undertake an audit under clause 12(a) prior to issuing a notice of acceptance.

13. RECTIFICATION

13.1. Ability to rectify non-compliances

(a) If:

(i) during final commissioning, we discover;
(ii) an audit carried out by us reveals; or
(iii) we otherwise become aware of,
any non-compliance of the transferable assets with this contract, the final design documentation, the specifications, the technical requirements, relevant authorisations or relevant laws, we must notify you of this non-compliance, and you must ensure that the non-compliance is rectified within the time specified by us, acting reasonably.

(b) If, during the defects rectification period, we discover any transferable asset defects, we may rectify those transferable asset defects, and must provide details of the transferable asset defects to you.

(c) You may continue to perform other work during the period of rectification of the non-compliance, unless otherwise advised by us.

13.2. Failure to rectify

(a) If:

(i) you fail to rectify any non-compliance notified under this clause 13 within the time specified by us; or

(ii) there is an emergency; or

(iii) clause 13.1(b) applies,

we may, at our election, do one or more of the following:

(iv) rectify the non-compliance and recover the costs of doing so from you by either or both as a debt due from you, or by drawing down on the security for defects;

(v) for clause 13.2(a)(i), terminate this contract and recover damages from you, including, but not limited to, the costs of our performing any Customer’s activities or other works necessary to rectify the non-compliance; and

(vi) exercise all other remedies that may be available to us.

(b) Any action taken by us under this clause 13.2 is without prejudice to any other rights or remedies that we may have against you.

(c) Where it is necessary for us to take action in an emergency, we must provide details to you of the action taken as soon as practicable thereafter.

14. COOPERATION AND ONGOING OBLIGATIONS

14.1. Preliminary meeting

(a) At least one week prior to the commencement of the works, a site meeting must be held with representatives of us and you to ensure that you fully understand your obligations under, and the requirements of, this contract, and to facilitate consultation, cooperation and coordination between the parties about safety and health risks.

(b) If we, acting reasonably, consider that the purpose of the meeting set out in clause 14.1(a) above has been met, we must ratify the outcome of the meeting as soon as practicable after the meeting.

14.2. Ongoing obligations to keep the other party informed about progress

(a) Each party must keep the other party informed of that party’s progress in carrying out their respective works in light of Schedule 3.

(b) If a party believes that it will not be able to achieve a milestone contained in Schedule 3, then it must immediately notify the other party of that fact and comply with the relevant provisions of clause 8.5.

14.3. Parties to cooperate

The parties must do everything required (including executing any documents), and must ensure that its representatives do everything required (including executing any documents), in order for:

(a) us to obtain the land acquisitions necessary for the Ergon Energy activities; and

(b) you to transfer all of the land acquisitions relevant to the transferable assets to us as part of the transfer under clause 11.5(c), or otherwise obtain these land acquisitions in our name and on terms satisfactory to us.
15. **LIAISON PERSONNEL**

(a) Each party must nominate at least one person to review the progress of the works and coordinate the works, being the persons set out in Item 1(d) of Schedule 1 or as subsequently notified by one party to the other.

(b) The parties each authorise their liaison person to adopt rules, procedures, timetables and schedules to coordinate and plan works in relation to the installation and interfacing of equipment, testing and commissioning procedures and any other tasks in respect of which such coordination is necessary or highly desirable to ensure safety and timely completion.

(c) Notwithstanding anything else in this contract, the liaison personnel are not authorised to amend this contract or bind the parties on any matter except in relation to the progress and coordination of the works.

(d) The liaison personnel must regularly meet to carry out their responsibilities, and must record in writing any rules, procedures, timetables, schedules or other relevant matters and provide a copy of these to the other party.

(e) The liaison personnel for one party have equal authority to the liaison personnel for the other party, and all decisions must be unanimous.

16. **WORKS PROTOCOL**

(a) We and you must, prior to carrying out any construction, jointly develop and implement a works protocol with a view to ensuring:

(i) compliance with all laws;

(ii) the personal safety of the representatives of us and you;

(iii) the personal safety of the general public; and

(iv) satisfactory operation of the premises and the distribution system.

(b) The minimum requirements of the works protocol are set out in Schedule 6.

17. **LAND ACCESS**

17.1. Access to your premises

(a) This clause applies except where there is a relevant emergency. Where there is an emergency, we will use our reasonable endeavours to comply with this clause to the extent reasonably practicable in the situation.

(b) We may access the premises, and may install equipment on the premises (in an agreed location) or audit your activities relevant to the transferable assets, in accordance with this clause to comply with our obligations or exercise our rights under this contract or any laws.

(c) We must use reasonable endeavours to provide your 24-hour contact set out in Item 1(f) of Schedule 1 at least 7 days' notice of our intention to exercise our rights under this clause, together with a brief description of the purpose of access and nature of any works to be done.

(d) You must provide our representatives with all assistance and safe access that is reasonably required by us so that we can complete the necessary tasks.

(e) Any access under this clause must be in accordance with all relevant laws and authorisations and any other access requirements that you advise to us, provided that:

(i) we consider that your requirements are reasonable in the circumstances, and give appropriate consideration to the type of work proposed to be done by us;

(ii) your requirements do not impose drug and alcohol testing obligations on our representatives that are more onerous than those required internally by us (and, for this purpose, we must give you copies of our Drug and Alcohol Policy Business Rules (Reference ES001001R100 Ver 5); and
where your requirements impose obligations on us that exceed the obligations imposed on our representatives under our internal policies and procedures (including, without limitation, in respect of site and general inductions), you must reimburse us for the costs of our compliance with such rules and guidelines (to the extent of the excess obligation), including, without limitation, any associated costs of travel, accommodation and equipment procurement.

(f) You:

(i) acknowledge that we cannot require our personnel to undergo any drug or alcohol testing that is more invasive than that set out in our Drug and Alcohol Policy Business Rules (Reference ES001001R100 Ver 5.) (which we will provide you with a copy of on request); and

(ii) agree that, should the operation of clause 17.1(e) result in any of our employees being asked to undertake drug or alcohol testing under this clause that is more invasive than that set out in the above Business Rules, then that employee has the right to refuse such testing, and, should the employee refuse such testing, you may (at your election) either:

(A) immediately escort that employee from the premises and notify us of this fact; or

(B) agree to a temporary waiver of that testing for that employee for that particular access instance.

(h) If clause 17.1(f)(ii)(A) applies, then we must use our reasonable endeavours to make appropriate alternative arrangements at your cost, taking into consideration the particular circumstances of, and need for, the access, together with the availability of replacement personnel.

(i) When working on the premises, our representatives must minimise disruption to you and your representatives.

(j) Provided our representatives comply with the relevant access requirements, you must give those representatives access (free of charge) to [potable water, toilet facilities, emergency telephone facilities], provided that we are liable for any loss of or damage to those facilities that our representatives cause.

(k) You must promptly inform us if you become aware that there is, or will be, a change materially affecting access to any of our assets at the premises.

17.2. Access to third party land

(a) If you require access to any land belonging to, or under the control of, a third party, for the purposes of carrying out the Customer’s activities, it is solely your responsibility to procure any relevant land acquisitions, and you must comply with any conditions that may be imposed on such consent and with all applicable laws.

(b) We are responsible for acquiring all land acquisitions for the Ergon Energy activities.

(c) Certain costs to us in connection with acquiring the land acquisitions for our connection assets are included in the construction charges.

(d) Certain costs to us in connection with acquiring the land acquisitions for the distribution network are included in the network charges recoverable by us from our Distribution Customers in accordance with the energy laws.

17.3. Land tenure

The parties must do anything necessary or highly desirable (including, without limitation, executing documents) to facilitate our obtaining any land acquisitions relevant to the Ergon Energy activities, on terms satisfactory to us.

17.4. Ancillary facilities

(a) [You must provide us with [list any services required eg AC supply] at no cost to us.]

18. TERMINATION

18.1. Automatic termination

This contract will terminate in any of the circumstances below:
(a)  (works finished) under clause 5.2(a);
(b)  (no election to proceed with construction) under clause 8.3(b); and
(c)  (termination of ongoing connection contract) if the Ongoing Connection Contract is actively terminated (otherwise than through termination for effluxion of time).

18.2. Rights to terminate

(a) You may terminate this contract under any of the following:
   (i)  (not proceed with construction) by making an election under clause 8.3(a); or
   (ii) (uncured default) under clause 22.3(a)(i);
   (iii) (on notice) at any time by giving us at least one month's prior notice.

(b) We may terminate this contract:
   (i)  (failure to rectify non-compliances) under clause 13.2(a)(v);
   (ii) (uncured default) under clause 22.3(a)(i);
   (iii) (non-occurrence of certain events) by notifying you if we have not:
         (A) by the consent obtaining date, acquired all authorisations and land acquisitions necessary to carry out the Ergon Energy activities (despite all reasonable efforts to obtain them), and an alternative solution cannot be agreed upon in accordance with clause 8.5(e) or by the end of the dispute resolution process under the clause referred to in clause 3.2(d);
         (B) commenced the Ergon Energy activities within [insert] months of the date of this contract, due to either your failure to comply with this contract or all necessary authorisations and land acquisitions not being granted; or
         (C) completed the Ergon Energy activities within [insert] months of the date of this contract, due to either your failure to comply with this contract or all necessary authorisations and land acquisitions not being granted.

18.3. Process to be followed upon termination

(a) This clause 18.3 survives the termination of this contract.
(b) This clause 18.3 applies if, before the works are complete, this contract is terminated as referred to in any of clauses 18.1(b), 18.1(c), 18.2(a)(i), 18.2(a)(iii), 18.2(b).
(c) We must cease the carrying out of all existing Ergon Energy activities and must use reasonable endeavours to minimise and mitigate the costs incurred by us as a consequence of the termination.
(d) If the long lead time items have not been received by us as at the date of termination, we must either:
   (i) cancel the procurement of the long lead time items at minimal cost; or
   (ii) if cancellation at a minimal cost is not possible, advise you of the cost impact of cancellation and whether the long lead time items are of a type that we normally hold as spares and would (acting reasonably) be prepared to accept as spares, and comply with your instructions to either cancel or not cancel;
(e) If the long lead time items have been received by us as at the date of termination:
   (i) we must promptly advise you whether the long lead time items are of a type that we normally hold as spares and would (acting reasonably) be prepared to accept as spares; and
   (ii) you must, within [20] business days of the termination, notify us of one of the following:
         (A) provided that we are happy to accept the long lead time items as spares, for us to retain ownership of the long lead time items;
otherwise – whether you want:

(I) to acquire the long lead time items – in which case we must make those items available for collection by you at the place where they are located (or, if they have not yet arrived in Australia, at the first Ergon Energy location that they arrive at) for a period of no more than [20] Business Days; or

(II) us to dispose of them at your cost – in which case we must dispose of those items in a manner determined by us at our sole discretion.

(f) We must carry out a reconciliation of the amounts received against the construction charges (to which the reconciliation process set out in clause 19.2(d) applies), taking into account the following (and provided that nothing in the below is to make the construction charges lower than the amount recoverable in respect of the ACS component and the unregulated component):

(i) (long lead time items): if we are to:

(A) retain the long lead time items, the cost of these long lead time items is to be deducted from the construction charges, but the cost of relocating these items to an appropriate depot is to be added to the construction charges;

(B) dispose of the long lead time items, such disposal costs are to be added to the construction charges;

(C) transfer the long lead time items to you, such transfer costs are to be added to the construction charges;

(ii) (termination of subcontracts): all costs incurred or to be incurred by us in connection with terminating contracts with subcontractors under which the subcontractors were to carry out any part of the Ergon Energy activities are to be added to the construction charges;

(iii) (recovery, reinstallation, reconfiguration and disposal costs): all costs incurred or to be incurred by us that are attributable to the failure to proceed with this contract in connection with:

(A) the recovery of installed and reusable materials or equipment included in the Ergon Energy activities and the re-installation of such items into the distribution system;

(B) the recovery and disposal of unusable materials or equipment included in the Ergon Energy activities; and

(C) the reconfiguration of the distribution system or other site remediation activities, are, to the extent permissible under the energy laws, to be added to the construction charges;

(iv) the value of any reusable materials or equipment included in the ACS component or the unregulated component of the Ergon Energy activities that can be used by us as the basis for determining network charges payable by other users as and from the date of termination are to be deducted from the construction charges,

and advise you of the outcome of the reconciliation.

19. CHARGES AND BILLING

19.1. Charging methodology

The parties acknowledge that:

(a) the Ergon Energy activities are divided into:

(i) an ACS component, where we calculate the charges based on the maximum allowable revenue under the energy laws, and you must pay these charges before we start the Ergon Energy activities;

(ii) an SCS component, where we must calculate the charges in accordance with the energy laws, and recover these over time from our Distribution Customers (which will include you); and
(iii) an unregulated component, where the charges are not subject to economic regulation and are either agreed between the parties or, if not so agreed, comprise our reasonable costs of carrying out the relevant Ergon Energy activities, and you must pay these charges before we start the Ergon Energy activities; and

(b) the construction charges payable by you comprise the charges in respect of the ACS component and the unregulated component of the Ergon Energy activities.

19.2. Initial estimate and changes to construction charges

(a) As at the date of this contract, our best estimate of the construction charges is set out in Item 1(b) of Schedule 1.

(b) You acknowledge that the above estimate is an estimate only and that the actual figures will vary due to a number of factors, including, without limitation, the actual work required to complete the Ergon Energy activities, and as contemplated in the provisions of this clause 19.

(c) If, upon completion of the Ergon Energy activities, we reasonably believe that there is a material discrepancy between the amounts received and the construction charges, we must carry out a reconciliation of these amounts (to which the reconciliation process set out in clause 19.2(d) applies) as soon as reasonably practicable after such completion, and give you information about the outcome of this reconciliation.

(d) If a reconciliation under this contract shows a discrepancy of more than $200 between the amounts received and the construction charges, the parties must, as soon as reasonably practicable after that reconciliation, arrange for the issue of tax invoices with a due date no less than 30 days from the date of those invoices, where such tax invoices are designed to remove the discrepancy and put the parties in the position so that the amounts received equal the construction charges.

(e) For the avoidance of doubt, any costs attributable to the rectification of our own defective works, or a failure by us to comply with this contract, must not be included in the construction charges.

19.3. Billing

(a) We must, as soon as practicable after the date of this contract, prepare a tax invoice for the estimated construction charges (or, if agreed under clause 19.5, a statement) and submit it to you.

(b) You must pay any tax invoices we issue under this contract by paying the amount directly to us either in cash or by direct electronic payment to the following bank account (or any other bank account nominated by us from time to time), by the due date set out in the tax invoice:

<table>
<thead>
<tr>
<th>Ergon Energy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account:</td>
</tr>
<tr>
<td>BSB No:</td>
</tr>
<tr>
<td>Account No:</td>
</tr>
<tr>
<td>Fax Advice to:</td>
</tr>
<tr>
<td>Attention:</td>
</tr>
<tr>
<td>Fax No:</td>
</tr>
<tr>
<td>Ph No:</td>
</tr>
</tbody>
</table>

(c) You must, in response to any statement we issue under this contract, provide us with a security for construction charges in accordance with that statement.

(d) Details of any payment to us must be faxed to us on the same day as the payment is made.

(e) If requested, each party must supply to the other such supporting material, data and information in respect of any tax invoices or statements under this contract that the other party reasonably requires.
19.4. Out-of-scope activities

The parties acknowledge and agree that:

(a) if you ask us to undertake activities outside the scope of the Ergon Energy activities at that time, we must:

(i) give you an estimate of the construction charges that will be attributable to those activities; and

(ii) if you accept the estimate and require us to carry out those activities, use our reasonable endeavours to comply with this request at your cost;

(b) for the avoidance of doubt, the following are taken to be activities requested by you under clause 19.4(a) and we must provide you with an estimate in accordance with that clause:

(i) the removal of any assets by us under clause 23; and

(ii) any costs incurred by us in connection with the establishment and operation of this contract in compliance with legislative and regulatory requirements (including, without limitation, amounts payable to third parties in respect of consideration of the impacts of this contract and amounts in respect of equipment that any relevant regulator requires us to install in respect of the connection).

19.5. Use of securities in temporary lieu of payments to bank account

Notwithstanding clause 19.3, we may, in our absolute discretion, elect to accept a payment method in relation to construction charges whereby:

(a) instead of issuing a tax invoice for all or part of the construction charges, we will issue you with a statement for the relevant security amount for a security for construction charges;

(b) you then provide the security for construction charges, which is taken to provide sufficient security for us to commence the relevant Ergon Energy activities;

(c) at the end of the relevant stage of the Ergon Energy activities, we will issue you a tax invoice for the relevant construction charges; and

(d) you pay the tax invoice in accordance with clause 19.3(b) and notify us of such payment in accordance with clause 19.3(c), which payment will entitle you to request the return of the relevant security for construction charges;

(e) upon receiving your request for a return of the security for construction charges, we will arrange for this to be returned to you; and

(f) if the tax invoice is not paid, we may draw down on the security for construction charges under clause 20.4(b).

19.6. Consequences of delayed payment

(a) If we do not receive a payment when it is due, then this is a default, and:

(i) we are entitled to suspend any of the Ergon Energy activities until the payment is made; and

(ii) interest will accrue in accordance with clause 19.8.

(b) If we exercise our right to suspend any of the Ergon Energy activities under clause 19.6(a)(i):

(i) you must reimburse us for any costs related to that suspension (including, but not limited to, demobilisation costs, remobilisation costs, and additional subcontractor charges); and

(ii) where this reimbursement results in a change to the recoverable costs of the Ergon Energy activities (using the principles set out in clause 19.1), we must use reasonable endeavours to determine an estimate for the revised construction charges, and carry out a reconciliation of the amounts received against the construction charges (to which the reconciliation process set out in clause 19.2(d) applies) and notify you of this.

19.7. Disputed Items

(a) If the relevant services are not subject to economic regulation and an amount shown on a tax invoice we issued under this contract is disputed by you on a bona fide basis, you must pay the amount not in dispute, and 50% of the amount in dispute, to us and provide us with a detailed statement of your objection to the disputed amount.
(b) The parties must discuss the dispute in good faith.

(c) For the avoidance of doubt, the dispute resolution clause referred to in clause 3.2(d) applies to any disputes under this clause.

19.8. Default interest

(a) Subject to clause 19.8(c), interest on an unpaid amount accrues each day in a default interest period at the default rate for that default interest period, and is capitalised (if not paid) on the last day of that default interest period.

(b) Subject to clause 19.8(c), if a liability of a party becomes merged in a judgment or order, the party, as an independent obligation, must pay interest on the amount of that liability, from and including the date of the judgement or order until it is paid in full, at the higher of the default interest rate and the rate under the judgment or order.

(c) Clauses 19.8(a) and 19.8(b) do not operate to impose interest where the unpaid amount constitutes a refund of monies paid.

(d) Interest under this clause accrues daily and is calculated on the basis of the actual number of days on which interest has accrued and of a 365-day year.

20. SECURITIES

20.1. Provision of security

On or before a relevant security start date, you must give us a cash deposit, bank guarantee, surety bond or other form of security acceptable to us for the security amount for that security to secure on demand and without reference to you, the performance of your obligations to pay any amounts owing to us under this contract or the Ongoing Connection Contract, as described in Schedule 1.

20.2. Requirements of security

Unless otherwise specified by us, a security must be given by a financial institution or an insurer acceptable to us, irrevocable, unconditional, payable on demand and otherwise on terms and conditions acceptable to us.

20.3. Maintenance of security

(a) Subject to clause 20.3(b), you must ensure that a security is continuously maintained in full force and effect from the relevant security start date until the relevant security end date.

(b) If we draw on the security for defects, you must immediately provide us with a further security to ensure that the total amount secured by that security held by us is at least equal to the security amount for that security.

(c) You must ensure that a security for construction charges is continuously maintained in full force and effect until the earliest to occur of:

(i) you paying the relevant amount in accordance with clause 19.3(b); or

(ii) us drawing on it in accordance with this contract in satisfaction of the amount for which it is provided.

20.4. Right to draw on security

(a) We may draw on a security for defects in satisfaction of any amounts incurred by us under clause 13.2(a).

(b) We may draw on a security for construction charges in satisfaction of any amount for which that security is provided.

(c) We may draw on a security for removal to cover any loss or damage that we may suffer as a result of removing any assets in accordance with this contract, including, without limitation, the amount calculated in accordance with clause 18.3.

(d) We may draw on a security for stranded assets to cover any amount of future revenue that would have been recoverable by us from you under the Ongoing Connection Contract where circumstances arise that mean that we will not be able to recover that amount of revenue as part of the network charges from you under the Ongoing Connection Contract (such as where connection does not occur, or occurs for a limited time).

(e) We may draw on a security in satisfaction of any one or more of the following amounts:
(i) amounts owing by you to us under this contract or the Ongoing Connection Contract;
(ii) the amount of any damages awarded by a court against you in our favour in relation to or arising out of this contract or the Ongoing Connection Contract; or
(iii) the reimbursement of any costs incurred or losses suffered by us as a result of your failure to comply with your obligations under this contract or the Ongoing Connection Contract.

(f) We may not exercise our rights under this clause 20.4 unless
(i) we have given you a written notice of the amount owing; and
(ii) you have not paid the amount owing within 10 business days of receiving the notice.

(g) The exercise of our rights under this clause 20.4 does not limit any of our other rights against you.

20.5. Return of security

We must return a security, or the amount remaining (if any) after drawdown under the provisions of clause 20.4 to you in response to a request from you after the relevant security end date, provided that:
(a) we must return a security for construction charges within 20 business days of the relevant amount being paid using a methodology set out in clause 19.3(b); and
(b) this obligation does not apply if we are entitled to make a claim on the relevant security. In that event, we do not have to return the security until all outstanding claims have been finalised.

20.6. Change in circumstances

(a) At any time during the term of this contract, we may ask you to provide a new or substitute:

(i) security for defects for an amount greater than or less than the security amount for the security for defects, taking into account any transferable asset defects that have been identified during the defects rectification period and the cost of rectifying those transferable asset defects;

(ii) security for removal for an amount greater than or less than the security amount for the security for removal, taking into account the estimated cost of recovery and removal of the assets in accordance with this contract.

(iii) security for stranded assets for an amount greater than or less than the security amount for the security for stranded assets, taking into account the likelihood of recovering the future revenue in respect of that part of the distribution network constructed as part of the works as part of the network charges from you under the Ongoing Connection Contract.

(b) We must act reasonably in making a request under this clause 20.6.

(c) You must comply with a request under this clause 20.6 within 10 business days of receiving the request.

(d) For the avoidance of doubt, the dispute resolution clause referred to in clause 3.2(d) applies to any disputes under this clause.

21. FORCE MAJEURE EVENTS

21.1. Suspension of obligations

(a) If a party to this contract is unable wholly or in part to perform on time as required any non-financial obligation under this contract by reason of the occurrence of a force majeure event, then for the duration of that force majeure event, the rights and non-financial obligations of the parties under this contract will be suspended in whole or in part, as the case may require, to the extent that the ability of the affected party to perform any of its non-financial obligations is adversely affected by the force majeure event.

(b) A force majeure event will not extend the term of this contract.

(c) A force majeure event does not affect any financial obligations under this contract.
(d) Suspension of any non-financial obligations under clause 21.1(a) will not affect any rights or obligations that may have accrued prior to that suspension or, if the force majeure event affects only some non-financial obligations, any other obligations or rights of the parties.

(e) The period of suspension under clause 21.1(a) of the non-financial obligations of the affected party will exclude any delay in the affected party's performance of those non-financial obligations that is attributable to a failure by the affected party to comply with clause 21.2.

21.2. Mitigation of force majeure event

(a) Subject to clause 21.2(c), the affected party will use all reasonable endeavours to remove, overcome or minimise the effects of a force majeure event as quickly as possible.

(b) The other party will cooperate and give such assistance as the affected party may reasonably request in connection with the force majeure event.

(c) Nothing in this clause 21 requires the affected party to settle any industrial dispute in any way it does not want to.

21.3. End of force majeure event

The affected party must, as soon as reasonably possible after the end of a force majeure event, resume performance of any obligation suspended as a result of it.

22. DEFAULT

22.1. Default

If a default occurs, the non-defaulting party may give the defaulting party a written notice specifying the default that has occurred.

22.2. Cure periods

(a) After receiving a default notice, the defaulting party has:

(i) in the case of a financial default, 10 business days from the date of receipt of the default notice; or

(ii) in the case of a non-financial default that is capable of remedy, the period stated in the default notice,

to remedy the default.

(b) The period of time stated in a default notice under clause 22.2(a)(ii) must be a reasonable period of time, taking into account the nature of the default.

(c) In the case of a non-financial default that is capable of remedy, the defaulting party must diligently pursue a reasonable course of action to remedy the default, and must use good electricity industry practice.

(d) If the defaulting party stops diligently pursuing a reasonable course of action to remedy the non-financial default, the period of time under clause 22.2(a)(ii) will end once the non-defaulting party sends a notice to the defaulting party ending the relevant cure period.

22.3. Remedies

(a) If a default is not cured within the relevant cure period set out in clause 22.2(a), the non-defaulting party may do any one or more of the following:

(i) terminate this contract;

(ii) sue the defaulting party for any outstanding amount owing under this contract; and

(iii) exercise all other remedies available to it.

(b) The rights given under clause 22.3(a) are without prejudice to the other party's rights at law.

23. OWNERSHIP OF EQUIPMENT

23.1. Party owns its equipment

(a) Any plant or equipment installed by a party under this contract that is not transferred under either of clauses 11.5(c) or 23.1(b):

(i) remains the property of the party; and
(ii) may be decommissioned and removed by the party once:
   (A) this contract has been terminated (other than under clause 5.2(a)); or
   (B) the Ongoing Connection Contract has been terminated or has expired (and has not
        been replaced with another connection contract between the parties that requires
        that plant or equipment to provide connection services).

(b) We retain all rights, title and interest in any long lead time items unless and until those long lead
    time items are made available for you to collect under clause 18.3(e)(ii)(B)(I), in which case the
    rights, title and interest in those long lead time items transfers to you when you arrive to collect
    them.

(c) Any plant or equipment transferred to us under clause 11.5(c):
   (i) becomes and remains our property; and
   (ii) may be decommissioned and removed by us once:
        (A) this contract has been terminated (other than under clause 5.2(a)); or
        (B) the Ongoing Connection Contract has been terminated or has expired (and has not
            been replaced with another connection contract between the parties that requires
            that plant or equipment to provide connection services).

23.2. You have no rights in the Ergon Energy activities

The Customer acknowledges that it does not, at any time, have any rights in or title to:

(a) the components of the Ergon Energy activities; or

(b) any other equipment, plant, materials or components in connection with the Ergon Energy
    activities.

23.3. Responsibility for assets

After the notice of acceptance is issued, we remain responsible for our assets and become
responsible for the transferable assets, and you remain responsible for your assets (except for the
transferable assets).

24. INSURANCE REQUIREMENTS

24.1. Customer insurance requirements

(a) You must, while the Customer’s activities are being carried out and up until the completion of
    final commissioning, ensure that the following insurances are obtained and maintained:

    (i) public liability insurance to the value of $10 million and on terms acceptable to us,
        covering liability to third parties (including us) arising from third party property and third
        party injury claims arising in connection with the Customer’s activities; and

    (ii) all other insurances required by law in respect of any persons, plant or equipment
        employed in connection with the Customer’s activities.

(b) You must ensure that the entity that carries out the design works in respect of the transferable
    assets carries a policy of professional indemnity insurance that:

    (i) covers liability howsoever arising in connection with the provision of the professional
        services or breach of professional duty by that entity carrying out the design component
        of the Customer’s activities;

    (ii) has a limit of liability of not less than $1 million for any one claim and in the aggregate;
        and

    (iii) is maintained for a period of 6 years after the issue of the notice of acceptance.

24.2. Ergon Energy insurance requirements

We must, while the Ergon Energy activities are being carried out and up until the completion of final
commissioning, obtain and maintain:

(a) public liability insurance in the sum of $10 million covering liability to third parties (including you)
    arising from third party property and third party injury claims arising from our negligence in
    connection with the Ergon Energy activities; and
all other insurances required by law in respect of any persons, plant or equipment employed in connection with the Ergon Energy activities.

24.3. Evidence of insurance

Upon request by one party, the other party must provide a copy of relevant certificates of currency (or other written evidence reasonably satisfactory to the recipient) evidencing the insurance required to be effected and maintained under this clause 24.

25. COMPLIANCE WITH LAWS

25.1. Parties to comply

(a) Each party must comply with its relevant obligations under the energy laws and all other relevant laws and authorisations.

(b) The parties acknowledge that the NER contains certain provisions that are relevant to the operation of this contract, and that need to be incorporated into this contract to enable us to properly comply with our obligations as a registered Network Service Provider under the NER.

(c) For any period (from time to time) during the term of this contract during which you are not a Registered Participant, the provisions of Chapters 4, 5, 7 and 8 of the NER (as varied by Chapters 8A, 9 and 11 of the NER and incorporating the relevant definitions in Chapter 10 of the NER) that relate to:

(i) the rights or obligations of a Customer and/or a Generator (as relevant) in relation to a Network Service Provider (or vice versa); or

(ii) technical or operational specifications that are relevant to the premises or facilities provided by you that are the subject of this contract,

are incorporated into this contract in accordance with clause 25.1(d) and allowing for the changes in detail to the NER that must follow.

(d) Any provisions that are incorporated into this contract under clause 25.1(c) must be read and constructed in accordance with the following:

(i) references to Customer and/or Generator (as relevant) or analogous terms are to be taken to be references to you as appropriate;

(ii) references to Market Customer will not be taken to be a reference to you;

(iii) references to Network Service Provider or analogous terms are to be taken to be references to us;

(iv) any other terms relevant to the abovementioned terms must be construed accordingly;

(v) to the extent the provision purports to impose an obligation on a party to interact in some manner with a third party, comply with a requirement of a third party, provide information to a third party or be subject to the jurisdiction of a third party, that requirement will have no effect; and

(vi) this clause 25.1(d) does not affect our obligation to comply with the NER as a registered Network Service Provider.

(e) In addition, in order to interpret the above provisions, the following provisions of the NER apply to the extent necessary to give meaning to any provisions incorporated into this contract in accordance with clause 25.1(c) above:

(i) clauses 4.1.1, 5.1.2, 7.1.1 and 8.1.3;

(ii) Chapter 9, to the extent that it modifies any provisions incorporated into this contract in accordance with clause 25.1(c) above; and

(iii) Chapter 10 and any other provisions that are specifically referred to in Chapter 10 and are necessary to give meaning to the definitions set out in Chapter 10.
25.2. Inconsistency

(a) If there is any inconsistency between a party's obligations under the law (including those obligations incorporated by clause 25.1) and any other provision of this contract, the obligation under the law (including those obligations incorporated by clause 25.1) prevails. Any failure to comply with the other obligation under this contract resulting from compliance with an inconsistent obligation under the law (including those obligations incorporated by clause 25.1) does not give rise to a breach of this contract.

(b) If a party becomes aware of any inconsistency between its obligations under the law (including those obligations incorporated by clause 25.1) and another obligation of this contract, it must notify the other party as soon as practicable.

25.3. Interaction with Ongoing Connection Contract

For the avoidance of doubt:

(a) if there is any inconsistency between a party's obligations under this contract and under the Ongoing Connection Contract, the party must comply with the more stringent of the obligations; and

(b) under no circumstances is the presence of similar clauses both:

(i) within this contract; or

(ii) within both the Ongoing Connection Contract and this contract,

meant to result in any party receiving a duplicate benefit or suffering a duplicate penalty for a single action.

25.4. Technical inconsistencies

Any inconsistency between this contract and Schedule 5.2 or Schedule 5.3 of the NER is treated as follows:

(a) if compliance with the relevant provision of this contract would adversely affect the quality or security of network service to other Network Users, the NER is to apply; and

(b) otherwise, this contract is to prevail.

26. FORM OF INFORMATION

(a) You acknowledge that our internal business systems are designed to accept and process certain types of information in certain formats.

(b) All information required to be provided, or that is provided, by you to us under or in connection with this contract must be in a format that is acceptable to us, acting reasonably.

(c) If, at any time, you request details from us about the appropriate format for the information referred to in clause 26(b), then we must, within a reasonable time after receiving that request (taking into account the timeframes within which you must provide such information), provide you with sufficient details of the appropriate format to enable you to provide the information in the requested format.

(d) We may set out certain specifications for the formats of information in Schedule 5.

27. WARRANTIES

(a) You warrant that the design documentation has been prepared in accordance with the requirements of clauses 6.4(a)(ii) and 7 and that the design of the Customer's activities is suitable for the purpose for which it is intended.

(b) Upon the issue of the Customer's completion notice, you warrant to us that the transferable assets have been constructed in accordance with the requirements of this contract, the technical construction requirements, the final design documentation, all relevant authorisations, all relevant Australian Standards, all relevant laws and good electricity industry practice, and that the transferable assets are fit for their purpose.

(c) You must:
obtain from all of your contractors or sub-contractors involved in the Customer’s activities relevant to the transferable assets, and your suppliers or manufacturers of any of the materials or equipment forming part of the transferable assets, any warranties that would usually be provided in respect of those items; and

(ii) ensure that any such warranties are transferred to us as a prerequisite to the issue of a notice of acceptance, as referred to in clause 11.4(g)(xii)(G).

28. LIABILITY AND INDEMNITY

28.1. Customer acknowledgement

You acknowledge that any involvement by us in relation to works related to the transferable assets (including, without limitation, our review of design documentation under clause 7.5, our review of authorisations under clause 7.7(c) and any audit undertaken by us under clause 12):

(a) is undertaken by us purely to provide reasonable assurance to us that we will not, upon transfer of those transferable assets to us under clause 11.5(c), assume any risk in excess of our acceptable risk profile;

(b) does not, and is not in any circumstances to be taken to, constitute any review, approval, consent, ratification, endorsement, certificate or any similar action by us;

(c) will not ground any liability of us to you; and

(d) does not in any way restrict our ability to recover amounts under this contract in relation to a failure by you to comply with this contract.

28.2. Ergon Energy not liable

(a) Despite any other provision of this contract:

(i) we will not be liable to you for; and

(ii) our right to recover the construction charges will not be limited by, the construction charges differing from the amounts set out in Schedule 1 for any reason.

(b) We are not liable to you for, or in connection with, any of the following:

(i) subject to clause 28.5, any loss suffered by you as a result of us exercising our rights under clause 23.1(a)(ii);

(ii) any involvement of us as contemplated in clause 28.1; or

(iii) us exercising any right to terminate under this contract, provided that such right has been exercised in accordance with this contract.

(c) We agree that where we subcontract any of the Ergon Energy activities to a subcontractor, and you make a claim against us under this contract in respect of the Ergon Energy activities the subject of that subcontract:

(i) we must exercise our entitlements under that subcontract to enforce compliance and/or recover damages (as relevant) (and must permit you to be joined in any action under that subcontract); and

(ii) we will only be liable to you to the extent that:

(A) we can recover damages from the subcontractor; or

(B) the subcontract does not accurately reflect our obligations under this contract.

(d) Provided we comply with our obligations under clause 8.4(a)(iii), no damages (liquidated or otherwise) will be payable to you if we do not complete construction of the Ergon Energy activities by our target completion date.

28.3. No relief from obligations under this contract

(a) The review, or otherwise, of the design documentation by us under clause 7.5 does not relieve you of your obligations under this contract, and you remain solely liable for the design documentation.

(b) Our issuing a notice of acceptance does not relieve you of any obligations or liability in connection with the transferable assets or for any transferable asset defects.
Subject to clause 28.2(c), subcontracting of any works by a party does not relieve that party of its obligations under this contract.

28.4. Exclusion of liability for consequential loss

Except where otherwise expressly stated in this contract, neither party is liable to the other under, or in connection with, this contract under contract, tort (including negligence) breach of statute or other cause of action at law or in equity for any of the following:

(a) any cost, expense, loss or damage of an indirect or consequential nature;
(b) loss of profits, loss of contract, loss of opportunity, loss of goodwill, loss of business reputation, loss of revenue, loss of use of property or loss of production;
(c) increased costs of working or labour costs;
(d) costs of capital;
(e) costs of business interruption; or
(f) costs, expenses, loss or damage that are not a direct and immediate consequence of the breach,
suffered by the other party however arising due to any causes including but not limited to the default or sole or concurrent negligence of a party or its representatives and whether or not foreseeable at the date of this contract.

28.5. Indemnity from the Customer

(a) Subject to clause 28.4, you indemnify us against any loss to us or any claims against us for:
   (i) personal injury or death; and
   (ii) loss of, or damage to, our connection assets and plant and equipment necessary for the construction of our connection assets, up to $5 million,
arising out of your breach of this contract, any acts or omissions by you in the performance of this contract that are negligent, or any acts or omissions by you in the performance of this contract that are a breach of legislation.

(b) Clause 28.7 applies to this indemnity to the extent that our negligent act or omission may have contributed to the injury, death, loss or damage.

28.6. Indemnity from Ergon Energy

(a) Subject to clauses 28.2 and 28.4, we indemnify you against any loss to you or any claims against you for:
   (i) personal injury or death; and
   (ii) loss of, or damage to, your connection assets and plant and equipment necessary for the construction of the your connection assets, up to an amount of $5 million,
arising out of our breach of the Contract, any acts or omissions by us in the performance of this contract that are negligent, or any acts or omissions by us in the performance of this contract that are a breach of legislation.

(b) Clause 28.7 applies to this indemnity to the extent that your negligent act or omission may have contributed to the injury, death, loss or damage.

28.7. Contribution to loss suffered

If a party makes a claim against the other party under this contract and the party making the claim has contributed to the loss that it has suffered, the entitlement to damages of the party making the claim must be proportionately reduced, taking into account the extent to which it has contributed to its own loss.
1. **SCHEDULE 1 – REFERENCE SCHEDULE**

(a) The **target completion dates** are:

(i) for the **Ergon Energy** activities: [insert]; and

(ii) for the **Customer’s** activities: [insert].

(b) The estimated **construction charges** as at the date of this **contract** are set out below:

<table>
<thead>
<tr>
<th>Component</th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACS component (GST exclusive)</td>
<td>$[insert]</td>
</tr>
<tr>
<td>Unregulated component (GST exclusive)</td>
<td>$[insert]</td>
</tr>
<tr>
<td>GST</td>
<td>$[to be inserted]</td>
</tr>
<tr>
<td>Total Cost (GST inclusive)</td>
<td>$[to be inserted]</td>
</tr>
</tbody>
</table>

(c) **Security amounts, security start dates and security end dates**

<table>
<thead>
<tr>
<th>Type of security</th>
<th>Things secured</th>
<th>Security amount</th>
<th>Security start date</th>
<th>Security end date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security for construction charges</td>
<td>[Identify particular payment for which security is to be given]</td>
<td>[Insert relevant amount plus GST] (GST inclusive)</td>
<td>[Insert date (same as for that payment under Item 1(b).)]</td>
<td></td>
</tr>
<tr>
<td>Security for defects</td>
<td>[Expected cost of rectifying transferable asset defects]</td>
<td>[Insert amount including GST] (GST inclusive)</td>
<td>[Insert date (same as for that payment under Item 1(b).)]</td>
<td></td>
</tr>
<tr>
<td>Security for removal</td>
<td>Ergon Energy’s costs of recovery and removal of any assets upon termination of the Ongoing Connection Contract.</td>
<td>[insert amount including GST] (GST inclusive)</td>
<td>[Within 10 business days of us starting construction works under this contract.]</td>
<td>In accordance with the Ongoing Connection Contract.</td>
</tr>
<tr>
<td>Security for stranded assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(d) **Liaison personnel**

[Drafting note: insert details of nominated liaison personnel.]

<table>
<thead>
<tr>
<th>Ergon Energy</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name:</td>
<td>[insert details]</td>
</tr>
<tr>
<td>Phone number:</td>
<td>[insert details]</td>
</tr>
<tr>
<td>Mobile number:</td>
<td>[insert details]</td>
</tr>
<tr>
<td>Email address:</td>
<td>[insert details]</td>
</tr>
<tr>
<td>Fax number:</td>
<td>[insert details]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Customer</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name:</td>
<td>[insert details]</td>
</tr>
<tr>
<td>Phone number:</td>
<td>[insert details]</td>
</tr>
<tr>
<td>Mobile number:</td>
<td>[insert details]</td>
</tr>
<tr>
<td>Email address:</td>
<td>[insert details]</td>
</tr>
</tbody>
</table>
(e) Address details for providing notices

<table>
<thead>
<tr>
<th>Ergon Energy</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>PO Box 1090, Townsville QLD 4810</td>
</tr>
<tr>
<td>Fax number:</td>
<td>(07) 4728 9640</td>
</tr>
<tr>
<td>Email address:</td>
<td><a href="mailto:AdminConnectionManagers@ergon.com.au">AdminConnectionManagers@ergon.com.au</a></td>
</tr>
<tr>
<td>Attention:</td>
<td>Portfolio Manager Major Customers</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
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<td>[insert details]</td>
</tr>
<tr>
<td>Email address:</td>
<td>[insert details]</td>
</tr>
<tr>
<td>Attention:</td>
<td>[insert details]</td>
</tr>
</tbody>
</table>

(f) 24-hour contact details

<table>
<thead>
<tr>
<th>Ergon Energy</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
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<td>[insert details]</td>
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<td>[insert details]</td>
</tr>
<tr>
<td>Fax number:</td>
<td>[insert details]</td>
</tr>
</tbody>
</table>

(g) Specifications

[insert]

(h) Approved contractors panel

[insert details of each approved contractor]

(i) Approved suppliers panel

[insert details of each approved supplier]

(j) Prescribed materials and equipment

[insert descriptions of materials and equipment that need to be sourced from approved suppliers]

2. SCHEDULE 2 – WORKS

(a) Unregulated component of Ergon Energy activities

[Insert list of any unregulated services.]

(b) ACS component of Ergon Energy activities

[Insert list of any alternative control services.]
(c) SCS component of Ergon Energy activities
   [Insert list of any standard control services.]
(d) Customer’s activities
   [Insert list of Customer’s activities.]
(e) Transferable assets
   [Insert list of transferable assets.]

3. SCHEDULE 3 – WORKS PROGRAM
   [Insert works program setting out list of major milestones for the works.]

4. SCHEDULE 4 – TECHNICAL CONSTRUCTION REQUIREMENTS
   [insert]

5. SCHEDULE 5 – INFORMATION FORMAT SPECIFICATIONS
   [insert any relevant details]

6. SCHEDULE 6 – WORKS PROTOCOL
   [insert]
EXECUTED as an agreement.

SIGNED for and on behalf of Ergon Energy Corporation Limited (ABN 50 087 646 062) by its attorney under power of attorney dated 28 October 2014:

Signature of attorney
Alan Newman, Manager Major Customers
Name and title of attorney

Date:
EXECUTED by [name of Customer] (ABN [insert]) in accordance with s 127(1) of the Corporations Act 2001 (Cth):

Signature of director
Signature of director/secretary
Name
Name

Date: