

Our Ref: M2005/281-02
Your Ref:
Contact Officer: Paul Dunn
Contact Phone: 03 9290 1426

6 July 2007

Mr Stephen Goodwin
Brisbane Airport Corporation Ltd
11 The Circuit
Brisbane Airport
Queensland 4007

Dear Mr Goodwin

Network Service Provider Exemptions

Thank you for your correspondence requesting a specific network service provider exemption for Brisbane Airport Corporation (BAC).

On 6 July 2007, the Australian Energy Regulator decided to grant an exemption under clause 2.5.1 of the National Electricity Rules subject to conditions for BAC.

The decision is set out at Attachment A to this letter.

Should you have any queries in relation to this letter, please do not hesitate to contact Paul Dunn on (03) 9290 1426.

Yours sincerely



Mike Buckley
Acting Chief Executive
Australia Energy Regulator

NETWORK SERVICE PROVIDER EXEMPTION

BRISBANE AIRPORT CORPORATION PTY LTD

NOTICE OF DECISION TO GRANT EXEMPTION

I, Mike Buckley, in accordance with a delegation made by the Australian Energy Regulator ('AER') on 6 July 2007, decided pursuant to:

- (a) section 6 of the *Electricity – National Scheme (Queensland) Act 1997* (Qld);
- (b) section 13 of the National Electricity (Queensland) Law ("NEL"); and
- (c) clause 2.5.1 of the National Electricity Rules ("NER")

to grant Brisbane Airport Corporation Pty Ltd (ABN 54 076 870 650) ("Applicant") a specific exemption ("Exemption") from:

- (d) the requirement to register as a Network Service Provider ("NSP"); and
- (e) the operation of Chapter 5 of the NER,

subject to the following conditions.

Specified distribution system

1. The Exemption is limited to the distribution system ("Distribution System") specified in the Applicant's submission made to the AER on 2 April 2007.

Note: In effect, the Exemption applies to the distribution system that is owned by Brisbane Airport Corporation and operated wholly within the confines Brisbane Airport. This network comprises:

- (a) 300 metering points within the confines of Brisbane Airport which supply Brisbane Airport tenants.
- (b) a mostly underground system of cabling.

Licence

2. The Applicant must comply with any law of the State of Queensland relating to the on-supply of electricity.

Note: The *Electricity Act 1994* (QLD) states in Section 20A that if an on-supplier complies with subdivision 3 to 7, the on-supplier is exempted from sections 88A (Prohibition on operating network unless authorised) and 89 (Restriction on sale of electricity). The purpose of condition 2 is to require the Applicant to comply with any requirement which may arise from the on-supplier provisions of the *The Electricity Act 1994* (QLD).

Maintenance and technical standards

3. The Applicant must maintain the Distribution System at least to the standards specified in the Connection Agreement with ENERGEX applying to the Distribution System.

Note 1: The AER understands that the Distribution System is connected to the ENERGEX distribution system at both the Myrtle town Intake Substation and the Airport Drive Intake Substation

Note 2: For the avoidance of doubt, conditions 8(b) and 8(c) apply to the interpretation of condition 3.

Commencement and expiry

4. The Exemption takes effect on and from 6 July 2007.
5. If the Applicant becomes aware that any condition of this Exemption is not satisfied, the Applicant must promptly (and, in any event, within one month) notify the AER.
6. The Exemption terminates on the date that:
 - (a) the Applicant is dissolved;
 - (b) the Applicant fails to satisfy condition 2 and/or 3;
 - (c) the AER decides to repeal the Exemption in accordance with condition 7.
7. The AER may decide to amend or repeal the Exemption. The decision to repeal the Exemption is exercisable in the same way, and subject to the same conditions, as the decision to grant the Exemption.

Note: For example, the AER may decide to repeal the Exemption in the event that condition 2 or 3 to the Exemption is not satisfied, or if there is a material change to the persons connected to the Distribution System.

Interpretation

8. In this Exemption, unless the contrary intention appears, a reference to:
 - (a) a statute, regulation, rule or other law includes regulations and other instruments made under it and consolidations, amendments, re-enactments or replacements of any of them;
 - (b) an agreement or a provision of an agreement includes an amendment or supplement to, or replacement or novation of, that agreement or that Provision of that agreement;

- (c) except in relation to references to the Applicant, a particular person includes a reference to the person's successors, substitutes (including persons taking by novation) and assigns.

Note: The Exemption is personal to the Applicant, and does not apply to any other person that owns, controls or operates the Distribution System at the time of the decision or in the future.


Mike Buckley
Delegate of the Australian Energy Regulator
DATED: 6 July 2007