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16 April 2010

Dr Paul Troughton
Generation Manager
Energy Response Pty Ltd
Level 1, 250 Queen Street
MELBOURNE Victoria 3000

Dear Dr Troughton

Network Service Provider Exemption – Western Suburbs League Club (Illawarra) Ltd

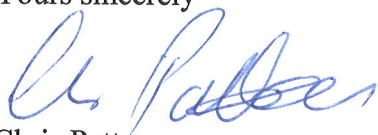
Thank you for your correspondence requesting exemption for Western Suburbs League Club (Illawarra) Ltd from the requirement to register as a network service provider and the operation of Chapter 5 of the National Electricity Rules.

On 24 March 2010, the Australian Energy Regulator decided to grant an exemption to Western Suburbs League Club (Illawarra) Ltd under clause 2.5.1 of the National Electricity Rules subject to conditions. Please note the exemption is personal to Western Suburbs League Club (Illawarra) Ltd 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.

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

Should you have any queries in relation to this letter, please contact Mr Paul Dunn on (03) 9290 1426.

Yours sincerely



Chris Pattas
General Manager
Network Regulation South

NETWORK SERVICE PROVIDER EXEMPTION

DECISION TO GRANT EXEMPTION

WESTERN SUBURBS LEAGUE CLUB (ILLAWARRA) LTD

I, Michelle Groves, in accordance with a delegation made by the Australian Energy Regulator ('AER') on 3 March 2006, decide pursuant to:

- (a) section 6 of the *National Electricity (New South Wales) Act 1997* (NSW);
- (b) section 13 of the National Electricity (NSW) Law; and
- (c) clause 2.5.1 of the National Electricity Rules ('NER'),

to grant Western Suburbs League Club (Illawarra) Ltd (ABN 29 000 964 152) ('Applicant') an exemption ('Exemption') from:

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

subject to the following conditions.

Specified distribution system

1. The Exemption granted to the Applicant is limited to the distribution system ('Distribution System') that:
 - (a) is owned, controlled and/or operated by the Applicant; and
 - (b) is located at Hargreaves Street, Unanderra, New South Wales 2526 as described in the application for exemption, made on behalf of the Applicant, dated 25 February 2010.

Note: The purpose of condition 1 is to ensure that this Exemption does not exempt the Applicant from a requirement to be a registered participant in respect of any other transmission or distribution system that the Applicant may own, control or operate from time to time. This Exemption also does not exempt the Applicant from any other law (such as the *Electricity Supply Act 1995* (NSW)) which may require the Applicant to be authorised to own, control and/or operate the Distribution System.

Maintenance and technical standards

2. (a) The Applicant must maintain the Distribution System at least to the standards specified in the Connection Agreement with the Local Network Service Provider applying to the Distribution System.

- (b) For the purposes of condition 2(a), the terms ‘Connection Agreement’ and ‘Local Network Service Provider’ have the meaning assigned to them in the NER.

Note 1: As at the date of the decision, the Distribution System is connected to the Integral Energy distribution system.

Note 2: For the avoidance of doubt, condition 8 applies to the interpretation of condition 2.

Dispute resolution

3. (a) Subject to condition 3(b), if the Applicant and a person connected to the Distribution System are unable to resolve a dispute by negotiation and discussion, the Applicant must, if requested by the other party, submit the dispute to arbitration in accordance with, and subject to, The Institute of Arbitrators & Mediators Australia Arbitration Rules.
- (b) Condition 3(a) does not apply to the extent that it is inconsistent with a dispute resolution scheme:
- (i) agreed to by the Applicant and the other party; or
 - (ii) applying to the Applicant under a statute, regulation, rule or other law.

Note 1: The Institute of Arbitrators & Mediators Australia (‘IAMA’) Arbitration Rules (1 June 2007) can be accessed at <http://www.iama.org.au>.

Note 2: For the avoidance of doubt, condition 8 applies to the interpretation of condition 3.

Note 3: Condition 3 is intended to ensure that there is a mechanism for resolving disputes, between the Applicant and a person connected to the Distribution System, about the terms and conditions of connection and/or the supply of network services. However, condition 3 is not intended to override any dispute resolution scheme that: may apply to the Applicant under any other law of New South Wales from time to time; or that is agreed to by the person connected to the Distribution System and the Applicant.

Commencement and expiry

4. The Exemption takes effect on and from 23 March 2010.
5. If the Applicant becomes aware that any condition of this Exemption is not satisfied, the Applicant must promptly (and, in any event, within 28 days) notify the AER.
6. The Exemption:
- (a) ceases to operate if the Applicant fails to comply with condition 2,3 and/or 5;
 - (b) terminates on the date that:
 - (i) the Applicant is dissolved; or

(ii) 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 amend or repeal the Exemption is exercisable in the same way, and subject to the same conditions, as the decision to grant the Exemption.

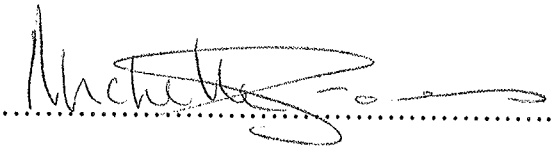
Note: For example, the AER may decide to repeal the Exemption in the event that a condition of the Exemption is not satisfied, or if circumstances change.

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: An exemption is personal to the applicant, and does not apply to any other person that owns, controls or operates the relevant distribution system at the time of the decision or in the future.



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Dated: 24.3.2010.

Michelle Groves
Delegate of the Australian Energy Regulator