

30 March 2021

Cassy O'Connor MP  
1 Salamanca Place  
Hobart TAS 7000

Dear Ms O'Connor,

### **Right to Information Request 2 March 2021**

I refer to your request pursuant to the *Right to Information Act 2009* ("RTI Act") made on 2 March 2021.

I am authorised to make decisions on behalf of Hydro Tasmania in respect of applications for information under the RTI Act.

#### **1. Your Request**

Your request sought the following information:

- *The Special Water Licence Agreement entered into by the Minister for Primary Industries and Water and Hydro Tasmania in the year 2000*
- *The Memorandum of Understanding between Hydro Tasmania, the Tasmanian Farmers and Graziers Association, and DPIPW*
- *Any other agreements related to water use and/or management in Tasmania entered into by Hydro Tasmania and other government agencies (including GBEs)*

The third part of the Request was withdrawn by you on 30 March 2021 by email.

It will be collectively referred to in the body of this letter as "the Request".

#### **2. Determination and Reasons for Determination of Request**

2.1. I have undertaken a search of the information held by Hydro Tasmania to locate any records that may be relevant to the Request. I note that the Special Water Licence Agreement is no longer on foot and was replaced in its entirety in 2018. I have provided the most current version of the Agreement.

2.2. Both documents are enclosed in full.

### 3. Review of Rights

You are entitled under Section 43 of the RTI Act to apply for a review of the decision made under Part 2 of the determination.

Any request for such a review should be made in writing within twenty (20) working days of receiving this letter and addressed to:

Mr E Albertini  
Chief Executive Officer  
Hydro Tasmania  
4 Elizabeth Street  
HOBART TAS 7000

Should you have any further questions on the information provided please contact the undersigned.

This request is now considered closed.

Yours sincerely,



Laura Harle  
Graduate Legal Counsel  
t 6240 2813  
e [laura.harle@hydro.com.au](mailto:laura.harle@hydro.com.au)



# Agreement for Special Licence Conditions

Dated **30 August** 2018

**The Honourable Sarah Courtney (“the Minister”)**

and

**Hydro-Electric Corporation (“Hydro”)**

THIS AGREEMENT is made the 30<sup>th</sup> day of August 2018

**BETWEEN:** THE HONOURABLE SARAH COURTNEY being and as the Minister for the time being administering the *Water Management Act 1999* ("the Minister" which expression shall include his successors in office) of the one part

**AND:** HYDRO-ELECTRIC CORPORATION (ARBN 072 377 158) of 4 Elizabeth Street in Hobart in Tasmania ("the Licensee") of the other part

## RECITALS

- A. The Licensee holds a special licence under s 115(2) of the *Water Management Act 1999* (Act), pursuant to clause 7 of Schedule 4 of the Act (Licence).
- B. Section 116 of the Act provides that a special licence is subject to such conditions as may be agreed by the Minister and the special licensee, and that the conditions of a special licence may be varied only in accordance with Division 6 of Part 6 of the Act.
- C. On 9 June 2000, the Minister and the Licensee entered into an agreement pursuant to section 116(1) and (3)(a) of the Act recording changes and additions to the conditions applicable to the Licence ("Former Special Licence Agreement").
- D. The parties have agreed to replace the Former Special Licence Agreement with this Agreement, with effect from the date of this Agreement.
- E. This Agreement describes the Licensee's rights under the Licence in respect of the taking of water (including the right to transfer certain water allocations without first obtaining the approval of the Minister) and the terms and conditions to which those rights are subject.

## IT IS AGREED AS FOLLOWS:

### 1 DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

In this Agreement, unless otherwise defined, words having a defined meaning in the Act have the same meaning in this Agreement, and, unless the contrary intention appears:

"Act" means the *Water Management Act 1999*;

"Agreement" means this agreement, and includes all its annexures, appendices, attachments and schedules (if any);

"Annual Report" means the report provided by the Licensee to the Minister under section 182 of the Act;

"Basslink" means the interconnection between the Tasmanian and Victorian electricity grids via a high voltage direct current submarine cable across Bass Strait;

"Basslink Pty Ltd" means Basslink Pty Ltd (ACN 090 996 231);

"Effective Date" means the date of this Agreement;

"Financial Year" means the period from 1 July to 30 June;

"Former Special Licence Agreement" means the agreement entered into by the Minister and the Licensee pursuant to section 116(1) and (3)(a) of the Act on

9 June 2000, as amended by Deeds of Amendment dated 27 August 2002; 4 June 2009; 14 November 2010; 30 March 2011; 1 December 2011; 29 March 2012 and 11 September 2012;

**"Licence"** means the special licence, as provided by clause 7 of Schedule 4 of the Act, which is taken to be held by the Licensee under section 115(2) of the Act with an endorsement that Division 6 of Part 6 of the Act applies to the Licence;

**"Licence Fee"** means the licence fee referred to in clause 2.4 of Schedule 1 to this Agreement;

**"Licensee"** means the Hydro-electric Corporation and includes the successors and permitted assigns of the Licensee;

**"Minister"** means the Minister having administrative responsibility for the *Water Management Act 1999* and includes any person authorised by the Minister to act on the Minister's behalf in relation to that provision, or to whom the Minister has delegated the relevant power, discretion, function, authority or duty under section 10 of the Act;

**"Objective"** means either of the following:-

- (a) the Minister being able to provide indicator reporting under State of the Environment or other State, national or international reporting commitments;
- (b) the Minister being able effectively to administer the Act and perform his functions thereunder; and

**"Prescribed Event"** means any of the following events:

- (a) an act of God; or
- (b) war, riot, insurrection, civil commotion, vandalism, sabotage, epidemic, quarantine, lightning, explosion, flooding, fire, accident, national emergency (whether in fact or law) emergency response, drought, earthquake, cyclone, storm or other adverse weather conditions, subsidence, mechanical or structural failure; or
- (c) a failure in an electricity transmission network or other failure in an electricity market that prevents the Licensee generating electricity that -
  - (i) is not reasonably preventable by the Licensee; and
  - (ii) occurs without the fault of the Licensee.

## 1.2 Interpretation

In this Agreement, unless the context requires otherwise:

- (a) references to -
  - (i) clauses, subclauses and schedules are references to clauses, subclauses and schedules of this Agreement;
  - (ii) one gender includes all genders;
  - (iii) the singular includes the plural and vice versa;
  - (iv) any party include -
    - A in the case of a body corporate, its successors, administrators and permitted assigns; and
    - B in the case of a natural person, his or her executors, administrators, assigns and successors in office;

- (v) an officer or body of persons include any other officer or body for the time being exercising the powers or performing the functions of that officer or body;
  - (vi) this Agreement includes any schedule to this Agreement;
  - (vii) this Agreement or any other instrument includes any variation or replacement of any of them; and
  - (viii) any statute, regulation, rule, proclamation, order, ordinance or by-law includes that statute, regulation, rule proclamation, order, ordinance or by-law enacted in amendment or replacement of it;
- (b) all monetary amounts are in Australian dollars, unless otherwise stated;
  - (c) the term "including" shall be read to mean "including, without limitation"; and
  - (d) where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.

### **1.3 Headings**

Headings are for convenience only and do not affect the interpretation, or form part, of this Agreement.

### **1A FORMER SPECIAL LICENCE AGREEMENT**

- (a) With effect on and from the Effective Date, the Former Special Licence Agreement is terminated and neither party will have any further rights or obligations under it.
- (b) The Licensee agrees to waive any right to compensation under section 118 of the Act in respect of the variations to the conditions of the Licence which are effected by this Agreement.

### **2 RIGHTS AND CONDITIONS**

In accordance with clause 7 of Schedule 4 of the Act, the rights set out in Schedule 1 are conferred by the Licence, and the Licence is subject to the conditions also set out in Schedule 1, on and from the Effective Date.

### **3 TERM OF LICENCE**

Unless renewed in accordance with section 119 of the Act, or cancelled in accordance with section 117 of the Act, the Licence will expire on the ninety-ninth anniversary of the commencement of the Act.

### **4 AGREEMENT NOT TO BE TAKEN TO LIMIT THE LICENSEE**

This Agreement does not limit or prevent the Licensee from doing anything that it may lawfully do without the benefit of the Licence, whether in or outside a hydro-electric district.

### **5 WAIVER**

#### **5.1 Non Exercise of Power or Right**

A failure or delay to exercise a power or right by the Minister or the Licensee does not operate as a waiver of that power or right.

## 5.2 **Exercise of Power or Right**

The exercise of a power or right does not preclude either its exercise in the future or the exercise of any other power or right.

## 5.3 **Waiver Must be in Writing**

A waiver is not effective unless it is in writing.

## 5.4 **Limit on Application**

Waiver of a power or right is effective only with respect to the specific instance to which it relates and for the specific purpose for which it is given. A waiver may not be granted by the Minister if the effect of the waiver would cause, or would be likely to cause, material environmental harm or serious environmental harm.

# 6 **CONFIDENTIALITY OBLIGATIONS**

## 6.1 **Licensee Information to be Public**

Subject to clauses 6.2 and 6.5, all data and information regardless of its form, provided to the Minister under this Agreement or in accordance with sections 182 and 184 of the Act (“Licensee Information”) may be treated as being in the public domain.

## 6.2 **Licensee Confidential Information**

The Minister shall hold, treat and maintain any Licensee Information expressly marked as “confidential” at the time of provision (“Licensee Confidential Information”) to the Minister in full confidence and trust. The Minister must not, without the prior written consent of the Licensee, directly or indirectly disclose to any third party any Licensee Confidential Information except:-

- (a) to an officer or employee within the meaning of the *Tasmanian State Service Act 1984* who has a need to know if an Objective is to be achieved;
- (b) to a third party (if a natural person) or a director, officer or employee of the third party (if not a natural person) who has a need to know if an Objective is to be achieved;
- (c) to the extent required by law or Parliament;
- (d) as to Licensee Confidential Information processed since receipt by the Minister:-
  - (i) in that processed form to an equivalent agency in another government which has a need to know in order for the Minister to comply with obligations imposed upon the government of the State of Tasmania under statute or by inter-governmental agreement; or
  - (ii) otherwise as required to fulfill any public reporting or disclosure requirements of the Minister under the Act;
- (e) to others who have a need to know if an Objective is to be achieved but only to the extent required for that purpose; or
- (f) to the extent that such information:
  - (i) is in the public domain prior to the time of its disclosure by the Minister, other than by a breach of this Agreement; or

- (ii) is supplied to the Minister without restriction by a third party.

### **6.3 Reasonable Steps to Protect Confidentiality**

The Minister must take all reasonable steps to ensure that each person to whom any Licensee Confidential Information will be or has been disclosed by the Minister does not disclose that Licensee Confidential Information except as is consistent with these confidentiality commitments.

### **6.4 Injunction to Protect Confidentiality**

The Minister acknowledges that:-

- (a) Licensee Confidential Information is valuable to the Licensee, but that such value may be difficult to define in monetary terms;
- (b) accordingly, the loss to the Licensee occasioned by Licensee Confidential Information not being maintained in confidence may not be reasonably or adequately compensated for in damages or in an action at law; and
- (c) accordingly, the failure of the Minister to perform and observe his or her obligations concerning Licensee Confidential Information will entitle the Licensee to bring an action against the Minister for an injunction to enjoin and restrain the Minister from his or her breach (whether with or without a simultaneous action for damages).

### **6.5 Privacy obligations preserved**

Nothing in this Agreement derogates from a party's obligations under the *Personal Information Protection Act 2004* (Tas) or the *Privacy Act 1988* (Cwlth).

## **7 SECTION 121 OF THE WATER MANAGEMENT ACT 1999**

- (a) For the purposes of section 121(1) of the Act the parties agree that:
  - (i) the Licence is taken to be endorsed with a statement that section 121 applies to it; and
  - (ii) the areas described in Schedule 2 are taken to be specified in the Licence as the areas in respect of which a right to take water can be transferred.
- (b) The parties acknowledge that in relation to section 121(7) of the Act, the Advisory Committee, by notice published in the *Gazette* on 19 March 2003, determined that section 121 of the Act applies to the transfer of rights to take water by the Hydro-Electric Corporation where the water taken under the transferred rights is for the purposes of irrigation.

## **8 SURETY OF LICENCE**

- (a) If at any time the Licence and any other special water licence both confer a right to take water from a particular water resource, then the Licence will for all purposes have paramount surety against any other special water licence and the rights arising thereunder.
- (b) To give effect to clause 8(a), where the Minister grants any other special water licence conferring a right to take water from a water resource to which the Licence authorises the taking of water, the parties will vary this Agreement to add conditions to the Licence, in accordance with section 111(2) of the Act, specifying that:



- (i) the Licence will have paramount surety relative to that other special water licence; and
- (ii) the paramount surety of the Licence will be preserved despite any reduction of, or restriction on, a right of the Licensee to take water, imposed under section 88(1) or section 94(2) of the Act or any other law.

**Executed** as an agreement

**Stephen Gregory Day**

IN WITNESS whereof this Agreement has been executed as a deed on the date hereinbefore written.

SIGNED by the HONOURABLE )  
SARAH COURTNEY being and as the )  
Minister administering the Act in the )  
presence of:- )



Signature of Witness:

Name of Witness:

Address:

Occupation:

*L L L.*  
LESLEY LINCOLN  
4 SALAMANCA PL HOBART  
DLO

The common seal of the )  
HYDRO - ELECTRIC )  
CORPORATION was affixed in the )  
presence of:- )



Director

**Stephen Gregory Davy**

Name Printed



Director/Secretary

**KATHRYN LOUISE MCKENZIE**

Name Printed

## **SCHEDULE 1**

### **RIGHTS CONFERRED BY THE LICENCE AND CONDITIONS TO WHICH THE LICENCE IS SUBJECT**

#### **1 RIGHTS TO TAKE WATER**

##### **1.1 Conferral of Rights to Take Water**

The Licence confers on the Licensee the rights to take water that were in force under the *Water Act 1957* (repealed) immediately before 1 January 2000, on the same terms and conditions as were applicable at that time, subject to:

- (a) the rights of any other parties to take water, transferred by the Licensee to those other parties on or after 1 January 2000, as recorded in the water licence register maintained by the Minister in accordance with section 12 of the Act; and
- (b) any conditions, including changes to conditions, addition of new conditions, replacement of conditions by other conditions, or removal of conditions:
  - (i) agreed between the Minister and the Licensee, as recorded in this Agreement; or
  - (ii) imposed by law.

##### **1.2 Transfer of Rights to Take Water**

In accordance with section 121 of the Act, the Licensee may transfer all or any part of its rights to take water to any person without approval being required if:

- (a) the rights to take water to be transferred authorise the taking of water from a water resource situated in an area described in Schedule 2; and
- (b) the transfer is in accordance with the conditions to which the Licence is subject.

#### **2 CONDITIONS**

In accordance with section 116 of the Act, the Licence is subject to the conditions set out below, which have been agreed by the Minister and the Licensee.

##### **2.1 Conditions Relating to Water Management Plans**

In accordance with section 112 of the Act, and so as to enable the implementation of the water management plans specified in Schedule 3, the Schedule 3.

##### **2.2 Basslink Conditions**

- (a) Subject to clause 2.2(b), the Licence is subject to the conditions specified in Schedule 4.
- (b) The Licensee shall not be obliged to comply with the conditions set out in Schedule 4 during any period Basslink ceases to be operational, whether:
  - (i) temporarily (for example, during a Force Majeure Event under the Basslink Operations Agreement between the Crown in the right of the State of Tasmania and Basslink Pty Ltd, dated 31 January 2000); or
  - (ii) permanently (for example, upon the termination of the Basslink Operations Agreement).

- (c) The Licensee must undertake the Gordon River monitoring in accordance with the conditions set out in Schedule 5.

### **2.3 Monitoring and Reporting Conditions**

The Licence is subject to the following monitoring and reporting conditions.

- (a) The Licensee must provide the Minister with the information referred to in Schedule 5, either as part of the Annual Report, or at such other times as may be contemplated by Schedule 5.
- (b) The Minister acknowledges that the Licensee, when providing information under sections 182(2)(c) or 184(d) of the Act, is only obliged to provide such of that information as is owned by the Licensee or is otherwise readily obtainable by the Licensee.
- (c) If requested by the Minister, the Licensee shall meet annually with the Minister or his or her representatives as soon as practicable after delivery of the Licensee's Annual Report to discuss compliance with the monitoring requirements under this Agreement and work programs and such other information as the parties agree at that time.
- (d) From time to time, an independent audit of the Licensee's monitoring systems, as specified in Schedule 5, may be undertaken by an appointee of the Minister and will be facilitated as necessary by the Licensee.
- (e) By no later than 30 April each year, the Licensee shall provide the Secretary of the Department of Primary Industries, Parks, Water and Environment with an Annual Water Monitoring Plan, which describes all water monitoring programs and activities the Licensee proposes to undertake in the following Financial Year (excluding those programs and activities that the Licensee is required to undertake pursuant to clause 2.2(c)).
- (f) The Licensee will promptly advise the Secretary of the Department of Primary Industries, Parks, Water and Environment of any material changes to monitoring undertaken, or proposed to be undertaken, in an Annual Water Monitoring Plan.
- (g) If requested by the Secretary of the Department of Primary Industries, Parks, Water and Environment, the Licensee agrees to promptly provide any data collected as part of monitoring conducted pursuant to the Annual Water Monitoring Plan. The Licensee is only obliged to provide such of that information as is owned by the Licensee.

### **2.4 Licence Fee Conditions**

- (a) In accordance with section 113 of the Act, the Licensee must, as a condition of the Licence, pay to the Minister a licence fee:
  - (i) calculated on a cost recovery basis, being only the actual and reasonable costs incurred by the Minister in administering the Licence; and
  - (ii) within 28 days of the Licensee receiving an invoice for that fee, unless the Minister and the Licensee agree otherwise in writing.
- (b) The licence fee will be levied at such times as the Minister determines. Reasonable written notice of that determination must be given to the Licensee.
- (c) Subject only to clauses 2.4(f) and 2.4(g), for all purposes of the Act and any regulations made thereunder, the licence fee payable under clause 2.4(a) is the

only fee or charge that the Licensee is required to pay to the Minister during the term of the Licence.

- (d) The fee to be levied in accordance with clause 2.4(a) may not, in any 12 month period, exceed the lower of:
  - (i) the Fee Cap; and
  - (ii) the costs actually and reasonably incurred by the Minister in administering the Licence during that period.

For the purposes of this clause 2.4, "Fee Cap" means, subject to clause 2.4(e), the amount of \$50,000.00.

- (e) The Fee Cap will be reviewed by the Minister within three months following:
  - (i) the fifth anniversary of the Effective Date; and
  - (ii) each subsequent anniversary of the Effective Date that is a multiple of five.

The Minister may, at the Minister's discretion, involve the Licensee in a review process. If, as a consequence of a review, the Minister reasonably determines (subject to section 113 of the Act) that the Fee Cap should be raised to a particular amount then the Minister may, no later than three months after the date of the review, give written notice to the Licensee specifying that new higher Fee Cap. The application of the higher Fee Cap will be backdated to the end of the period for which the licence fee was last levied by the Minister, provided that it will not be backdated more than 12 months before the date of the notice to the Licensee.

- (f) Notwithstanding clause 2.4(c), if, within any 12 month period, the Minister incurs costs in respect of the administration of the Licence that:
  - (i) significantly exceed the then current Fee Cap; or
  - (ii) the Minister reasonably deems to be of a type (or types) that are not usually incurred in the course of administering the Licence,

then the Minister may, by written notice to the Licensee, require the Licensee to pay those excess or unusual costs (as the case may be) to the Minister within a reasonable time specified in the notice. The Minister may, at the Minister's discretion, consult with the Licensee prior to incurring any such costs.

- (g) Notwithstanding clause 2.4(c), and in addition to the Minister's rights under clause 2.4(f), the Minister may, in respect of a transfer by the Licensee of all or part of its rights to take water, require the payment by the Licensee of reasonable administrative costs and charges consistent with those the Minister generally levies on licence holders for the processing of transfers of rights to take water.

### **3 SUSPENSION OF OBLIGATION**

If the Licensee:

- (a) is, by a Prescribed Event, prevented from or delayed in complying with any condition of the Licence; and
- (b) as soon as practicable after the Prescribed Event occurs, notifies the Minister of full particulars of -
  - (i) the Prescribed Event;
  - (ii) the effect of the Prescribed Event on the Licensee's ability to comply with any such condition;

- (iii) the anticipated period of delay in complying with any such condition; and
  - (iv) the action (if any) the Licensee intends to take to mitigate or remove the effect and delay; and
- (c) promptly and diligently acts to mitigate the effect of the Prescribed Event in regard to the Licensee's ability to comply with any such condition;

then the obligation to comply with any such condition of the Licence is suspended during, but for no longer than, the period the Prescribed Event and its effects continue to prevent the Licensee from meeting such obligation.

## SCHEDULE 2

### **WATER RESOURCES FOR WHICH THE LICENSEE MAY TRANSFER ITS RIGHTS TO TAKE WATER WITHOUT AN APPROVAL BEING REQUIRED (CLAUSE 1.2(a) OF SCHEDULE 1 TO THIS AGREEMENT)**

The Licensee may transfer all or any part of its rights to take water from any water resource within the following hydro-electric districts, without first obtaining the approval of the Minister:

1. the River Derwent hydro-electric district (originally called the River Derwent hydro-electric water district) appointed under statutory rule No. 111 of 1958;
2. the River Shannon hydro-electric district (originally called the River Shannon hydro-electric water district) appointed under statutory rule No. 111 of 1958;
3. the Huon River hydro-electric district (originally called the Huon River hydro-electric water district) appointed under statutory rule No. 235 of 1967;
4. the Lower River Derwent hydro-electric district (originally called the Lower River Derwent hydro-electric water district) appointed under statutory rule No. 109 of 1961;
5. the River Dee hydro-electric district (originally called the River Dee hydro-electric water district) appointed under statutory rule No. 68 of 1960;
6. the South Esk River hydro-electric district (originally called the South Esk River hydro-electric water district) appointed under statutory rule No. 111 of 1958 and amended by statutory rule No. 67 of 1960, limited to the following water resources;
  - (a) Lake River below Woods Lake;
  - (b) Brumbys Creek below its confluence with the Poatina Power Station tailrace;
  - (c) South Esk River below its confluence with Macquarie River;
  - (d) Macquarie River below its confluence with Lake River; and
  - (e) the Poatina Power Station tailrace,

BUT in each case to the extent only that the water to be taken under the transferred rights can be sourced or supplied from water storages (whether natural or artificial, and therefore including without limitation watercourses used for water storage, dams, lakes, tanks, reservoirs and pools) owned and operated by, or under the control of, the Licensee.

### SCHEDULE 3

#### CONDITIONS RELATING TO WATER MANAGEMENT PLANS

The Licence is subject to the following conditions relating to water management plans.

##### **Mersey Water Management Plan**

- (a) Subject to (b) below, the Licensee must release water from Lake Parangana so that the flow in the Mersey River, as measured at the Liena stream flow gauging station, exceeds the lesser of:
  - (i) 173ML/day; or
  - (ii) 8.25 times the flow in the Arm River as measured at the Arm River above Mersey gauging station.
- (b) The Licensee shall not be obliged to release water during:
  - (i) a forced outage of the mini-hydro power station; or
  - (ii) planned maintenance on either the mini-hydro power station, the electricity transmission line connected to the mini-hydro power station, or any associated works.
- (c) In the event of:
  - (i) a forced outage of the mini-hydro power station; or
  - (ii) planned maintenance on either the mini-hydro power station, the electricity transmission line connected to the mini-hydro power station, or any associated works;

the Licensee shall notify the Secretary (or his or her nominee) at the earliest opportunity.



## SCHEDULE 4

### BASSLINK CONDITIONS

#### GORDON POWER STATION

##### 1 Gordon River Minimum Environmental Flow

- 1.1 Subject to clause 3, the Licensee must maintain a minimum environmental flow in the Gordon River of at least 20 cumecs from 1 June to 30 November each calendar year, and 10 cumecs from 1 December to 31 May each year.
- 1.2 For the purposes of clause 1.1, the minimum environmental flow must be measured upstream of its confluence with the Denison River (coordinates at or about 405700E, 5267950N), or such other location as may be agreed in writing by the parties.
- 1.3 For the purposes of clause 1.1, the flow in the Gordon River must be measured and recorded at intervals of not greater than 60 minutes.
- 1.4 Nothing in clause 1 restricts the ability of the Licensee to cause water discharges from the Gordon Power Station into the Gordon River above the minimum environmental flows set out in clause 1.1.

##### 2 Ramp-Down Rule

- 2.1 For the purpose of clause 2, the following definitions apply:

**Bank Saturation Model** means the model described in the report prepared by the Licensee titled "TRADING-14978 1386-09 Gordon bank Saturation as a Function of Flow Revision 4" and dated 11 November 2011;

**Ramp Down Rule** means the rule prescribed in clause 2.2;

**System Event** means an event that causes the output of the Gordon Power Station to change in order to maintain power system security.

- 2.2 Subject to clause 3, whenever the bank saturation level, calculated by the Licensee using the Bank Saturation Model, is greater than 2.75 metres above the local datum and the discharge from the Gordon Power Station is greater than 150 cumecs, the plant control system must be set to control any reductions in generation load at a rate of 1 MW per minute until the power station discharge is less than 150 cumecs.
- 2.3 For the purpose of calculating the water discharge from the Gordon Power Station in clause 2.2, the Licensee shall use the three dimensional rating used in the Licensee's Energy Control System (ECS).
- 2.4 The Bank Saturation Model may be varied with the written agreement of the Secretary of the Department of Primary Industries, Parks, Water and Environment and the Chief Executive Officer of the Licensee.
- 2.5 The Licensee will be deemed to have met the requirements of clause 2.2 if it has taken all reasonable steps in respect of bidding the Gordon Power Station in the National Electricity Market, but has been unable to achieve the actual requirements of clause 2.2 due to:
  - (a) network constraints which affect the dispatch of the Gordon Power Station;
  - (b) other market participants' unanticipated behaviour; or

(c) events beyond the control of the Licensee.

2.6 Clause 2.2 does not apply to any reduction in water discharged from the Gordon Power Station which occurs as a result of an Emergency, a Forced Outage or a System Event.

### 3 Outages

3.1 For the purposes of clauses 1 and 2, "Outage" means:

(a) a 'forced outage' resulting from -

(i) an unplanned failure of equipment or systems that cause all generators in the Gordon Power Station to shut down and stop the water flow; the causes of a forced outage include, but are not limited to, unplanned transmission line failure (both lines); intake gate or intake shaft problems; switchyard equipment failures; station fire or flood, and tailrace problems; or

(ii) an immediate threat to life or property;

(b) a 'scheduled outage' resulting from -

(i) programmed maintenance work; scheduled outages for the Gordon Power Station include, but are not limited to -

A. intake gate outages required to inspect intake gate seals and complete essential maintenance and routine black start testing;

B. an extended outage of approximately 6 weeks, approximately every 6-8 years, for major maintenance and testing of the intake gate; and

C. other irregular outages scheduled for specific works or projects;

(c) a 'monitoring outage' required in order for the Licensee to:

(i) practicably, safely and economically complete the monitoring the Licensee is required to undertake pursuant to this Licence; or

(ii) undertake monitoring that is otherwise approved in writing by the Minister;

(d) a 'transmission line' outage resulting from maintenance by Transend Networks Pty Ltd, or its successors, of transmission lines and associated substations and infrastructure servicing the Gordon Power Station;

(e) any other outage in respect of which -

(i) the Minister has granted prior written approval; and

(ii) the Licensee has granted its consent; and

(f) any other outage required by law.

3.2 Without limiting clause 3, if the Licensee is prevented from or delayed in complying with clauses 1 or 2 due to an Outage and promptly and diligently acts to minimise the duration of the Outage, then the Licensee's obligation under clause 1 or 2 is suspended during, but for no longer than, the period the Outage prevents the Licensee from meeting such obligation.

3.3 The Licensee must:

(a) in the case of an Outage specified in clause 3.1(a), notify the Minister in writing as soon as practicable after the Outage commences; and

- (b) in the case of an Outage specified in clause 3.1(b) or (d), notify the Minister in writing as soon as practicable prior to any Outage (anticipated to be of greater than 48 hours duration) occurring, but in any event, not less than 24 hours prior to the Outage occurring, and provide full particulars of -
  - (i) the nature of the Outage;
  - (ii) the effect of the Outage on the Licensee's ability to comply with clauses 1 or 2;
  - (iii) the anticipated period of delay in the Licensee's ability to comply with clauses 1 or 2; and
  - (iv) the action (if any) the Licensee intends to take to mitigate or remove the effect and the anticipated delay.

## **POATINA POWER STATION**

### **4 Environmental Control Pond Operating Rules**

#### 4.1 The Licensee must:

- (a) maintain an environmental control pond at Brumbys Creek of at least 1.5 Mm<sup>3</sup> capacity (the "Environmental Control Pond"); and
- (b) ensure that all of the water discharged into Brumbys Creek must be discharged via the Environmental Control Pond.

#### 4.2 The Licensee must ensure that the Environmental Control Pond is operated in accordance with the following operational rules:

- (a) subject to clause 4.2(b), the maximum release from the Environmental Control Pond must not exceed 55 cumecs;
- (b) if the Environmental Control Pond is close to spill (that is, greater than 95% capacity), releases from the Environmental Control Pond may be increased to a maximum of 60 cumecs, until such time as the capacity of the Environmental Control Pond is equal to or less than 95%; and
- (c) the maximum changes in releases from the Environmental Control Pond must not exceed 10 cumecs per hour.

## SCHEDULE 5

### MONITORING AND REPORTING CONDITIONS

#### MONITORING SITES

Hydro Tasmania operates a network of water level, flow, rainfall and water quality monitoring sites across Tasmania. The Department of Primary Industries, Parks, Water and Environment requires data from these sites for its water management operations and functions.

*Near real-time data access* refers to the provision, by the Licensee, of near real-time water level and/or flow information from nominated sites at least once per day.

The list of sites follows:

SITES WHERE NEAR REAL-TIME DATA ACCESS IS REQUIRED				
SITE NAME	LOCATION NAME	SITE NUMBER	LOCATION	TYPE
ARM RIVER	ABOVE MERSEY	624	1	WL/F
GORDON RV	ABOVE DENISON	2491	1	WL/F
LAKE St. CLAIR AT PUMP STN	AT DAM	131	1	WL
MERSEY RIVER AT LIENA	AT LIENA	60	1	WL/F
ARTHURS LAKE	AT PUMP STATION	418	1	WL
DERWENT	BELOW MEADOWBANK	715	1	WL/F
BRUMBYS CREEK	B/L PALMERS	157	2	WL/F
SOUTH ESK	AT LLEWELLYN	150	1	WL/F
PEDDER LAKE	AT SERPENTINE	648	1	WL
LAKE RIVER	AT LAKE HOUSE	175	1	WL/F
OUSE RIVER	DOWNSTREAM LIAWEENE CANAL	28	1	WL/F
OUSE RIVER	AT ASHTON	358	1	WL/F
SHANNON RIVER	AT HERMITAGE	507	1	WL/F
MEANDER RIVER	AT DELORAINE	162	1	WL/F

TYPE	DESCRIPTION
WL	Water (Lake) Level
WL/F	Water Level and Flow Station

#### Obligation to Maintain Sites

The Licensee shall continue to collect information from all sites included in the list *Sites where Near real-time data access is required* (above) until such time as the parties to this Agreement agree that a site is no longer required.

#### GORDON RIVER MONITORING

##### 1 Introduction

The Gordon River has been monitored extensively since 1999 as part of the Basslink

assessment and approvals processes and as part of ongoing Basslink compliance requirements. Extensive knowledge has been gained relating to a number of disciplines monitored in the river.

Monitoring will continue until 2020 to confirm the effectiveness of the minimum environmental flow and confirm that relationships between geomorphic processes and flow remain similar to the current understanding.

Additional monitoring may occur in the event that certain power station operating patterns, generating a defined ‘Hydrological Trigger’, occur.

## 2 Fluvial Geomorphology

### 2.1 Objectives

The objective of the fluvial geomorphology monitoring is to assess the geomorphic processes operating in the river, the relationship between these processes and power station operating patterns, and whether this relationship has altered compared to the 1999-2014 monitoring period.

### 2.2 Methodology

#### *Erosion Pin Monitoring*

Field surveys will be conducted at 12 sites in zones 1 - 4 as listed in Table 1. Monitoring will involve the measurement of erosion pins and visual observations at each site.

**Table 1. Geomorphic erosion pin monitoring sites (LB = left bank, RB = right bank)**

Zone	Site	Easting	Northing	Site Description
1	1E	55411010	5266200	LB just upstream Abel Gorge, 5 pins in a profile up slope in alluvium
2	2A	55410250	5266375	LB adjacent to most upstream cobble bar in this zone. 7 pins perpendicular to flow, going upslope, on crest, and over back of slope in backwater channel
	2D	55410180	5266725	LB inside bend
	2E	55410130	5266875	RB opposite site 2D
	2H	55409490	5266600	LB ~ 300m d/s piezometer site. Two rows of erosion pins, one in tea tree, one in area prone to seepage processes
	2L	55408000	5266900	RB, upstream of Splits, pins in bank and in cavity upstream of main site
3	3C	55405564	5268243	RB, medium alluvial slope, ti-tree. Pins in a profile, and in cavity at top of bank
	3D	55405529	5268235	LB just opposite Site 3C, alluvium, cobbles at depth and back
	3Eb	55405439	5268530	RB, prominent sandy bank 1/2 way between snake rapids and Denison confluence pins in a profile from water's edge to above power station operating level
4	4D	55403587	5270761	LBat downstream end of cobble bar, medium alluvial slope with ti-tree
	4E	55403276	5271280	LB across from Kayak Cavern, steep alluvial bank, lots of ti-tree, below wedge-tailed eagle nest
	4H	55401913	5273635	RB, last alluvial bank u/s Ewarts Gorge, d/s end, profile of five pins

The specific geomorphological monitoring sites identified above may be varied by the Licensee, based on consideration of representativeness and practicality. The Licensee will make every attempt to complete geomorphological monitoring at each of the above sites, however, due to water level, weather and access

constraints this may not be possible for a given monitoring period. A minimum of nine sites will be monitored.

### Photo Monitoring

Photos will be taken at the 25 photo monitoring sites listed in Table 2 where possible and will be compared with previous photographs.

**Table 2. Geomorphic photo monitoring sites (LB = left bank, RB = right bank)**

Zone	Site	Easting	Northing	Site Description
1	1E	55411010	5266200	LB just upstream Abel Gorge, 5 pins in a profile up slope in alluvium, all 0.75m pins
2	2A	55410250	5266375	LB adjacent to most upstream cobble bar in this zone. 7 pins perpendicular to flow, going upslope, on crest, and over back of slope in backwater channel "Ben"
	P2-1	55410449	5266653	Upstream view of cobble bar from site 2A
	P2-2	55410460	5266653	Downstream view of cobble bar from site 2A
	P2-New1	55410469	5266845	Landslip downstream of site 2A
	2D	55410252	5266919	LB inside bend, site previously referred to as Geo2A Site 1
	2E	55410130	5266875	RB, site previously referred to as Geo2A Site 3. Long term piezometer site
	P2 - 2new	55410224	5266653	Steep cobble bank between sites 2D and 2G
	P2 - 2b	55410133	5266529	Steep cobble bank between sites 2D and 2G
	P2 - 4	55410098	5266504	Steep cobble bank between sites 2D and 2G
	P2 - 5	55409896	5266507	Landslip upstream of site 2G
	2H	55409490	5266600	LB ~ 200m d/s Cold Comfort Camp, medium slope, ti-tree on u/s side, mature trees on d/s side where there are spews, 2 rows of pins going up bank profile, rows ~ 2m apart
	P2 - 3New	55408808	5267032	Tree fall on left bank downstream of 2H, upstream of 2L
2L	55408000	5266900	RB, d/s gauge recorder, previously called "Geo 2B Site 1", 1 star picket, 2 erosion pins from old site, augmented with a new pin in a cavity at top of bank	
3	3C	55405564	5268243	RB, medium alluvial slope, ti-tree. 4 pins in a profile, plus a 3m pin in cavity at top of bank
	3D	55405529	5268235	LB just opposite Site 3C, alluvium, cobbles at depth and back.
	3Eb	55405439	5268530	RB, large quartzite beach 1/2 way between snake rapids and Denison confluence, immediately downstream of Site 3Ea on same beach, 5 pins set in a profile
	3LS	55404699	5269578	Landslip left bank upstream Denison confluence
4	P4 - New1	55404424	5269872	Landslips at confluence of Denison and Gordon Rivers
	P4-New2	55404424	5269872	Landslips at confluence of Denison and Gordon Rivers
	P4-1	55403572	5270464	Cobble bank at old erosion pin site 4C
	4D	55403587	5270761	LB, old pipemeter site, ~100m d/s of end of cobble bar, medium alluvial slope with ti-tree
	P4-New3	55403707	5270777	Landslip opposite erosion pin site 4D
	4E	55403276	5271280	LB across from Kayak Kavern, steep alluvial bank, lots of ti-tree, below wedge-tailed eagle nest. ~800 mm d/stream of 4E/3
	4H	55401913	5273635	RB, last alluvial bank u/s Ewerts Gorge, d/s end, profile of five pins, interesting veg monitoring point

### 2.3 Timing

The Licensee will conduct monitoring during February - April in 2018 and 2020.

## 2.4 Reporting

The Licensee will assess the relationship between the geomorphic processes and power station operating patterns and include that assessment in the Licensee's relevant annual report.

## 3 Macroinvertebrate Monitoring

### 3.1 Objectives

The objective of the macroinvertebrate monitoring is to assess the continued effectiveness of the minimum environmental flow as well as collecting baseline information for comparison with any hydrological trigger based monitoring data (Section 4 below).

### 3.2 Methodology

Field surveys will be conducted at the sites listed in Table 3.

**Table 3. Macroinvertebrate monitoring sites**

River	Site Name	Site code	Zone	Easting	Northing
Gordon	Gordon R in Albert Gorge (G5)	72	1	410355	5266524
Gordon	Gordon R us Second Split (G6)	69	1	408005	5266815
Gordon	(Gordon R us Denison R (G7)	63	-	404584	5269469
Gordon	Gordon R ds Denison R (G9)	60	2	402896	5271211
Gordon	Gordon R us Smith R (G10)	57	2	402083	5273405
Gordon	Gordon R ds Olga R (G11A)	48	2	398178	5278476
Gordon	Gordon R @ Devil's Teapot (G15)	42	2	396804	5282486
Franklin	Franklin R ds Blackman's bend (G19)	Fr11	-	398562	5291239
Franklin	Franklin R @ Flat Is (G20)	Fr21	-	397939	5296733
Denison	Denison ds Maxwell R (G21)	De7	-	407206	5272718
Denison	Denison R us Truchanas Reserve (D1)	De35	-	417400	5282900
Jane	Jane R (J1)	Ja7	-	408100	5300400
Maxwell	Maxwell R (M1)	Ma7	-	409011	5276009

The specific monitoring sites identified above may be varied by the Licensee, based on consideration of representativeness and practicability. It is acknowledged and agreed that it is preferable to monitor all of the above sites, however, a minimum number of six 'test' sites and three 'reference' sites are required to be monitored by the Licensee on each monitoring occasion. Subject to logistical practicalities, the sites must be in representative of the biological zones corresponding to the sites above.

At each site, two separate standard rapid assessment kick samples must be taken from bar-riffle habitat. Quantitative (surber) sampling of macroinvertebrates consisting of ten pooled surber samples collected from the thalweg and the lateral sections of the channel will also be collected.

### **3.3 Timing**

Monitoring will be conducted during February-April in 2018 and 2020.

### **3.4 Reporting**

Data gathered from macroinvertebrate monitoring will be compared to pre-Basslink data and analysed and included in the Licensee's relevant Annual Report.

## **4 Hydrological Trigger Monitoring**

### **4.1 Objectives**

The objectives of the Hydrological Trigger are to ensure that additional monitoring is conducted if the power station is operated in a manner outside the operating regimes experienced since monitoring began in 1999. The operating regimes of interest are; extensive hydro-peaking and very high discharges over long periods of time.

A "Hydrological Trigger" occurs if:

- (a) flow at the compliance site (site 65) exceeds:
  - (i)  $100 \text{ m}^3\text{s}^{-1}$  for more than 99% of the time; or
  - (ii)  $200 \text{ m}^3\text{s}^{-1}$  for more than 93% of the time -  
during a 90 day period; or
- (b) discharge from the Gordon Power Station rises from:
  - (i)  $35$  to  $100 \text{ m}^3\text{s}^{-1}$  in 4 hours or less on more than 75 occasions; or
  - (ii)  $35$  to  $200 \text{ m}^3\text{s}^{-1}$  in 4 hours or less on more than 40 occasions -  
during a 90 day period.

### **4.2 Timing**

In the event a Hydrological Trigger occurs, the Licensee must conduct event driven monitoring in the immediately following monitoring season (Autumn: February – April). If a Hydrological Trigger occurs within a monitoring season, monitoring will be conducted during the following monitoring season.

### **4.3 Methodology**

The same methodology as described in Sections 2 (fluvial geomorphology) and 3 (macroinvertebrates) must be followed for event driven monitoring.

### **4.4 Reporting**

The Licensee shall report on whether or not the Hydrological Trigger has been exceeded in the relevant Annual Report.