

ELECTRIC POWER DEVELOPMENT (LOAN AGREEMENT).

No. 20 of 1968.

AN ACT to approve of the execution by the State of an agreement between the Commonwealth and the State in respect of financial assistance for the development of electric power, and to make provision for matters incidental thereto.

[5 July 1968.]

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

Short title.

1 This Act may be cited as the *Electric Power Development (Loan Agreement) Act* 1968.

Approval of execution of agreement.

2 The execution, by or on behalf of the State, of an agreement between the Commonwealth and the State, substantially in accordance with the form set out in the schedule, is approved.

Power to carry out agreement.

3 The Treasurer may, on behalf of the State, do all such acts and things as may be required or necessary for carrying out and giving effect, on behalf of the State, to the agreement executed in pursuance of this Act.

Power to borrow.

4 The Treasurer may borrow moneys from the Commonwealth for the purposes of the agreement executed in pursuance of this Act as provided in clauses 2 and 4 thereof and shall apply those moneys in accordance with the provisions of clause 5 thereof.

Saving.

5 Nothing in this Act or in the agreement executed in pursuance of this Act authorizes the construction of new power development (within the meaning of the *Hydro-Electric Commission Act* 1944) contrary to the provisions of section sixteen of that Act.

THE SCHEDULE.

(Section 2.)

AN AGREEMENT made the _____ day of _____ One thousand nine hundred and sixty-_____ between THE COMMONWEALTH OF AUSTRALIA (in this agreement called "the Commonwealth") of the one part and THE STATE OF TASMANIA (in this agreement called "the State") of the other part.

WHEREAS—

- (a) the State is undertaking a development programme to augment the hydro-electric resources of that State;
- (b) the programme is being carried out by the Hydro-Electric Commission constituted and appointed under the Hydro-Electric Commission Act 1944 of the State;
- (c) it is estimated that the cost of carrying out the programme will amount to approximately Two hundred and twelve million dollars (\$212,000,000) over a period of five years ending on the thirtieth day of June, 1972;
- (d) the State has sought financial assistance from the Commonwealth towards meeting the cost of carrying out the programme; and
- (e) the Parliament of the Commonwealth has authorized the grant of financial assistance to the State on the terms and conditions set out in this agreement.

NOW IT IS HEREBY AGREED as follows:—

1. In this agreement, unless the contrary intention appears—

Definitions.

- "clause" means clause of this agreement;
- "financial year" means a year commencing on a first day of July;
- "the Commission" means the Hydro-Electric Commission constituted and appointed under the Hydro-Electric Commission Act 1944 of the State;
- "the five year period" means the period of five years commencing on the first day of July, 1967;
- "the State Treasurer" means the Treasurer of the State and includes a Minister for the time being acting for and on behalf of that Treasurer;
- "the Treasurer" means the Treasurer of the Commonwealth and includes a Minister or other member of the Federal Executive Council for the time being acting for and on behalf of that Treasurer; and
- "the works" means the works comprised in the programme for electricity development which is being undertaken by the State as aforesaid and which, subject to clause 10, consists of—

- (a) the completion of works in the Lower Derwent and Mersey-Forth Areas;
- (b) the installation of a 120 megawatt thermal station in the vicinity of Bell Bay;
- (c) the carrying out of the first stage of development of the Gordon River Power Development,

and includes such works as are required to effect the transmission of power and the completion of power stations, sub-stations and reticulation works.

2.—(1.) Subject to compliance by the State with the provisions of this agreement, the Commonwealth shall, in accordance with and subject to the provisions of this agreement, provide financial assistance to the State towards financing the carrying out of the works. Financial assistance.

THE SCHEDULE—*continued*

(2.) The total amount of the financial assistance to be provided by the Commonwealth shall not exceed the amount by which the expenditure on or in connexion with the carrying out of the works incurred by the Commission during the five year period exceeds either—

(a) the total sum of the moneys available to the Commission during the five year period for the purpose of carrying out the works by way of—

- (i) loans to the Commission by the State;
- (ii) other moneys borrowed by the Commission; and
- (iii) amounts provided by the Commission from its internal resources; or

(b) the sum of One hundred and sixty-five million dollars (\$165,000,000),

whichever is the greater, but shall not in any event exceed Forty-seven million dollars (\$47,000,000).

Responsibility of the State.

3. The State shall take such action as is from time to time appropriate to ensure that the total sum of the moneys referred to in sub-paragraph (a) of sub-clause (2.) of clause 2 is as large as reasonably practicable.

Payments by the Commonwealth.

4.—(1.) The amount of the moneys that may be paid by the Commonwealth to the State under this agreement during a financial year within the five year period shall be such amount as the Treasurer, after consultation with the State Treasurer, determines in respect of the financial year.

(2.) Each determination by the Treasurer shall be made as early as practicable in the relevant financial year and shall be notified forthwith by the Treasurer to the State Treasurer.

(3.) The Commonwealth shall, at the request of the State Treasurer from time to time, make payments to the State of the moneys that may be paid by the Commonwealth to the State during a financial year at such times during the relevant financial year and in such amounts as the Treasurer considers appropriate.

(4.) If the total amount of the payments made by the Commonwealth to the State under sub-clause (3.) of this clause during the five year period exceeds the maximum amount of the financial assistance provided for by clause 2, the amount of the excess shall be refunded by the State to the Commonwealth upon request being made therefor by the Treasurer to the State Treasurer.

Use of payments.

5. The State shall ensure that financial assistance provided to the State under this agreement is not used or applied except as finance to provide for the carrying out of the works.

Interest.

6.—(1.) Interest at the rate provided in this clause shall accrue in respect of each payment under sub-clause (3.) of clause 4 calculated from the date on which the payment was made on so much of the payment as for the time being has not been refunded under sub-clause (4.) of that clause or repaid under clause 7.

(2.) The amount of the interest that has accrued under this clause shall be calculated as at each fifteenth day of June and fifteenth day of December and each amount shall be paid to the Commonwealth on the date to which each such amount has been calculated.

(3.) The rate at which interest is to accrue under this clause in respect of a payment shall be the maximum rate that is authorized by the Australian Loan Council to be paid in respect of private borrowings having a term of eight years that might be raised by semi-governmental authorities at the time the payment is made.

Repayments.

7.—(1.) The State shall, subject to the provisions of this clause, repay to the Commonwealth the total amount of the payments made to the State under sub-clause (3.) of clause 4 and not refunded by the State

THE SCHEDULE—*continued*

under sub-clause (4.) of that clause by sixteen equal half-yearly instalments, the first instalment to be paid on the fifteenth day of December, 1972, and succeeding instalments on each fifteenth day of June and fifteenth day of December thereafter until the whole of the total amount has been repaid.

(2.) The payment of any one of the first six instalments to be paid under sub-clause (1.) of this clause may, at the request of the State Treasurer and with the consent of the Treasurer, be deferred and in that event the amount of the instalment shall be repayable by the State to the Commonwealth on the date for payment under that sub-clause that next succeeds the date for payment of the last of the instalments which under that sub-clause are to be paid after the instalment that has been deferred or, if payment of any instalment or instalments has or have already been deferred under this sub-clause, the date for payment of the amount of that instalment or of the instalment last deferred.

(3.) In addition to making payments in accordance with sub-clause (1.) or sub-clause (2.) of this clause the State may on the fifteenth day of June or on the fifteenth day of December in any year, after having given the Treasurer notice in writing of at least one month of its intention to do so, pay to the Commonwealth an amount of \$100,000 or a multiple thereof in repayment of the total amount of the payments made to the State under this agreement.

(4.) For the purpose of the calculation of interest under clause 6, if more than one rate of interest is payable under that clause, the amount of an instalment that is deferred under sub-clause (2.) of this clause or an amount that is paid under sub-clause (3.) of this clause shall be allocated by way of deferral or payment, as the case may require, among the payments made to the State under this agreement according to the respective proportions that the balance of each payment for the time being unpaid to the Commonwealth bears to the total sum of those balances.

8. As soon as reasonably practicable after each thirtieth day of June during the five year period, the State Treasurer shall furnish to the Treasurer a statement prepared by the State Treasurer that— **Financial statement.**

- (a) shows the expenditure that has been incurred on or in connexion with the carrying out of the works up to and including that date;
- (b) shows the respective amounts that up to and including that date have been available to the Commission by the methods referred to in paragraph (a) of sub-clause (2.) of clause 2 for the purpose of the carrying out of the works; and
- (c) contains a certificate of the Auditor-General of the State that the financial assistance provided by the Commonwealth under this agreement has been expended in accordance with the provisions of this agreement.

9. The State shall from time to time at the request of the Treasurer furnish to him such information as he may reasonably require for the purposes of or in relation to this agreement. **Supply of information.**

10.—(1.) If at any time it is necessary and appropriate to do so in order to secure the more effective use of the hydro-electric resources of the State, the programme for electricity development to which this agreement relates may, at the request of the State Treasurer and with the approval of the Treasurer, be varied by amending the description of such works as are for the time being comprised therein or by including therein other works than those works. **Variation of the electricity development programme.**

THE SCHEDULE—*continued*

(2.) When the programme for electricity development is varied in accordance with sub-clause (1.) of this clause, the works comprised in the programme as so varied shall for the time being constitute the works for the purposes of this agreement.

Notices, &c.

11. A notice, request or other communication to be given or made under this agreement shall be deemed to have been duly given or made—

- (a) in the case of a communication by the Commonwealth or the Treasurer to the State or the State Treasurer—if it is signed by the Treasurer or a person thereunto authorized in writing by him and is sent by prepaid post addressed to the State Treasurer; or
- (b) in the case of a communication by the State or the State Treasurer to the Commonwealth or the Treasurer—if it is signed by the State Treasurer or by a person thereunto authorized in writing by him and sent by prepaid post addressed to the Treasurer.

HYDRO-ELECTRIC COMMISSION.

No. 21 of 1968.

AN ACT to amend the *Hydro-Electric Commission Act 1944.*

[5 July 1968.]

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

Short title and citation.

1—(1) This Act may be cited as the *Hydro-Electric Commission Act 1968.*

(2) The *Hydro-Electric Commission Act 1944*, as subsequently amended, is in this Act referred to as the Principal Act.