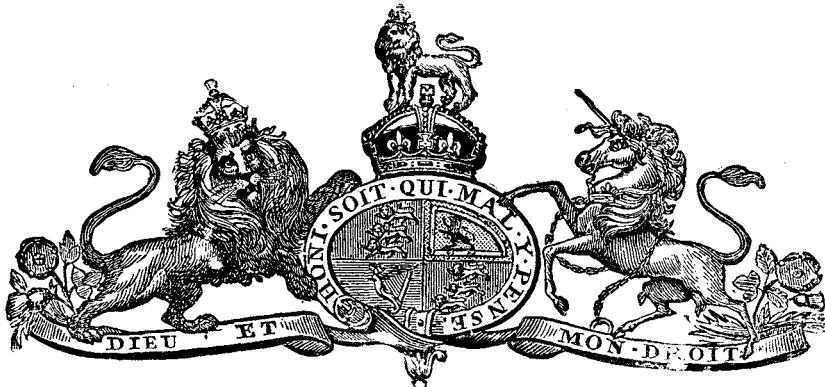


TASMANIA.



1927.

ANNO OCTAVO DECIMO  
 GEORGII V. REGIS,  
 No. 91.

ANALYSIS

1. Short title.
2. Interpretation.
3. Power of Mount Lyell Mining and Railway Company Limited to sell electrical energy generated from Lake Margaret.
4. Validation of agreement with the Lyell Company.
5. Validation of agreements with the Zinc Company.
6. Minister may carry out agreements.

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AN ACT relating to the Sale and Supply of Electrical Energy generated from Lake Margaret, and to validate certain Agreements in connection with the Sale of Electrical Energy so generated.

A.D.  
 1927.

[22 December, 1927.]

WHEREAS the Mount Lyell Mining and Railway Company Limited (in this Act referred to as "the Lyell Company") is the holder of certain licences granted under the Mining Act, 1905, numbered respectively 1201w, 1370w, 1371w, 1339w, 5393M, and 7234M, entitling the Lyell Company to the use for mining and domestic purposes, under the provisions of the Mining Act, 1917, of certain water and water-races from and in connection with Lake Margaret and other sources in the vicinity of Lake Margaret, and of certain land in such vicinity as aforesaid (all of which water, water-races, and land are in this Act referred to as "the said waterworks") :

PREAMBLE.

5 Ed. VII No. 23.

7 Geo. V. No. 62.

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And whereas the Lyell Company has for some time past used the said waterworks for generating electrical energy for such purposes as aforesaid, and also for sale and supply to certain persons, including the Minister :

And whereas the Lyell Company, on the twenty-second day of November, one thousand nine hundred and twenty-three, entered into an agreement with the Minister for the sale and supply by the Lyell Company to the Minister of certain electrical energy to be generated by means of the said waterworks, and such agreement has been duly performed and complied with by the parties thereto up to the time of the commencement of this Act :

And whereas the Minister, on the twenty-third day of March, one thousand nine hundred and twenty-six, entered into an agreement with the Electrolytic Zinc Company of Australasia Limited (in this Act referred to as the Zinc Company), for the sale and supply by the Minister to the Zinc Company of electrical energy to be sold and supplied to him by the Lyell Company under the firstmentioned agreement, and on the same day the Minister entered into a further agreement with the Zinc Company in connection (*inter alia*) with such sale and supply to the Zinc Company as aforesaid :

And whereas doubts have arisen as to the right of the Lyell Company to sell and supply electrical energy generated by it by means of the said waterworks to the Minister, or to any other persons, and as to the power of the Minister to enter into the hereinbefore recited agreement with the Lyell Company, and the hereinbefore recited agreements with the Zinc Company :

And whereas it is desirable to remove such doubts :

Be it therefore 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 Lake Margaret Electrical Supply Act, 1927.”

Interpretation.

**2** In this Act “the Minister” means the Minister for the time being administering the State Hydro-Electric Department.

Power of Mount Lyell Mining and Railway Company Limited to sell electrical energy generated from Lake Margaret.

**3** The sale and supply previously to the commencement of this Act, by the Lyell Company of electrical energy generated by it by means of the said waterworks, as mentioned in the Preamble to this Act, is hereby declared to have been valid and lawful, and it shall be lawful for the Lyell Company hereafter during the continuance of its rights under the licences mentioned in the said Preamble, to sell and supply to the persons referred to in the said Preamble electrical energy generated by it as aforesaid.

Validation of agreement with the Lyell Company.

**4** It shall be deemed to have been lawful for the Minister to have entered into and executed the agreement with the Lyell Company, a copy of which is set out in Schedule (1) to this Act, and such agreement is hereby ratified and confirmed as from the date thereof.

*Lake Margaret Electrical Supply.*

5 It shall be deemed to have been lawful for the Minister to have entered into and executed the agreements with the Zinc Company, copies of which are set out in Schedule (2) to this Act, and therein marked respectively "A" and "B," and such agreements are hereby ratified and confirmed as from the date thereof.

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Validation of agreements with the Zinc Company.

6 It shall be lawful for the Minister to do or cause to be done all things necessary or convenient for the purpose of carrying out and giving effect to the several agreements mentioned in Sections Four and Five of this Act.

Minister may carry out agreements

**SCHEDULES.****(1)**

AGREEMENT made this twenty-second day of November one thousand nine hundred and twenty-three between the Honourable JAMES BELTON Minister for Lands and Works for Tasmania (hereinafter referred to as "the Minister" which expression shall refer to the Minister for Lands and Works for Tasmania or other the Minister administering for the time being the State Hydro-Electric Department) of the one part and the MOUNT LYELL MINING AND RAILWAY COMPANY LIMITED of Melbourne in Victoria (hereinafter referred to as "the Company" which expression shall include its successors and assigns) of the other part.

WHEREAS the Minister desires to purchase and the Company is able to sell a supply of electrical energy which is available from the water power-station the property of the Company situate near Lake Margaret and which the Minister desires to make available for general distribution on the West Coast of Tasmania: NOW THIS AGREEMENT WITNESSETH and it is hereby covenanted and agreed by and between the parties hereto as follows:—

## 1. In this Agreement—

"Department" shall mean the Hydro-Electric Department of the State of Tasmania.

"General Manager" shall mean the Chief Engineer and General Manager for the time being of the said Department.

"Month" shall mean calendar month.

"Lake Margaret" shall mean the site of the water power-station the property of the Company situate near Lake Margaret in Tasmania.

"Power Station" shall mean the water power station the property of the Company situate near Lake Margaret.

"Point of Supply" shall mean the point in the bus bars of the power station immediately before or after the oil switch controlling the supply hereunder at which the current transformers are inserted for the purpose of measuring the power to be supplied hereunder.

"Amount of Power" or "Maximum Demand" shall mean the number of horsepower of electrical energy supplied under this contract from time to time as measured in the manner prescribed in Clause Five hereof.

*Lakè Margaret Electrical Supply.*

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2. The term of this Agreement shall be ten (10) years from the date of commencement of supply hereunder and the date of commencement of supply shall be on the expiration of one month's notice which shall be given within three years from the date hereof by the General Manager to the Company stating that the Minister will be ready in one month to take supply hereunder. If such notice be not given within three years as aforesaid this Agreement shall become null and void.

The Minister shall have the firm right to an extension of this Agreement for a further period of ten (10) years to such an extent as the Company has surplus power available and upon the following terms that is to say:—

- (a) The amount of power which is to be available for supply during the term of such extension and the price to be paid for the same shall be fixed at a conference between the Minister and the Company which conference shall be held during the ninth year of this Agreement.
- (b) In such fixation of price regard shall be had to the then current costs including wages and salaries incurred by the Company in the production of the power then being supplied to the Minister.
- (c) If the price from time to time so charged shall in the opinion of the Minister make it unprofitable for some or all of the consumers supplied by him to take such power then the Minister shall have the right to terminate such extension upon giving twelve months' notice in writing to the Company of his intention so to do.

3. The Company shall supply and the Minister shall take at the point of supply such electrical energy as the Minister shall require to be available on demand as follows:—

- (1) For the first five years from the commencement of supply up to but not exceeding 3000 horsepower.
- (2) For the second five years from the commencement of supply such amount not exceeding 3000 horsepower as shall be agreed upon as required by the Minister as a result of a conference between the Minister and the Company to be held at the end of the fifth year from the commencement of supply.

4. All power to be supplied under this contract shall be supplied at 6800 volts as hereinafter mentioned and shall be three-phase alternating current at a frequency of 50 cycles per second and shall be available continuously for 24 hours per day during every day of the contract period. The term 6800 volts shall mean that voltage with a margin of six per centum either way. Provided that when the contract amount of power exceeds 1000 horsepower the term 6800 volts shall mean that voltage with a margin of two and a half per centum either way.

5. The power contracted to be supplied to and taken by the Minister under this Agreement shall be checked or measured in the following manner:—

Three maximum demand indicators each suitable for indicating the maximum of the average amounts of power consumed during each half-hour period throughout each quarter of each year of the contract period shall be installed in series at the point of supply. One shall be the property of be provided by and be maintained at the expense of the Minister. One shall be the property of be provided by and be maintained at the expense of the Company and one shall be the joint property of and shall be provided at the joint expense and be

*Lake Margaret Electrical Supply.*

maintained at the joint expense of both the Minister and the Company. The three meters shall be purchased by the Company to a specification to be approved by the General Manager and the Minister shall on the commencement of supply pay to the Company half the actual cost of the three meters. The number of horsepower shall be represented by the mean of the readings of the three meters aforesaid. If the reading of each meter is within three per centum of the mean of the readings of the three meters each meter will be considered correct for the purposes of the accounts. If however the reading of any meter shows a difference from the mean of the readings of the three meters of more than three per centum then the mean of the readings of the three will be taken for the time being but the accuracy co-efficient of each of the meters will as soon as possible be redetermined by a test to be mutually arranged between the General Manager and the Company and each meter having a coefficient which shows an error of more than three per centum will be readjusted. The accounts in respect of the period during which the meters are found to be in error shall be corrected and adjusted in accordance with the result of the test. If at any time two meters only be in service because of the third being under test or repair the mean of the readings of the said two meters will be accepted by both parties: Provided that such mean is within three per centum of the readings of both meters. If the mean of the readings is not within three per centum the procedure aforesaid shall be adopted with regard to the redetermination of the accuracy coefficients and the readjustment of the meters and the adjustment of the accounts will be made as aforesaid. Seven hundred and forty-six watts shall be taken as equivalent to one horsepower.

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6. The price to be paid by the Minister to the Company for the electrical energy supplied to and taken by the Minister under this agreement shall be at the following rates:—

For all electrical energy supplied—

- £6 per horsepower per annum during such period as the maximum demand does not exceed 300 horsepower.
- £5 10s. per horsepower per annum during such period as the maximum demand exceeds 300 horsepower but does not exceed 500 horsepower.
- £5 5s. per horsepower per annum during such period as the maximum demand exceeds 500 horsepower but does not exceed 750 horsepower.
- £5 per horsepower per annum during such period as the maximum demand exceeds 750 horsepower but does not exceed 1000 horsepower.
- £4 17s. 6d per horsepower per annum during such period as the maximum demand exceeds 1000 horsepower but does not exceed 1500 horsepower.
- £4 15s. per horsepower per annum during such period as the maximum demand exceeds 1500 horsepower but does not exceed 2000 horsepower.
- £4 12s. 6d. per horsepower per annum during such period as the maximum demand exceeds 2000 horsepower but does not exceed 2500 horsepower.
- £4 10s. per horsepower per annum during such period as the maximum demand exceeds 2500 horsepower but does not exceed 3000 horsepower.

*Lake Margaret Electrical Supply.*

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PROVIDED ALWAYS that subject to Clauses 7, 14, and 15 hereof the amount payable by the Minister to the Company shall be not less than Eighteen hundred Pounds (£1800) for the first twelve months from the date of commencement of supply and thereafter not less than Four hundred and fifty Pounds (£450) per quarter.

7. In the event of a strike bringing about a stoppage of the Company's mining and manufacturing operations in Tasmania or a stoppage thereof due to causes beyond the Company's control the Company on giving one month's notice in writing to the Minister shall be entitled to vary this Agreement to the following extent that is to say the prices aforesaid shall no longer be applicable but as from the termination of such notice and until the resumption of manufacturing operations by the Company the prices at which power supplied hereunder shall be charged and paid for shall be as follows:—

For each horsepower of maximum demand Three Pounds (£3) per horsepower per annum plus the amounts of the wages and/or salaries of such operating and maintenance staff as shall be required by the Company to operate the power station and approved as necessary by the Minister.

Provided however that if in the opinion of the Minister the price so arrived at makes it unprofitable for the Department's consumers to take power under the conditions and at the price arising from this clause then the Minister shall have the right to be exercised by one week's notice to suspend this Agreement during the period of the stoppage hereinbefore in this Clause mentioned.

Any change in method of charging as aforesaid shall be made as from the commencement of the month next following the expiration of the notice and the resumption respectively.

8. In the event of the power factor of the Department's load while in normal operation as measured by standard instruments to be provided by the Company connected at the point of supply being less than eighty per centum lagging the contract amount of power shall be increased by multiplying it by eighty and dividing the product so obtained by the power factor measured as aforesaid.

9. All payments for electrical energy shall be made quarterly in arrear on the first day of January the first day of April the first day of July and the first day of October in each year at a bank in Hobart to be specified by the Company.

The Minister shall be liable to pay interest on all moneys overdue to the Company for more than one month at the rate of £6 per centum per annum.

10. The Company agrees that it will not directly or indirectly supply power cheaper than that provided hereunder to any company firm or person. This clause shall not apply to the supply of power for any purpose directly or indirectly connected with the Company's mining and manufacturing operations within the districts of Gormanston and Queenstown.

11. The Company shall at its own expense provide a suitable oil switch together with the necessary auxiliaries to control the supply to the Minister and such switch shall be placed in a manner to be approved by the General Manager either immediately before or immediately after the current transformers aforesaid.

12. The Company shall operate the switches transformers and other plant the property of the Department at the power station and carry out the operating orders of the General Manager or such officer person or persons duly authorised by him to act on his behalf. The Company shall also supply free of charge the labour necessary to do the ordinary running repairs to such switches transformers and other

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*Lake Margaret Electrical Supply.*

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plant aforesaid and it will also at the request of the General Manager carry out at the expense of the Department any special maintenance and repair work which cannot be handled by its ordinary station staff at actual cost. A.D. 1927.

13. The Department shall maintain its transmission line and equipment in such condition and manner as not to cause dislocation to the Company's electrical system and shall require its consumers to maintain and operate their plants in a similar condition and manner.

14. Should one or more of the consumers of electrical energy from the Department's Lake Margaret-Zeehan system by reason of a lock-out except a lockout by such consumer or strike or from any other cause beyond its control be prevented from obtaining its raw materials or be unable fully or partly to operate its works or conduct its operations and/or manufacture goods and/or take and/or use power and thus reduce the maximum demand on the system then during such lock-out strike or cause as aforesaid:—

- (a) On the Minister notifying the Company of the commencement thereof the meters shall be read and set to zero;
- (b) On the Minister notifying the Company of the termination thereof the meters shall be re-read and re-set to zero;
- (c) The amount to be paid by the Minister to the Company for electrical energy supplied to and taken by the Minister during such period of reduced demand shall be based on the maximum demand between the dates of re-setting. The amount to be paid for electrical energy supplied to and taken by the Minister during the balance of any quarter when the period of reduction both commences and terminates within such quarter shall be based on the maximum demand during the portion of such quarter immediately preceding such period of reduction or on the maximum demand during the portion of such quarter immediately following such period of reduction whichever is the higher and when the period of reduction commences in one quarter and terminates in another quarter shall be based on the maximum demand during the balance of such quarters respectively. Provided that if the duration of the lockout strike or cause aforesaid shall be more than one month or the reduction in the maximum demand aforesaid shall be more than fifty per centum and if the Company shall require the payment of the same the Minister shall pay to the Company as a standby charge an amount equivalent to One Pound per horsepower per annum on the difference in maximum demand as aforesaid.

15. The Company shall notify the General Manager or such officer or person as the General Manager may prescribe within a reasonable time beforehand when it is necessary as herein stated to bring about a stoppage of or reduction in the supply of power and also the time when it anticipates the supply will be resumed. There shall not however at any time be an arbitrary stoppage of or reduction in the supply of power and any stoppage or reduction shall only take place when it is necessary for the protection of the plant in the power station. In the event of a total stoppage or a reduction in the supply of power the price for power to be paid to the Company under this Agreement shall in respect to any period exceeding one hour cease to be payable or be rebated as the case may be except where such stoppage

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*Lake Margaret Electrical Supply.*

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or reduction is due to the negligence or default of the Minister his agents workmen or servants or to the consumers of the current purchased by the Minister in which case there shall be no cessation or rebatement of payment.

16. The Company shall maintain its hydro-electric plant in first-class order and condition and available for continuous use throughout the contract period and shall maintain a reasonable stock of spare parts to facilitate speedy repairs. The Company shall in connection with its employees engaged in or upon its hydro-electric works pay not less than the wages and observe the conditions of employment laid down in the award of the Commonwealth Arbitration Court or the State Wages Board for the time being applicable to the same class of employee.

17. If by reason of any mishap or accident or any strike or other cause over which the Company has no control the Company is unable to avoid a suspension of the supply of power hereunder then the provisions of this Agreement shall on notice in writing of the cause being given to the Minister be suspended for the period during which the inability continues and the Company shall on the removal of the cause resume supply and notify the Minister thereof.

18. It is expressly agreed that the Company hereby relieves the Minister of all responsibility so far as the Minister is legally liable in connection with any damage which may be done to the property of the Department's consumers due to any imperfection or disturbance in the supply of power to the Minister and undertakes to indemnify the Minister against any claim arising therefrom.

19. It is hereby expressly agreed that the Minister shall have the right to cancel this Agreement by six months' notice in the event of the operations of the Electrolytic Zinc Company at or near Zeehan being terminated or by twelve months' notice in the event of the Minister constructing a power station for the purpose of or otherwise making available a supply of electrical energy to Zeehan and district from the Department's own systems.

20. Any notice required to be given to the Company by the Minister may be given by the Minister or by the General Manager and shall be in writing and shall be served on the Company either by delivering the same to the Secretary of the Company in Melbourne or sending the same by registered post addressed to the Company at the registered office of the Company in Victoria and any notice required to be given to the Minister by the Company under this contract shall be in writing and may be given by the Secretary of the Company for and on behalf of the Company and shall be given to the Minister either by personally delivering the same to the General Manager at the office of the Department at Hobart or sending the same by registered post addressed to the General Manager in Hobart: Provided that ordinary operation notices merely affecting the ordinary routine of operation and supply may be exchanged between the parties hereto under arrangements to be mutually agreed upon between the General Manager and the General Manager of the Company.

21. If at any time during the continuance of this Agreement or after the determination thereof any dispute difference or question shall arise between the Minister and the Company as to the construction meaning or effect of this Agreement or anything herein contained or the rights or liabilities of the Minister or the Company under this Agreement or otherwise in relation to the premises then and in any such case such dispute difference or question shall be determined by arbitration in the manner prescribed by the Arbitration Act 1892 or by any statutory modification or re-enactment thereof for the time being in force.



*Lake Margaret Electrical Supply.*

In witness whereof the Minister has hereunto set his hand and seal and the Company has caused its common seal to be hereunto affixed the day and year first hereinbefore written. A.D. 1927. — —

Signed sealed and delivered by the Honourable  
JAMES BELTON in the presence of—

J. H. BUTTERS.

JAMES BELTON.

The common seal of the MOUNT LYELL MINING  
AND RAILWAY COMPANY LIMITED was here-  
unto affixed by order of the Directors in  
the presence of—

GEO. SWINBURNE, { Directors.  
COLIN TEMPLETON, }  
D. G. LUMSDEN, Secretary.

(2)  
“ A ”

AGREEMENT made this twenty-third day of March one thousand nine hundred and twenty-six BETWEEN THE HONOURABLE JOSEPH ALOYSIUS LYONS being and as the Minister of the Crown for Tasmania for the time being administering the State Hydro-Electric Department (hereinafter called “the Minister” which expression shall mean and include the Minister of the Crown for the time being for Tasmania administering the State Hydro-Electric Department) of the one part AND THE ELECTROLYTIC ZINC COMPANY OF AUSTRALASIA LIMITED (hereinafter called “the Company” which expression shall include its successors and assigns) of the other part WHEREAS the Honourable James Belton Minister for Lands and Works for Tasmania for the time being administering the State Hydro-Electric Department made and entered into an agreement with the Company bearing date the twenty-second day of November one thousand nine hundred and twenty-three for the supply of electrical energy to the Company in connection with its works in the vicinity of Zeehan in Tasmania for the period and upon the terms and conditions therein contained: AND WHEREAS the parties hereto have agreed to abrogate and determine the said Agreement and to make and enter into these presents in substitution therefor: NOW THIS AGREEMENT WITNESSETH and it is hereby covenanted and agreed between the parties hereto as follows:—

1. That the hereinbefore recited Agreement bearing date the twenty-second day of November one thousand nine hundred and twenty-three is hereby declared to be and the same is abrogated and made void in all respects as from the date of these presents and that these presents have been entered into by the parties hereto in substitution therefor.

2. In this Agreement—

“Department” shall mean the Hydro-Electric Department of the State of Tasmania.

“General Manager” shall mean the Chief Engineer and General Manager for the time being of the said Department.

“Month” shall mean calendar month.

“Works” shall mean the works for the mining and treatment of zinc ores and for other purposes which have been constructed by the Company or which may hereafter be constructed by the Company at or near Zeehan aforesaid Williamsford and Rosebery in Tasmania.

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A.D. 1927.

“Power Station” shall mean the water power station the property of the Mount Lyell Mining and Railway Company Limited situated near Lake Margaret in Tasmania.

“Point of Supply” shall mean the point in the bus bars of the power station immediately before or after the oil switch controlling the supply hereunder at which the **current** transformers are inserted for the purpose of measuring the power to be supplied hereunder.

“Amount of Power” or “Maximum Demand” shall mean the number of horsepower of electrical energy supplied under this contract from time to time as measured in the manner prescribed in Clause (6) hereof.

“Lyell Company” shall mean the Mount Lyell Mining and Railway Company Limited of Melbourne and its successors and assigns.

3. The Minister shall upon the execution hereof proceed at all reasonable speed with the construction of the extension of the service to Williamsford and Rosebery to enable him to fulfil this contract and shall complete same at the earliest possible date. The term of this Agreement shall be ten (10) years from the date of commencement of supply to the works near Zeehan aforesaid that is the sixth day of March one thousand nine hundred and twenty-five. The Company shall have the firm right to an extension of this Agreement for a further period of ten (10) years: PROVIDED HOWEVER that should the Minister be unable to obtain an extension of his Agreement with the Lyell Company dated twenty-second November one thousand nine hundred and twenty-three without modification then during such extended period the terms of this Agreement shall be reviewed and modified to the same extent as the Agreement between the Minister and the Lyell Company is modified *mutatis mutandis*.

4. The Minister shall supply and the Company shall take at the point of supply such electrical energy as the Company shall require to be available on demand as follows:—

- (1) For the first five (5) years from the commencement of supply up to but not exceeding two thousand seven hundred and fifty (2750) horsepower.
- (2) For the second five (5) years from the commencement of supply such amount not exceeding two thousand seven hundred and fifty (2750) horsepower as shall be agreed upon as required by the Company as the result of a conference between the Minister and the Company to be held at the end of the fifth year from the commencement of supply.

5. All power to be supplied under this Agreement shall be supplied at approximately 6800 volts and shall be three-phase alternating current at a frequency of 50 cycles per second and shall be available continuously for twenty-four hours per day during each day of the contract period PROVIDED that the Minister shall supply and install the necessary step-up transformers and transmission-lines to enable the supply of power to be made available at the Company's works situate near Zeehan Williamsford and Rosebery at approximately 40,000 volts.

6. The power to be supplied to and taken by the Company under this Agreement shall be checked or measured in the following manner PROVIDED HOWEVER that in the event of the Minister supplying power from the Department's Lake Margaret-Zeehan-Rosebery system to consumers other than the Company then such amount of power plus trans-

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*Lake Margaret Electrical Supply.*

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mission losses to be agreed upon between the General Manager and the Company shall be deducted from the maximum demand made at the point of supply and payable for by the Company:— A.D 1927.

Three maximum demand indicators each suitable for indicating the maximum of the average amounts of power consumed during each half-hour period throughout each quarter of each year of the contract period shall be installed in series at the point of supply. One shall be the property of be provided by and be maintained at the expense of the Minister. One shall be the property of be provided by and be maintained at the expense of the Lyell Company and one shall be the joint property and shall be provided at the joint expense and be maintained at the joint expense of the Minister and the Lyell Company. For the purposes of this Agreement the Minister shall appoint the Company to represent him in the reading and checking of the aforesaid meters. The number of horsepower shall be represented by the mean of the readings of the three meters aforesaid. If the reading of each meter is within three per centum of the mean of the readings of the three meters each meter will be considered correct for the purposes of the accounts. If however the reading of any meter shows a difference from the mean of the readings of the three meters of more than three per centum then the mean of the readings of the three will be taken for the time being but the accuracy coefficient of each of the meters will as soon as possible be redetermined by a test to be mutually arranged between the General Manager and the Company and each meter having a coefficient which shows an error of more than three per centum will be readjusted. The accounts in respect of the period during which the meters are found to be in error shall be corrected and adjusted in accordance with the result of the test. If at any time two meters only be in service because of the third being under test or repair the mean of the readings of the said two meters will be accepted by both parties PROVIDED that such mean is within three per centum of the readings of both meters. If the mean of the readings is not within three per centum the procedure aforesaid shall be adopted with regard to the redetermination of the accuracy coefficients and the readjustment of the meters and the adjustment of the accounts will be made as aforesaid.

Seven hundred and forty-six (746) watts shall be taken as equivalent to one horsepower.

7. The price to be paid by the Company to the Minister for electrical energy supplied to and taken by the Company under this Agreement shall be as follows:—

- (1) A fixed charge of Four thousand five hundred Pounds (£4500) per annum until the termination of one month's notice to be given in writing by the Minister to the Company that the Minister is ready to grant supply over the Rosebery-Williamsford extension when the fixed charge shall be Eight thousand three hundred Pounds (£8300) per annum until sixth of March one thousand nine hundred and thirty-five PROVIDED HOWEVER that should this Agreement be extended for a further period as provided herein then during such extension the fixed charge shall be Two thousand Pounds (£2000) per annum

*Lake Margaret Electrical Supply.*

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PROVIDED FURTHER that in the event of the Minister supplying power from the Department's Lake Margaret-Zeehan-Rosebery System to consumers other than the Company then if during any quarterly period of such supply the maximum demand at the Lyell Company's power station exceeds by 220 horsepower or more the amount of power supplied to the Company at the point of supply the fixed charge in this Clause defined shall during such quarterly period be reduced by multiplying it by the amount of power supplied to the Company and dividing it by the maximum demand at the power station aforesaid PROVIDED ALWAYS that such reduction shall be made only from the commencement of the next ensuing quarter after such supply to general consumers shall first commence.

(2) A running charge per horsepower per annum in accordance with the following schedule:—

	£	s.	d.
For all electrical energy supplied during such period or periods as the maximum demand does not exceed 300 horsepower	6	6	0
For all electrical energy supplied during such period or periods as the maximum demand exceeds 300 horsepower but does not exceed 500 horsepower . . . .	5	17	0
For all electrical energy supplied during such period or periods as the maximum demand exceeds 500 horsepower but does not exceed 750 horsepower . . . .	5	13	0
For all electrical energy supplied during such period or periods as the maximum demand exceeds 750 horsepower but does not exceed 1000 horsepower . . . .	5	8	0
For all electrical energy supplied during such period or periods as the maximum demand exceeds 1000 horsepower but does not exceed 1500 horsepower . . . .	5	6	0
For all electrical energy supplied during such period or periods as the maximum demand exceeds 1500 horsepower but does not exceed 2000 horsepower . . . .	5	3	6
For all electrical energy supplied during such period or periods as the maximum demand exceeds 2000 horsepower but does not exceed 2500 horsepower . . . .	5	1	6
For all electrical energy supplied during such period or periods as the maximum demand exceeds 2500 horsepower but does not exceed 2750 horsepower . . . .	4	19	6

PROVIDED ALWAYS that subject to Clauses 8, 18, and 19, hereof the amount payable by the Company to the Minister in addition to the fixed charge aforesaid shall not be less than Four hundred and eighty-four Pounds (£484) per quarter.

8. In the event of the Minister receiving notice in writing from the Lyell Company that due to a strike or other cause beyond its control it has suspended mining and manufacturing operations in Tasmania the Minister shall notify the Company thereof and as from the termination of such notice and until the resumption of manufacturing

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operations by the Lyell Company the price at which power supplied hereunder shall be charged and paid for shall be as follows:— A.D. 1927.

- (1) The "fixed" charge as provided in Clause 7 hereof.
- (2) The "running" charge per horsepower per annum provided in Clause 7 hereof:

PROVIDED that if the Lyell Company exercises its right and requires the modification provided for in Clause 7 of the Agreement between the Minister and that Company dated twenty-second day of November one thousand nine hundred and twenty-three then if the cost per horsepower per quarter to the Minister is in excess of the cost per horsepower per quarter under normal working arrangements the Company shall pay to the Minister an extra price per horsepower per quarter equivalent to the excess cost aforesaid PROVIDED HOWEVER that if the price so arrived at makes it unprofitable for the Company to continue to operate its works then the Company shall have the right to be exercised by one month's notice to the Minister to suspend this Agreement during the period of the stoppage hereinbefore in this Clause mentioned PROVIDED ALWAYS that during such suspension the Company shall pay to the Minister the fixed charge payable as set out in Clause 7 hereof. Any change in the method of charging as aforesaid shall be made coincident with the change made by the Lyell Company in charging the Minister.

9. In the event of the Minister having to pay an extra amount to the Lyell Company due to the power factor of the Department's load being less than eighty per centum lagging as provided for in Clause 8 of the Agreement between the Minister and the Lyell Company dated twenty-second day of November one thousand nine hundred and twenty-three then the Company shall pay to the Minister a percentage of such extra amount such percentage to equal the percentage of the total kilo-volt-amperes taken by the Minister in the particular quarter which is taken by the Company.

10. All payments for electrical energy shall be made quarterly in advance (but subject nevertheless at the end of each quarter to any necessary adjustment in respect to previous payments) on the first day of January the first day of April the first day of July and the first day of October in each year at the office of the General Manager at Hobart.

11. The Company shall be liable to pay interest on moneys overdue to the Minister for more than one month at the rate of Six Pounds (£6) per centum per annum. If default in payment of any such overdue moneys is made for more than one calendar month the Minister may discontinue the supply of electrical energy without determining or voiding this Agreement until the overdue moneys and interest shall be paid but no longer PROVIDED ALWAYS that if such default shall continue for a period exceeding six calendar months the Minister shall be entitled to cancel this Agreement and the remedy of the Minister in damages against the Company shall not thereby be affected.

12. The Company shall not assign this Agreement without the consent in writing of the Minister first had and obtained but the Minister shall not arbitrarily or unreasonably withhold his consent to any assignment.

13. The Company shall not transfer or sell any electrical energy obtained by it from the Minister under this contract.

14. The Company shall for the duration of this contract maintain the transmission-line and telephone-line from the Department's sub-station at or near the Lyell Company's power-station to the Company's works at or near Zeehan Williamsford and Rosebery in a manner to be approved by the General Manager and shall maintain a supply of spare parts and repairing materials sufficient in the opinion of the General

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Manager to enable satisfactory service to be maintained such spare parts shall be purchased by the Company to specifications to be submitted by the Company and approved by the General Manager and shall be subject to such inspection and test as the General Manager may require PROVIDED ALWAYS that during such periods as the fixed charge is reduced as provided in Clause 7 hereof due to the demands of general consumers the Minister shall pay to the Company on quarterly account a fraction of the nett actual cost of maintenance of the said transmission-line such fraction to be arrived at by dividing the difference between the fixed charge hereunder and the reduced fixed charge aforesaid by £8300.

15. The Company shall operate its plant in such a manner as not to cause dislocation of the Department's Lake Margaret-Zeehan-Rosebery system.

16. It is hereby expressly agreed that the Minister shall not be held responsible or liable in damages for any interruption failure shortage or defect whatsoever in the supply of power to the Company caused by the neglect or acts actions or omissions of the Lyell Company in connection with its contract to supply power to the Minister but the Minister shall use his best endeavours to obtain and maintain a satisfactory service to the Company: PROVIDED FURTHER that the Minister shall not be liable in damages for interruption to service caused by anything on his part not reasonably avoidable but he shall use his best endeavours to maintain satisfactory service and shall use only first-class apparatus and materials in connection with the Department's installation.

17. No primary plant shall be connected to the Department's lines until the design and construction of the same have been approved by the General Manager and the Company shall maintain the same in first-class order and use only first-class materials in connection therewith and the Minister and his duly appointed officers shall have free ingress egress and regress to and from the Company's buildings containing such primary plant and the surroundings of same at all reasonable times during the continuance of this Agreement to enable periodic inspection of the primary plant to be made by the officers of the Minister. The General Manager shall not arbitrarily or unreasonably disapprove of the design and construction as aforesaid.

18. Should the Company by reason of a lockout (except a lockout by the Company) or strike or from any other cause beyond its control be prevented from obtaining its raw materials or be unable fully or partly to operate its works or conduct its operations and/or manufacture goods and/or take and/or use power and thus reduce the maximum demand on the system then during such strike lockout or cause as aforesaid:—

- (a) On the Company notifying the Minister of the commencement thereof the meters shall be read and set to zero;
- (b) On the Company notifying the Minister of the termination thereof the meters shall be re-read and re-set to zero;
- (c) The amount to be paid by the Company to the Minister as the "running" charge aforesaid during the period between the dates of setting and re-setting shall be based upon the actual maximum demand during such period. The amount to be paid for electrical energy supplied to and taken by the Company during the balance of any quarter when the period of reduction both commences and terminates within such quarter shall be based on

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the maximum demand during the portion of such quarter immediately preceding such period of reduction or on the maximum demand during the portion of such quarter immediately following such period of reduction whichever is the higher and when the period of reduction commences in one quarter and terminates in another quarter shall be based on the maximum demand during the balance of such quarters respectively PROVIDED that if the duration of the lockout strike or cause aforesaid shall be more than one month or the reduction in the maximum demand aforesaid shall be more than fifty per centum and if the Lyell Company shall require the payment of a standby charge by the Minister the Company shall pay to the Minister as a standby charge an amount equivalent to One Pound (£1) per horsepower per annum on the difference in maximum demand as aforesaid.

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19. In the event of a total stoppage or a reduction in the supply of power hereunder the "running" charge for power to be paid by the Company to the Minister under this Agreement shall in respect to any period abate to the same proportionate extent as the price payable by the Minister to the Lyell Company abates.

20. Subject to the proviso hereinafter in this Clause contained the Company shall be deemed to have full knowledge of all by-laws lawfully made by the Minister under the Complex Ores Act 1909 or any statutory amendment thereof or substitution therefor now or hereafter enacted and the Company shall be bound by the provisions of such by-laws so far as the same are not inconsistent with or in any way a limitation or variation of any of the terms and conditions of this Agreement and provided that the Minister shall on the issue from time to time of all or any such by-laws to be hereafter made forward by registered post a copy thereof to the Secretary of the Company.

21. All moneys from time to time payable by the Company under this Agreement and the obligation on the part of the Company to perform and observe the provisions of this Agreement and any liability incurred by the Company by reason of any breach on the part of the Company of any of the provisions of this Agreement shall be deemed to be and to create a debt duty or damage to His Majesty the King and/or may be enforced or recovered in the mode prescribed by the Crown Remedies Act 1891 of Tasmania or any statutory amendments thereof or substitution therefor for the time being in force.

22. Any notice required to be given to the Company by the Minister may be given by the Minister or by the General Manager and shall be in writing and shall be served on the Company either by delivering the same to the Secretary of the Company in Melbourne or sending the same by registered post addressed to the Company at its registered office in Victoria and any notice required to be given to the Minister by the Company under this contract shall be in writing and may be given by the Secretary of the Company and shall be given to the Minister either by personally delivering the same to the General Manager in Hobart or sending the same by registered post addressed to the General Manager in Hobart: PROVIDED that ordinary operation stoppage or resumption of supply notices merely affecting the ordinary routine of operation and supply may be exchanged between the parties hereto under arrangements to be mutually agreed upon between the General Manager and the General Manager of the Company.

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IN WITNESS WHEREOF the Minister has hereunto set his hand and seal and the Company has caused its common seal to be hereunto affixed the day and year first hereinbefore written.

Signed sealed and delivered by the Honourable  
JOSEPH ALOYSIUS LYONS in the presence  
of—

(Signed) J. A. LYONS (Seal.)

(Signed) HARRY A. CURTIS.

The common seal of the ELECTROLYTIC ZINC  
COMPANY OF AUSTRALASIA LIMITED was  
hereunto affixed by order of the Directors in  
the presence of—

H. W. SHEPPARD, } Directors. (Seal.)  
COLIN FRASER, }  
EDWARD H. SHACKELL, Secretary.

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“ B ”

AGREEMENT made this twenty-third day of March one thousand nine hundred and twenty-six BETWEEN THE HONOURABLE JOSEPH ALOYSIUS LYONS being and as the Minister of the Crown for Tasmania for the time being administering the State Hydro-Electric Department (hereinafter called “ the Minister ” which expression shall mean and include the Minister of the Crown for the time being for Tasmania administering the State Hydro-Electric Department) of the one part and ELECTROLYTIC ZINC COMPANY OF AUSTRALASIA LIMITED (hereinafter called “ the Company ” which expression shall include its successors and assigns) of the other part SUPPLEMENTAL to an Agreement (hereinafter called the said Agreement) made between the parties hereto on the twenty-third day of March one thousand nine hundred and twenty-six for the supply to the Company of electric energy at or near Zeehan Williamsford and Rosebery West Coast Tasmania NOW THIS INDENTURE WITNESSETH and it is hereby covenanted and agreed as follows:—

1. Notwithstanding anything contained in the said Agreement the Company shall have the firm right to an extension of the said Agreement for a period of ten years from the sixth day of March one thousand nine hundred and thirty-five.

2. If the said Agreement is extended as aforesaid the Minister shall during the month of September one thousand nine hundred and thirty-two make enquiry and ascertain whether the electric energy to be supplied under this Agreement can and will be available to him from the source from which supply is furnished to him for the purpose of the said Agreement and if supply of electric energy shall not from this source be available to him for the purposes of this Agreement then the Minister shall establish suitable new works for the purposes hereof after consultation and agreement with the Company and the capital cost of such new works shall be paid to the Minister by the Company within a period of ten (10) years from the sixth day of March one thousand nine hundred and thirty-five or within such further period as may be hereafter agreed upon and interest thereon in the meantime at the rate at which the Minister is paying interest thereon and also the costs and expenses incurred by the Minister in maintaining and operating the said new works for and during the term hereof: PROVIDED HOWEVER that if the transmission-



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lines transformers and all other equipment provided by the Minister under the said Agreement can be made available as portion of the said new works the same shall be so made available and the Company shall be charged in respect thereof only such costs and expenses as are necessarily incurred by the Minister in making same available as aforesaid. A.D. 1927.

3. Subject to Clause 6 hereof the position in regard to payments to be made by the Company to the Minister shall be:—

- (a) Interest and amortisation of the capital cost of such new works spread over a term of ten years or such further period as may be hereafter agreed upon;
- (b) All costs and expenses incurred by the Minister in working and maintaining the said new works during the currency of this Agreement;
- (c) From the date on which supply from the new works is initiated the Company shall pay to the Minister the sum of Three thousand Pounds (£3000) per annum which shall represent the total clear profit payable by the Company to the Minister in connection with the new works hereunder;
- (d) Provided that if the Company shall have met the capital and interest costs of any new works it shall have a firm right to a second further term of ten (10) years under this Agreement on the terms and conditions set forth in Clauses 3 (b) and 3 (c) hereof.

4. If the Company shall duly exercise the option to extend the said Agreement for a period of ten (10) years and the parties hereto come to agreement as provided in Clause 2 hereof then for and during the extended period of ten (10) years of the said Agreement hereunder the Minister shall supply hereunder upon demand to the Company such electric energy as is contracted to be supplied to the Company under the said Agreement.

5. If the Company exercises the option hereinbefore mentioned in Clause 1 hereof it shall three months previous to the sixth day of September one thousand nine hundred and thirty-two give notice in writing to the Minister of its intention so to do.

6. If the Minister shall construct new works to supply electric energy in excess of the quantity contracted to be supplied to the Company under the said Agreement the Company shall be charged by way of capital maintenance and operation costs of such new works such proportion only of expenditure as is necessary to enable the Minister to supply to the Company the quantity of electric energy contracted for by it under the said Agreement. The Company to have full advantages of the lesser cost of construction maintenance and operation of the said new works as the result of the construction of works for electric energy in excess of the quantity contracted for by the Company hereunder.

7. The payments to be made by the Company under Clauses 2 and 3 hereof shall be made quarterly in advance in the months of January April July and October of every year and if default be made in any quarterly payment hereunder for one month the Company shall pay interest upon the outstanding instalment at the rate of Six Pounds per centum per annum.

8. This Agreement shall be deemed to have been ratified by the Parliament of Tasmania if and when any moneys to be expended by the Minister in extending the transmission-line for the supply of

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electric energy to the Company at Hercules and Rosebery and into the adjacent mining field shall have been appropriated by such Parliament.

IN WITNESS WHEREOF the Minister has hereunto set his hand and seal and the Company has caused its common seal to be hereunto affixed the day and year first hereinbefore written.

Signed sealed and delivered by the Honourable  
JOSEPH ALOYSIUS LYONS in the presence of—

(Signed) J. A. LYONS (Seal.)

(Signed) HARRY A. CURTIS.

The common seal of ELECTROLYTIC ZINC COMPANY OF AUSTRALASIA LIMITED was hereunto affixed by order of the Directors in the presence of—

(Company Seal.)

(Signed) COLIN FRASER, }  
(Signed) MONTAGUE COHEN, } Directors.

(Signed) EDWARD H. SHACKELL, Secretary.