

**Australian Energy Market Commission**

## **NATIONAL ELECTRICITY RULES - GUIDELINES**

**Guidelines for proponents: Preparing a Rule change proposal**

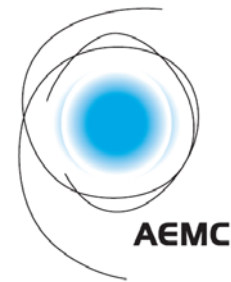
**July 2009**

# Australian Energy Market Commission

## Guidelines for proponents:

### Preparing a Rule change proposal - electricity

July 2009



## 1 Objective of the Guidelines

The Australian Energy Market Commission (AEMC) has prepared these guidelines to assist in the submission of a request to the AEMC to change the National Electricity Rules (the request is referred to as a “Rule change proposal” in these guidelines). The National Electricity Law (NEL)<sup>1</sup> and the NEL Regulations<sup>2</sup> set out the legal requirements for Rule change proposals. A complete guide to Rule change procedures is outlined on the AEMC’s website - [www.aemc.gov.au](http://www.aemc.gov.au).

## 2 Initiating a Rule change proposal

The AEMC is the body responsible for the National Electricity Rules (referred to as ‘the Rules’), this role includes making changes to those Rules. The NEL sets out the steps that must be followed before the AEMC may make any changes to the Rules. These steps are known as the “Rule making process”. The process generally includes two stages of public consultation, the application of a Rule making test and a final decision on whether or not to make a Rule.

The Rule making process begins when any person (referred to in these guidelines as a ‘proponent’) submits a Rule change proposal to the AEMC, requesting an amendment to the Rules.

A proponent can be an individual, a company or any other legal person. The proponent of a Rule change proposal must be expressly identified (with full name and address) in the proposal.

If the proponent is an individual person (or group of individuals), the full name and address of all individuals must be included in the proposal. A Rule change proposal must provide evidence that the person or persons named as the proponent has duly authorised the lodging of the proposal. Where this is an individual person or persons, the proponents must sign the Rule change proposal.

Where a proponent is an organisation, the Rule change proposal must be authorised by the signature of a person or persons with authority to sign on behalf of that organisation.

Instructions for submitting a Rule change proposal are set out in section 10 of these guidelines – “Lodging a Rule Change proposal”.

---

<sup>1</sup> The NEL is contained in the schedule to the *National Electricity (South Australia) Act 1996* and sets out the detailed requirements for the Rulemaking process.

<sup>2</sup> See clause 8 of the *National Electricity (South Australia) Regulations*.

### **3 Subject matter for Rule change proposals**

The AEMC's legal powers to change the National Electricity Rules are limited to the subject matters of those Rules as set out in the National Electricity Law. Attachment 2 reproduces the relevant sections as well as Schedule 1 of the National Electricity Law.

A Rule change proposal must therefore relate to the subject matters of the National Electricity Rules.

At a general level, the NEL describes the subject matter of the Rules as follows:

- regulating the operation of the national electricity market;
- regulating the operation of the national electricity system for the purposes of the safety, security and reliability of that system;
- regulating the activities of persons (including Registered participants) participating in the national electricity market or involved in the operation of the national electricity system; and
- any matter or thing contemplated by the NEL, or is necessary or expedient for the purposes of the NEL

Examples of some of the specific subject matters for the Rules (listed in Attachment 2 in detail) include:

- registration, deregistration, and exemption of participants;
- participant fees and the method of payment and collection;
- the wholesale exchange;
- the operation of generation, transmission and distribution systems or other facilities;
- transmission system revenue and pricing;
- distribution system revenue and pricing;
- metering.

Proponents of Rule change proposals should ensure that the subject matter of their proposal falls within the matters on which the AEMC is permitted to make changes to the Rules.

### **4 The requirements for a Rule change proposal**

The AEMC is responsible for ensuring that a Rule change proposal that proceeds to a full Rule making process is clear and understandable so that interested parties can readily comprehend the proposal and fully participate in the consultation processes. The Commission is also required, at the early stage of the Rule making process, to

ensure that a proposed Rule has the potential to result in a final Rule at the end of the consultation process that amends the National Electricity Rules.

A Rule change proposal must be in writing and must contain certain minimum information:

- a description of the proposed Rule including in relation to proposals for a derogation, a statement as to whether the derogation is a jurisdictional derogation or a participant derogation;
- a statement of the nature and scope of the issue(s) concerning the existing Rules and an explanation of how the proposed Rule will address this issue or issues;
- an explanation of how the proposed Rule would or would be likely to contribute to the achievement of the national electricity objective;
- an explanation of the expected benefits and costs of the proposed change and the potential impacts of the change on those likely to be affected; and
- in the case of a Rule change request from the AER, AEMO or the Reliability Panel (electricity market regulatory bodies that could be a “fast tracked” Rule under section 96A of the NEL, a summary of the consultation conducted by electricity market regulatory body including information about:
  - the extent of the consultation;
  - the issues raised during the consultation; and
  - the electricity market regulatory body’s response to those issues raised during consultation.

A Rule change proposal must adequately address all of the above criteria for the proposal to be considered by the AEMC to proceed to the first consultation stage of the Rule making process or in the case of a “fast track” Rule, to the draft determination stage of the Rule making process. Further guidance to proponents on each of the key components of a Rule change proposal is set out below.

## **5 What is a description of the proposed Rule?**

A proponent is required to describe (in narrative form as distinct from the drafted rules), the changes that they are proposing be made to the National Electricity Rules. This may involve describing amendments to existing rules, the addition of new rules, or the removal of existing rules. The description of the proposed Rule should be closely linked to the Statement of Issues, describing the way in which the various changes in the proposed Rule are intended to achieve the resolution of the identified issues.

Some Rule change proposals may require consequential changes to other parts of the Rules as a result of the proposed Rule, and where possible, these should be identified and described as to why they are needed.

The AEMC requests that proponents provide a draft of the proposed Rule, although this is not mandatory. A Rule change proposal that does not include draft wording for the proposed Rule, however, would generally need to provide sufficient detail in the description of the proposed Rule to enable the AEMC to prepare a proposed Rule for the purposes of first round consultation.

## **6 What should a Statement of Issue include?**

A Rule change proposal must provide a Statement of Issue that has two components:

1. the identification of the nature and scope of each problem or issue with the existing Rules; and
2. a description of how the proponent's proposal addresses the identified problem or issue – the proposed solution for each issue identified.

The proponent's Statement of Issue in a Rule change proposal forms a key foundation for the understanding, consultation and assessment of a Rule change proposal by both interested stakeholders and by the Commission. Proponents should therefore prepare both components of the Statement of Issue to ensure that the nature and scope of each of the issues to be addressed by the proposal are comprehensive in terms of the problem or issue. This will assist in ensuring the proposal is readily understood and can be fully evaluated by all.

### **Identifying the issues with the Rules**

In its Rule making role for the National Electricity Market (NEM), the AEMC is only able to respond to issues or problems with the National Electricity Rules. Proponents of a Rule Change proposal should therefore ensure that the problem or issue identified is a problem or issue *with the existing Rules*, which, if the Rules are changed, would be addressed. While there may be other issues of concern in the NEM, if they do not relate to the existing Rules, then the Rule change process is not the appropriate mechanism to resolve those issues.

### **Describing the proposed solution**

The proposed solution should be described and explained in narrative form, as well as being set out in a proposed Rule. The form of such a proposed Rule should be such that it would, if made, amend the National Electricity Rules to either modify existing rules or add new rules. As noted earlier, a proposed solution may also include any consequential changes required to other parts of the Rules to address the issue.

The Rule making regime contemplates that a proposed Rule may be altered during the course of the Rule making process, whether in response to submissions or as a result of the Commission's own evaluation under the Rule Making Test. The NEL expressly states that a draft Rule prepared by the Commission after first round consultation and a final Rule made at the end of consultation and assessment, may

make modifications to the proposed Rule put forward in the proponent's Rule change proposal.

## **7 Explaining how a proposed Rule contributes to the National Electricity Objective**

The National Electricity Objective (NEO) is stated in section 7 of the NEL where the object of the NEL is:

*“to promote efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to –*

*(a) price, quality, safety, reliability and security of supply of electricity;*

*(b) the reliability, safety and security of the national electricity system.”*

Before the AEMC can make a Rule that becomes part of the National Electricity Rules, it must apply the Rule making test set out in the National Electricity Law. The test requires that the AEMC be satisfied that the Rule will or is likely to contribute to the NEO.

Therefore, as part of a Rule change proposal, a proponent is required:

- to support propositions of fact made in the proposal by evidence;
- to support propositions as to effects by analysis (both quantitative and/or qualitative)
- to identify how the proposed Rule (if made) will contribute or is likely contribute to the achievement of this objective.

Proponents should demonstrate why and how they consider that the Rule they are proposing satisfies the same criteria of the Rule making test that the AEMC is obliged to apply in assessing that proposed Rule.

A Rule change proposal presents the proponent with the opportunity at the earliest stage of the Rule making process (ie when preparing and initiating a Rule change proposal) to clearly and comprehensively set out the reasons why the proponent considers the proposed Rule satisfies the NEO.

## **8 What should an explanation of the expected costs and benefits and potential impacts include?**

A Rule change proposal is required to include an explanation of the expected costs and benefits of a change and the potential impacts of the change on those likely to be affected. This explanation will contribute to the Proponent's case for the change. As such, the Rule change proposal should comprehensively address the following two components:

1. the expected benefits and costs of the proposed change; and

2. the potential impacts of the change on those likely to be affected.

### **Explaining the benefits and costs of the proposed change**

As part of the AEMC's decision to make a Rule, the AEMC will need to assess what will be the effects of the proposed change on the current arrangements in the NEM. An explanation of the expected benefits and costs of the Proponent's proposed change should be provided in narrative form. In addition, the Proponent may also submit this explanation in a form other than narrative that better captures the information.

This explanation should support the Proponent's Statement of the Issue(s) and the explanation of how the proposed Rule meets the NEO. A thorough explanation of what the Proponent considers to be both the expected benefits from the proposed change as well as the costs will ensure the effects of the proposed change in the context of the current arrangements are fully assessed by the AEMC and stakeholders.

### **Explaining the potential impacts of the change on those likely to be affected**

In addition to identifying and assessing the expected costs and benefits of the proposed change, the AEMC will also identify and assess the potential impacts on those participating in the market. The Rules place different obligations on different participants.

The NEL allows the AEMC to make Rules about the activities of persons (including Registered Participants) participating in the national electricity market or involved in the operation of the national electricity system. In addition, the NEL provides a definition of a "relevant participant" for the purposes of the NEL which is relevant to a Rule made by the AEMC.

A Rule change proposal should identify who is likely to be affected by the proposed change and explain how and why that person or groups of persons is likely to be affected by the change.

## **9 What should a summary of consultation include?**

Section 96A of the NEL allows the AEMC to deal with certain Rule changes expeditiously. This fast track procedure will allow the AEMC to shorten the time it is required to take to make a Rule where the AEMC considers that there has been prior adequate consultation on the proposal by the AER, AEMO or the Reliability Panel (electricity market regulatory bodies). The AEMC has prepared guidelines to assist these electricity market regulatory bodies in meeting the consultation requirements under the NEL.

In order to fast track a Rule change proposal, the electricity market regulatory body must include in its Rule change proposal, a summary of the consultation conducted by that body. This summary must include information about:

1. the extent of the consultation;
2. the issues raised during the consultation; and
3. the electricity market regulatory body's response to those issues raised during consultation.

This information will contribute to the AEMC's determination as to whether there has been adequate consultation as the basis for fast tracking the Rule making process and skipping the first round of consultation required under the NEL.

## 10 Lodging a Rule change proposal

A Rule change proposal may be submitted to the AEMC electronically or in hard copy (via ordinary mail).

### Lodging a Rule change proposal online:

- the Rule change proposal [submitted](#) electronically must be lodged online via the AEMC's website;
- the Rule change proposal must be on letterhead (if an organisation), signed and dated by the proponent;
- the Rule change proposal must be in PDF format;
- if the Rule change proposal contains a draft of the proposed Rule, a WORD version of that draft Rule must also be sent with the PDF version of the proposal;
- upon receipt of the Rule change proposal, the AEMC will issue a confirmation email. If this confirmation email is not received within 3 business days, it is the proponent's responsibility to ensure successful delivery of the Rule change proposal has occurred; and
- the Rule change proposal should also be forwarded to the AEMC via ordinary mail.

### Lodging a Rule change proposal via ordinary mail:

- the Rule change proposal must be on letterhead (if an organisation), signed and dated by the proponent;
- the Rule change proposal should be sent to  
  
Australian Energy Market Commission  
PO Box A2449  
Sydney South NSW 1235
- upon receipt of the Rule change proposal, the AEMC will issue a confirmation letter. If this confirmation letter is not received within 3 business days, it is the proponent's responsibility to ensure successful delivery of the Rule change proposal has occurred.

## **Your privacy in relation to your Rule change proposal to the AEMC**

If you lodge a Rule change proposal with the AEMC by post or via the AEMC's website, you will be providing your personal information to the AEMC (including your name and email address and any other information that you have included in the Rule change proposal from which your identity can be ascertained).

The AEMC will use and disclose this personal information for the consideration and publication of the Rule change proposal, for consideration of the Rule change proposal within the context of the AEMC's published decisions and the identification of interested parties that have made Rule change proposal.

Your personal information that forms part of the Rule change proposal will be published on the AEMC website (subject to a claim of confidentiality). The AEMC may exchange your information with its contractors and agents (including our consultants, information technology providers, marketing and communications agencies, conference organisers and printers) where required.

The AEMC's collection and publication of the information contained in your Rule change proposal is authorised under the National Electricity Law as set out in the *National Electricity (South Australia) Act 1996*.

If you would like to access the personal information that the AEMC holds about you (including if you would like to correct or update it) please call (02) 8296 7800.

---

### Proponent's checklist for lodging a Rule change proposal

- Proponent is expressly identified with full name and address.
- Evidence as to authority to lodge Rule change proposal.
- Ensure that the subject matter of the Rule change proposal falls within the matters on which the AEMC is permitted to make changes to the Rules.
- Description of the proposed Rule.
- Statement of Issue identifying the nature and scope of each problem or issue with the existing Rules.
- Statement of Issue describing the proposed solution for each issue identified.
- Analysis of how the proposed Rule (if made) will contribute or is likely contribute to the achievement of the National Electricity Objective.
- Explanation of the expected benefits and costs of the change and the potential impacts on the change on those likely to be affected.
- In relation to a request by an electricity market regulatory body that could be fast tracked under section 96A of the NEL, a summary of the consultation conducted.
- Attached a draft of the proposed Rule.

### Checklist for Email Lodgement

- Rule change proposal on letterhead (if an organisation), signed and dated in PDF format.
- A WORD version of the draft of the proposed Rule sent with the PDF version of the Rule change proposal.
- Receipt of confirmation email from AEMC.
- Rule change proposal forwarded to the AEMC via ordinary mail.

## National Electricity Law - excerpt

### 34—Rule making powers

- (1) Subject to this Division, the AEMC, in accordance with this Law and the Regulations, may make Rules, to be known, collectively, as the "National Electricity Rules", for or with respect to—
  - (a) regulating—
    - (i) the operation of the national electricity market;
    - (ii) the operation of the national electricity system for the purposes of the safety, security and reliability of that system;
    - (iii) the activities of persons (including Registered participants) participating in the national electricity market or involved in the operation of the national electricity system;
  - (b) any matter or thing contemplated by this Law, or is necessary or expedient for the purposes of this Law.

**Note—**

The procedure for the making of a Rule by the AEMC is set out in Division 3 of Part 7.

- (2) Without limiting subsection (1), the AEMC, in accordance with this Law and the Regulations, may make Rules for or with respect to any matter or thing specified in Schedule 1 to this Law.
- (3) Rules made by the AEMC in accordance with this Law and the Regulations may—
  - (a) be of general or limited application;
  - (b) vary according to the persons, times, places or circumstances to which they are expressed to apply;
  - (c) confer functions or powers on, or leave any matter or thing to be decided or determined by—
    - (i) the AER, the AEMC, AEMO or a jurisdictional regulator; or
    - (ii) the Reliability Panel or any other panel or committee established by the AEMC; or
    - (iii) any other body established, or person appointed, in accordance with the Rules;
  - (d) confer rights or impose obligations on any person or a class of person (other than the AER, the AEMC or a jurisdictional regulator);
  - (e) confer a function on the AER, the AEMC, AEMO or a jurisdictional regulator to make, prepare, develop or issue guidelines, tests, standards, procedures or any other document (however described) in accordance with the Rules, including guidelines, tests, standards, procedures or any other document (however described) that leave any matter or thing to be determined by the AER, the AEMC, AEMO or jurisdictional regulator;

- (f) empower or require any person (other than a person referred to in paragraph (e)) or body to make or issue guidelines, tests, standards, procedures or any other document (however described) in accordance with the Rules;
- (g) apply, adopt or incorporate wholly or partially, or as amended by the Rules, the provisions of any standard, rule, specification, method or document (however described) formulated, issued, prescribed or published by any person, authority or body whether—
  - (i) as formulated, issued, prescribed or published at the time the Rules are made or at any time before the Rules are made; or
  - (ii) as amended from time to time;
- (h) confer a power of direction on the AER, the AEMC, AEMO or a jurisdictional regulator to require a person conferred a right or on whom an obligation is imposed under the Rules (including a Registered participant) to comply with—
  - (i) a guideline, test, standard, procedure or other document (however described) referred to in paragraph (e) or (f); or
  - (ii) a standard, rule, specification, method or document (however described) referred to in paragraph (g);
- (i) if this section authorises or requires Rules that regulate any matter or thing, prohibit that matter or thing or any aspect of that matter or thing;
- (j) provide for the review of, or a right of appeal against, a decision or determination made under the Rules and for that purpose, confer jurisdiction on the Court;
- (k) require a form prescribed by or under the Rules, or information or documents included in, attached to or given with the form, to be verified by statutory declaration;
- (l) in a specified case or class of case, exempt—
  - (i) AEMO; or
  - (ii) a Registered participant or class of Registered participant; or
  - (iii) any other person or body performing or exercising a function or power, or conferred a right, or on whom an obligation is imposed, under the Rules or a class of any such person or body,
 from complying with a provision, or a part of a provision, of the Rules;
- (m) provide for the modification or variation of a provision of the Rules (with or without substitution of a provision of the Rules or a part of a provision of the Rules) as it applies to—
  - (i) AEMO; or
  - (ii) a Registered participant or class of Registered participant; or
  - (iii) any other person or body performing or exercising a function or power, or conferred a right, or on whom an obligation is imposed, under the Rules or a class of any such person or body;

- (n) confer an immunity on, or limit the liability of, any person or body performing or exercising a function or power, or conferred a right, or on whom an obligation is imposed, under the Rules;
- (o) require a person or body performing or exercising a function or power, or conferred a right, or on whom an obligation is imposed, under the Rules to indemnify another such person or body;
- (p) contain provisions of a savings or transitional nature consequent on the amendment or revocation of a Rule.

## **Schedule 1—Subject matter for the National Electricity Rules**

(section 34)

### **Registration**

- 1 The registration of persons as Registered participants or otherwise for the purposes of this Law and the Rules, including the deregistration of such persons or suspension of such registrations.
- 2 The exemption of persons from the requirement to be Registered participants.
- 3 Prudential requirements to be met by a person—
  - (a) before being registered as a Registered participant; and
  - (b) as a Registered participant.
- 4 The suspension of Registered participants from participation in the wholesale exchange operated and administered by AEMO.

### **Participant fees**

- 5 The determination of fees in respect of services provided to Registered participants by AEMO under the Rules, including the methodology to be applied to determine those fees.
- 6 The imposition on Registered participants of fees referred to in item 5 and the method of payment and collection of those fees.

### **Wholesale exchange**

- 7 The setting of prices for electricity and services purchased through the wholesale exchange operated and administered by AEMO, including maximum and minimum prices.
- 8 The methodology and formulae to be applied in setting prices referred to in item 7.
- 9 The division of the national electricity market into regions for the purpose of the operation of the wholesale exchange operated and administered by AEMO.

### **Operation of generation, transmission and distribution systems**

- 10 The disconnection of generating systems, transmission systems, distribution systems or other facilities or loads.
- 11 The operation of generating systems, transmission systems, distribution systems or other facilities.

- 12 The augmentation or expansion in the capacity of transmission systems and distribution systems.
- 13 Access to electricity services provided by means of transmission systems and distribution systems.
- 14 Access to premises on which there are, and access to, generating systems or other facilities by owners, controllers or operators of transmission systems or distribution systems whose systems are connected to the generating systems or other facilities to test and inspect the generating systems or other facilities for the purpose of determining whether those generating systems or other facilities comply with the Rules.
- 14A The treatment of parts of a transmission system as forming part of a distribution system for the purposes of making a network revenue or pricing determination.
- 14B The treatment of parts of a distribution system as forming part of a transmission system for the purposes of making a network revenue or pricing determination.

### **Transmission system revenue and pricing**

- 15 The regulation of revenues earned or that may be earned by owners, controllers or operators of transmission systems from the provision by them of services that are the subject of a transmission determination.
- 16 The regulation of prices charged or that may be charged by owners, controllers or operators of transmission systems for the provision by them of services that are the subject of a transmission determination.
- 17 Principles to be applied, and procedures to be followed, by the AER in exercising or performing an AER economic regulatory function or power relating to the making of a transmission determination.
- 18 The assessment, or treatment, by the AER, of investment in transmission systems for the purposes of making a transmission determination.
- 19 The economic framework, mechanisms or methodologies to be applied by the AER for the purposes of item 18.
- 20 The economic framework, mechanisms or methodologies to be applied or determined by the AER for the purposes of items 15 and 16 including (without limitation) the economic framework, mechanisms or methodologies to be applied or determined by the AER for the derivation of the revenue (whether maximum allowable revenue or otherwise) or prices to be applied by the AER in making a transmission determination.
- 21 The regulatory asset base, for the purposes of making a transmission determination, of assets forming part of a transmission system owned, controlled or operated by a regulated transmission system operator, and of proposed new assets to form part of a transmission system owned, controlled or operated by a regulated transmission system operator, that are, or are to be, used in the provision of services that are the subject of a transmission determination.
- 22 The determination by the AER, for the purpose of making a transmission determination with respect to services that are the subject of such a determination, of allowances for—
  - (a) depreciation; and

- (b) operating costs of a regulated transmission system operator; and
  - (c) if the regulated transmission system operator is a corporation or other body corporate—
    - (i) the income tax payable by corporations; or
    - (ii) amounts payable under a law of this jurisdiction or otherwise that are equivalent to income tax that would be payable by the operator if that operator were liable to pay income tax; and
  - (d) a rate of return on assets forming part of a transmission system owned, controlled or operated by a regulated transmission system operator.
- 23 Incentives for regulated transmission system operators to make efficient operating and investment decisions including, where applicable, service performance incentive schemes.
- 24 The procedure for the making of a transmission determination by the AER, including—
- (aa) the submission to the AER, by a regulated transmission system operator, of a proposal relating to the revenues or prices to be regulated by a transmission determination applying to the operator; and
  - (a) the publication of notices by the AER; and
  - (b) the making of submissions, including by the regulated transmission system operator to whom the transmission determination will apply; and
  - (c) the publication of draft and final determinations and the giving of reasons; and
  - (d) the holding of pre-determination conferences.

### **Distribution system revenue and pricing**

- 25 The regulation of revenues earned or that may be earned by owners, controllers or operators of distribution systems from the provision by them of services that are the subject of a distribution determination.
- 26 The regulation of prices (including the tariffs and classes of tariffs) charged or that may be charged by owners, controllers or operators of distribution systems for the provision by them of services that are the subject of a distribution determination.
- 26A Principles to be applied, and procedures to be followed, by the AER in exercising or performing an AER economic regulatory function or power relating to the making of a distribution determination.
- 26B The assessment, or treatment, by the AER, of investment in distribution systems for the purposes of making a distribution determination.
- 26C The economic framework, mechanisms or methodologies to be applied by the AER for the purposes of item 26B.

- 26D The economic framework, mechanisms or methodologies to be applied or determined by the AER for the purposes of items 25 and 26 including (without limitation) the economic framework, mechanisms or methodologies to be applied or determined by the AER for the derivation of the revenue (whether maximum allowable revenue or otherwise) or prices to be applied by the AER in making a distribution determination.
- 26E The regulatory asset base, for the purposes of making a distribution determination, of assets forming part of a distribution system owned, controlled or operated by a regulated distribution system operator, and of proposed new assets to form part of a distribution system owned, controlled or operated by a regulated distribution system operator, that are, or are to be, used in the provision of services that are the subject of a distribution determination.
- 26F The determination by the AER, for the purpose of making a distribution determination with respect to services that are the subject of such a determination, of allowances for—
- (a) depreciation; and
  - (b) operating costs of a regulated distribution system operator; and
  - (c) if the regulated distribution system operator is a corporation or other body corporate—
    - (i) the income tax payable by corporations; or
    - (ii) amounts payable under a law of this jurisdiction or otherwise that are equivalent to income tax that would be payable by the operator if that operator were liable to pay income tax; and
  - (d) a rate of return on assets forming part of a distribution system owned, controlled or operated by a regulated distribution system operator.
- 26G Incentives for regulated distribution system operators to make efficient operating and investment decisions including, where applicable, service performance incentive schemes.
- 26H The procedure for the making of a distribution determination by the AER, including—
- (a) the submission to the AER, by a regulated distribution system operator, of a proposal relating to the revenues or prices to be regulated by a distribution determination applying to the operator; and
  - (b) the publication of notices by the AER; and
  - (c) the making of submissions, including by the regulated distribution system operator to whom the distribution determination will apply; and
  - (d) the publication of draft and final determinations and the giving of reasons; and
  - (e) the holding of pre-determination conferences.

## **Regulatory economic methodologies**

- 26I The regulatory economic methodologies (including the use of the methodology known as the "building block approach") to be applied by the AER in—
- (a) making a distribution determination or transmission determination; or
  - (b) amending a distribution determination or transmission determination; or
  - (c) making an access determination.
- 26J The methodology known as "total factor productivity"—
- (a) as a regulatory economic methodology to be applied by the AER for the purpose of—
    - (i) making a distribution determination or transmission determination; or
    - (ii) amending a distribution determination or transmission determination; or
    - (iii) making an access determination;
  - (b) as an economic regulatory tool to inform and assist the AER in applying, or analysing the application of the regulatory economic methodology known as the "building block approach" by the AER for the purpose of—
    - (i) making a distribution determination or transmission determination; or
    - (ii) amending a distribution determination or transmission determination; or
    - (iii) making an access determination.

## **Electricity network services**

- 26K Terms and conditions for the provision of electricity network services.

## **Metering**

- 27 The metering of electricity to record the production or consumption of electricity.
- 28 The registration of metering installations used to meter electricity.
- 29 The regulation of persons providing metering services relating to the metering of electricity.

## **Disputes in relation to the Rules**

- 30 Disputes under or in relation to the Rules between persons, including—
- (a) the appointment of a person, in accordance with the Rules, to manage and facilitate the resolution of such disputes;
  - (b) the appointment, by a person referred to in paragraph (a), of persons (including mediators and arbitrators) to resolve such disputes;
  - (c) the procedure for the conduct of such disputes;

- (d) the provision for appeals on questions of law against decisions of persons appointed to resolve such disputes.

### **Access disputes**

- 30A Specification of disputes as access disputes for the purposes of Part 10.
- 30B Notification of access disputes for the purposes of Part 10.
- 30C Matters or things to be considered or applied by the AER in making an access determination.
- 30D Procedure for the hearing of an access dispute under Part 10.

### **Miscellaneous**

- 31 The calculation or estimation of use of electricity.
- 32 Procedures and related systems for the electronic exchange or transfer of information that relates to consumers of electricity, the provision of metering services and connection to the national electricity system, and requiring compliance with such procedures and use of such related systems.
- 33 Reviews by or on behalf of—
  - (a) the AER, the AEMC or AEMO; or
  - (b) the Reliability Panel or any other panel or committee established by the AEMC; or
  - (c) any other body established, or person appointed, in accordance with the Rules.
- 34 The payment of money (including the payment of interest)—
  - (a) for the settlement of transactions for electricity or services purchased or supplied through the wholesale exchange operated and administered by AEMO;
  - (b) to and from a Rule fund (within the meaning of section 53);
  - (c) for any service provided under the Rules in respect of which the Rules require payment.
- 34A Specification and classification of electricity network services as direct control network services or negotiated network services.
- 34B Reporting and disclosing information to the AER.
- 34C Consultation by the AER—
  - (a) on the making of a general regulatory information order;
  - (b) before the preparation of a network service provider performance report.
- 35 Confidential information held by Registered participants, the AER, the AEMC, AEMO and other persons or bodies conferred a function, or exercising a power or right, or on whom an obligation is imposed, under the Rules, and the manner and circumstances in which that information may be disclosed.

- 36 Any other matter or thing that is the subject of, or is of a kind dealt with by, a provision of the National Electricity Code as in operation and effect immediately before the commencement of section 12 of the *National Electricity (South Australia) (New National Electricity Law) Amendment Act 2005* of South Australia.
- 37 Any matter or thing relating to electricity prescribed by the Regulations.