

National Electricity Rules Version 103

Historical Information

This version of the National Electricity Rules was current from 1 December 2017 to 18 December 2017.

National Electricity Rules

Version 103

Status Information

This is the latest electronically available version of the National Electricity Rules as at 1 December 2017.

This consolidated version of the National Electricity Rules was last updated on 1 December 2017 as a result of the commencement of the following amendments:

Schedules 2, 3 and 4 of National Electricity Amendment (Expanding competition in metering and related services) Rule 2015 No. 12

Schedules 2, 4 and 5 of National Electricity Amendment (Embedded Networks) Rule 2015 No. 15

Schedule 1 of National Electricity Amendment (Meter Replacement Processes) Rule 2016 No. 2

Schedules 2,3 and 4 of National Electricity Amendment (Updating the electricity B2B framework) Rule 2016 No. 6

National Electricity Amendment (Pricing during market suspension) Rule 2017 No. 14

This consolidated version of the Rules reflects the initial Rules made by the SA Minister under section 90 of the National Electricity Law (**NEL**) as amended by:

Rules made by the South Australian Minister under sections 90A to 90E of the NEL;
and

Rules made by the Australian Energy Market Commission under Part 7 Division 3 of the NEL.

Application of the National Energy Customer Framework related Rule

On 27 June 2012, the South Australian Minister made Rules relating to the implementation of the National Energy Customer Framework (**NECF**), including amendments to the National Electricity Rules under section 90D of the NEL in relation to small customer connections (Chapter 5A), Retail Markets including billing and credit support (Chapter 6B) and related provisions (**NECF related rule**).

The NECF related Rule commenced operation as a law of Tasmania, the Australian Capital Territory and the Commonwealth on 1 July 2012; South Australia on 1 February 2013, New South Wales on 1 July 2013 and Queensland on 1 July 2015.

On 1 July 2016, Victoria adopted the provisions of the NECF related rule that relate to small customer connections (Chapter 5A and related provisions). Victoria has not adopted the Retail Market provisions in Chapter 6B of the Rules.

The NECF related Rule does not apply in Western Australia or the Northern Territory until the National Energy Retail Law set out in the Schedule to the National Energy Retail Law (South Australia) Act 2011 is implemented as a law in that jurisdiction (clause 24, Part 11, Schedule 3 NEL).

The NECF related Rule can be found on the Australian Energy Market Commission's website under the 'National Electricity Rules', 'Rules made by the SA Ministers' tabs.

Provisions in force

All provisions displayed in this consolidated version of the Rules have commenced. As at the date of this consolidation the Australian Energy Market Commission has made the following Rules under Part 7 Division 3 of the NEL that have not yet commenced:

Schedules 1, 2, 4, 5 and 6 of the National Electricity Amendment (Transmission Connection and Planning Arrangements) Rule 2017 No. 4 will commence on 1 July 2018.

Schedules 1 to 7 of the National Electricity Amendment (Managing the rate of change of power system frequency) Rule 2017 No. 9 will commence on 1 July 2018 immediately after the commencement of Schedules 1,2,4,5 and 6 of the National Electricity Amendment (Transmission Connection and Planning Arrangements) Rule 2017 No. 4.

Schedules 4 to 9 of the National Electricity Amendment (Managing power system fault levels) rule 2017 No. 10 will commence on 1 July 2018 immediately after the commencement of Schedules 1 to 7 of the National Electricity Amendment (Managing the rate of change of power system frequency) Rule 2017 No. 9.

Schedules 1,2,3 and 4 of the National Electricity Amendment (Generating System Model Guidelines) Rule 2017 No. 11 commence operation on 1 July 2018, immediately after Schedules 4 to 9 of the National Electricity Amendment (Managing power system fault levels) Rule 2017 No. 10.

TABLE OF CONTENTS

- 1. Introduction 3**
- 1.1 Preliminary3**
 - 1.1.1 References to the Rules3
 - 1.1.2 Italicised expressions.....3
 - 1.1.3 [Deleted]3
- 1.2 Background3**
- 1.3 Nomenclature of and references to provisions of a Chapter3**
 - 1.3.1 Introduction.....3
 - 1.3.2 Parts, Divisions and Subdivisions3
 - 1.3.3 Rules, clauses, paragraphs, subparagraphs and other items4
- 1.4 Effect of renumbering of provisions of the Rules.....5**
- 1.5 [Deleted].....5**
- 1.6 [Deleted].....5**
- 1.7 Interpretation5**
 - 1.7.1 General5
- 1.8 Notices.....6**
 - 1.8.1 Service of notices under the Rules6
 - 1.8.2 Time of service7
 - 1.8.3 Counting of days7
 - 1.8.4 Reference to addressee7
- 1.9 Retention of Records and Documents.....8**
- 1.10 [Deleted].....8**
- 1.11 AEMO Rule Funds.....8**

- 2. Registered Participants and Registration..... 13**
- 2.1 Registered Participants13**
 - 2.1.1 Purpose13
 - 2.1.2 General13
- 2.2 Generator.....13**
 - 2.2.1 Registration as a Generator.....13
 - 2.2.2 Scheduled Generator14
 - 2.2.3 Non-Scheduled Generator15
 - 2.2.4 Market Generator16
 - 2.2.5 Non-Market Generator17
 - 2.2.6 Ancillary services generating unit.....17
 - 2.2.7 Semi-Scheduled Generator19
- 2.3 Customer21**
 - 2.3.1 Registration as a Customer21
 - 2.3.2 First-Tier Customer21
 - 2.3.3 Second-Tier Customer22

2.3.4 Market Customer..... 22

2.3.5 Ancillary services load 23

2.3A Small Generation Aggregator 26

2.3A.1 Registration..... 26

2.3AA Market Ancillary Service Provider 27

2.3AA.1 Registration..... 27

2.4 Market Participant..... 27

2.4.1 Registration as a category of Market Participant 27

2.4.2 Eligibility 28

2.4A Metering Coordinator 28

2.4A.1 Registration as a Metering Coordinator 28

2.4A.2 Eligibility 29

2.5 Network Service Provider 30

2.5.1 Registration as a Network Service Provider 30

2.5.2 Market Network Service..... 31

2.5.3 Scheduled Network Service..... 32

2.5A Trader 33

2.5B Reallocator..... 34

2.6 Special Participant 34

2.7 Intention to Commence Activities or Functions..... 35

2.8 Registered Participant Rights and Obligations..... 35

2.8.1 Rights and obligations 35

2.9 Application to be Registered as a Registered Participant..... 36

2.9.1 Applications for Registration..... 36

2.9.2 Registration as a Registered Participant 36

2.9.3 Registration as an Intermediary 37

2.9A Transfer of Registration..... 38

2.9A.1 Definitions 38

2.9A.2 Applications for Transfer of Registration..... 38

2.9A.3 Approval for Transfer of Registration..... 39

2.10 Ceasing to be a Registered Participant..... 40

2.10.1 Notification of intention 40

2.10.2 Ceasing Participation..... 41

2.10.3 Liability after cessation 42

2.11 Participant Fees..... 42

2.11.1A Application 42

2.11.1 Development of Participant fee structure 42

2.11.2 Payment of Participant fees 45

2.11.3 Budgeted revenue requirements..... 45

2.12 Interpretation of References to Various Registered Participants 46

2A. Regional Structure..... 51

Part A	Region change applications and region determinations by AEMC.....	51
2A.1	Introduction to Chapter 2A	51
2A.1.1	Definitions	51
2A.1.2	AEMC determination of regions.....	51
2A.1.3	Publication of regions by AEMO.....	51
2A.2	Region change applications.....	51
2A.2.1	A complete region change application	51
2A.2.2	Identifying a congestion problem	52
2A.2.3	Explanation of economic efficiency of proposed region solution	52
2A.2.4	Region change application must be technically competent.....	53
2A.2.5	Alternative congestion management options.....	53
2A.2.6	Previous application relating to congestion problem	54
2A.2.7	AEMO to provide information to intending applicants.....	54
2A.2.8	AEMC may refuse to accept incomplete applications	55
2A.3	Acceptance of region change application by AEMC.....	55
2A.3.1	Acceptance of a region change application by AEMC	55
2A.3.2	Preliminary consultation prior to acceptance of a region change application.....	56
2A.4	First round consultation on region change application	57
2A.4.1	Notice of first round consultation	57
2A.4.2	Right to make written submissions during first round consultation period.....	57
2A.4.3	Alternative region solution put forward by third parties	57
2A.4.4	Acceptance as a formal alternative region solution by AEMC	58
2A.5	Provision of supplementary economic analysis	59
2A.5.1	AEMC may direct provision of supplementary analysis.....	59
2A.5.2	AEMC may direct AEMO to provide information	59
2A.6	Region determinations	60
2A.6.1	AEMC powers to make a region determination	60
2A.6.2	Matters for consideration in making region determination	60
2A.7	Draft region determination and second round consultation.....	61
2A.7.1	Publishing of draft region determination.....	61
2A.7.2	Second round consultation.....	61
2A.7.3	Right to make written submissions during second round consultation.....	62
2A.8	Final region determination	62
2A.8.1	Final determination for region change	62
2A.8.2	Formal publication of region determination	62
2A.9	Miscellaneous matters for region change process.....	62
2A.9.1	AEMC may extend periods of time specified in Chapter 2A.....	62
2A.9.2	Consultation meeting in relation to region change application	63
Part B	Implementation of region determination.....	63
2A.10	Purpose and application of Part B.....	63
2A.10.1	Purpose of Part B	63

2A.10.2	Application of Part B.....	64
2A.11	Region Change Implementation Procedure	64
2A.11.1	Submission of draft Region Change Implementation Procedure.....	64
2A.11.2	Approved Region Change Implementation Procedure.....	64
2A.12	AEMO region change implementation functions.....	65
2A.12.1	General implementation functions	65
2A.12.2	Implementation functions referable to published implementation procedure	65
2A.12.3	Amendment of current or subsequent Regions and Loss Factors Publication	65
2A.13	Continuity of regions.....	65
Schedule 2A.1	Glossary for Chapter 2A	66
3.	Market Rules	71
3.1	Introduction to Market Rules	71
3.1.1	Purpose	71
3.1.1A	Definitions	71
3.1.2	[Deleted]	72
3.1.3	[Deleted]	72
3.1.4	Market design principles	72
3.1.5	Time for undertaking action	73
3.2	AEMO's Market Responsibilities	73
3.2.1	Market functions of AEMO.....	73
3.2.2	Spot market.....	74
3.2.3	Power system operations	74
3.2.4	Non-market ancillary services function	74
3.2.5	[Deleted]	75
3.2.6	Settlements.....	75
3.3	Prudential Requirements	75
3.3.1	Market Participant criteria	75
3.3.2	Credit support.....	75
3.3.3	Acceptable credit criteria.....	76
3.3.4	Acceptable credit rating.....	77
3.3.4A	Prudential standard.....	77
3.3.5	Amount of credit support.....	77
3.3.6	Changes to credit support	77
3.3.7	Drawings on credit support.....	78
3.3.8	Credit limit procedures and prudential settings	79
3.3.8A	Security Deposits	81
3.3.9	Outstandings	81
3.3.10	Trading limit	81
3.3.11	Call notices	82
3.3.12	Typical accrual.....	83
3.3.13	Response to Call Notices.....	83
3.3.13A	Application of monies in the security deposit fund	84
3.3.14	Potential value of a transaction	85
3.3.15	Trading margin.....	86

3.3.16	Limitation on entry of transactions	86
3.3.17	Scheduled prices	86
3.3.18	Additional credit support	87
3.3.19	Consideration of other Market Participant transactions	87
3.4	Spot Market.....	87
3.4.1	Establishment of spot market.....	87
3.4.2	Trading day and trading interval.....	88
3.4.3	Spot market operations timetable.....	88
3.5	Regions.....	88
3.5.1	[Deleted]	88
3.5.2	[Deleted]	88
3.5.3	[Deleted]	88
3.5.4	[Deleted]	88
3.5.5	[Deleted]	88
3.5.6	Abolition of Snowy region	88
3.6	Network Losses and Constraints	89
3.6.1	Inter-regional losses	89
3.6.2	Intra-regional losses	91
3.6.2A	Load and generation data used to determine inter-regional loss factor equations and intra-regional loss factors	95
3.6.3	Distribution losses.....	96
3.6.4	Network constraints.....	101
3.6.5	Settlements residue due to network losses and constraints	101
3.7	Projected Assessment of System Adequacy	103
3.7.1	Administration of PASA	103
3.7.2	Medium term PASA.....	104
3.7.3	Short term PASA	107
3.7A	Congestion information resource.....	110
3.7B	Unconstrained intermittent generation forecast	112
3.7C	Energy Adequacy Assessment Projection	114
3.7D	Demand side participation information	117
3.8	Central Dispatch and Spot Market Operation.....	119
3.8.1	Central Dispatch.....	119
3.8.2	Participation in central dispatch.....	121
3.8.3	Bid and offer aggregation guidelines	122
3.8.3A	Ramp rates	124
3.8.4	Notification of scheduled capacity.....	127
3.8.5	Submission timing.....	128
3.8.6	Generating unit offers for dispatch	128
3.8.6A	Scheduled network service offers for dispatch	131
3.8.7	Bids for scheduled load	132
3.8.7A	Market ancillary services offers.....	134
3.8.8	Validation of dispatch bids and offers.....	135
3.8.9	Default offers and bids	136
3.8.10	Network constraints.....	137
3.8.11	Ancillary services constraints	139

3.8.12	System scheduled reserve constraints	139
3.8.13	Notification of constraints	139
3.8.14	Dispatch under conditions of supply scarcity	139
3.8.15	[Deleted]	140
3.8.16	Equal priced dispatch bids and dispatch offers.....	140
3.8.17	Self-commitment.....	140
3.8.18	Self-decommitment	141
3.8.19	Dispatch inflexibilities	141
3.8.20	Pre-dispatch schedule	144
3.8.21	On-line dispatch process.....	146
3.8.22	Rebidding.....	147
3.8.22A	Offers, bids and rebids must not be false or misleading	150
3.8.23	Failure to conform to dispatch instructions	151
3.8.24	Scheduling errors	153
3.9	Price Determination	154
3.9.1	Principles applicable to spot price determination	154
3.9.2	Determination of spot prices.....	155
3.9.2A	Determination of ancillary services prices	157
3.9.2B	Pricing where AEMO determines a manifestly incorrect input.....	158
3.9.3	Pricing in the event of intervention by AEMO	159
3.9.3A	Reliability standard and settings review	160
3.9.3B	Reliability standard and settings review report.....	162
3.9.3C	Reliability standard	162
3.9.3D	Implementation of the reliability standard.....	163
3.9.4	Market Price Cap	164
3.9.5	Application of the Market Price Cap.....	165
3.9.6	Market Floor Price	165
3.9.6A	Application of the Market Floor Price	166
3.9.7	Pricing for constrained-on scheduled generating units	166
3.10	[Deleted].....	166
3.11	Ancillary Services.....	166
3.11.1	Introduction.....	166
3.11.2	Market ancillary services.....	167
3.11.3	Acquisition of Network Support and Control Ancillary Service	169
3.11.4	Guidelines and objectives for acquisition of network support and control ancillary services	169
3.11.5	Tender process for network support and control ancillary services.....	170
3.11.6	Dispatch of network support and control ancillary services by AEMO	172
3.11.7	Guidelines and objectives for acquisition of system restart ancillary services by AEMO	173
3.11.8	Determination of electrical sub-network boundaries	174
3.11.9	Acquisition of system restart ancillary services by AEMO	174
3.11.10	Reporting	176
3.12	Market Intervention by AEMO.....	176
3.12.1	Intervention settlement timetable.....	176
3.12.2	Affected Participants and Market Customers entitlements to compensation in relation to AEMO intervention.....	177

3.12.3	Role of the Independent Expert in calculating payments in relation to intervention by AEMO	181
3.12A	Mandatory restrictions	184
3.12A.1	Restriction offers	184
3.12A.2	Mandatory restrictions schedule	186
3.12A.3	Acquisition of capacity	186
3.12A.4	Rebid of capacity under restriction offers	187
3.12A.5	Dispatch of restriction offers	187
3.12A.6	Pricing during a restriction price trading interval	187
3.12A.7	Determination of funding restriction shortfalls	188
3.12A.8	Cancellation of a mandatory restriction period.....	193
3.12A.9	Review by AEMC	193
3.13	Market Information	194
3.13.1	Provision of information.....	194
3.13.2	Systems and procedures	194
3.13.3	Standing data.....	196
3.13.4	Spot market.....	203
3.13.4A	Market ancillary services.....	207
3.13.5	Ancillary services contracting by AEMO	208
3.13.5A	Settlements residue auctions	208
3.13.6	[Deleted]	208
3.13.6A	Report by AEMO	208
3.13.7	Monitoring of significant variation between forecast and actual prices by AER	209
3.13.8	Public information.....	211
3.13.9	[Deleted]	211
3.13.10	Market auditor.....	211
3.13.11	[Deleted]	212
3.13.12	NMI Standing Data	212
3.13.12A	NMI Standing Data Schedule	216
3.13.13	Inter-network tests.....	217
3.13.14	Carbon Dioxide Equivalent Intensity Index	217
3.14	Administered Price Cap and Market Suspension	220
3.14.1	Cumulative Price Threshold and Administered Price Cap	220
3.14.2	Application of Administered Price Cap	222
3.14.3	Conditions for suspension of the spot market.....	223
3.14.4	Declaration of market suspension	224
3.14.5	Pricing during market suspension	225
3.14.6	Compensation due to the application of an administered price cap or administered floor price.....	227
3.15	Settlements.....	231
3.15.1	Settlements management by AEMO	231
3.15.2	Electronic funds transfer.....	232
3.15.3	Connection point and virtual transmission node responsibility	232
3.15.4	Adjusted energy amounts connection points	232
3.15.5	Adjusted energy - transmission network connection points	233
3.15.5A	Adjusted energy - virtual transmission nodes.....	233
3.15.6	Spot market transactions.....	234
3.15.6A	Ancillary service transactions	235

3.15.7	Payment to Directed Participants	248
3.15.7A	Payment to Directed Participants for services other than energy and market ancillary services	249
3.15.7B	Claim for additional compensation by Directed Participants	252
3.15.8	Funding of Compensation for directions	254
3.15.9	Reserve settlements	259
3.15.10	Administered price cap or administered floor price compensation payments	261
3.15.10A	Goods and services tax	262
3.15.10B	Restriction contract amounts	263
3.15.10C	Intervention Settlements	264
3.15.11	Reallocation transactions	268
3.15.11A	Reallocation procedures	269
3.15.12	Settlement amount	270
3.15.13	Payment of settlement amount	270
3.15.14	Preliminary statements	271
3.15.15	Final statements	271
3.15.15A	Use of estimated settlement amounts by AEMO	271
3.15.16	Payment by market participants	272
3.15.17	Payment to market participants	272
3.15.18	Disputes	272
3.15.19	Revised Statements and Adjustments	273
3.15.20	Payment of adjustments	275
3.15.21	Default procedure	275
3.15.22	Maximum total payment in respect of a billing period	280
3.15.23	Maximum total payment in respect of a financial year	281
3.15.24	Compensation for reductions under clause 3.15.23	282
3.15.25	Interest on overdue amounts	283
3.16	Participant compensation fund	283
3.16.1	Establishment of Participant compensation fund	283
3.16.2	Dispute resolution panel to determine compensation	284
3.17	[Deleted]	286
3.18	Settlements Residue Auctions	286
3.18.1	Settlements residue concepts	286
3.18.2	Auctions and eligible persons	287
3.18.3	Auction rules	288
3.18.3A	Secondary trading of SRD units	290
3.18.4	Proceeds and fees	290
3.18.4A	Secondary trading proceeds and margin	291
3.18.5	Settlement residue committee	292
3.19	Market Management Systems Access Procedures	293
3.20	Reliability and Emergency Reserve Trader	294
3.20.1	[Deleted]	294
3.20.2	Reliability and emergency reserve trader	294
3.20.3	Reserve contracts	295
3.20.4	Dispatch pricing methodology for unscheduled reserve contracts	296
3.20.5	AEMO's risk management and accounts relating to the reliability safety net	296

3.20.6	Reporting on RERT by AEMO.....	297
3.20.7	AEMO’s exercise of the RERT	298
3.20.8	RERT Guidelines	299
3.20.9	[Deleted]	300
Schedule 3.1	Bid and Offer Validation Data.....	300
	Scheduled Generating Unit Data:.....	300
	Semi-Scheduled Generating Unit Data:.....	301
	Scheduled Load Data:.....	302
	Scheduled Network Service Data:.....	303
	Ancillary Service Generating Unit and Ancillary Service Load Data:	303
	Dispatch Inflexibility Profile:	303
	Aggregation Data:	304
Schedule 3.2	[Deleted].....	304
Schedule 3.3	[Deleted].....	304
4.	Power System Security	307
4.1	Introduction.....	307
4.1.1	Purpose	307
4.2	Definitions and Principles	307
4.2.1	[Deleted]	308
4.2.2	Satisfactory Operating State	308
4.2.3	Credible and non-credible contingency events and protected events	308
4.2.3A	Re-classifying contingency events	309
4.2.3B	Criteria for re-classifying contingency events	311
4.2.4	Secure operating state and power system security	311
4.2.5	Technical envelope.....	312
4.2.6	General principles for maintaining power system security	313
4.2.7	Reliable Operating State.....	313
4.2.8	Time for undertaking action	314
4.3	Power System Security Responsibilities and Obligations	314
4.3.1	Responsibility of AEMO for power system security	314
4.3.2	System security	316
4.3.3	The role of System Operators	319
4.3.4	Network Service Providers	321
4.3.5	Market Customer obligations.....	324
4.4	Power System Frequency Control	325
4.4.1	Power system frequency control responsibilities.....	325
4.4.2	Operational frequency control requirements	325
4.4.3	Generator protection requirements.....	325
4.5	Control of Power System Voltage	326
4.5.1	Power system voltage control	326
4.5.2	Reactive power reserve requirements	327
4.5.3	Audit and testing	327
4.6	Protection of Power System Equipment	327
4.6.1	Power system fault levels	327
4.6.2	Power system protection co-ordination	328

4.6.3	Audit and testing	328
4.6.4	Short-term thermal ratings of power system	328
4.6.5	Partial outage of power protection systems	328
4.6.6	System strength impact assessment guidelines.....	329
4.7	Power System Stability Co-ordination	330
4.7.1	Stability analysis co-ordination.....	330
4.7.2	Audit and testing	331
4.8	Power System Security Operations	331
4.8.1	Registered Participants' advice	331
4.8.2	Protection or control system abnormality.....	331
4.8.3	AEMO's advice on power system emergency conditions.....	331
4.8.4	Declaration of conditions.....	332
4.8.5	Managing declarations of conditions	333
4.8.5A	Determination of the latest time for AEMO intervention	333
4.8.5B	Notifications of last time of AEMO intervention	334
4.8.6	[Deleted]	335
4.8.7	Managing a power system contingency event	335
4.8.8	[Deleted]	335
4.8.9	Power to issue directions and clause 4.8.9 instructions	335
4.8.9A	System security directions	337
4.8.10	Disconnection of generating units and market network services.....	338
4.8.11	[Deleted]	338
4.8.12	System restart plan and local black system procedures	338
4.8.13	[Deleted]	339
4.8.14	Power system restoration.....	339
4.8.15	Review of operating incidents	340
4.9	Power System Security Related Market Operations.....	342
4.9.1	Load forecasting.....	342
4.9.2	Instructions to Scheduled Generators and Semi-Scheduled Generators.....	343
4.9.2A	Dispatch Instructions to Scheduled Network Service Providers	344
4.9.3	Instructions to Registered Participants	344
4.9.3A	Ancillary services instructions	345
4.9.3B	Compliance with dispatch instructions.....	346
4.9.4	Dispatch related limitations on Scheduled Generators and Semi-Scheduled Generators.....	346
4.9.4A	Dispatch related limitations on Scheduled Network Service Providers.....	348
4.9.5	Form of dispatch instructions	348
4.9.6	Commitment of scheduled generating units	349
4.9.7	De-commitment, or output reduction, by Scheduled Generators	350
4.9.8	General responsibilities of Registered Participants.....	351
4.9.9	Scheduled Generator plant changes	352
4.9.9A	Scheduled Network Service Provider plant changes.....	353
4.9.9B	Ancillary service plant changes	353
4.10	Power System Operating Procedures	353
4.10.1	Power system operating procedures.....	353
4.10.2	Transmission network operations	354
4.10.3	Operating interaction with distribution networks	355

4.10.4	Switching of a Distributor's high voltage networks	355
4.10.5	Switching of reactive power facilities	355
4.10.6	Automatic reclose.....	356
4.10.7	Inspection of facilities by AEMO	356
4.11	Power System Security Support	356
4.11.1	Remote control and monitoring devices.....	356
4.11.2	Operational control and indication communication facilities.....	358
4.11.3	Power system voice/data operational communication facilities	358
4.11.4	Records of power system operational communication	360
4.11.5	Agent communications.....	361
4.12	Nomenclature Standards	362
4.13	[Deleted].....	363
4.14	Acceptance of Performance Standards	363
4.15	Compliance with Performance Standards.....	364
4.16	Transitioning arrangements for establishment of performance standards	368
4.16.1	Definitions	368
4.16.2	Exclusions.....	370
4.16.3	Notification and acceptance of performance standards.....	371
4.16.4	Actual capability	376
4.16.5	Criteria for, and negotiation of, performance standards.....	377
4.16.6	Consultation with and assistance by Network Service Providers	379
4.16.7	Referral to expert determination	380
4.16.8	Prior actions	381
4.16.9	Deemed performance standards	381
4.16.10	Modification of connection agreements	381
4.17	Expert determination	382
4.17.1	Performance standards committee and appointment of performance standards experts	382
4.17.2	Referral to performance standards expert.....	383
4.17.3	Determinations of performance standards experts.....	384
4.17.4	Other matters.....	385
5.	Network Connection, Planning and Expansion	389
Part A	Network Connection.....	389
5.1	Statement of Purpose	389
5.1.1	[Deleted]	389
5.1.2	Purpose and Application.....	389
5.1.3	Principles	391
5.2	Obligations.....	392
5.2.1	Obligations of Registered Participants	392
5.2.2	Connection agreements	393
5.2.3	Obligations of network service providers.....	393
5.2.4	Obligations of customers	398
5.2.5	Obligations of Generators.....	399

5.2.6	Obligations of AEMO	400
5.3	Establishing or Modifying Connection	400
5.3.1	Process and procedures.....	400
5.3.1A	Application of rule to connection of embedded generating units	400
5.3.2	Connection enquiry	401
5.3.3	Response to connection enquiry	402
5.3.4	Application for connection	405
5.3.4A	Negotiated access standards	406
5.3.4B	System strength remediation for new connections	408
5.3.5	Preparation of offer to connect	411
5.3.6	Offer to connect	412
5.3.7	Finalisation of connection agreements	416
5.3.7A	Application for connection to declared shared network.....	417
5.3.8	Provision and use of information	417
5.3.9	Procedure to be followed by a Generator proposing to alter a generating system.....	419
5.3.10	Acceptance of performance standards for generating plant that is altered	421
5.3.11	Notification of request to change normal voltage	421
5.3A	Establishing or modifying connection - embedded generation.....	422
5.3A.1	Application of rule 5.3A.....	422
5.3A.2	Definitions and miscellaneous	422
5.3A.3	Publication of Information.....	423
5.3A.4	Fees.....	425
5.3A.5	Enquiry	426
5.3A.6	Response to Enquiry.....	427
5.3A.7	Preliminary Response to Enquiry	427
5.3A.8	Detailed Response to Enquiry.....	428
5.3A.9	Application for connection	429
5.3A.10	Preparation of offer to connect	430
5.3A.11	Technical Dispute.....	431
5.4	Design of Connected Equipment.....	431
5.4.1	Application	431
5.4.2	Advice of inconsistencies	432
5.4.3	Additional information	432
5.4.4	Advice on possible non-compliance	432
5.4.5	Register of completed embedded generation projects.....	433
5.4A	Access arrangements relating to Transmission Networks	434
5.4AA	Network support payments and functions	437
5.5	Access arrangements relating to Distribution Networks	437
5.5A	[Deleted].....	441
5.6	[Deleted].....	441
5.6A	[Deleted].....	441
5.7	Inspection and Testing	441
5.7.1	Right of entry and inspection.....	441
5.7.2	Right of testing	443

5.7.3	Tests to demonstrate compliance with connection requirements for generators.....	444
5.7.3A	Tests to demonstrate compliance with system strength remediation schemes.....	446
5.7.4	Routine testing of protection equipment	447
5.7.5	Testing by Registered Participants of their own plant requiring changes to normal operation	449
5.7.6	Tests of generating units requiring changes to normal operation	451
5.7.7	Inter-network power system tests	452
5.8	Commissioning	459
5.8.1	Requirement to inspect and test equipment	459
5.8.2	Co-ordination during commissioning.....	459
5.8.3	Control and protection settings for equipment	460
5.8.4	Commissioning program	461
5.8.5	Commissioning tests	461
5.9	Disconnection and Reconnection	462
5.9.1	Voluntary disconnection.....	462
5.9.2	Decommissioning procedures.....	463
5.9.3	Involuntary disconnection	463
5.9.4	Direction to disconnect.....	464
5.9.4A	Notification of disconnection.....	464
5.9.5	Disconnection during an emergency	465
5.9.6	Obligation to reconnect	465
Part D	Network Planning and Expansion	466
5.10	Network development generally	466
5.10.1	Content of Part D	466
5.10.2	Definitions	467
5.10.3	Interpretation.....	471
5.11	Forecasts of connection to transmission network and identification of system limitations	472
5.11.1	Forecasts for connection to transmission network.....	472
5.11.2	Identification of network limitations	472
5.12	Transmission annual planning process	473
5.12.1	Transmission annual planning review	473
5.12.2	Transmission Annual Planning Report.....	473
5.13	Distribution annual planning process.....	478
5.13.1	Distribution annual planning review	478
5.13.2	Distribution Annual Planning Report.....	480
5.13.3	Distribution system limitation template	480
5.13A	Distribution zone substation information.....	481
5.14	Joint planning.....	484
5.14.1	Joint planning obligations of Transmission Network Service Providers and Distribution Network Service Providers	484
5.14.2	Joint planning obligations of Distribution Network Service Providers and Distribution Network Service Providers	486

5.14.3	Joint planning obligations of Transmission Network Service Providers	486
5.14A	Joint planning in relation to retirement or de-ratings of network assets forming part of the Declared Shared Network	486
5.14B	TAPR Guidelines.....	487
5.14B.1	Development of TAPR Guidelines	487
5.15	Regulatory investment tests generally	487
5.15.1	Interested parties	487
5.15.2	Identification of a credible option	487
5.15.3	Review of costs thresholds	488
5.15.4	Costs determinations	491
5.16	Regulatory investment test for transmission	491
5.16.1	Principles	491
5.16.2	Regulatory investment test for transmission application guidelines.....	494
5.16.3	Investments subject to the regulatory investment test for transmission	496
5.16.4	Regulatory investment test for transmission procedures.....	497
5.16.5	Disputes in relation to application of regulatory investment test for transmission	504
5.16.6	Determination that preferred option satisfies the regulatory investment test for transmission.....	506
5.17	Regulatory investment test for distribution	507
5.17.1	Principles	507
5.17.2	Regulatory investment test for distribution application guidelines	510
5.17.3	Projects subject to the regulatory investment test for distribution.....	511
5.17.4	Regulatory investment test for distribution procedures	513
5.17.5	Disputes in relation to application of regulatory investment test for distribution.....	518
5.18	Construction of funded augmentations	520
5.18A	Large generator connections.....	521
5.18A.1	Definitions	521
5.18A.2	Register of large generator connections	521
5.18A.3	Impact assessment of large generator connections	522
5.19	SENE Design and Costing Study	523
5.19.1	Definitions	523
5.19.2	Interpretation.....	524
5.19.3	Request for SENE Design and Costing Study	524
5.19.4	Content of SENE Design and Costing Study	525
5.19.5	Co-operation of other Network Service Providers.....	526
5.19.6	Publication of SENE Design and Costing Study report	527
5.19.7	Provision and use of information	527
5.20	National transmission planning	528
5.20.1	Preliminary consultation.....	528
5.20.2	Publication of NTNDP	529
5.20.3	Development strategies for national transmission flow paths	531
5.20.4	NTNDP database.....	532

5.20.5	Jurisdictional planning bodies and jurisdictional planning representatives.....	533
5.20.6	NTP Functions	533
5.20A	Frequency management planning	533
5.20A.1	Power system frequency risk review	533
5.20A.2	Power system frequency risk review process	534
5.20A.3	Power system frequency risk review report.....	535
5.20A.4	Request for protected event declaration	535
5.20A.5	Request to revoke a protected event declaration.....	536
5.21	AEMO's obligation to publish information and guidelines and provide advice.....	537
5.22	Last resort planning power	538
Schedule 5.1a	System standards.....	542
S5.1a.1	Purpose	542
S5.1a.2	Frequency	542
S5.1a.3	System stability	542
S5.1a.4	Power frequency voltage	543
S5.1a.5	Voltage fluctuations	543
S5.1a.6	Voltage waveform distortion	544
S5.1a.7	Voltage unbalance	544
S5.1a.8	Fault clearance times	545
Schedule 5.1	Network Performance Requirements to be Provided or Co-ordinated by Network Service Providers	547
S5.1.1	Introduction.....	547
S5.1.2	Network reliability	548
S5.1.2.1	Credible contingency events.....	548
S5.1.2.2	Network service within a region	549
S5.1.2.3	Network service between regions	550
S5.1.3	Frequency variations	550
S5.1.4	Magnitude of power frequency voltage.....	550
S5.1.5	Voltage fluctuations	552
S5.1.6	Voltage harmonic or voltage notching distortion	553
S5.1.7	Voltage unbalance	554
S5.1.8	Stability.....	555
S5.1.9	Protection systems and fault clearance times	556
S5.1.10	Load, generation and network control facilities	559
S5.1.10.1	General	559
S5.1.10.1a	Emergency frequency control schemes	560
S5.1.10.2	Distribution Network Service Providers	561
S5.1.10.3	Transmission Network Service Providers	561
S5.1.11	Automatic reclosure of transmission or distribution lines.....	562
S5.1.12	Rating of transmission lines and equipment.....	562
S5.1.13	Information to be provided	563
Schedule 5.2	Conditions for Connection of Generators	563
S5.2.1	Outline of requirements.....	563
S5.2.2	Application of Settings	564
S5.2.3	Technical matters to be coordinated.....	565
S5.2.4	Provision of information.....	566

S5.2.5	Technical requirements	568
S5.2.5.1	Reactive power capability	568
S5.2.5.2	Quality of electricity generated.....	570
S5.2.5.3	Generating unit response to frequency disturbances.....	571
S5.2.5.4	Generating system response to voltage disturbances	574
S5.2.5.5	Generating system response to disturbances following contingency events.....	575
S5.2.5.6	Quality of electricity generated and continuous uninterrupted operation	579
S5.2.5.7	Partial load rejection.....	579
S5.2.5.8	Protection of generating systems from power system disturbances	579
S5.2.5.9	Protection systems that impact on power system security	581
S5.2.5.10	Protection to trip plant for unstable operation	583
S5.2.5.11	Frequency control.....	584
S5.2.5.12	Impact on network capability	586
S5.2.5.13	Voltage and reactive power control	588
S5.2.5.14	Active power control.....	594
S5.2.6	Monitoring and control requirements.....	596
S5.2.6.1	Remote Monitoring	596
S5.2.6.2	Communications equipment	598
S5.2.7	Power station auxiliary supplies	599
S5.2.8	Fault current.....	599
Schedule 5.3	Conditions for Connection of Customers	600
S5.3.1a	Introduction to the schedule.....	600
S5.3.1	Information	602
S5.3.2	Design standards	603
S5.3.3	Protection systems and settings	603
S5.3.4	Settings of protection and control systems	604
S5.3.5	Power factor requirements.....	605
S5.3.6	Balancing of load currents.....	606
S5.3.7	Voltage fluctuations	607
S5.3.8	Harmonics and voltage notching.....	607
S5.3.9	Design requirements for Network Users' substations	607
S5.3.10	Load shedding facilities.....	608
Schedule 5.3a	Conditions for connection of Market Network Services	608
S5.3a.1a	Introduction to the schedule.....	608
S5.3a.1	Provision of Information	610
S5.3a.2	Application of settings.....	611
S5.3a.3	Technical matters to be co-ordinated	612
S5.3a.4	Monitoring and control requirements.....	612
S5.3a.4.1	Remote Monitoring	612
S5.3a.4.2	[Deleted]	613
S5.3a.4.3	Communications equipment	613
S5.3a.5	Design standards	614
S5.3a.6	Protection systems and settings	614
S5.3a.7	[Deleted]	616
S5.3a.8	Reactive power capability	616
S5.3a.9	Balancing of load currents.....	616
S5.3a.10	Voltage fluctuations	617

S5.3a.11	Harmonics and voltage notching.....	617
S5.3a.12	Design requirements for Market Network Service Providers’ substations.....	617
S5.3a.13	Market network service response to disturbances in the power system.....	618
S5.3a.14	Protection of market network services from power system disturbances	618
Schedule 5.4	Information to be Provided with Preliminary Enquiry	619
Schedule 5.4A	Preliminary Response	620
Schedule 5.4B	Detailed Response to Enquiry	623
Schedule 5.5	Technical Details to Support Application for Connection and Connection Agreement.....	625
S5.5.1	Introduction to the schedule.....	625
S5.5.2	Categories of data.....	625
S5.5.3	Review, change and supply of data.....	626
S5.5.4	Data Requirements	626
S5.5.5	Asynchronous generating unit data.....	627
S5.5.6	Generating units equal to or smaller than 30MW data.....	627
S5.5.7	Generating System Design Data Sheet, Generating System Setting Data Sheet and Generating System Model Guidelines	627
Schedule 5.5.1	[Deleted]	629
Schedule 5.5.2	[Deleted]	629
Schedule 5.5.3	Network and plant technical data of equipment at or near connection point.....	629
Schedule 5.5.4	Network Plant and Apparatus Setting Data	632
Schedule 5.5.5	Load Characteristics at Connection Point	634
Schedule 5.6	Terms and Conditions of Connection agreements	635
Schedule 5.7	Annual Forecast Information for Planning Purposes	636
Schedule 5.8	Distribution Annual Planning Report	638
Schedule 5.9	Demand side engagement document (clause 5.13.1(h)).....	645
Chapter 5A	Electricity connection for retail customers	649
Part A	Preliminary.....	649
5A.A.1	Definitions.....	649
5A.A.2	Application of this Chapter.....	652
5A.A.3	Small Generation Aggregator deemed to be agent of a retail customer	653
Part B	Standardised offers to provide basic and standard connection services.....	653
Division 1	Basic connection services	653
5A.B.1	Obligation to have model standing offer to provide basic connection services	653
5A.B.2	Proposed model standing offer for basic connection services.....	654

5A.B.3	Approval of terms and conditions of model standing offer to provide basic connection services	655
Division 2	Standard connection services.....	656
5A.B.4	Standard connection services	656
5A.B.5	Approval of model standing offer to provide standard connection services	657
Division 3	Miscellaneous.....	657
5A.B.6	Amendment etc of model standing offer	657
5A.B.7	Publication of model standing offers	658
Part C	Negotiated connection	658
5A.C.1	Negotiation of connection.....	658
5A.C.2	Process of negotiation.....	659
5A.C.3	Negotiation framework	659
5A.C.4	Fee to cover cost of negotiation.....	661
Part D	Application for connection service.....	662
Division 1	Information.....	662
5A.D.1	Publication of information.....	662
5A.D.1A	Register of completed embedded generation projects.....	662
Division 2	Preliminary enquiry	664
5A.D.2	Preliminary enquiry.....	664
Division 3	Applications.....	665
5A.D.3	Application process	665
5A.D.4	Site inspection.....	666
Part E	Connection charges	666
5A.E.1	Connection charge principles.....	666
5A.E.2	Itemised statement of connection charges	668
5A.E.3	Connection charge guidelines	668
5A.E.4	Payment of connection charges.....	670
Part F	Formation and integration of connection contracts.....	671
Division 1	Offer and acceptance – basic and standard connection services	671
5A.F.1	Distribution Network Service Provider’s response to application.....	671
5A.F.2	Acceptance of connection offer	671
5A.F.3	Offer and acceptance—application for expedited connection.....	671
Division 2	Offer and acceptance – negotiated connection.....	672
5A.F.4	Negotiated connection offer	672
Division 3	Formation of contract	673
5A.F.5	Acceptance of connection offer	673
Division 4	Contractual performance.....	673
5A.F.6	Carrying out connection work	673
5A.F.7	Retailer required for energisation where new connection	674

Part G	Dispute resolution between Distribution Network Service Providers and customers.....	674
5A.G.1	Relevant disputes.....	674
5A.G.2	Determination of dispute.....	674
5A.G.3	Termination of proceedings	675
SCHEDULE 5A.1	– Minimum content requirements for connection contract.....	675
Part A	Connection offer not involving embedded generation.....	675
Part B	Connection offer involving embedded generation.....	676
6	Economic Regulation of Distribution Services.....	681
Part A	Introduction.....	681
6.1	Introduction to Chapter 6.....	681
6.1.1	AER's regulatory responsibility	681
6.1.1A	[Deleted]	681
6.1.2	Structure of this Chapter.....	681
6.1.3	Access to direct control services and negotiated distribution services	682
6.1.4	Prohibition of DUOS charges for the export of energy.....	682
Part B	Classification of Distribution Services and Distribution Determinations	683
6.2	Classification	683
6.2.1	Classification of distribution services	683
6.2.2	Classification of direct control services as standard control services or alternative control services	684
6.2.3	Term for which classification operates	685
6.2.4	Duty of AER to make distribution determinations	685
6.2.5	Control mechanisms for direct control services.....	685
6.2.6	Basis of control mechanisms for direct control services	686
6.2.7	Negotiated distribution services.....	687
6.2.8	Guidelines	687
Part C	Building Block Determinations for standard control services.....	688
6.3	Building block determinations.....	688
6.3.1	Introduction.....	688
6.3.2	Contents of building block determination	688
6.4	Post-tax revenue model.....	689
6.4.1	Preparation, publication and amendment of post-tax revenue model	689
6.4.2	Contents of post-tax revenue model.....	689
6.4.3	Building block approach.....	689
6.4.4	Shared assets	691
6.4.5	Expenditure Forecast Assessment Guidelines	692
6.4A	Capital expenditure incentive mechanisms	692
6.5	Matters relevant to the making of building block determinations.....	693
6.5.1	Regulatory asset base	693

6.5.2	Return on capital	694
6.5.3	Estimated cost of corporate income tax	697
6.5.4	[Deleted]	698
6.5.5	Depreciation.....	698
6.5.6	Forecast operating expenditure	698
6.5.7	Forecast capital expenditure	701
6.5.8	Efficiency benefit sharing scheme	705
6.5.8A	Capital expenditure sharing scheme.....	706
6.5.9	The X factor	707
6.5.10	Pass through events	708
6.6	Adjustments after making of building block determination.	708
6.6.1	Cost pass through	708
6.6.1A	Reporting on jurisdictional schemes	715
6.6.2	Service target performance incentive scheme	716
6.6.3	Demand management incentive scheme	717
6.6.3A	Demand management innovation allowance mechanism.....	718
6.6.4	Small-scale incentive scheme	719
6.6.5	Reopening of distribution determination for capital expenditure	721
6.6A	Contingent Projects.....	724
6.6A.1	Acceptance of a contingent project in a distribution determination	724
6.6A.2	Amendment of distribution determination for contingent project	725
Part D	Negotiated distribution services.....	730
6.7	Negotiated distribution services.....	730
6.7.1	Principles relating to access to negotiated distribution services.....	730
6.7.2	Determination of terms and conditions of access for negotiated distribution services.....	732
6.7.3	Negotiating framework determination	733
6.7.4	Negotiated Distribution Service Criteria determination.....	733
6.7.5	Preparation of and requirements for negotiating framework for negotiated distribution services.....	733
6.7.6	Confidential information	735
Part DA	Connection policies.....	736
6.7A	Connection policy requirements	736
6.7A.1	Preparation of, and requirements for, connection policy	736
Part E	Regulatory proposal and proposed tariff structure statement	737
6.8	Regulatory proposal and proposed tariff structure statement	737
6.8.1	AER's framework and approach paper.....	737
6.8.1A	Notification of approach to forecasting expenditure.....	740
6.8.2	Submission of regulatory proposal and tariff structure statement	740
6.9	Preliminary examination and consultation	742
6.9.1	Preliminary examination	742
6.9.2	Resubmission of proposal.....	743
6.9.2A	Confidential information	743
6.9.3	Consultation.....	743
6.10	Draft distribution determination and further consultation.....	744
6.10.1	Making of draft distribution determination	744

6.10.2	Publication of draft determination and consultation	745
6.10.3	Submission of revised proposal	745
6.10.4	Submissions on specified matters	746
6.11	Distribution determination	746
6.11.1	Making of distribution determination	746
6.11.1A	Out of scope revised regulatory proposal or late submissions	747
6.11.2	Notice of distribution determination	748
6.11.3	Commencement of distribution determination	748
6.12	Requirements relating to draft and final distribution determinations.....	748
6.12.1	Constituent decisions.....	748
6.12.2	Reasons for decisions	751
6.12.3	Extent of AER's discretion in making distribution determinations	752
6.13	Revocation and substitution of distribution determination for wrong information or error	753
6.14	Miscellaneous.....	754
6.14A	Distribution Confidentiality Guidelines	755
Part F	Cost Allocation	755
6.15	Cost allocation	755
6.15.1	Duty to comply with Cost Allocation Method.....	755
6.15.2	Cost Allocation Principles	755
6.15.3	Cost Allocation Guidelines.....	756
6.15.4	Cost Allocation Method	757
Part G	Distribution consultation procedures	758
6.16	Distribution consultation procedures	758
Part H	Ring-Fencing Arrangements for Distribution Network Service Providers.....	760
6.17	Distribution Ring-Fencing Guidelines	760
6.17.1	Compliance with Distribution Ring-Fencing Guidelines	760
6.17.2	Development of Distribution Ring-Fencing Guidelines	760
Part I	Distribution Pricing Rules	761
6.18	Distribution Pricing Rules	761
6.18.1	Application of this Part.....	761
6.18.1A	Tariff structure statement.....	761
6.18.1B	Amending a tariff structure statement with the AER's approval	762
6.18.1C	Sub-threshold tariffs	763
6.18.2	Pricing proposals.....	764
6.18.3	Tariff classes	766
6.18.4	Principles governing assignment or re-assignment of retail customers to tariff classes and assessment and review of basis of charging	766
6.18.5	Pricing principles	767
6.18.6	Side constraints on tariffs for standard control services.....	769
6.18.7	Recovery of designated pricing proposal charges.....	770
6.18.7A	Recovery of jurisdictional scheme amounts	771

6.18.8 Approval of pricing proposal..... 774

6.18.9 Publication of information about tariffs and tariff classes 776

6.19. Data Required for Distribution Service Pricing..... 776

6.19.1 Forecast use of networks by Distribution Customers and Embedded
Generators..... 776

6.19.2 Confidentiality of distribution network pricing information 776

Part J Billing and Settlements..... 777

6.20 Billing and Settlements Process 777

6.20.1 Billing for distribution services 777

6.20.2 Minimum information to be provided in distribution network
service bills 779

6.20.3 Settlement between Distribution Network Service Providers 779

6.20.4 Obligation to pay..... 779

**Part K Prudential requirements, capital contributions and
prepayments 780**

**6.21 Distribution Network Service Provider Prudential
Requirements..... 780**

6.21.1 Prudential requirements for distribution network service 780

6.21.2 Capital contributions, prepayments and financial guarantees 781

6.21.3 Treatment of past prepayments and capital contributions 781

Part L Dispute resolution..... 781

6.22 Dispute Resolution..... 781

6.22.1 Dispute Resolution by the AER 781

6.22.2 Determination of dispute 782

6.22.3 Termination of access dispute without access determination..... 783

Part M Separate disclosure of transmission and distribution charges..... 784

6.23 Separate disclosure of transmission and distribution charges..... 784

Part N Dual Function Assets..... 785

6.24 Dual Function Assets..... 785

6.24.1 Application of this Part..... 785

6.24.2 Dual Function Assets..... 785

**6.25 AER determination of applicable pricing regime for Dual
Function Assets..... 785**

6.26 Division of Distribution Network Service Provider's revenue..... 786

Part O Annual Benchmarking Report..... 788

6.27 Annual Benchmarking Report..... 788

Part P Distribution Reliability Measures Guidelines 788

6.28 Distribution Reliability Measures Guidelines 788

Schedule 6.1 Contents of building block proposals 788

S6.1.1 Information and matters relating to capital expenditure 788

S6.1.2 Information and matters relating to operating expenditure 790

S6.1.3 Additional information and matters 790

Schedule 6.2	Regulatory Asset Base.....	793
S6.2.1	Establishment of opening regulatory asset base for a regulatory control period.....	793
S6.2.2	Prudency and efficiency of capital expenditure.....	798
S6.2.2A	Reduction for inefficient past capital expenditure.....	798
S6.2.2B	Depreciation.....	801
S6.2.3	Roll forward of regulatory asset base within the same regulatory control period.....	801
6A.	Economic Regulation of Transmission Services	805
Part A	Introduction.....	805
6A.1	Introduction to Chapter 6A	805
6A.1.1	Economic regulation of transmission services generally	805
6A.1.2	Meaning of terms and conditions of access for transmission services	806
6A.1.3	Access to prescribed and negotiated transmission services.....	806
6A.1.4	National regulatory arrangements	807
6A.1.5	Application of Chapter 6A to Market Network Service Providers	807
6A.1.6	Application of Chapter 6A to AEMO and declared transmission system operators.....	808
Part B	Transmission Determinations Generally	808
6A.2	Transmission determinations.....	808
6A.2.1	Duty of AER to make transmission determinations.....	808
6A.2.2	Components of transmission determinations.....	808
6A.2.3	Guidelines	808
Part C	Regulation of Revenue - Prescribed Transmission Services	809
6A.3	Allowed revenue from prescribed transmission services	809
6A.3.1	Allowed revenue for regulatory year	809
6A.3.2	Adjustment of maximum allowed revenue.....	810
6A.4	Revenue determinations.....	810
6A.4.1	Introduction.....	810
6A.4.2	Contents of revenue determination	810
6A.5	Post-tax revenue model	811
6A.5.1	Introduction.....	811
6A.5.2	Preparation, publication and amendment of post-tax revenue model.....	812
6A.5.3	Contents of post-tax revenue model.....	812
6A.5.4	Building blocks approach	813
6A.5.5	Shared assets	814
6A.5.6	Expenditure Forecast Assessment Guidelines	815
6A.5A	Capital expenditure incentive mechanisms	816
6A.6	Matters relevant to the making of revenue determinations.....	816
6A.6.1	Regulatory asset base	816
6A.6.2	Return on capital	818
6A.6.3	Depreciation.....	820
6A.6.4	Estimated cost of corporate income tax	822

6A.6.5	Efficiency benefit sharing scheme	822
6A.6.5A	Capital expenditure sharing scheme.....	823
6A.6.6	Forecast operating expenditure	824
6A.6.7	Forecast capital expenditure	827
6A.6.8	The X factor.....	831
6A.6.9	Pass through events	832
6A.7	Matters relevant to the adjustment of revenue cap after making of revenue determination	832
6A.7.1	Reopening of revenue determination for capital expenditure.....	832
6A.7.2	Network support pass through	835
6A.7.3	Cost pass through.....	837
6A.7.4	Service target performance incentive scheme	843
6A.7.5	Small-scale incentive scheme	845
6A.8	Contingent Projects.....	846
6A.8.1	Acceptance of a Contingent Project in a revenue determination.....	846
6A.8.2	Amendment of revenue determination for contingent project.....	847
Part D	Negotiated Transmission Services	852
6A.9	Negotiated transmission services	852
6A.9.1	Principles relating to access to negotiated transmission services	852
6A.9.2	Determination of terms and conditions of access for negotiated transmission services.....	854
6A.9.3	Negotiating framework determination	854
6A.9.4	Negotiated transmission criteria determination	854
6A.9.5	Preparation of and requirements for negotiating framework.....	855
6A.9.6	Confidential information	857
6A.9.7	Commercial arbitration for negotiated transmission services	857
Part E	Procedure – Revenue determinations, negotiating frameworks and pricing methodologies	857
6A.10	Revenue Proposal, proposed negotiating framework and proposed pricing methodology.....	857
6A.10.1A	AER's framework and approach paper.....	857
6A.10.1B	Notification of approach to forecasting expenditure.....	859
6A.10.1	Submission of proposal, framework, pricing methodology and information	860
6A.10.2	[Deleted].....	861
6A.11	Preliminary examination and consultation	861
6A.11.1	Preliminary examination and determination of non-compliance with relevant requirements	861
6A.11.2	Resubmission of proposal, framework, pricing methodology or information	862
6A.11.2A	Confidential information	862
6A.11.3	Consultation.....	863
6A.12	Draft decision and further consultation	864
6A.12.1	Making of draft decision	864
6A.12.2	Publication of draft decision and consultation.....	864
6A.12.3	Submission of revised proposal, framework or pricing methodology	865
6A.12.4	Submissions on specified matters	866

6A.13	Final decision	867
6A.13.1	Making of final decision.....	867
6A.13.2	Refusal to approve amounts, values, framework or pricing methodology	867
6A.13.2A	Out of scope revised documents or late submissions.....	868
6A.13.3	Notice of final decision	869
6A.13.4	Making of transmission determination.....	869
6A.14	Requirements relating to draft and final decisions	869
6A.14.1	Contents of decisions.....	869
6A.14.2	Reasons for decisions	872
6A.14.3	Circumstances in which matters must be approved or accepted.....	872
6A.15	Revocation of revenue determination or amendment of pricing methodology for wrong information or error	875
6A.16	Miscellaneous.....	876
6A.16A	Transmission Confidentiality Guidelines	876
Part F	Information Disclosure	877
6A.17	Information disclosure by Transmission Network Service Providers.....	877
6A.17.1	Information to be provided to AER	877
6A.17.2	Information Guidelines.....	878
6A.18	[Deleted].....	880
Part G	Cost Allocation	880
6A.19	Cost allocation	880
6A.19.1	Duty to comply with Cost Allocation Methodology	880
6A.19.2	Cost Allocation Principles	880
6A.19.3	Cost Allocation Guidelines.....	881
6A.19.4	Cost Allocation Methodology.....	882
Part H	Transmission Consultation Procedures.....	883
6A.20	Transmission consultation procedures	883
Part I	Ring-Fencing Arrangements for Transmission Network Service Providers.....	884
6A.21	Transmission Ring-Fencing Guidelines.....	884
6A.21.1	Compliance with Transmission Ring-Fencing Guidelines.....	884
6A.21.2	Development of Transmission Ring-Fencing Guidelines	885
Part J	Prescribed Transmission Services - Regulation of Pricing	886
6A.22	Terms used in Part J	886
6A.22.1	Aggregate annual revenue requirement (AARR).....	886
6A.22.2	Annual service revenue requirement (ASRR)	886
6A.22.3	Meaning of attributable cost share	886
6A.22.4	Meaning of attributable connection point cost share	887
6A.23	Pricing Principles for Prescribed Transmission Services	887
6A.23.1	Introduction.....	887

6A.23.2 Principles for the allocation of the aggregate annual revenue requirement..... 887

6A.23.3 Principles for the allocation of the annual service revenue requirement to connection points..... 888

6A.23.4 Principles for the recovery of the Annual Service Revenue Requirement as prices 891

6A.24 Pricing methodology..... 893

6A.24.1 Pricing methodologies generally..... 893

6A.24.2 Publication of pricing methodology and transmission network prices 894

6A.24.3 Basis for setting prices pending approval of pricing methodology 895

6A.24.4 Basis for setting prices pending approval of maximum allowed revenue 895

6A.25 Pricing methodology guidelines for prescribed transmission services..... 896

6A.25.1 Making and amending of pricing methodology guidelines 896

6A.25.2 Contents of pricing methodology guidelines 897

6A.26 Prudent discounts..... 898

6A.26.1 Agreements for prudent discounts for prescribed transmission services 898

6A.26.2 Application to AER for approval of proposed prudent discount amounts..... 899

6A.27 Billing Process 901

6A.27.1 Billing for prescribed transmission services..... 901

6A.27.1A Billing of modified load export charges..... 901

6A.27.2 Minimum information to be provided in network service bills 901

6A.27.3 Obligation to pay charges for prescribed transmission services..... 902

6A.27.4 Payments between Transmission Network Service Providers in the same region..... 902

6A.27.5 Calculation of financial transfers between Transmission Network Service Providers in the same region 903

6A.28 Prudential Requirements 903

6A.28.1 Prudential Requirements for prescribed transmission services 903

6A.28.2 Capital contribution or prepayment for a specific asset 903

6A.28.3 Treatment of past capital contributions 903

6A.29 Multiple Transmission Network Service Providers 904

6A.29.1 Multiple Transmission Network Service Providers within a region..... 904

6A.29.2 Single Transmission Network Service Provider within a region..... 905

6A.29.3 Allocation over several regions 905

6A.29A Modified load export charges 905

6A.29A.1 Single Transmission Network Service Provider in a Region 905

6A.29A.2 Calculation of the modified load export charges 905

6A.29A.3 Calculation of adjustments to the modified load export charge 906

6A.29A.4 Billing the modified load export charge..... 906

6A.29A.5 Allocation and billing process where multiple Transmission Network Service Providers in a Region 907

Part K	Commercial arbitration for disputes about terms and conditions of access for prescribed and negotiated transmission services.....	907
6A.30	Commercial arbitration for prescribed and negotiated transmission services.....	907
6A.30.1	Notification of transmission services dispute	908
6A.30.2	Appointment of commercial arbitrator.....	908
6A.30.3	Procedures of commercial arbitrator	909
6A.30.4	Powers of commercial arbitrator in determining transmission services access disputes.....	909
6A.30.5	Determination of transmission services access disputes	911
6A.30.6	Costs of dispute.....	911
6A.30.7	Enforcement of agreement or determination and requirement for reasons	912
6A.30.8	Miscellaneous	912
Part L	Annual Benchmarking Report.....	913
6A.31	Annual Benchmarking Report.....	913
Schedule 6A.1	Contents of Revenue Proposals.....	913
S6A.1.1	Information and matters relating to capital expenditure	913
S6A.1.2	Information and matters relating to operating expenditure	914
S6A.1.3	Additional information and matters	915
Schedule 6A.2	Regulatory Asset Base.....	918
S6A.2.1	Establishment of opening regulatory asset base for a regulatory control period.....	918
S6A.2.2	Prudency and efficiency of capital expenditure.....	923
S6A.2.2A	Reduction for inefficient past capital expenditure	924
S6A.2.2B	Depreciation.....	926
S6A.2.3	Removal of assets from regulatory asset base	926
S6A.2.4	Roll forward of regulatory asset base within the same regulatory control period.....	928
Schedule 6A.3	CRNP methodology and modified CRNP methodology	929
S6A.3.1	Meaning of optimised replacement cost.....	929
S6A.3.2	CRNP methodology	929
S6A.3.3	Modified CRNP methodology	930
Schedule 6A.4	Application of this Chapter to AEMO and declared transmission system operators.....	930
S6A.4.1	Application of this Chapter to AEMO etc	930
S6A.4.2	Exclusions, qualifications and modifications	930
Chapter 6B	Retail markets.....	941
Part A	Retail support	941
Division 1 – Application and definitions.....		941
6B.A1.1	Application of this Part.....	941
Division 2	Billing and payment rules	942
6B.A2.1	Obligation to pay.....	942

6B.A2.2	Direct customer billing and energy-only contracts	942
6B.A2.3	Calculating network charges.....	942
6B.A2.4	Statement of charges	942
6B.A2.5	Time and manner of payment	943
Division 3	Matters incidental to billing and payment	943
6B.A3.1	Adjustment of network charges	943
6B.A3.2	Tariff reassignment	944
6B.A3.3	Disputed statements of charges.....	945
6B.A3.4	Interest	946
6B.A3.5	Notification of changes to charges	946
Part B	Credit support required for late payment.....	946
Division 1	Application and definitions	947
6B.B1.1	Application of Part B.....	947
6B.B1.2	Definitions	947
Division 2	Requirements for credit support	947
6B.B2.1	Distribution Network Service Provider may require credit support in limited circumstances	947
Division 3	Provision of credit support by retailers	948
6B.B3.1	Retailer to provide credit support.....	948
6B.B3.2	Acceptable form of credit support.....	948
Division 4	Other Rules relating to credit support	949
6B.B4.1	Application of credit support	949
6B.B4.2	Return of credit support.....	949
6B.B4.3	Other retailer obligations.....	949
Schedule 6B.1	Prescribed form of unconditional undertaking for credit support.....	950
7	Metering	953
Part A	Introduction.....	953
7.1	Introduction to the Metering Chapter.....	953
7.1.1	Contents	953
Part B	Roles and Responsibilities.....	953
7.2	Role and Responsibility of financially responsible Market Participant.....	953
7.2.1	Obligations of financially responsible Market Participants to establish metering installations	953
7.2.2	[Not used]	954
7.2.3	Agreements with Local Network Service Provider	954
7.2.4	[Not used]	954
7.2.5	Agreements with Metering Provider	954
7.3	Role and Responsibility of Metering Coordinator	955
7.3.1	Responsibility of the Metering Coordinator	955
7.3.2	Role of the Metering Coordinator	955

7.4	Qualification and Registration of Metering Providers, Metering Data Providers and Embedded Network Managers	958
7.4.1	Qualifications and registration of Metering Providers	958
7.4.2	Qualifications and registration of Metering Data Providers.....	959
7.4.2A	Qualifications and registration of Embedded Network Managers.....	960
7.4.2B	List of Embedded Network Managers.....	960
7.4.3	Nature of appointment of Metering Provider or Metering Data Provider	960
7.4.4	Deregistration of Metering Providers, Metering Data Providers and Embedded Network Managers.....	961
7.5	Role and Responsibility of AEMO.....	962
7.5.1	Responsibility of AEMO for the collection, processing and delivery of metering data	962
7.5.2	AEMO's costs in connection with metering installation	963
7.5A	Role and Responsibility of Embedded Network Managers	963
7.5A.1	Responsibility of Embedded Network Managers for management services	963
7.5A.2	EN information	963
Part C	Appointment of Metering Coordinator	964
7.6	Appointment of Metering Coordinator	964
7.6.1	Commercial nature of the Metering Coordinator appointment and service provision	964
7.6.2	Persons who may appoint Metering Coordinators.....	964
7.6.3	Appointment with respect to transmission network connection	965
7.6.4	Type 7 metering installations.....	966
7.7	Metering Coordinator default arrangements.....	967
7.7.1	Obligations of financially responsible Market Participants on Metering Coordinator default event and end of contract term	967
7.7.2	Notices to be provided by Metering Coordinator	968
7.7.3	AEMO may issue breach notice	968
Part D	Metering installation	969
7.8	Metering installation arrangements	969
7.8.1	Metering installation requirements	969
7.8.2	Metering installation components.....	969
7.8.3	Small customer metering installations	972
7.8.4	Type 4A metering installation	973
7.8.5	Emergency management	974
7.8.6	Network devices.....	975
7.8.7	Metering point.....	978
7.8.8	Metering installation types and accuracy	978
7.8.9	Meter churn.....	978
7.8.10	Meter installation malfunctions	979
7.8.11	Changes to metering equipment, parameters and settings within a metering installation.....	980
7.8.12	Special site or technology related conditions	980
7.8.13	Joint metering installations.....	981
7.9	Inspection, Testing and Audit of Metering installations.....	982

7.9.1	Responsibility for testing.....	982
7.9.2	Actions in event of non-compliance.....	984
7.9.3	Audits of information held in metering installations	984
7.9.4	Errors found in metering tests, inspections or audits	985
7.9.5	Retention of test records and documents.....	986
7.9.6	Metering installation registration process	987
Part E	Metering Data.....	987
7.10	Metering Data Services	987
7.10.1	Metering Data Services	987
7.10.2	Data management and storage	988
7.10.3	Provision of metering data to certain persons.....	989
7.10.4	Use of check metering data.....	989
7.10.5	Periodic energy metering.....	990
7.10.6	Time settings.....	990
7.10.7	Metering data performance standards	991
7.11	Metering data and database.....	992
7.11.1	Metering database	992
7.11.2	Data validation, substitution and estimation.....	993
7.11.3	Changes to energy data or to metering data.....	993
7.12	Register of Metering Information.....	994
7.12.1	Metering register	994
7.12.2	Metering register discrepancy.....	994
7.13	Disclosure of NMI information.....	995
7.13.1	Application of this Rule.....	995
7.13.2	NMI and NMI checksum.....	995
7.13.3	NMI Standing Data	995
7.14	Metering data provision to retail customers	995
Part F	Security of metering installation and energy data	996
7.15	Security of metering installation and energy data	996
7.15.1	Confidentiality	996
7.15.2	Security of metering installations	997
7.15.3	Security controls for energy data	998
7.15.4	Additional security controls for small customer metering installations	999
7.15.5	Access to data	1000
PART G	Procedures	1001
7.16	Procedures	1001
7.16.1	Obligation to establish, maintain and publish procedures	1001
7.16.2	Market Settlement and Transfer Solution Procedures.....	1002
7.16.3	Requirements of the metrology procedure	1002
7.16.4	Jurisdictional metrology material in metrology procedure.....	1004
7.16.5	Additional metrology procedure matters.....	1005
7.16.6	Requirements of the service level procedures	1006
Clause 7.16.6A	Requirements of the ENM service level procedures.....	1007
Clause 7.16.6B	Guide to embedded networks	1009
7.16.7	Amendment of procedures in the Metering Chapter.....	1009

7.16.8	National Measurement Act	1010
Part H	B2B Requirements.....	1011
7.17	B2B Arrangements.....	1011
7.17.1	B2B e-Hub	1011
7.17.2	B2B e-Hub Participants.....	1011
7.17.3	Content of the B2B Procedures.....	1012
7.17.4	Changing B2B Procedures.....	1013
7.17.5	B2B Decision	1016
7.17.6	Establishment of Information Exchange Committee	1016
7.17.7	Functions and powers of Information Exchange Committee	1018
7.17.8	Obligations of Members	1019
7.17.9	Meetings of Information Exchange Committee.....	1020
7.17.10	Nomination, election and appointment of Members.....	1020
7.17.11	Qualifications of Members	1021
7.17.12	Information Exchange Committee Election Procedures and Information Exchange Committee Operating Manual	1022
7.17.13	Cost Recovery	1023
Schedule 7.1	Metering register	1024
S7.1.1	General	1024
S7.1.2	Metering register information	1024
Schedule 7.2	Metering Provider	1026
S7.2.1	General	1026
S7.2.2	Categories of registration.....	1026
S7.2.3	Capabilities of Metering Providers for metering installations types 1, 2, 3, 4 and 4A	1028
S7.2.4	Capabilities of Metering Providers for metering installations types 5 and 6	1030
S7.2.5	Capabilities of Metering Providers for small customer metering installations	1030
S7.2.6	Capabilities of the Accredited Service Provider category	1031
Schedule 7.3	Metering Data Provider	1031
S7.3.1	General	1031
S7.3.2	Categories of registration.....	1031
S7.3.3	Capabilities of Metering Data Providers	1032
S7.3.4	Capabilities of Metering Data Providers for small customer metering installations	1034
Schedule 7.4	Types and Accuracy of Metering installations	1034
S7.4.1	General requirements	1034
S7.4.2	Metering installations commissioned prior to 13 December 1998	1034
S7.4.3	Accuracy requirements for metering installations	1035
S7.4.4	Check metering	1041
S7.4.5	Resolution and accuracy of displayed or captured data	1042
S7.4.6	General design standards	1042
S7.4.6.1	Design requirements.....	1042
S7.4.6.2	Design guidelines	1043
Schedule 7.5	Requirements of minimum services specification	1043
S7.5.1	Minimum services specification	1043

Schedule 7.6	Inspection and Testing Requirements	1047
S7.6.1	General	1047
S7.6.2	Technical Guidelines	1049
Schedule 7.7	Embedded Network Managers	1050
S7.7.1	General	1050
S7.7.2	Capabilities of Embedded Network Managers	1050
8.	Administrative Functions.....	1055
Part A	Introductory	1055
8.1	Administrative functions.....	1055
8.1.1	[Deleted]	1055
8.1.2	[Deleted]	1055
8.1.3	Structure of this Chapter.....	1055
Part B	Disputes.....	1056
8.2	Dispute Resolution.....	1056
8.2.1	Application and guiding principles	1056
8.2.2	The Dispute Resolution Adviser	1059
8.2.3	Dispute management systems of Registered Participants and AEMO	1060
8.2.4	Stage 1 - dispute resolution through Registered Participants' DMS.....	1061
8.2.5	Stage 2 - dispute resolution process	1063
8.2.6A	Establishment of Dispute Resolution Panel.....	1064
8.2.6B	Parties to DRP Proceedings	1065
8.2.6C	Proceedings of the DRP.....	1066
8.2.6D	Decisions of the DRP	1066
8.2.6	[Deleted]	1067
8.2.7	Legal representation	1067
8.2.8	Cost of dispute resolution	1067
8.2.9	Effect of resolution.....	1068
8.2.10	Recording and publication.....	1069
8.2.11	Appeals on questions of law	1069
8.2.12	[Deleted]	1069
8.2A	B2B Determination Disputes.....	1069
8.2A.1	Application of rule 8.2.....	1069
8.2A.2	How rule 8.2 applies.....	1069
8.3	Power to make Electricity Procedures	1072
8.4	[Deleted].....	1072
8.5	[Deleted].....	1072
Part C	Registered Participants' confidentiality obligations	1072
8.6	Confidentiality	1072
8.6.1	Confidentiality	1072
8.6.1A	Application	1074
8.6.2	Exceptions.....	1074
8.6.3	Conditions.....	1075
8.6.4	[Deleted]	1076

8.6.5	Indemnity to AER, AEMC and AEMO	1076
8.6.6	AEMO information	1076
8.6.7	Information on Rules Bodies	1076
Part D	Monitoring and reporting	1076
8.7	Monitoring and Reporting	1076
8.7.1	Monitoring	1076
8.7.2	Reporting requirements and monitoring standards for Registered Participants and AEMO.....	1077
8.7.3	Consultation required for making general regulatory information order (Section 28H of the NEL).....	1079
8.7.4	Preparation of network service provider performance report (Section 28V of the NEL).....	1080
8.7.5	[Deleted]	1081
8.7.6	Recovery of reporting costs	1081
Part E	Reliability panel.....	1081
8.8	Reliability Panel	1081
8.8.1	Purpose of Reliability Panel	1081
8.8.2	Constitution of the Reliability Panel	1083
8.8.3	Reliability Panel review process	1085
8.8.4	Determination of protected events	1088
Part F	Rules consultation procedures	1089
8.9	Rules Consultation Procedures.....	1089
Part G	Consumer advocacy funding.....	1092
8.10	Consumer advocacy funding obligation	1092
Part H	Augmentations.....	1092
8.11	Augmentations.....	1092
8.11.1	Application	1092
8.11.2	Object	1092
8.11.3	Definitions	1093
8.11.4	Planning criteria	1094
8.11.5	Construction of augmentation that is not a contestable augmentation.....	1094
8.11.6	Contestable augmentations	1095
8.11.7	Construction and operation of contestable augmentation	1095
8.11.8	Funded augmentations that are not subject to the tender process	1097
8.11.9	Contractual requirements and principles	1098
8.11.10	Annual planning review	1098
Schedule 8.11	Principles to be reflected in agreements relating to contestable augmentations	1099
S8.11.1	Risk allocation	1099
S8.11.2	Minimum requirements for agreements relating to contestable augmentation.....	1100
S8.11.3	Matters to be dealt with in relevant agreements	1101
8A.	Participant Derogations	1105

Part 1	Derogations Granted to TransGrid	1105
8A.1	[Deleted].....	1105
Part 2	Derogations Granted to EnergyAustralia	1105
8A.2	[Deleted].....	1105
8A.2A	[Deleted].....	1105
Part 3	[Deleted].....	1105
Part 4	[Deleted].....	1105
Part 5	[Deleted].....	1105
Part 6	Derogations Granted to Victorian Market Participants.....	1105
Part 7	[Deleted].....	1106
Part 8	[Deleted].....	1106
Part 9	[Deleted].....	1106
Part 10	[Deleted].....	1106
Part 11	[Deleted].....	1106
Part 12	[Deleted].....	1106
Part 13	Derogation granted to Aurora Energy (Tamar Valley) Pty Ltd	1106
8A.13	[Deleted].....	1106
Part 14	Derogations granted to Ausgrid, Endeavour Energy and Essential Energy	1106
8A.14	Derogations from Chapter 6 for the current regulatory control period and subsequent regulatory control period.....	1106
8A.14.1	Definitions	1106
8A.14.2	Expiry date.....	1111
8A.14.3	Application of Rule 8A.14.....	1111
8A.14.4	Recovery of revenue across the current regulatory control period and subsequent regulatory control period.....	1111
8A.14.5	Recovery of revenue in subsequent regulatory control period only and no reopening of subsequent distribution determination required	1113
8A.14.6	Recovery of revenue in subsequent regulatory control period only and reopening of distribution determination is required	1114
8A.14.7	Requirements for adjustment determination.....	1116
8A.14.8	Application of Chapter 6 under participant derogation.....	1116
Part 15	Derogations granted to ActewAGL	1118
8A.15	Derogations from Chapter 6 for the current regulatory control period and subsequent regulatory control period.....	1118
8A.15.1	Definitions	1118
8A.15.2	Expiry date.....	1122
8A.15.3	Application of Rule 8A.15.....	1122
8A.15.4	Recovery of revenue across the current regulatory control period and subsequent regulatory control period.....	1122
8A.15.5	Recovery of revenue in subsequent regulatory control period only and no reopening of subsequent distribution determination required	1124

8A.15.6	Recovery of revenue in subsequent regulatory control period only and reopening of distribution determination is required	1126
8A.15.7	Requirements for adjustment determination.....	1128
8A.15.8	Application of Chapter 6 under participant derogation.....	1128
9.	Jurisdictional Derogations and Transitional Arrangements	1133
9.1	Purpose and Application.....	1133
9.1.1	Purpose	1133
9.1.2	Jurisdictional Derogations	1133
Part A	Jurisdictional Derogations for Victoria	1133
9.2	[Deleted].....	1133
9.3	Definitions.....	1133
9.3.1	General Definitions	1133
9.3.2	[Deleted]	1135
9.3A	Fault levels	1135
9.4	Transitional Arrangements for Chapter 2 - Registered Participants, Registration and Cross Border Networks	1136
9.4.1	[Deleted]	1136
9.4.2	Smelter Trader	1136
9.4.3	Smelter Trader: compliance.....	1137
9.4.4	Report from AER	1139
9.4.5	Cross Border Networks	1140
9.5	[Deleted].....	1140
9.6	Transitional Arrangements for Chapter 4 - System Security.....	1140
9.6.1	Operating Procedures (clause 4.10.1)	1140
9.6.2	Nomenclature Standards (clause 4.12).....	1140
9.7	Transitional Arrangements for Chapter 5 - Network Connection.....	1141
9.7.1	[Deleted]	1141
9.7.2	[Deleted]	1141
9.7.3	[Deleted]	1141
9.7.4	Regulation of Distribution Network Connection	1141
9.7.5	[Deleted]	1142
9.7.6	[Deleted]	1142
9.7.7	[Deleted]	1142
9.8	Transitional Arrangements for Chapter 6 - Network Pricing.....	1142
9.8.1	[Deleted]	1142
9.8.2	[Deleted]	1142
9.8.3	[Deleted]	1142
9.8.4	Transmission Network Pricing	1142
9.8.4A	[Deleted]	1144
9.8.4B	[Deleted]	1144
9.8.4C	[Deleted]	1144
9.8.4D	[Deleted]	1144

9.8.4E	[Deleted]	1144
9.8.4F	[Deleted]	1144
9.8.4G	[Deleted]	1144
9.8.5	[Deleted]	1144
9.8.6	[Deleted]	1144
9.8.7	Distribution network pricing – transitional application of former Chapter 6.....	1144
9.8.8	Exclusion of AER's power to aggregate distribution systems and parts of distribution systems	1145
9.9	Transitional Arrangements for Chapter 7 - Metering	1146
9.9.1	Metering Installations To Which This Schedule Applies.....	1146
9.9.2	[Deleted]	1146
9.9.3	[Deleted]	1146
9.9.4	[Deleted]	1146
9.9.5	[Deleted]	1146
9.9.6	[Deleted]	1146
9.9.7	[Deleted]	1146
9.9.8	[Deleted]	1146
9.9.9	Periodic Energy Metering (clause 7.9.3).....	1146
9.9.10	Use of Alternate Technologies (clause 7.13).....	1146
9.9A	[Deleted].....	1147
9.9B	[Deleted].....	1147
9.9C	Metering services for residential and small business customers	1147
9.9C.1	Definitions	1147
9.9C.2	Expiry Date.....	1148
9.9C.3	Designation as responsible person	1148
9.9C.4	Classification of relevant metering installations	1148
9.9C.5	Cost recovery of AMI rollout	1148
9.9C.6	Capability for remote acquisition of metering data.....	1148
Schedule 9A1.1	[Deleted].....	1148
Schedule 9A1.2	[Deleted].....	1148
Schedule 9A1.3	[Deleted].....	1148
Schedule 9A2	[Deleted].....	1148
Schedule 9A3	Jurisdictional Derogations Granted to Generators.....	1148
1.	Interpretation of tables.....	1148
2.	Continuing effect.....	1149
3.	Subsequent agreement	1149
4.	[Deleted]	1149
5.	Reactive Power Capability (clause S5.2.5.1 of schedule 5.2)	1149
6.	[Deleted]	1151
7.	[Deleted]	1151
8.	[Deleted]	1151
9.	[Deleted]	1151
10.	[Deleted]	1151
11.	[Deleted]	1151
12.	[Deleted]	1151

13.	Governor Systems (load control) (clause S5.2.5.11 of schedule 5.2)	1151
14.	[Deleted]	1151
15.	[Deleted]	1151
16.	Excitation Control System (clause S5.2.5.13 of schedule 5.2).....	1151
Part B	Jurisdictional Derogations for New South Wales	1152
9.10	[Deleted].....	1152
9.11	Definitions.....	1152
9.11.1	Definitions used in this Part B	1152
9.12	Transitional Arrangements for Chapter 2 - Generators, Registered Participants, Registration and Cross Border Networks.....	1153
9.12.1	[Deleted]	1153
9.12.2	Customers	1153
9.12.3	Power Traders	1153
9.12.4	Cross Border Networks	1156
9.13	[Deleted].....	1157
9.14	Transitional Arrangements for Chapter 4 - System Security.....	1157
9.14.1	Power System Operating Procedures	1157
9.15	NSW contestable services for Chapter 5A.....	1157
9.15.1	Definitions	1157
9.15.2	Chapter 5A not to apply to certain contestable services	1158
9.16	Transitional Arrangements for Chapter 6 - Network Pricing.....	1158
9.16.1	NSW contestable services	1158
9.16.2	[Deleted]	1158
9.16.3	Jurisdictional Regulator.....	1158
9.16.4	Deemed Regulated Interconnector.....	1158
9.16.5	[Deleted]	1158
9.17	Transitional Arrangements for Chapter 7 - Metering	1158
9.17.1	Extent of Derogations.....	1158
9.17.2	Initial Registration (clause 7.1.2).....	1159
9.17.3	Amendments to Schedule 9G1.....	1159
9.17.4	Compliance with AS/NZ ISO 9002 (clause S7.4.3(f) of schedule 7.4).....	1159
9.17A	[Deleted].....	1160
9.18	[Deleted].....	1160
Part C	Jurisdictional Derogations for the Australian Capital Territory	1160
9.19	[Deleted].....	1160
9.20	Definitions and Transitional Arrangements for Cross-Border Networks.....	1160
9.20.1	Definitions	1160
9.20.2	Cross Border Networks	1160
9.21	[Deleted].....	1161
9.22	[Deleted].....	1161

9.23	Transitional Arrangements for Chapter 6 - Network Pricing	1161
9.23.1	[Deleted]	1161
9.23.2	[Deleted]	1161
9.23.3	[Deleted]	1161
9.23.4	[Deleted]	1161
9.24	Transitional Arrangements	1161
9.24.1	Chapter 7 - Metering	1161
9.24.2	[Deleted]	1161
9.24A	[Deleted]	1161
Part D	Jurisdictional Derogations for South Australia	1161
9.25	Definitions	1161
9.25.1	[Deleted]	1161
9.25.2	Definitions	1161
9.26	Transitional Arrangements for Chapter 2 - Registered Participants, Registration And Cross Border Networks	1164
9.26.1	Registration as a Generator.....	1164
9.26.2	Registration as a Customer	1165
9.26.3	Cross Border Networks	1165
9.26.4	[Deleted]	1166
9.26.5	Registration as a Network Service Provider	1166
9.27	[Deleted]	1166
9.28	Transitional Arrangements for Chapter 5 - Network Connection	1166
9.28.1	Application of clause 5.2.....	1166
9.28.2	[Deleted]	1167
9.29	Transitional Arrangements for Chapter 6 - Economic Regulation of Distribution Services	1167
9.29.1	[Deleted]	1167
9.29.2	[Deleted]	1167
9.29.3	[Deleted]	1167
9.29.4	[Deleted]	1167
9.29.5	Distribution Network Pricing – South Australia.....	1167
9.29.6	Capital contributions, prepayments and financial guarantees	1168
9.29.7	Ring fencing.....	1169
9.29A	Monitoring and reporting	1169
9.30	Transitional Provisions	1170
9.30.1	Chapter 7 - Metering	1170
Part E	Jurisdictional Derogations for Queensland	1170
9.31	[Deleted]	1170
9.32	Definitions and Interpretation	1170
9.32.1	Definitions	1170
9.32.2	Interpretation.....	1172
9.33	Transitional Arrangements for Chapter 1	1173
9.33.1	[Deleted]	1173

9.34	Transitional Arrangements for Chapter 2 - Registered Participants and Registration	1173
9.34.1	Application of the Rules in Queensland (clauses 2.2 and 2.5)	1173
9.34.2	Stanwell Cross Border Leases (clause 2.2)	1173
9.34.3	[Deleted]	1173
9.34.4	Registration as a Customer (clause 2.3.1)	1173
9.34.5	There is no clause 9.34.5	1174
9.34.6	Exempted generation agreements (clause 2.2)	1174
9.35	[Deleted].....	1179
9.36	[Deleted].....	1179
9.37	Transitional Arrangements for Chapter 5 - Network Connection.....	1179
9.37.1	[Deleted]	1179
9.37.2	Existing connection and access agreements (clause 5.2)	1179
9.37.3	[Deleted]	1180
9.37.4	[Deleted]	1180
9.37.5	Forecasts for connection points to transmission network (clause 5.11.1).....	1180
9.37.6	There is no clause 9.37.6	1180
9.37.7	Cross Border Networks	1180
9.37.8	[Deleted]	1180
9.37.9	Credible contingency events (clause S5.1.2.1 of schedule 5.1).....	1180
9.37.10	Reactive power capability (clause S5.2.5.1 of schedule 5.2)	1181
9.37.11	[Deleted]	1181
9.37.12	Voltage fluctuations (clause S5.1.5 of schedule 5.1)	1181
9.37.13	[Deleted]	1184
9.37.14	[Deleted]	1184
9.37.15	[Deleted]	1184
9.37.16	[Deleted]	1184
9.37.17	[Deleted]	1184
9.37.18	[Deleted]	1184
9.37.19	Generating unit response to disturbances (clause S5.2.5.3 of schedule 5.2)	1184
9.37.20	[Deleted]	1184
9.37.21	Excitation control system (clause S.5.2.5.13 of schedule 5.2)	1184
9.37.22	[Deleted]	1185
9.37.23	Annual forecast information for planning purposes (schedule 5.7).....	1185
9.38	Transitional Arrangements for Chapter 6 - Network Pricing.....	1185
9.38.1	[Deleted]	1185
9.38.2	[Deleted]	1185
9.38.3	[Deleted]	1185
9.38.4	Interconnectors between regions.....	1185
9.38.5	Transmission pricing for exempted generation agreements	1186
9.39	Transitional Arrangements for Chapter 7 - Metering	1186
9.39.1	Metering installations to which this clause applies.....	1186
9.39.2	[Deleted]	1187
9.39.3	[Deleted]	1187
9.39.4	[Deleted]	1187

9.39.5	[Deleted]	1187
9.40	Transitional Arrangements for Chapter 8 - Administration Functions	1187
9.40.1	[Deleted]	1187
9.40.2	[Deleted]	1187
9.40.3	[Deleted]	1187
9.41	[Deleted].....	1187
Schedule 9E1	Exempted Generation Agreements.....	1187
Part F	Jurisdictional Derogations for Tasmania	1188
9.42	Definitions and interpretation	1188
9.42.1	Definitions	1188
9.42.2	Interpretation.....	1189
9.42.3	National grid, power system and related expressions	1190
9.43	[Deleted].....	1190
9.44	Transitional arrangements for Chapter 2 – Registered Participants and Registration - Customers (clause 2.3.1(e)).....	1190
9.45	Tasmanian Region (clause 3.5)	1190
9.47	Transitional arrangements for Chapter 5- Network Connection.....	1190
9.47.1	Existing Connection Agreements.....	1190
9.48	Transitional arrangements - Transmission and Distribution Pricing.....	1191
9.48.4A	Ring fencing.....	1191
9.48.4B	Uniformity of tariffs for small customers.....	1191
9.48.5	Transmission network	1191
9.48.6	Deemed regulated interconnector	1191
Part G	Schedules to Chapter 9.....	1192
Schedule 9G1	Metering Transitional Arrangements.....	1192
1.	Introduction.....	1192
2.	[Deleted]	1192
3.	General Principle.....	1192
4.	[Deleted]	1192
5.	Accuracy Requirements.....	1192
6.	[Deleted]	1193
7.	[Deleted]	1193
8.	[Deleted]	1193
9.	[Deleted]	1193
10.	[Deleted]	1193
10.	Glossary.....	1197
11.	Savings and Transitional Rules.....	1319
Part A	Definitions.....	1319
Part B	System Restart Ancillary Services (2006 amendments)	1319

- 11.2 Rules consequent on making of the National Electricity Amendment (System Restart Ancillary Services and pricing under market suspension) Rule 2006..... 1319**
- 11.2.1 Transitional provision for acquisition of non-market ancillary services 1319
- 11.3 [Deleted]..... 1320**
- Part C Dispute Resolution for Regulatory Test (2006 amendments) 1320**
- 11.4 Rules consequent on making of the National Electricity Amendment (Dispute Resolution for Regulatory Test) Rule 2006..... 1320**
- 11.4.1 Continuation of things done under old clause 5.6.6..... 1320
- Part D Metrology (2006 amendments) 1321**
- 11.5 Rules consequential on the making of the National Electricity Amendment (Metrology) Rule 2006 1321**
- 11.5.1 Definitions 1321
- 11.5.2 Metrology procedures continues to apply until 31 December 2006 1321
- 11.5.3 Responsible person..... 1321
- 11.5.4 NEMMCO’s responsibility to develop a metrology procedure..... 1321
- 11.5.5 Jurisdictional metrology material in the metrology procedure 1322
- Part E Economic Regulation of Transmission Services (2006 amendments) 1323**
- 11.6 Rules consequent on making of the National Electricity Amendment (Economic Regulation of Transmission Services) Rule 2006 1323**
- 11.6.1 Definitions 1323
- 11.6.2 New Chapter 6A does not affect existing revenue determinations 1324
- 11.6.3 Old Part C and Schedules 6.2, 6.3, 6.4, 6.7 and 6.8 of old Chapter 6..... 1325
- 11.6.4 Old Part F of Chapter 6 1325
- 11.6.5 Application of new Chapter 6A to Transmission Network Service Providers 1325
- 11.6.6 Application of Chapter 6 to old distribution matters..... 1325
- 11.6.7 References to the old Chapter 6 1325
- 11.6.8 References to provisions of the old Chapter 6..... 1326
- 11.6.9 Roll forward of regulatory asset base for first regulatory control period..... 1326
- 11.6.10 Other adjustment carry-over mechanisms from current to first regulatory control period 1326
- 11.6.11 Clause consequent upon making National Electricity Amendment (Cost Allocation Arrangements for Transmission Services) Rule No 2009 No 3 - Transition to new Chapter 6A: existing prescribed connection services 1326
- 11.6.12 Powerlink transitional provisions..... 1329
- 11.6.13 ElectraNet easements transitional provisions 1333
- 11.6.14 TransGrid contingent projects 1333
- 11.6.15 Transmission determination includes existing revenue determinations..... 1334
- 11.6.16 References to regulatory control period 1334

11.6.17	Consultation procedure for first proposed guidelines	1334
11.6.18	Reliance on proposed guidelines for SP AusNet, VENCORP and ElectraNet	1335
11.6.19	EnergyAustralia transitional provisions	1335
11.6.20	Basslink transitional provisions	1338
11.6.21	SPI Powernet savings and transitional provision	1339
11.6.22	Interim arrangements pricing-related information	1341
Part F	Reform of Regulatory Test Principles (2006 amendments)	1341
11.7	Rules consequent on making of the National Electricity Amendment (Reform of the Regulatory Test Principles) Rule 2006	1341
11.7.1	Definitions	1341
11.7.2	Amending Rule does not affect old clause 5.6.5A	1342
Part G	Pricing of Prescribed Transmission Services (2006 amendments)	1342
11.8	Rules consequent on making the National Electricity Amendment (Pricing of Prescribed Transmission Services) Rule 2006	1342
11.8.1	Definitions	1342
11.8.2	Regulated interconnectors	1343
11.8.3	Application of new Part J of Chapter 6A to Transmission Network Service Providers	1343
11.8.4	Reliance on agreed interim guideline for ElectraNet, SPAusNet, and VenCorp	1343
11.8.5	Prudent discounts under existing agreements	1344
11.8.6	Application of prudent discounts regime under rule 6A.26	1344
11.8.7	Prudent discounts pending approval of pricing methodology	1344
Part H	Reallocations (2007 amendments)	1345
11.9	Rules consequent on the making of the National Electricity Amendment (Reallocations) Rule 2007	1345
11.9.1	Definitions	1345
11.9.2	Existing and transitional reallocations	1346
Part I	Technical Standards for Wind Generation (2007 amendments)	1346
11.10	Rules consequent on making of the National Electricity Amendment (Technical Standards for Wind Generation and other Generator Connections) Rule 2007	1346
11.10.1	Definitions	1346
11.10.2	Provision of information under S5.2.4 in registration application	1346
11.10.3	Access standards made under the old Chapter 5	1347
11.10.4	Modifications to plant by Generators	1347
11.10.5	Technical Details to Support Application for Connection and Connection Agreement	1347
11.10.6	Transitional arrangements for establishment of performance standards	1348
11.10.7	Jurisdictional Derogations for Queensland	1348

11.10A	Rules consequent on the making of the National Electricity Amendment (Central Dispatch and Integration of Wind and Other Intermittent Generation) Rule 2008	1348
11.10A.1	Definitions	1348
11.10A.2	Registration and reclassification of classified generating units	1349
11.10A.3	Registered generating unit	1350
11.10A.4	Classification of potential semi-scheduled generating unit	1350
11.10A.5	Participant fees	1350
11.10A.6	Timetable	1351
11.10A.7	Procedure for contribution factors for ancillary service transactions	1351
11.10A.8	Guidelines for energy conversion model information.....	1351
Part J	Cost Recovery of Localised Regulation Services (2007 amendments)	1352
11.11	Rules consequent on making of the National Electricity Amendment (Cost Recovery of Localised Regulation Services) Rule 2007	1352
11.11.1	Definitions	1352
11.11.2	Action taken by NEMMCO for the purposes of Amending Rule	1352
11.12	[Deleted]	1352
Part L	[Deleted].....	1352
Division 1	General Provisions	1356
11.14	General provisions	1356
11.14.1	Application of this Division.....	1356
11.14.2	Definitions	1356
11.14.3	Preservation of old regulatory regime	1357
11.14.4	Transfer of regulatory responsibility.....	1358
11.14.5	Special requirements with regard to ring fencing	1358
11.14.6	Additional requirements with regard to cost allocation	1359
11.14.7	Construction of documents	1359
Part M	Economic Regulation of Distribution Services (2007 amendments)	1356
Division 1	General Provisions	1356
11.14	General provisions	1356
Division 2	[Deleted].....	1360
Division 3	Transitional arrangements for first distribution determination for Queensland Distribution Network Service Providers	1360
11.16	Transitional arrangements for first distribution determination for Queensland Distribution Network Service Providers	1360
Division 4	Transitional provisions of specific application to Victoria	1363
11.17	Transitional provisions of specific application to Victoria	1363
Part N	Registration of Foreign Based Persons and Corporations as Trader Class Participants (2007 amendments)	1366
11.18	Rules consequential on the making of the National Electricity Amendment (Registration of Foreign Based Persons and Corporations as Trader Class Participants) Rule 2007	1366

11.18.1	Definitions	1366
11.18.2	Auction rules.....	1366
Part O	Process for Region Change (2007 amendments)	1366
11.19	Rules consequent on making of the National Electricity Amendment (Process for Region Change) Rule 2007	1366
11.19.1	Definitions	1366
11.19.2	Regions Publication.....	1366
Part P	Integration of NEM Metrology Requirements	1367
11.20	Rules consequential on the making of the National Electricity Amendment (Integration of NEM Metrology Requirements) Rule 2008	1367
11.20.1	Definitions	1367
11.20.2	Metering installations for non-market generating units immediately prior to 30 June 2008.....	1367
11.20.3	First-tier load metering installations	1368
11.20.4	First-tier load metering installations in Victoria	1368
11.20.5	Minimalist Transitioning Approach in Queensland.....	1368
11.20.6	First-tier jurisdictional requirements publication.....	1368
11.20.7	Metrology procedure	1369
Part PA	Reliability Settings: Information Safety Net and Directions	1369
11.21	Rules consequential on the making of the National Electricity Amendment (NEM Reliability Settings: Information Safety Net and Directions) Rule 2008	1369
Part Q	Regulatory Test Thresholds and Information Disclosure on Network Replacements	1370
11.22	Rules consequential on the making of the National Electricity Amendment (Regulatory Test Thresholds and Information Disclosure on Network Replacements) Rule 2008.....	1370
11.22.1	Definitions	1370
11.22.2	Amending Rule does not affect existing regulatory test	1371
Part R	Performance Standard Compliance of Generators.....	1371
11.23	Rules consequential on the making of the National Electricity Amendment (Performance Standards Compliance of Generators) Rule 2008	1371
11.23.1	Definitions	1371
11.23.2	Application of rule 11.23 for compliance programs implemented immediately after the commencement of the Amending Rule	1371
11.23.3	Application of rule 11.23 for compliance programs implemented immediately prior to the commencement of the Amending Rule	1372
11.23.4	Application of rule 11.23 for compliance programs not implemented immediately prior to the commencement of the Amending Rule	1372
Part S	[Deleted].....	1372
Part U	Confidentiality Arrangements concerning Information required for Power System Studies	1372

11.25	Rule consequential on the making of the National Electricity Amendment (Confidentiality Arrangements in Respect of Information Required for Power System Studies) Rule 2009.....	1372
11.25.1	Definitions	1372
11.25.2	Transitional arrangements for the provision of information.....	1372
Part V	WACC Reviews: Extension of Time.....	1374
11.26	Rule consequential on the making of the National Electricity Amendment (WACC Reviews: Extension of Time) Rule 2009.....	1374
11.26.1	Definitions	1374
11.26.2	Extension of time to submit a regulatory proposal for the regulatory control period 2010-2015	1374
Part W	National Transmission Statement.....	1374
11.27	Rules consequent on the making of the National Electricity Amendment (National Transmission Statement) Rule 2009.....	1374
11.27.1	Definitions	1374
11.27.2	Purpose	1375
11.27.3	Application of rule 11.27.....	1375
11.27.4	National Transmission Statement	1375
11.27.5	Scope and Content of National Transmission Network Development Plan	1377
11.27.6	Energy Adequacy Assessment Projection	1377
11.27.7	Amendment to Last Resort Power	1378
11.27.8	Actions taken prior to commencement of Rule	1378
Part X	National Transmission Planning.....	1378
11.28	Rules consequential on the making of the National Electricity (Australian Energy Market Operator) Amendment Rules 2009.....	1378
11.28.1	Definitions	1378
11.28.2	Jurisdictional planning bodies and representatives	1378
11.28.3	Criteria and guidelines published by Inter-regional Planning Committee.....	1379
11.28.4	Augmentation technical reports	1379
11.28.5	Last Resort Planning Power.....	1379
11.28.6	Inter-network power system tests	1380
11.28.7	Control and protection settings for equipment	1380
11.28.8	Revenue Proposals	1380
Part Y	Regulatory Investment Test for Transmission	1380
11.29	Rules consequent on making of the National Electricity Amendment (Regulatory Investment Test for Transmission) Rule 2009	1380
11.29.1	Definitions	1380
11.29.2	Period when Amending Rule applies to transmission investment.....	1381
Part Z	Congestion Information Resource	1382
11.30	Rules consequent on the making of the National Electricity Amendment (Congestion Information Resource) Rule 2009	1382
11.30.1	Definitions	1382
11.30.2	Interim congestion Information resource	1382

- Part ZA Reliability and emergency reserve trader (2009 amendments) 1384**
- 11.31 Rules consequent on the making of the National Electricity Amendment (Improved RERT Flexibility and Short-notice Reserve Contracts) Rule 2009 1384**
- Part ZB Early Application of Market Impact Parameters 1386**
- 11.32 Rules consequent on the making of the National Electricity Amendment (Early Implementation of Market Impact Parameters) Rule 2010 1386**
- 11.32.1 Definitions 1386
- 11.32.2 Purpose 1387
- 11.32.3 Early application of the market impact component of the service target performance incentive scheme 1387
- Part ZC Transparency of operating data 1390**
- 11.33 Rules consequential on the making of National Electricity Amendment (Transparency of Operating Data) Rule 2010..... 1390**
- 11.33.1 Definitions..... 1390
- 11.33.2 Spot market operations timetable..... 1390
- Part ZD Cost Recovery for Other Services Directions 1392**
- 11.34 Rules consequent on making of the National Electricity Amendment (Cost Recovery for Other Services Directions) Rule 2010 1392**
- 11.34.1 Definitions 1392
- 11.34.2 Period when Amending Rules applies to funding of compensation 1393
- Part ZE Payments under Feed-in Schemes and Climate Change Funds 1393**
- 11.35 Rules consequential on the making of the National Electricity Amendment (Payments under Feed-in Schemes and Climate Change Funds) Rule 2010 1393**
- 11.35.1 Definitions 1393
- 11.35.2 Application of recovery of jurisdictional scheme Rules 1394
- 11.35.3 Reporting on jurisdictional schemes 1395
- 11.35.4 Revocation and substitution of distribution determination for jurisdictional scheme recovery 1396
- Part ZF Transitional Arrangements for Ministerial Smart Meter Roll Out Determinations..... 1397**
- 11.36 Ministerial Smart Meter Roll Out Determinations..... 1397**
- 11.36.1 Definitions 1397
- 11.36.2 Meaning of relevant metering installation..... 1397
- 11.36.3 Period of application of rule to relevant metering installation 1398
- 11.36.4 Designation of responsible person 1398
- 11.36.5 [Deleted] 1398
- 11.36.6 [Deleted] 1398
- Part ZG Provision of Metering Data Services and Clarification of Existing Metrology Requirements 1398**

11.37	Rules consequential on the making of the National Electricity Amendment (Provision of Metering Data Services and Clarification of Existing Metrology Requirements) Rule 2010	1398
11.37.1	Definitions	1398
11.37.2	Commencement of special site or technology related conditions	1398
11.37.3	Initial service level procedures	1399
Part ZH	Spot Market Operations Timetable	1399
11.38	Rules consequential on the making of National Electricity Amendment (Amendments to PASA-related Rules) Rule 2010.....	1399
11.38.1	Definitions	1399
11.38.2	Spot market operations timetable	1400
Part ZI	DNSP Recovery of Transmission-related Charges	1400
11.39	Rules consequential on the making of the National Electricity Amendment (DNSP Recovery of Transmission-related Charges) Rule 2011	1400
11.39.1	Definitions	1400
11.39.2	Recovery by Victorian distribution network service providers during current regulatory control period	1401
11.39.3	Recovery by Victorian distribution network service providers for shared network augmentations.....	1402
11.39.4	Bairnsdale network support agreement	1402
11.39.5	Approval of pricing proposal.....	1402
11.39.6	Ergon Energy transitional charges	1402
11.39.7	Energex transitional charges	1402
Part ZJ	Network Support and Control Ancillary Services	1402
11.40	Rules consequential on the making of the National Electricity Amendment (Network Support and Control Ancillary Services) Rule 2011	1402
11.40.1	Definitions	1402
11.40.2	Purpose	1403
11.40.3	Existing NCAS contracts to continue.....	1403
11.40.4	Amendments to existing guidelines	1403
11.40.5	New procedures.....	1404
11.40.6	Decisions and actions taken prior to Amending Rule	1404
Part ZK	Application of Dual Marginal Loss Factors	1404
11.41	Rules consequential on the making of the National Electricity Amendment (Application of Dual Marginal Loss Factors) Rule 2011	1404
11.41.1	Definitions	1404
11.41.2	Amendments to loss factor methodology	1405
11.41.3	Procedure applying dual intra-regional loss factors in central dispatch and spot market transactions	1405
11.41.4	Publication of intra-regional loss factors.....	1405
Part ZL	Tasmania Tranche 5a Procedure Changes.....	1405

11.42 Rules consequential on the making of the National Electricity Amendment (Tasmania Tranche 5a Procedure Changes) Rule 2011 1405

11.42.1 Definitions 1405

11.42.2 AEMO may amend Relevant Procedures 1406

Part ZM Application and Operation of Administered Price Periods 1406

11.43 Rules consequential on the making of National Electricity Amendment (Application and Operation of Administered Price Periods) Rule 2011..... 1406

11.43.1 Definitions 1406

11.43.2 Administered Price Cap Schedule..... 1407

Part ZO Negative Intra-regional Settlements Residue 1407

11.45 Rules consequential on the making of National Electricity Amendment (Negative Intra-regional Settlements Residue) Rule 2012 1407

11.45.1 Definitions 1407

11.45.2 Recovery of negative settlements residue prior to consultation under the Amending Rule..... 1408

11.45.3 First consultation on negative intra-regional settlements residue procedure 1408

Part ZP Interim Connection Charging Rules..... 1409

11.46 Rules consequential to the insertion of Chapter 5A by the National Electricity (National Energy Retail Law) Amendment Rule 2012 1409

Division 1 Preliminary 1409

Division 2 Jurisdictional differences..... 1411

Division 3 General provisions 1419

Part ZQ NSW transitional retail support and credit support rules..... 1419

11.47 Rules consequential on the insertion of Chapter 6B by the National Electricity (National Energy Retail Law) Amendment Rule 2012 1419

Division 1 Preliminary 1419

Part ZR Miscellaneous transitional rules—NERL 1425

11.48 Rules consequential on the making of the National Electricity (National Energy Retail Law) Amendment Rule 2012 1425

11.48.1 Extension of time period for AER to consider certain pass through applications 1425

Part ZS Cost pass through arrangements for Network Service Providers..... 1426

11.49 Rules consequential on the making of National Electricity Amendment (Cost pass through arrangements for Network Service Providers) Rule 2012 1426

11.49.1 Definitions..... 1426

11.49.2	Terrorism event is a cost pass through event in the current regulatory control period	1426
11.49.3	Transitional arrangement for Powerlink	1426
11.49.4	Transitional arrangements for ElectraNet and Murraylink	1427
Part ZT	Distribution Network Planning and Expansion	1427
11.50	Rules consequential on the making of the National Electricity Amendment (Distribution Network Planning and Expansion) Rule 2012	1427
11.50.1	Interpretation.....	1427
11.50.2	Definitions	1428
11.50.3	Timing for first Distribution Annual Planning Report.....	1428
11.50.4	Contents of Distribution Annual Planning Report.....	1428
11.50.5	Transition from the regulatory test to the regulatory investment test for distribution	1430
Part ZU	New Prudential Standard and Framework in the NEM.....	1431
11.51	Rules consequential on the making of the National Electricity Amendment (New Prudential Standard and Framework in the NEM) Rule 2012	1431
11.51.1	Definitions	1431
11.51.2	AEMO's responsibility to develop and publish the credit limit procedures.....	1431
11.51.3	Transition to the framework for determining prudential settings	1431
11.51.4	Prior consultation, step, decision or action taken by AEMO	1432
Part ZV	Small Generation Aggregator Framework.....	1432
11.52	Rules consequential on the making of the National Electricity Amendment (Small Generation Aggregator Framework) Rule 2012.....	1432
11.52.1	Definitions	1432
11.52.2	Commencement of participant fees as well as transactions, funding and settlements under Chapter 3 for Market Small Generation Aggregators.....	1433
11.52.3	Participant fees for Market Small Generation Aggregators	1433
11.52.4	Ancillary service transactions, funding of compensation for directions and intervention settlements for directions for Market Small Generation Aggregators.....	1434
11.52.5	Amendments to the carbon dioxide equivalent intensity index procedures.....	1434
11.52.6	Amendments of the metrology procedures.....	1435
11.52.7	Amendments to the Market Settlement and Transfer Solution Procedures.....	1435
Part ZW	Economic Regulation of Network Service Providers (2012 amendments)	1436
Division 1	Miscellaneous transitional provisions.....	1436
11.53	Publication of Chapter 6 Guidelines	1436
11.54	Publication of Chapter 6A Guidelines.....	1437

Division 2	Transitional provisions for NSW/ACT Distribution Network Service Providers.....	1439
11.55	General provisions	1439
11.56	Special provisions applying to affected DNSPs	1442
Division 3	Transitional provisions for NSW and Tasmanian Transmission Network Service Providers and Directlink.....	1454
11.57	General provisions	1454
11.58	Special provisions applying to affected TNSPs.....	1457
Division 4	Transitional provisions for the Victorian TNSP	1466
11.59	Special provisions applying to the Victorian TNSP	1466
Division 5	Transitional provisions for Qld/SA and Victorian Distribution Network Service Providers	1468
11.60	Special provisions applying to the Qld/SA and Victorian Distribution Network Service Providers	1468
Division 6	Review of past capital expenditure	1474
11.61	Definitions and application.....	1474
11.62	Review of past capital expenditure under Chapter 6	1474
11.63	Review of past capital expenditure under Chapter 6A.....	1475
Part ZX	Inter-regional Transmission Charging.....	1475
11.64	Rules consequent on the making of the National Electricity Amendment (Inter-regional Transmission Charging) Rule 2013.....	1475
11.64.1	Definitions	1475
11.64.2	Amendments to the pricing methodology guidelines.....	1476
11.64.3	Amendments to the pricing methodologies of Transmission Network Service Providers	1476
11.64.4	Commencement of clause 6A.23.3(f) for further adjustments	1477
Part ZY	Network Service Provider Expenditure Objectives	1477
11.65	Rules consequent on the making of the National Electricity Amendment (Network Service Provider Expenditure Objectives) Rule 2013.....	1477
11.65.1	Definitions	1477
11.65.2	Application of rule 11.65.....	1478
Part ZZ	Access to NMI Standing Data	1478
11.66	Rules consequent on the making of the National Electricity Amendment (Access to NMI Standing Data) Rule 2013	1478
11.66.1	Definitions	1478
11.66.2	Minor amendment of the Market Settlement and Transfer Solution Procedures.....	1478
Part ZZA	Publication of Zone Substation Data.....	1479
11.67	Rules consequent on the making of the National Electricity Amendment (Publication of Zone Substation Data) Rule 2014.....	1479
11.67.1	Definitions	1479
11.67.2	Distribution Network Service Providers' obligations to commence on the next DAPR date	1479
Part ZZB	Connecting Embedded Generators.....	1479

11.68	Rules consequential on the making of the National Electricity Amendment (Connecting embedded generators) Rule 2014	1479
11.68.1	Definitions	1479
11.68.2	Continuation of enquiries lodged	1480
Part ZZC	Customer access to information about their energy consumption	1480
11.69	Rules consequential on the making of the National Electricity Amendment (Customer access to information about their energy consumption) Rule 2014.....	1480
11.69.1	Definitions	1480
11.69.2	AEMO to develop and publish the metering data provision procedure	1480
Part ZZD	National Electricity Amendment (Distribution Network Pricing Arrangements) Rule 2014	1480
Division 1	Miscellaneous transitional provisions.....	1480
11.70	General provisions	1480
11.70.1	Definitions	1480
Division 2	Transitional provisions for NSW/ACT and Qld/SA Distribution Network Service Providers	1483
11.72	General provisions	1483
11.772.1	Definitions	1483
Division 3	Transitional provisions for Tasmanian Distribution Network Service Provider	1490
11.74	Application of former Chapter 6.....	1490
Division 4	Transitional provisions for Victorian Distribution Network Service Providers.....	1490
11.75	General provisions	1490
11.75.1	Definitions	1490
11.76	Special provisions applying to affected DNSPs	1490
11.76.1	Distribution determination and pricing proposals.....	1490
11.76.2	Tariff structure statement.....	1491
Part ZZE	Early Application of Network Capability Component (STPIS)	1497
11.77	Rules consequent on the making of the National Electricity Amendment (Early Application of Service Target Performance Incentive Scheme (STPIS) Components for Transmission Businesses) Rule 2015.....	1497
11.77.1	Definitions	1497
11.77.2	Purpose	1498
11.77.3	Earlier application of the network capability component of the service target performance incentive scheme	1498
Part ZZF	National Electricity Amendment (Governance arrangements and implementation of the reliability standard and settings) Rule 2015	1500

11.78	Rules consequent on the making of the National Electricity Amendment (Governance arrangements and implementation of the reliability standards and settings) Rule 2015	1500
11.78.1	Definitions	1500
11.78.2	Existing power system security and reliability standards.....	1501
11.78.3	Reliability standard and settings guidelines	1501
11.78.4	Reliability standard implementation guidelines.....	1501
Part ZZG	Improving demand side participation information provided to AEMO by registered participants	1504
11.79	Rules consequential on making of the National Electricity Amendment (Improving demand side participation information provided to AEMO by registered participants) Rule 2015	1504
11.79.1	AEMO to develop and publish the demand side participation information guidelines.....	1504
Part ZZH	Transitional Arrangements for Aligning TasNetworks' regulatory control periods	1504
11.80	National Electricity Amendment (Aligning TasNetworks' regulatory control periods) Rule 2015	1504
11.80.1	Definitions	1504
11.80.2	Application of rule 11.80.....	1505
11.80.3	Next regulatory control period.....	1505
11.80.4	Subsequent regulatory control period	1505
Part ZZI	System Restart Ancillary Services	1505
11.81	Rules consequential on the making of the National Electricity Amendment (System Restart Ancillary Services) Rule 2015	1505
11.81.1	Definitions	1505
11.81.2	System restart standard.....	1506
11.81.3	SRAS Guideline.....	1506
11.81.4	Regional Benefit Ancillary Services Procedures	1506
11.81.5	Consultation prior to the Commencement Date.....	1506
11.81.6	Existing SRAS Contract.....	1506
Part ZZJ	Demand management incentive scheme	1507
11.82	Rules consequential on making of the National Electricity Amendment (Demand management incentive scheme) Rule 2015	1507
11.82.1	Definitions	1507
11.82.2	AER to develop and publish the demand management incentive scheme and demand management innovation allowance mechanism	1507
Part ZZK	AEMO access to demand forecasting information.....	1507
11.83	Rules consequential on the making of the National Electricity Amendment (AEMO access to demand forecasting information) Rule 2015	1507
11.83.1	AEMO to include supporting information in NTNDP database.....	1507

Part ZZL Compensation arrangements following application of an Administered Price Cap or Administered Floor Price 1508

11.84 Rules consequential on the making of the National Electricity Amendment (Compensation Arrangements following application of an Administered Price Cap and Administered Floor Price) Rule 2016..... 1508

11.84.1 Definitions 1508

11.84.2 Compensation Guidelines 1508

Part ZZM Common definitions of distribution reliability measures 1508

11.85 Rules consequential on the making of the National Electricity Amendment (Common definitions of distribution reliability measures) Rule 2015..... 1508

11.85.1 Definitions 1508

11.85.2 Distribution reliability measures guidelines 1509

11.85.3 Amended STPIS..... 1509

Part ZZN Expanding competition in metering and metering related services..... 1509

11.86 Rules consequent on making of the National Electricity Amendment (Expanding competition in metering and related services) Rule 2015 1509

11.86.1 Definitions 1509

11.86.2 References to old Chapter 7..... 1509

11.86.3 References to provisions of the old Chapter 7..... 1510

11.86.4 References to responsible person 1510

11.86.5 Continued operation of old Rules until the effective date 1510

11.86.6 New and amended procedures 1510

11.86.7 Metering Coordinator for type 5 or 6 metering installation from effective date..... 1511

11.86.8 Distribution Ring Fencing Guidelines..... 1513

11.86.9 [Deleted] 1514

Part ZZO Embedded Networks 1514

11.87 Rules consequential on the making of the National Electricity Amendment (Embedded Networks) Rule 2015 1514

11.87.1 Definitions 1514

11.87.2 Amended Procedures and NMI Standing Data Schedule 1514

11.87.3 ENM service level procedures and guide to embedded networks and list of Embedded Network Managers 1515

11.87.4 Exemptions under section 13 of the National Electricity Law 1515

Part ZZP Meter Replacement Processes..... 1515

11.88 Rules consequential on the making of the National Electricity Amendment (Meter Replacement Processes) Rule 2016..... 1515

11.88.1 Definitions 1515

11.88.2 Amended Procedures..... 1515

Part ZZQ Energy Adequacy Assessment Projection 1516

11.89 Rules consequential to the National Electricity Amendment (Energy Adequacy Assessment Projection timeframes) Rule 2016..... 1516

11.89.1 Amended guideline and timetable..... 1516

Part ZZR Reliability and emergency reserve trader (2016 amendments) 1516

11.90 Rules consequent on the making of the National Electricity Amendment (Extension of the Reliability and Emergency Reserve Trader) Rule 2016 1516

11.90.1 Definitions 1516

11.90.2 Amendments to Reliability Panel's RERT Guidelines 1517

11.90.3 Amendments to AEMO's RERT procedures 1517

11.90.4 Reserve contracts entered into before Schedule 2 commencement date 1517

Part ZZS Updating the electricity B2B framework..... 1517

11.91 Rules consequential on the making of the National Electricity Amendment (Updating the electricity B2B framework) rule 2016..... 1517

11.91.1 Definitions..... 1517

11.91.2 B2B Procedures 1518

11.91.3 Information Exchange Committee Election Procedures and Information Exchange Committee Operating Manual..... 1518

11.91.4 The New IEC 1519

11.91.5 Amended Procedures 1520

11.91.6 B2B e-Hub Participant accreditation process 1521

11.91.7 New IEC Budget and 2016 Annual Report 1521

11.91.8 Cost recovery 1522

Part ZZT Application of Offsets in the Prudential Margin Calculation..... 1522

11.92 Rules consequential on the making of the National Electricity Amendment (Application of Offsets in the Prudential Margin Calculation) Rule 2016..... 1522

11.92.1 Definitions 1522

11.92.2 Amended procedures 1523

Part ZZU Rate of Return Guidelines Review..... 1523

11.93 Rules consequential on the making of the National Electricity Amendment (Rate of Return Guidelines Review) Rule 2016 1523

11.93.1 Definitions 1523

11.93.2 Application of current rate of return guidelines to making of a distribution determination for the subsequent regulatory control period..... 1524

Part ZZV Demand Response Mechanism and Ancillary Services Unbundling..... 1525

11.94 Rules consequential on the making of the National Electricity Amendment (Demand Response Management and Ancillary Services Unbundling) rule 2016 1525

11.94.1 Definitions 1525

11.94.2 Participant fees for Market Ancillary Service Providers..... 1525

Part ZZW Local Generation Network Credits 1525

11.95 Rules consequential on the making of the National Electricity Amendment (Local Generation Network Credits) Rule 2016 1525

11.95.1 Definitions 1525

11.95.2 System limitation template 1525

Part ZZX Retailer-Distributor Credit Support Requirements 1526

11.96 Rules consequent on the making of the National Electricity Amendment (Retailer Distributor Credit Support Requirements) Rule 2017 No. 1 1526

11.96.1 Definitions 1526

11.96.2 Continued operation of old Chapter 6B 1526

11.96.3 Interaction with Chapter 6 1526

11.96.4 Application of new Chapter 6B 1526

Part ZZY Emergency Frequency Control Schemes..... 1527

11.97 Rules consequent on the making of the National Electricity Amendment (Emergency frequency control schemes) Rule 2017 1527

11.97.1 Definitions..... 1527

11.97.2 Interim frequency operating standards for protected events..... 1527

11.97.3 First power system frequency risk review 1528

11.97.4 AEMO must review existing load shedding procedures 1528

11.97.5 Load shedding procedures 1528

Part ZZZ Transmission Connection and Planning Arrangements 1529

11.98 Rules consequential on the making of the National Electricity Amendment (Transmission Connection and Planning Arrangements) Rule 2017 1529

11.98.1 Definitions 1529

11.98.2 Grandfathering of existing dedicated connection assets 1530

11.98.3 Preparatory steps for registration changes under the Amending Rule 1531

11.98.4 Participant fees for Dedicated Connection Asset Service Providers 1531

11.98.5 Existing Connection Agreements..... 1531

11.98.6 Connection process 1532

11.98.7 Transmission Annual Planning Report..... 1532

11.98.8 Preservation for adoptive jurisdictions 1532

Part ZZZA Replacement expenditure planning arrangements 1533

11.99 Rules consequential on the making of the National Electricity Amendment (Replacement expenditure planning arrangements) Rule 2017 1533

11.99.1 Definitions 1533

11.99.2 Interpretation..... 1534

11.99.3	Transitional arrangements for affected DNSPs	1534
11.99.4	Amendments to RIT documentation	1534
11.99.5	Transitional arrangements relating to excluded projects.....	1535
11.99.6	Transitional arrangements relating to Victorian bushfire mitigation projects	1535
11.99.7	Transitional arrangements relating to review of costs thresholds.....	1536
Part ZZZB	Managing the rate of change of power system frequency	1536
11.100	Rules consequential on the making of the National Electricity Amendment (Managing the rate of change of power system frequency) Rule 2017.....	1536
11.100.1	Definitions	1536
11.100.2	Inertia sub-networks.....	1537
11.100.3	Inertia requirements methodology	1537
11.100.4	Inertia requirements.....	1538
11.100.5	NSCAS not to be used to meet an inertia shortfall after 1 July 2019	1538
11.100.6	Inertia network services may be used to meet an NSCAS gap declared in the NSCAS transition period	1539
11.100.7	Inertia network services made available before the commencement date	1539
Part ZZZC	Managing power system fault levels	1540
11.101	Rules consequential on the making of the National Electricity Amendment (Managing power system fault levels) Rule 2017	1540
11.101.1	Definitions	1540
11.101.2	System strength impact assessment guidelines.....	1541
11.101.3	System strength requirements methodology.....	1541
11.101.4	System strength requirements	1542
11.101.5	NSCAS not to be used to meet a fault level shortfall after 1 July 2019	1542
11.101.6	System strength services may be used to meet an NSCAS gap declared in the NSCAS transition period	1543
11.101.7	Withdrawal of a system strength-related NSCAS gap already declared.....	1543
11.101.8	System strength services made available before the commencement date	1544
Part ZZZD	Generating System Model Guidelines	1544
11.102	Making of Power System Model Guidelines.....	1544