2. Registered Participants and Registration

2.1 Registered Participants

2.1.1 Purpose

This Chapter sets out and describes the various categories of Registered Participants and the registration procedures. It also sets out the fees payable by Registered Participants.

2.1.2 General

(a) [Deleted]

(b) [Deleted]

(c) The different categories of Registered Participants have different obligations under the Rules.

(d) Rules 2.2 to 2.7 set out the Registered Participant categories and requirements which a person must satisfy in order to be registered by AEMO in relation to each of those Registered Participant categories.

(e) Each prospective Registered Participant must apply to AEMO for registration in accordance with rule 2.9.

(e1) Rule 2.9A sets out the process to be followed in order to transfer a Registered Participant's registration to another person.

(f) Each Registered Participant must pay to AEMO the prescribed fees determined in accordance with the provisions of rule 2.11.

2.2 Generator

2.2.1 Registration as a Generator

(a) Subject to clause 2.2.1(c), a person must not engage in the activity of owning, controlling or operating a generating system that is connected to a transmission or distribution system unless that person is registered by AEMO as a Generator.

(b) [Deleted]

(c) AEMO may, in accordance with guidelines issued from time to time by AEMO, exempt a person or class of persons from the requirement to register as a Generator, subject to such conditions as AEMO deems appropriate, where (in AEMO's opinion) an exemption is not inconsistent with the national electricity objective.

Note:

A person who is exempt from registration as a Generator, may register with AEMO as a Small Generation Aggregator under rule 2.3A.
(d) Without limitation, an exemption may be given which only relieves a person or class of persons from the requirement to register as a Generator in relation to certain specified generating systems or classes of generating systems.

(e) To be eligible for registration as a Generator, a person must:

(1) obtain the approval of AEMO to classify each of the generating units that form part of the generating system that the person owns, operates or controls, or from which it otherwise sources electricity, as:

   (i) a scheduled generating unit;
   
   (ii) a semi-scheduled generating unit; or
   
   (iii) a non-scheduled generating unit;

(2) classify the generating units in accordance with AEMO's approval as referred to in subparagraph (1);

(2A) if a generating unit is classified as a scheduled generating unit or a semi-scheduled generating unit in accordance with subparagraph (1):

   (i) notify AEMO of the year in which the Generator expects the generating unit to cease supplying electricity to the transmission network or distribution network at its connection point (expected closure year); and
   
   (ii) immediately notify AEMO of any change to the expected closure year; and

(3) satisfy AEMO that each generating system will be capable of meeting or exceeding its performance standards.

(f) Except in relation to a proposed generating unit, a person must also classify each of those generating units as either a market generating unit or a non-market generating unit.

(f1) A Generator may also classify one or more of its generating units as an ancillary service generating unit where it has obtained the approval of AEMO to do so.

(g) Nothing in clause 2.2.1(c) or (f) requires the classification of any generating unit which forms part of a generating system in respect of which an exemption under clause 2.2.1(c) applies.

2.2.2 Scheduled Generator

(a) A generating unit which has a nameplate rating of 30 MW or greater or is part of a group of generating units connected at a common connection point with a combined nameplate rating of 30 MW or greater must be classified as a scheduled generating unit unless AEMO approves its classification as:

(1) a semi-scheduled generating unit under clause 2.2.7(b); or

(2) a non-scheduled generating unit in accordance with clause 2.2.3(b).
(b) A person must not classify a generating unit as a scheduled generating unit unless it has obtained the approval of AEMO to do so. AEMO must approve the classification if it is satisfied that the person:

1. has submitted data in accordance with schedule 3.1; and
2. has adequate communications and/or telemetry to support the issuing of dispatch instructions and the audit of responses.

(b1) In relation to an application under clause 2.2.2(b) to classify as a scheduled generating unit a generating unit with a nameplate rating of less than 30 MW, or a generating unit that is part of a group of generating units connected at a common connection point with a combined nameplate rating of less than 30 MW, AEMO may approve the classification on such terms and conditions as AEMO considers appropriate.

(c) A person must comply with any terms and conditions imposed by AEMO as part of an approval under clause 2.2.2(b1).

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(d) [Deleted]

(e) A Generator is taken to be a Scheduled Generator only in so far as its activities relate to any scheduled generating unit.

(f) A Scheduled Generator must operate any scheduled generating unit in accordance with the co-ordinated central dispatch process operated by AEMO under the provisions of Chapter 3.

(g) As described in Chapter 3, a Scheduled Generator must notify AEMO of the availability of each scheduled generating unit in respect of each trading interval.

(h) A Scheduled Generator may submit to AEMO a schedule of dispatch offers for each scheduled generating unit in respect of each trading interval for dispatch by AEMO.

2.2.3 Non-Scheduled Generator

(a) A generating unit with a nameplate rating of less than 30 MW (not being part of a group of generating units described in clause 2.2.2(a)) must be classified as a non-scheduled generating unit unless AEMO approves its classification as:

1. a scheduled generating unit under clause 2.2.2(b); or
2. a semi-scheduled generating unit under clause 2.2.7(b).

(b) A person must not classify a generating unit as a non-scheduled generating unit unless the person has obtained the approval of AEMO to do so. AEMO must approve the classification if it is satisfied that:
(1) the primary purpose for which the relevant generating unit operates is local use and the aggregate sent out generation at its connection point rarely, if ever, exceeds 30 MW; or

(2) the physical and technical attributes of the relevant generating unit are such that it is not practicable for it to participate in central dispatch.

(c) If, in relation to an application under paragraph (b), in AEMO’s opinion it is necessary for any reason (including power system security) for the relevant Generator to comply with some of the obligations of a Scheduled Generator or Semi-Scheduled Generator for that generating unit, AEMO may approve the classification on such terms and conditions as AEMO considers reasonably necessary.

(d) A person must comply with any terms and conditions imposed by AEMO under paragraph (c).

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(e) A Generator is taken to be a Non-Scheduled Generator only in so far as its activities relate to a non-scheduled generating unit.

(f) Subject to clause 3.8.2(e), the non-scheduled generating units of a Generator do not participate in the co-ordinated central dispatch process operated by AEMO.

2.2.4 Market Generator

(a) A generating unit whose sent out generation is not purchased in its entirety by the Local Retailer or by a Customer located at the same connection point must be classified as a market generating unit.

(b) A Generator is taken to be a Market Generator only in so far as its activities relate to any market generating units.

(c) A Market Generator must sell all sent out generation through the spot market and accept payments from AEMO for sent out generation at the spot price applicable at the connection point as determined for each trading interval in accordance with the provisions of Chapter 3.

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(d) A Market Generator must purchase all electricity supplied through the national grid to the Market Generator at that connection point from the spot market and make payments to AEMO for such electricity supplied at the connection point as determined for each trading interval in accordance with the provisions of Chapter 3.
2.2.5 Non-Market Generator

(a) A generating unit whose sent out generation is purchased in its entirety by the Local Retailer or by a Customer located at the same connection point must be classified as a non-market generating unit.

(b) A Generator is taken to be a Non-Market Generator only in so far as its activities relate to any non-market generating unit.

(c) A Non-Market Generator is not entitled to receive payment from AEMO for sent out generation except for any compensation that may be payable to it as a Directed Participant or Affected Participant.

2.2.6 Ancillary services generating unit

(a) If the Market Generator in respect of a generating unit wishes to use that generating unit to provide market ancillary services in accordance with Chapter 3, then the Market Generator must apply to AEMO for approval to classify the generating unit as an ancillary service generating unit.

(b) An application under clause 2.2.6(a) must be in the form prescribed by AEMO and specify the market ancillary services which the Market Generator wishes to provide using the relevant generating unit.

(c) AEMO must, within 5 business days of receiving an application under clause 2.2.6(a), advise the applicant of any further information or clarification which is required in support of its application if, in AEMO's reasonable opinion, the application:

(1) is incomplete; or

(2) contains information upon which AEMO requires clarification.

(d) If the further information or clarification required pursuant to clause 2.2.6(c) is not provided to AEMO's satisfaction within 15 business days of the request, then the Market Generator will be deemed to have withdrawn the application.

(e) If AEMO is reasonably satisfied that:

(1) the generating unit is able to be used to provide the market ancillary services referred to in the application in accordance with the market ancillary service specification; and

(2) the Market Generator has adequate communication and/or telemetry to support the issuing of dispatch instructions and the audit of responses,

then AEMO must approve the classification in respect of the particular market ancillary services.

(f) If AEMO approves the classification of a generating unit as an ancillary service generating unit, then AEMO may impose on the relevant Market
Generator such terms and conditions as AEMO considers necessary to ensure that the provisions of the Rules applying to market ancillary services can be met.

(g) A Market Generator:

(1) must comply with any terms and conditions imposed by AEMO under clause 2.2.6(f);

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(2) must ensure that the market ancillary services provided using the relevant ancillary services generating unit are provided in accordance with the co-ordinated central dispatch process operated by AEMO under the provisions of Chapter 3 and in accordance with the market ancillary service specification;

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(3) may submit to AEMO market ancillary service offers in respect of the ancillary service generating unit in accordance with the provisions of Chapter 3; and

(4) if the Market Generator submits a market ancillary service offer in respect of the relevant ancillary service generating unit, must comply with the dispatch instructions from AEMO in accordance with the Rules.

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(h) A Market Generator with an ancillary service generating unit must only sell the market ancillary services produced using that ancillary service generating unit through the spot market in accordance with the provisions of Chapter 3.

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(i) A Market Generator is not entitled to receive payment from AEMO for market ancillary services except where those market ancillary services are produced using an ancillary service generating unit in accordance with Chapter 3 or pursuant to a direction or clause 4.8.9 instruction.

2.2.7 Semi-Scheduled Generator

(a) A generating unit which has a nameplate rating of 30 MW or greater or is part of a group of generating units connected at a common connection point
with a combined nameplate rating of 30 MW or greater, must be classified as a semi-scheduled generating unit where the output of the generating unit is intermittent unless AEMO approves its classification as:

(1) a scheduled generating unit under clause 2.2.2(b); or
(2) a non-scheduled generating unit under clause 2.2.3(b).

(b) A person must not classify a generating unit as a semi-scheduled generating unit unless the person has obtained the approval of AEMO to do so.

(c) AEMO must approve a request for classification as a semi-scheduled generating unit if it is satisfied that the output of the generating unit is intermittent and that the person:

(1) has submitted data in accordance with schedule 3.1;
(2) has submitted an energy conversion model which contains the information described in the guidelines referred to in paragraph (d); and
(3) has adequate communications and telemetry to support the issuing of dispatch instructions and the audit of responses.

(d) AEMO must develop and publish guidelines in consultation with Semi-Scheduled Generators and such other person that AEMO, acting reasonably, considers appropriate setting out the information to be contained in energy conversion models. Any amendments to the guidelines are also to be made in consultation with Semi-Scheduled Generators and such other person that AEMO, acting reasonably, considers appropriate.

(e) In relation to an application under paragraph (b) to classify a generating unit with a nameplate rating of less than 30 MW, or a generating unit that is part of a group of generating units connected at a common connection point with a combined nameplate rating of less than 30 MW, as a semi-scheduled generating unit, AEMO may approve the classification on such terms and conditions as AEMO considers appropriate.

(f) A person must comply with any terms and conditions imposed by AEMO as part of an approval under paragraph (e).

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(g) A Generator is taken to be a Semi-Scheduled Generator only in so far as its activities relate to a semi-scheduled generating unit.

(h) A Semi-Scheduled Generator must operate a semi-scheduled generating unit in accordance with the co-ordinated central dispatch process operated by AEMO under the provisions of Chapter 3.

(i) At the time that a person makes a request for AEMO to classify a semi-scheduled generating unit under paragraph (c), that person may request to register two or more generating units as one semi-scheduled generating unit when the generating units:
are connected at a single site with:

(i) the same *intra-regional loss factor*; or

(ii) if two *intra-regional loss factors* are determined for the site under clause 3.6.2(b)(2), the same two *intra-regional loss factors*;

(2) each have a capacity of not more than 6MW; and

(3) have similar *energy conversion models*,

and AEMO must approve the request unless, in AEMO's opinion, registering the relevant *generating units* as one *semi-scheduled generating unit* could adversely impact on power system security.

(j) Notwithstanding that one or more of the conditions set out in paragraph (i) may not have been fulfilled by the *Semi-Scheduled Generator*, AEMO may approve a request received under paragraph (i) if registration as a single *semi-scheduled generating unit* would not materially distort *central dispatch* or adversely affect power system security.

(k) Where AEMO approves a request to register two or more *generating units* as one *semi-scheduled generating unit* in accordance with paragraph (i) or (j), the *generating units* will be taken to be one *semi-scheduled generating unit* for the purposes of the *Rules*.

(l) For the avoidance of doubt, a *Semi-Scheduled Generator* which operates two or more *semi-scheduled generating units* that could have been registered as a single *semi-scheduled generating unit* under paragraph (i) but were not so registered, may subsequently aggregate those *generating units* in accordance with clause 3.8.3.

### 2.3 Customer

#### 2.3.1 Registration as a Customer

(a) A *Customer* is a person so registered by *AEMO* and who engages in the activity of purchasing electricity supplied through a *transmission or distribution system* to a *connection point*.

(b) To be eligible for registration as a *Customer*, a person must satisfy *AEMO* (acting reasonably) that:

(1) the person intends to classify within a reasonable period of time its electricity purchased at one or more *connection points* as a *first-tier load*, a *second-tier load* or a *market load* or an intending load; or

(2) registration is for the purpose of acting as a *RoLR*.

(c) A person must not engage in the activity of purchasing electricity directly from the *market* at any *connection point*, unless that person is registered by *AEMO* as a *Market Participant* and that *connection point* is classified as one of that person's *market connection points*.

(d) A person who engages in the activity of purchasing electricity at any *connection point* otherwise than directly from the *market* may, but is not
required to, apply for registration by AEMO as a First-Tier Customer, a Second-Tier Customer or an Intending Participant provided that person is entitled to classify its electricity purchased at that connection point based on the threshold criteria set out in clause 2.3.1(e).

(e) A person may not classify its electricity purchased at any connection point unless the person satisfies the requirements of the participating jurisdiction in which the connection point is situated so that (subject to compliance with the Rules) the person is permitted to purchase electricity in the spot market in relation to that connection point.

(f) A Market Customer may classify one or more of its market loads as an ancillary service load in accordance with clause 2.3.5.

2.3.2 First-Tier Customer

(a) If any electricity supplied through the national grid is purchased by a person at a connection point directly and in its entirety from the Local Retailer, the load at that connection point may be classified by that person as a first-tier load.

(b) A Customer is taken to be a First-Tier Customer only in so far as its activities relate to any first-tier load.

(c) A First-Tier Customer must not participate in the spot market for any first-tier load.

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

2.3.3 Second-Tier Customer

(a) Subject to clause 2.3.3(d), if any electricity supplied through the national grid is purchased by a person at a connection point other than directly from the Local Retailer or the spot market all electricity purchased by that person at that connection point may be classified by that person as a second-tier load.

(b) A Customer is taken to be a Second-Tier Customer only in so far as its activities relate to any second-tier load.

(c) A Second-Tier Customer must not participate in the spot market for any of its second-tier loads.

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(d) A person's purchase of electricity at a connection point may only be classified as a second-tier load while a Market Customer, from whom the person directly or indirectly purchases the electricity, classifies the connection point as one of its market loads.
2.3.4 Market Customer

(a) If electricity, supplied through the national grid to any person connected at a connection point, is purchased other than from the Local Retailer that load at the connection point may be classified by that person or, with the consent of that person, by some other person as a market load.

(b) A Customer is taken to be a Market Customer only in so far as its activities relate to any market load and only while it is also registered with AEMO as a Market Customer.

(c) A Market Customer must purchase all electricity supplied at that connection point from the spot market and make payments to AEMO for electricity supplied at the connection point as determined for each trading interval in accordance with provisions of Chapter 3.

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(d) A Market Customer may request AEMO to classify any of its market loads as a scheduled load.

(e) AEMO must classify a market load as a scheduled load if it is satisfied that the Market Customer:

1. has submitted data in accordance with schedule 3.1;
2. has adequate communications and/or telemetry to support the issuing of dispatch instructions and the audit of responses; and
3. has requested that the load be so classified and has not withdrawn that request.

(f) A Market Customer may submit dispatch bids in respect of scheduled loads in accordance with the provisions of Chapter 3.

(g) A Market Customer who submits dispatch bids for scheduled loads and makes its scheduled loads available for central dispatch must comply with the dispatch instructions from AEMO in accordance with the Rules.

(h) A Customer who is also a Local Retailer must classify any connection point which connects its local area to another part of the power system as a market load.

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

2.3.5 Ancillary services load

(a) If a Market Ancillary Service Provider in respect of a load, or the Market Customer in respect of a market load, wishes to use that load or market load to provide market ancillary services in accordance with Chapter 3, then the
Market Ancillary Service Provider or Market Customer (as the case may be) must apply to AEMO for approval to classify the load or market load as an ancillary service load.

(b) An application under paragraph (a) must be in the form prescribed by AEMO and:

(1) specify the market ancillary services which the Market Ancillary Service Provider in respect of a load or Market Customer in respect of a market load (as the case may be) wishes to provide using the relevant load or market load; and

(2) in the case of an application made by a Market Ancillary Service Provider, not be in respect of a market load that is a scheduled load.

(c) AEMO must, within 5 business days of receiving an application under paragraph (a), advise the applicant of any further information or clarification which is required in support of its application if, in AEMO's reasonable opinion, the application:

(1) is incomplete; or

(2) contains information upon which AEMO requires classification.

(d) If the further information or clarification required pursuant to paragraph (c) is not provided to AEMO's satisfaction within 15 business days of the request, then the Market Ancillary Service Provider or Market Customer (as applicable) will be deemed to have withdrawn the application.

(e) If AEMO is reasonably satisfied that:

(1) the load is able to be used to provide the market ancillary services referred to in the application in accordance with the market ancillary service specification;

(1A) the Market Ancillary Service Provider or the Market Customer (as the case may be) has an arrangement with the retail customer at the relevant connection point for the supply of market ancillary services; and

(2) the Market Ancillary Service Provider or the Market Customer (as the case may be) has adequate communications and/or telemetry to support the issuing of dispatch instructions and the audit of responses,

then AEMO must approve the classification in respect of the particular market ancillary services.

(f) If AEMO approves the classification of a load as an ancillary service load, then AEMO may impose on the relevant Market Ancillary Service Provider or Market Customer (as the case may be) such terms and conditions as AEMO considers necessary to ensure that the provisions of the Rules applying to market ancillary services can be met.

(g) A Market Ancillary Service Provider and Market Customer (as applicable):

(1) must comply with any terms and conditions imposed by AEMO under paragraph (f);
Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(2) must ensure that the market ancillary services provided using the relevant ancillary services load are provided in accordance with the coordinated central dispatch process operated by AEMO under the provisions of Chapter 3 and in accordance with the market ancillary service specification;

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(3) may submit to AEMO market ancillary service offers in respect of the ancillary service load in accordance with the provision of Chapter 3; and

(4) if the Market Ancillary Service Provider or Market Customer (as applicable) submits a market ancillary service offer in respect of the relevant ancillary service load, must comply with the dispatch instructions from AEMO in accordance with the Rules.

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(h) A Market Ancillary Service Provider or Market Customer (as applicable) with an ancillary service load must only sell the market ancillary services produced using that ancillary service load through the spot market in accordance with the provisions of Chapter 3.

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(i) A Market Ancillary Service Provider or Market Customer (as applicable) is not entitled to receive payment from AEMO for market ancillary services except where those market ancillary services are produced using an ancillary service load in accordance with Chapter 3 or pursuant to a direction or clause 4.8.9 instruction.

(j) A Market Ancillary Service Provider and Market Customer (as applicable) must immediately notify AEMO if a load it has classified as an ancillary service load ceases to meet the requirements for classification under this clause 2.3.5.
2.3A Small Generation Aggregator

2.3A.1 Registration

(a) A person who intends to supply electricity from one or more small generating units to a transmission or distribution system may, upon application for registration by that person in accordance with rule 2.9, be registered by AEMO as a Small Generation Aggregator.

(b) To be eligible for registration as a Small Generation Aggregator, a person must satisfy AEMO that the person intends to classify, within a reasonable amount of time, one or more small generating units each as a market generating unit, with each market generating unit having a separate connection point.

(c) A person must not engage in the activity of selling electricity directly to the market at any connection point, unless that person is registered by AEMO as a Market Participant and that connection point is classified as one of that person's market connection points.

(d) A person must not classify a small generating unit as a market generating unit for electricity supplied from any connection point unless the person satisfies the requirements of the participating jurisdiction in which the connection point is situated so that (subject to compliance with the Rules) the person is permitted to supply electricity in the spot market in relation to that connection point.

(e) A Market Small Generation Aggregator must classify each small generating unit from which it proposes to supply electricity as a market generating unit, with each market generating unit having a separate connection point.

(f) A Market Small Generation Aggregator’s activities only relate to small generating units it has classified as market generating units, and only while it is also registered with AEMO as a Small Generation Aggregator.

(g) A Market Small Generation Aggregator must sell all sent out generation through the spot market and accept payments from AEMO for all sent out generation at the spot price applicable at the connection point for which it is financially responsible as determined for each trading interval in accordance with the provisions of Chapter 3.

(h) A Market Small Generation Aggregator must purchase all electricity supplied through the national grid to the Market Small Generation Aggregator at that connection point from the spot market and make payments to AEMO for such electricity supplied at the connection point for which it is financially responsible as determined for each trading interval in accordance with the provisions of Chapter 3.

2.3AA Market Ancillary Service Provider

2.3AA.1 Registration

(a) A person must not engage in the activity of offering and providing market ancillary services in accordance with Chapter 3 as a Market Ancillary Service
Provider unless that person is registered by AEMO as a Market Ancillary Service Provider.

(b) To be eligible for registration as a Market Ancillary Service Provider, a person must:

(1) obtain the approval of AEMO to classify load connected to a transmission or distribution system that it wishes to use to provide market ancillary service by:

(i) identifying units of load under its ownership, operation or control;
(ii) demonstrating how load identified in (i) are under its ownership, operation or control; and
(iii) demonstrating that the load identified in (i) has the required equipment to be used to provide market ancillary service;

(2) satisfy AEMO that each load referred to in subparagraph (1) will be capable of meeting or exceeding the relevant performance standards and specifications to AEMO’s satisfaction.

(c) A Market Ancillary Service Provider may classify the load referred to in subparagraph (b)(1) as an ancillary service load in accordance with clause 2.3.5 where it has obtained the approval of AEMO to do so.

(d) A Market Ancillary Service Provider’s activities only relate to loads it has classified (in its capacity as a Market Ancillary Service Provider) as ancillary service loads, and only while it is also registered with AEMO as a Market Ancillary Service Provider.

2.4 Market Participant

2.4.1 Registration as a category of Market Participant

(a) A Market Participant is a person registered by AEMO as any one or more of the following categories:

(1) Market Customer;
(1A) Market Small Generation Aggregator;
(1B) Market Ancillary Service Provider;
(2) Market Generator;
(3) Market Network Service Provider.

(b) A Market Participant may only participate in the market in the category in which it has been registered.

(c) A Market Participant may only participate in any of the markets or trading activities conducted by AEMO if that Market Participant satisfies the relevant prudential requirements set out in Chapter 3 applicable to the relevant trading activity.
2.4.2 Eligibility

To be eligible to be registered as any category of Market Participant, a person must:

(a) satisfy AEMO that it is and will be able to satisfy the prudential requirements as set out in rule 3.3 applicable to all Market Participants and those applicable to the relevant category of Market Participant in which that person wishes to participate in the market;

(b) satisfy AEMO that it meets any relevant requirements imposed under relevant jurisdictional electricity legislation;

(c) satisfy AEMO that it is also registered:

(1) as a Generator, for registration as a Market Generator;

(2) as a Customer, for registration as a Market Customer;

(2A) as a Small Generation Aggregator, for registration as a Market Small Generation Aggregator; or

(3) as a Network Service Provider, for registration as a Market Network Service Provider;

(d) satisfy AEMO that it is complying and will comply with other relevant obligations set out in the Rules; and

(e) pay the prescribed fees determined in accordance with rule 2.11.

2.4A Metering Coordinator

2.4A.1 Registration as a Metering Coordinator

(a) A Metering Coordinator is a person so registered by AEMO who engages in the coordination and provision of metering services at a connection point.

(b) AEMO may exempt a Transmission Network Service Provider from satisfying one or more registration requirements when registering as a Metering Coordinator for transmission network connection points on its transmission network, subject to such conditions as AEMO deems appropriate, where (in AEMO's reasonable opinion) the exemption is not inconsistent with the national electricity objective.

(c) Subject to clause 2.4A.2(b), AEMO must not register a Market Customer as a Metering Coordinator.

(d) A person who is registered with AEMO as a Metering Coordinator is:

(1) except as specified in subparagraph (2), a Registered Participant for the purposes of the Rules; and

(2) not a Registered Participant for the purposes of Part A of Chapter 5 of the Rules, unless the person is also registered in another category of Registered Participant.

2.4A.2 Eligibility

(a) To be eligible for registration as a Metering Coordinator, a person must:
(1) subject to paragraph (b), not be a Market Customer;

(2) satisfy AEMO that it is complying with and will comply with the Rules and the procedures authorised under the Rules;

(3) in respect of a Metering Coordinator who is appointed, or is proposed to be appointed, as Metering Coordinator at a small customer metering installation, have appropriate processes in place to determine that a person seeking access to a service listed in the minimum services specification is an access party in respect of that service;

(4) subject to paragraph (c), ensure that there is an appropriate security control management strategy and associated infrastructure and communications systems for the purposes of preventing unauthorised local access or remote access to metering installations, services provided by metering installations and energy data held in metering installations;

(5) have insurance as considered appropriate by AEMO; and

(6) pay the prescribed fees determined in accordance with rule 2.11.

(b) Clause 2.4A.1(c) and subparagraph (a)(1) do not apply to:

(1) a person who is only appointed, or is proposed to be only appointed, as Metering Coordinator in respect of one or more connection points or proposed connection points on a transmission network; or

(2) a Generator who is only appointed, or is proposed to be only appointed, as Metering Coordinator in respect of one or more connection points or proposed connection points that connect a Generator's generating unit to a distribution network.

(c) Subparagraph (a)(4) does not apply to a Generator who is only appointed, or is proposed to be only appointed, as Metering Coordinator in respect of one or more connection points or proposed connection points that connect a Generator's generating unit to a distribution network.

2.5 Network Service Provider

2.5.1 Registration as a Network Service Provider

(a) Subject to clause 2.5.1(d), a person must not engage in the activity of owning, controlling or operating a transmission or distribution system unless that person is registered by AEMO as a Network Service Provider.

(b) [Deleted]

(c) [Deleted]

(d) The AER may, in accordance with the guidelines issued from time to time by the AER, exempt any person or class of persons who is or are required to register as a Network Service Provider from:

(1) the requirement to register as a Network Service Provider; or
(2) the operation of Chapter 5,

where (in the AER's opinion) an exemption is not inconsistent with the national electricity objective.

(d1) An exemption granted by the AER under paragraph (d):

(1) is, if the exemption relates to a person who owns, controls or operates an embedded network, deemed to be subject to the ENM conditions unless:

(i) the embedded network the subject of the exemption is located in a participating jurisdiction in which persons connected, or proposed to be connected, to the embedded network are not afforded the right to a choice of retailer; or

(ii) the AER has made a determination under paragraph (d2); and

(2) may be subject to such other conditions as the AER deems appropriate.

(d2) If the AER considers that the likely costs of complying with ENM conditions outweigh the likely benefits to persons connected, or proposed to be connected, to the embedded network, the AER may, when granting an exemption under paragraph (d), determine to exempt that person or class of persons from the requirement to comply with the ENM conditions until such time as an ENM conditions trigger occurs.

(d3) An exemption granted by the AER under paragraph (d) is, if the exemption relates to a person who owns, controls or operates a large dedicated connection asset, deemed to be subject to the condition that the person must comply with clause 5.2A.6(c), clause 5.2A.8 and rule 5.5, as if that person were a Dedicated Connection Asset Service Provider.

(d4) A person granted an exemption under paragraph (d3) must comply with the deemed conditions and any other conditions imposed by the AER for that exemption.

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(e) The AER must develop and issue guidelines for the exemptions described in clause 2.5.1(d) pursuant to the Rules consultation procedures and in accordance with those procedures consult with Registered Participants and authorities responsible for administering the jurisdictional electricity legislation.

(e1) Without limitation, an exemption may be given which only relates to certain specified transmission or distribution systems or classes of transmission or distribution systems.

(f) Prior to granting any exemption under clause 2.5.1(d), the AER must consult with the authorities responsible for administering the jurisdictional electricity legislation in the participating jurisdictions in which any transmission systems
or distribution systems owned, operated or controlled by persons or class of persons under exemption consideration are located.

(g) Without limitation, an exemption may be given which only relieves a person or class of persons from either or both of the matters described in clause 2.5.1(d)(1) or (2) in relation to certain specified transmission or distribution systems or classes of transmission or distribution systems.

2.5.1A Dedicated Connection Asset Service Provider

(a) This clause 2.5.1A has no application to the declared transmission system of an adoptive jurisdiction.

(b) A Transmission Network Service Provider must classify any parts of its transmission system that are dedicated connection assets into large dedicated connection assets and small dedicated connection assets.

Note

A third party DCA is defined for the purposes of Chapter 2 to be a transmission system.

(c) A Transmission Network Service Provider wishing to classify a dedicated connection asset must apply to do so in its application under rule 2.9 or separately by submitting a notice to AEMO in the form prescribed for this purpose by AEMO. The Transmission Network Service Provider must provide sufficient evidence to satisfy AEMO that the dedicated connection asset is appropriately classified as a large dedicated connection asset or small dedicated connection asset (as applicable).

(d) If AEMO receives an application for classification under paragraph (d), it may approve or reject the application. AEMO must approve the classification of a dedicated connection asset if it is satisfied, based on the evidence that it is provided by the Transmission Network Service Provider, that the part of the transmission system is a large dedicated connection asset or small dedicated connection asset (as applicable).

(e) Nothing in paragraph (b) requires the classification of any dedicated connection asset which forms part of a transmission system in respect of which an exemption under paragraph 2.5.1(d) applies.

(f) A Dedicated Connection Asset Service Provider is:

(1) only required to comply with a rule that is expressed to apply to a Network Service Provider or a Transmission Network Service Provider in those capacities where the rule expressly provides that it applies to a Dedicated Connection Asset Service Provider; and

(2) required to comply with all rules which are expressed to apply to a Registered Participant.

(g) A Transmission Network Service Provider is taken to be a Dedicated Connection Asset Service Provider only in so far as its activities relate to any of its dedicated connection assets.
2.5.2 Market Network Service

(a) A Network Service Provider may classify a network service as a market network service if and only if the following conditions are satisfied and continue to be satisfied:

(1) the relevant network service is to be provided by network elements which comprise a two-terminal link and do not provide any transmission service which is subject to a revenue determination or any direct control service;

(2) the Network Service Provider is registered under clause 2.5.1 in respect of the network elements which provide the relevant market network service;

(3) the relevant network service:
   (A) has not ever been a transmission service to which a transmission determination has applied or a direct control service; or
   (B) is ineligible to be such a service;

(4) the connection points of the relevant two-terminal link are assigned to different regional reference nodes; and

(5) the relevant two-terminal link through which the network service is provided:
   (A) does not form part of a network loop; or
   (B) is an independently controllable two-terminal link,
   and has a registered power transfer capability of at least 30 MW.

(b) A market network service is not a prescribed transmission service or a direct control service and a Network Service Provider is not entitled to impose charges for a market network service under Chapter 6 or Chapter 6A.

(c) If an existing network service ceases to be classified as a market network service, the AER may at its discretion determine the service to be a prescribed transmission service or a direct control service. In that case, the AER may make consequential changes to the relevant transmission determination or distribution determination (as the case requires) to accommodate the service.

(d) A Network Service Provider is taken to be a Market Network Service Provider only in so far as its activities relate to the provision of market network services.

(e) For the avoidance of doubt, a Registered Participant may apply to the AEMC for a participant derogation from the conditions specified in clause 2.5.2(a).

2.5.3 Scheduled Network Service

(a) All market network services must be classified as scheduled network services.

(b) A network service must not be classified as a scheduled network service unless it is also a market network service.
(c) A Network Service Provider is taken to be a Scheduled Network Service Provider only in so far as its activities relate to the provision of scheduled network services.

(d) AEMO may impose on a Scheduled Network Service Provider such terms and conditions as AEMO considers necessary to ensure that the provisions of the Rules applying to scheduled network services can be met.

(e) A Scheduled Network Service Provider:

1. must comply with any terms and conditions imposed by AEMO under clause 2.5.3(d);

   **Note**
   This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

2. must ensure that the scheduled network services are provided in accordance with the co-ordinated central dispatch process operated by AEMO under the provisions of Chapter 3;

   **Note**
   This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

3. must ensure that AEMO is notified of the availability of the scheduled network services in accordance with the provisions of Chapter 3; and

   **Note**
   This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

4. must submit to AEMO a schedule of dispatch offers for the scheduled network services in accordance with the provisions of Chapter 3.

   **Note**
   This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

2.5A Trader

(a) A Trader is a person so registered by AEMO in order to participate in auctions under rule 3.18.

(b) A person who is registered by AEMO as a Trader is:

1. a Registered Participant for the purposes of the National Electricity Law and rules 2.9, 2.10, 2.11, 3.18, 8.2, 8.9 and subparagraph (3), and clause 3.13.5A;

2. to be treated as a Market Participant for the purposes of clause 3.3.1 and rule 3.15 (as applied and modified by clause 3.18.4) provided that a person who is registered by AEMO as a Trader is not to be regarded
as a Market Participant for the purposes of clauses 3.3.1(a) and 3.15.1(b); and

(3) entitled to receive any information which AEMO is required to publish or otherwise make available to Registered Participants (other than confidential information in respect of one or more other Registered Participants),

but is not otherwise a Registered Participant for the purposes of the Rules unless they are also registered in another category of Registered Participant.

(c) To be eligible for registration as a Trader, a person must:

(1) have an office in Australia to which all communications and notices may be addressed and at which a representative of the person is present at all times during business hours;

(2) where the person is not resident in, or does not have a permanent establishment in, Australia, appoint a person (an agent) who is:

(i) a natural person or company;

(ii) resident in Australia; and

(iii) authorised to accept service of process and notices on behalf of that person,

and provide AEMO with a certified copy of the instrument, executed by the agent, under which the agent is so appointed and which specifies the agent's address;

(3) be a "wholesale client", as that term is defined in section 761G(4) of the Corporations Act 2001 of the Commonwealth; and

(4) enter into an auction participation agreement and, where the person is required to appoint an agent for the purposes of rule 2.5A(c)(2), the person must ensure that the agent is a party to the auction participation agreement.

2.5B Reallocator

(a) A Reallocator is a person so registered by AEMO in order to participate in reallocation transactions under clause 3.15.11.

(b) A person who is registered with AEMO as a Reallocator is:

(1) a Registered Participant for the purposes of rules 2.5B(b)(3), 2.9, 2.10, 2.11, 8.2 and 8.9;

(2) taken to be a Market Participant for the purposes of rules 3.3 and 3.15 but is not regarded as a Market Participant for the purposes of clauses 3.3.2(a) and 3.15.1(b); and

(3) entitled to receive any information AEMO is required to publish or otherwise make available to Registered Participants (other than confidential information in respect of other Registered Participants),
but is not otherwise a Registered Participant or a Market Participant for the purposes of the Rules unless the person is also registered in another category of Registered Participant or Market Participant.

(c) To be eligible for registration as a Reallocator, a person must be a "wholesale client", as that term is defined in section 761G(4) of the Corporations Act 2001 of the Commonwealth.

2.6 Special Participant

(a) A Special Participant is a person who is either of the following:

(1) System Operator: - an agent engaged, or a delegate appointed, by AEMO under clause 4.3.3 to carry out some or all of AEMO's rights, functions and obligations under Chapter 4.

(2) Distribution System Operator: - a person who is responsible, under the Rules or otherwise, for controlling or operating any portion of a distribution system (including being responsible for directing its operations during power system emergencies).

(b) A person must be registered by AEMO in this category to perform these functions.

2.7 Intention to Commence Activities or Functions

(a) Any person intending to act in any Registered Participant category may, on application for registration by that person in accordance with rule 2.9, be registered by AEMO as an Intending Participant if that person can reasonably satisfy AEMO that it intends to carry out an activity in respect of which it must or may be registered as a Registered Participant.

(b) AEMO may from time to time require a person registered by AEMO as an Intending Participant to satisfy AEMO that it continues to meet the criteria for registration in rule 2.7(a). If the Intending Participant is unable to satisfy AEMO that it continues to meet those criteria then it will cease to be registered as an Intending Participant on the date specified by AEMO by written notice to the Intending Participant concerned.

(c) An Intending Participant is taken to be an Intending Participant only in so far as its activities relate to its intention to commence an activity in respect of which it must or may be registered as a Registered Participant.

(d) As a Registered Participant, an Intending Participant may exercise such rights and is bound by such obligations under the Rules as are specified by AEMO (on the basis of whether the Intending Participant intends to become a Customer, Generator, Network Service Provider or Special Participant) and approved by the AEMC.
2.8 Registered Participant Rights and Obligations

2.8.1 Rights and obligations

(a) A Registered Participant must not act in any one of the categories listed in rules 2.2 to 2.7 unless the Registered Participant is registered by AEMO in that category in accordance with the requirements of the Rules.

(a1) A Registered Participant must comply with the provisions of the Rules applicable to that Registered Participant.

(b) A Registered Participant may act in more than one of the categories described in rules 2.2 to 2.7 provided that the Registered Participant is registered by AEMO in relation to each of the relevant Registered Participant categories.

2.9 Application to be Registered as a Registered Participant

2.9.1 Applications for Registration

(a) Applications to be registered in any category of Registered Participant must be submitted to AEMO in the form prescribed by AEMO.

(b) AEMO must, within 5 business days of receiving an application, advise the applicant of any further information or clarification which is required in support of its application if, in AEMO's reasonable opinion, the application:

(1) is incomplete; or

(2) contains information upon which AEMO requires clarification.

(c) If the further information or clarification required pursuant to clause 2.9.1(b) is not provided to AEMO's satisfaction within 15 business days of the request, the person will be deemed to have withdrawn the application.

2.9.2 Registration as a Registered Participant

(a) In this clause 2.9.2:

receiving date means the later date of AEMO receiving:

(1) an application for registration referred to in clause 2.9.1;

(2) further information or clarification referred to in clause 2.9.1(b); or

(3) in relation to an application for registration as a Generator, the information requested under clause S5.2.4(b).

(b) AEMO must, within 15 business days of the receiving date, determine that an applicant is to be registered in the category of Registered Participant applied for if AEMO is reasonably satisfied that:

(1) the applicant meets the eligibility requirements specified for the category of Registered Participant to which the application relates;

(2) if the application relates to registration in one of the categories of Market Participant, the applicant is and will be able to fulfil the applicable financial obligations under Chapter 3 of the Rules; and
(3) the applicant has demonstrated an ability to comply with the Rules.

(c) If AEMO determines that an applicant does not satisfy the requirements referred to in paragraph (b), AEMO must determine that the applicant is not qualified to be registered as a Registered Participant in the relevant category and provide reasons for that determination.

2.9.3 Registration as an Intermediary

(a) A person (the "applicant") who is required to be registered under the National Electricity Law or under the Rules as a Generator or a Network Service Provider may apply to AEMO or the AER respectively for an exemption from that requirement to register.

(b) AEMO or the AER (as the case may be) must allow that exemption if:

(1) the applicant notifies AEMO or the AER (as the case may be) of the identity of a person (an "intermediary") to be registered instead of the applicant;

(2) the applicant provides AEMO or the AER (as the case may be) with the written consent of the intermediary to act as intermediary in a form reasonably acceptable to AEMO or the AER; and

(3) [Deleted]

(4) AEMO or the AER (as the case may be) notifies the applicant that it approves of the intermediary.

(c) AEMO or the AER (as the case may be) must approve an intermediary if the applicant establishes to AEMO's reasonable satisfaction that, from a technical perspective, the intermediary can be treated for the purpose of the Rules as the applicant with respect to the relevant generating system, distribution system or transmission system with which the applicant is associated.

(d) If the exemption is granted by AEMO or the AER (as the case may be) then:

(1) provided the intermediary satisfies all relevant registration requirements that the applicant would have been required to satisfy, AEMO must register the intermediary as a Registered Participant as if it were the applicant;

(2) the intermediary will be considered for the purposes of the Rules to be the applicant;

(3) all references in the Rules to the applicant will be deemed to be references to the intermediary (unless the context requires otherwise);

(4) all acts, omissions, statements, representations and notices of the intermediary in its capacity as a Registered Participant under the Rules will be deemed to be the acts, omissions, statements, representations and notices of the applicant;

(5) the intermediary and the applicant will be jointly and severally liable for the acts, omissions, statements, representations and notices of the
intermediary in its capacity as a Registered Participant under the Rules; and

(6) AEMO or any other Registered Participant may fulfil any obligations to the applicant under the Rules by performing them in favour of the intermediary.

(e) The applicant may revoke the appointment of the intermediary by giving notice of such revocation to AEMO, whereupon AEMO must advise the AER that such notice has been given.

(f) At 4.30 am, 2 business days after AEMO receives notice of such revocation, the intermediary will cease to be considered the applicant's intermediary for the purposes of the Rules and the applicant will not be liable under clause 2.9.3(d)(5) for any acts, omissions, statements, representations or notices of the intermediary occurring after that time.

(g) If the applicant revokes the appointment of an intermediary, the exemption granted by AEMO or the AER (as the case may be) to the applicant as contemplated by clause 2.9.3(b) ceases at the time the intermediary ceases to be the applicant's intermediary in accordance with clause 2.9.3(f).

(h) The applicant may notify AEMO or the AER (as the case may be) that the intermediary is the applicant's intermediary for part only of the applicant's business (provided that that part represents one or more discrete generating systems, distribution systems or transmission systems).

(i) Nothing in the Rules requires the intermediary to be the agent of the applicant.

2.9A Transfer of Registration

2.9A.1 Definitions

In this rule 2.9A:

Transferor means a Registered Participant wishing to transfer its registration to another person in accordance with rule 2.9A.

Transferee means the person to whom a Registered Participant wishes to transfer its registration in accordance with rule 2.9A.

2.9A.2 Applications for Transfer of Registration

(a) If a Transferor wishes to transfer its registration to the Transferee, then the Transferor and Transferee must apply to AEMO for approval to do so.

(b) An application under clause 2.9A.2(a) must be submitted to AEMO by the Transferor and Transferee in the form prescribed by AEMO.

(c) AEMO must, within 5 business days of receiving an application under clause 2.9A.2(a), advise the Transferor and Transferee of any further information or clarification which is required in support of its application if, in AEMO's reasonable opinion, the application:

(1) is incomplete; or

(2) contains information upon which AEMO requires clarification.
(d) If the further information or clarification required pursuant to clause 2.9A.2(c) is not provided to AEMO's satisfaction within 15 business days of the request, then the Transferor and Transferee will be deemed to have withdrawn the application.

2.9A.3 Approval for Transfer of Registration

(a) AEMO must, within 15 business days of receiving an application under clause 2.9A.2(a), determine to transfer the registration if AEMO is reasonably satisfied that:

(1) the Transferor is not in breach of any of its obligations under the Rules;

(2) with the exception of any requirements that apply to the classification of facilities to which the application relates, the Transferee meets the eligibility requirements specified in the Rules for the category of Registered Participant to which the application relates;

(3) the classification of the facilities to which the application relates has previously been approved by AEMO in accordance with the Rules;

(4) the performance standards applicable to the facilities to which the application relates have previously been registered by AEMO in accordance with the Rules;

(5) if the application relates to the transfer of a registration in one of the categories of Market Participant, the Transferee is and will be able to fulfil the applicable financial obligations under Chapter 3 of the Rules; and

(6) the Transferee has demonstrated an ability to comply with the Rules.

(b) If AEMO approves the application, then AEMO may impose such terms and conditions as AEMO considers appropriate, or vary the terms and conditions of the registration on its transfer.

(c) If AEMO determines that the application does not satisfy any of the requirements referred to in clause 2.9A.3(a), AEMO must reject the application and provide reasons in writing to the Transferor and Transferee for that rejection.

(d) If an application is made for transfer of the registration of a Market Customer that is a retailer:

(1) AEMO must, before deciding the application, consult with the AER about the application; and

(2) the period of 15 business days allowed for deciding the application under paragraph (a) is extended by the period reasonably required for the consultation; and

(3) AEMO must notify the AER of its decision on the application.
2.10 Ceasing to be a Registered Participant

2.10.1 Notification of intention

(a) A person:

(1) may notify AEMO in writing that it wishes to cease to be registered in any category of Registered Participant or that it wishes to terminate any of its classifications of loads, generating units (other than a generating unit specified in subparagraph (2)) or network services; and

(2) who is a Scheduled Generator or Semi-Scheduled Generator, must notify AEMO in writing if it wishes to terminate any of its classifications of generating units.

(b) A person is not entitled to notify AEMO that it wishes to cease to be registered in relation to any category for which that person is required to be registered under the National Electricity Law or under the Rules.

(c) In any notice given under subparagraph (a)(1), the Registered Participant must specify a date upon which it wishes to cease to be so registered or for an existing classification to be terminated and, in the case of a Market Participant, the date upon which it will cease to supply or acquire electricity or trade directly in the market and whether entirely or in relation to one or more connection points or market network services.

(c1) In any notice given under subparagraph (a)(2), the Registered Participant:

(1) must specify a date (the closure date):

(i) for a Non-Market Generator, by which the classification of the generating unit will be terminated; and

(ii) for a Market Generator, by which:

(A) the classification of the generating unit will be terminated; and

(B) it will cease to supply electricity or trade directly in the market whether entirely or in relation to one or more connection points; and

(2) must provide an updated notice to AEMO under subparagraph (a)(2) of any amendments to the closure date.

(c2) A Scheduled Generator or Semi-Scheduled Generator's first notified closure date for a generating unit must be no earlier than 42 months from the date of the notice given under subparagraph (a)(2), except where the relevant Generator has applied for, and is granted an exemption by the AER under paragraph (c4).

(c3) A Scheduled Generator or Semi-Scheduled Generator's amended closure date for a generating unit provided in a notice to AEMO under subparagraph (c1)(2) (amended notice):
(1) may be a date that is later than the most recent closure date provided to AEMO under paragraph (a)(2); and

(2) must not be a date that is earlier than the most recent closure date provided to AEMO under paragraph (a)(2) except where:

(i) the amended closure date is no earlier than 42 months from the date the amended notice is provided to AEMO; or

(ii) the Generator has applied for, and is granted, an exemption by the AER under paragraph (c4).

(c4) The AER may, in accordance with guidelines issued from time to time by the AER, exempt any Scheduled Generator or Semi-Scheduled Generator from the requirement to provide the closure date in accordance with paragraph (c2) and (c3).

(c5) The AER, in accordance with the Rules consultation procedures:

(1) must develop and publish guidelines referred to in paragraph (c4) that include:

(i) the information to be provided by a Generator to the AER when requesting an exemption; and

(ii) procedures for handling requests for exemption received from Generators; and

(2) may amend these guidelines from time to time.

(c6) The AER may make minor and administrative amendments to the guidelines under clause (c5) without complying with the Rules consultation procedures.

(d) AEMO may reject a notice from a Market Customer that it wishes to terminate its classification of a connection point as one of its market loads or otherwise cease to be a Market Customer in relation to any of its market loads unless AEMO is satisfied that:

(1) another person has classified the connection point as one of its market loads and is registered as a Market Customer;

(2) the relevant Local Retailer has agreed or is otherwise required by laws of the relevant participating jurisdiction to assume responsibility for payments to AEMO for electricity supplied to that connection point; or

(3) the load at that connection point will be disconnected on and from the date specified and, taking into consideration any relevant guidelines and procedures specified by the relevant participating jurisdiction to AEMO, that disconnection is not inappropriate.

(d1) AEMO may reject a notice from a Market Small Generation Aggregator which states that it wishes to terminate its classification of a small generating unit as a market generating unit, or otherwise cease to be a Market Small Generation Aggregator in relation to any of its market generating units, unless AEMO is satisfied that:
another person has classified the small generating unit as one of its market generating units and that person is registered as a Small Generation Aggregator and a Market Small Generation Aggregator;

(2) the relevant Local Retailer has agreed or is otherwise required by laws of the relevant participating jurisdiction to assume responsibility for payments with AEMO for electricity supplied to the connection points of the market generating units; or

(3) the small generating unit at that connection point will be disconnected on and from the date specified in the notice, and, after having regard to any relevant guidelines and procedures specified by the relevant participating jurisdictions to AEMO, disconnection is appropriate.

(e) Upon receiving a notice which complies with clause 2.10.1 from a person who wishes to cease to be registered in any category of Market Participant, or to terminate the classification of any of its market loads, market generating units, or market network services, AEMO must deliver a notice to the AER and the AEMC and notify all Registered Participants stating that:

(1) AEMO has received a notice under clause 2.10.1(a); and

(2) the person who gave the notice has stated that, from the date specified in the notice, the person intends to cease supplying or acquiring electricity or trading directly in the market and whether entirely or in relation to certain connection points or market network services.

(f) If a Market Customer that is a retailer gives a notice under this clause, AEMO must, before deciding whether to reject the notice under paragraph (d), consult with the AER.

2.10.2 Ceasing Participation

(a) A Market Participant must cease all trading in the market as specified in a notice that is properly given under clause 2.10.1(a) and is not rejected under clause 2.10.1(d).

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

(b) A person ceases to be a Registered Participant for the purposes of the Rules when all payments due to be paid to or by it under the Rules have been made.

(c) The fact that a person has ceased to be registered in any category of Registered Participant or has terminated any classifications contemplated under this Chapter does not affect any obligation or liability of that person under the Rules which arose prior to the cessation of its registration or the termination of the classification.
2.10.3 Liability after cessation

A Registered Participant which is subject to a liability under the Rules remains subject to that liability after and despite ceasing to be a Registered Participant regardless of when the claim is made.

2.11 Participant Fees

2.11.1A Application

For the purposes of rule 2.11 only, Third Party B2B Participants (other than Third Party B2B Participants who are also Embedded Network Managers) and book build participants who are not otherwise Registered Participants are deemed to be Registered Participants.

2.11.1 Development of Participant fee structure

(a) *AEMO* must develop, review and publish, in consultation with Registered Participants and interested parties and such other persons as *AEMO* thinks appropriate, in accordance with the Rules consultation procedures, the structure (including the introduction and determination) of Participant fees for such periods as *AEMO* considers appropriate.

(ab) In determining Participant fees, *AEMO* must have regard to the national electricity objective.

(b) The structure of Participant fees must, to the extent practicable, be consistent with the following principles:

(1) the structure of Participant fees should be simple;

(2) Participant fees should recover the budgeted revenue requirements for *AEMO* determined under clause 2.11.3 on a basis where:

(i) the following principles are relevant to the recovery of recurrent expenditure:

   (A) if *AEMO* recovers an excess of revenue over expenditure from the provision of a particular service in a financial year, it may roll over the excess to a later financial year (or later financial years) so as to reduce revenue requirements in the later financial year (or years);

   (B) *AEMO* may recover a shortfall of revenue as against expenditure for the provision of a particular service in a later financial year or later financial years;

   (C) *AEMO* may take any other action it considers desirable to smooth the impact of actual or anticipated cost variations on the users of a service provided by *AEMO*;

(ii) capital expenditures (incurred after market commencement) are recovered through the depreciation or amortisation of the assets acquired by the capital expenditure in a manner that is consistent with generally accepted accounting principles;
(iii) costs of transition are recovered over a period of 4 years from the changeover date.

(iv) notwithstanding clauses 2.11.1(b)(2)(i), (ii) and (iii), expenditure incurred by, and depreciation and amortisation charged to, AEMO associated with a declared NEM project are recovered from the start date and over the period determined for that declared NEM project under clauses 2.11.1(bb) or 2.11.1(bd). Amounts associated with a declared NEM project determined in accordance with this clause are to be recovered through an additional Participant fee determined in accordance with clauses 2.11.1(bb) or 2.11.1(bd) until the next general determination of all Participant fees is made under clause 2.11.1(a);

(3) the components of Participant fees charged to each Registered Participant should be reflective of the extent to which the budgeted revenue requirements for AEMO involve that Registered Participant;

(4) Participant fees should not unreasonably discriminate against a category or categories of Registered Participants; and

(5) the fixed component of Participant fees for a Market Ancillary Services Provider who is registered with AEMO solely for the purpose of providing market ancillary services, may be zero.

(ba) AEMO may determine any of the following projects to be a declared NEM project:

(1) a major reform or development (including an anticipated reform or development) of the market; or

(2) a major change (including an anticipated change) to a function, responsibility, obligation or power of AEMO under the Rules; or

(3) a major change (including an anticipated change) to any of the computer software or systems that AEMO uses in the performance of any of its functions, responsibilities, obligations or powers under the Rules.

(bb) When AEMO determines a project to be a declared NEM project under clause 2.11.1(ba), it must also determine the start date for recovery and the period or periods over which recovery will occur for the declared NEM project. AEMO must also determine the structure of an additional Participant fee to be used in the recovery of costs associated with a declared NEM project until the next general determination of all Participant fees is made under clause 2.11.1(a).

(bc) In making determinations under clauses 2.11.1(ba) and (bb), AEMO must comply with the Rules consultation procedures.

(bd) The introduction and facilitation of full retail competition is taken to have been determined to be a declared NEM project under clause 2.11.1(ba) and AEMO will be entitled to recover through Participant fees expenditure incurred by, and depreciation and amortisation charged to, AEMO in respect of full retail competition. The period or periods over which recovery will
occur for this declared NEM project will be determined by AEMO using the Rules consultation procedures. If any amounts associated with the introduction and facilitation of full retail competition are to be recovered prior to the next general determination of all Participant fees under clause 2.11.1(a), such recovery must be through an additional Participant fee determined using the Rules consultation procedures.

(c) The components of the Participant fees may include, but are not limited to:

(1) registration fees, comprising an annual fee payable by each person for each Registered Participant category in which they are registered;

(2) ancillary service fees, to recover AEMO's budgeted revenue requirements in relation to its procurement of non-market ancillary services;

(3) power system operations fees, to recover AEMO's budgeted revenue requirements in relation to its power system operation activities described in clause 2.11.3(b)(2);

(4) metering fees to recover AEMO's budgeted revenue requirements for the collection, storage and processing of metering data;

(5) billing and settlements fees, to recover AEMO's budgeted revenue requirements as described in clause 2.11.3(b)(4); and

(5A) NTP function fees to recover AEMO's budgeted revenue requirement as described in clause 2.11.3(b)(4A);

(5B) additional advisory function fees to recover AEMO's budgeted revenue requirement as described in clause 2.11.3(b)(4B);

(6) administration fees, to recover the remainder of AEMO's budgeted revenue requirements;

and each component of the Participant fees may take into account adjustments which may be appropriate in light of the matters described in clauses 2.11.3(b)(7) or (8).

(d) In undertaking the process described in clause 2.11.1(a) AEMO must consider other fee structures in existence which it thinks appropriate for comparison purposes.

(e) AEMO must publish to Registered Participants and to such other persons as AEMO thinks appropriate, the structure of Participant fees determined, the methods used in determining the structure and an assessment of the extent to which the structure complies with the principles set out in clause 2.11.1(b) at least 3 months prior to the implementation of the structure.

2.11.2 Payment of Participant fees

(a) AEMO may charge a Registered Participant the relevant components of Participant fees in accordance with the structure of Participant fees by giving the Registered Participant a statement setting out the amount payable by that Registered Participant and the date for payment.
(b) In the case of a Market Participant, AEMO may, alternatively, include the relevant amount in the statements described in clause 3.15.15.

(c) A Registered Participant must pay to AEMO the net amount stated to be payable by that Registered Participant in a statement issued under clause 2.11.2(a) or in accordance with clause 2.11.2(b) to meet AEMO's budgeted revenue requirements by the date specified for payment, whether or not the Registered Participant disputes the net amount payable.

Note
This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

2.11.3 Budgeted revenue requirements

(a) AEMO must prepare and publish before the beginning of each financial year a budget of the revenue requirements for AEMO for that financial year.

(b) The budget prepared by AEMO under clause 2.11.3(a) must take into account and separately identify projected revenue requirements in respect of:

(1) AEMO's procurement of non-market ancillary services;

(2) AEMO's expenditures in relation to its power system operation activities, including meeting its obligations in terms of power system security and the facilitation and operation of the central bidding and dispatch processes in accordance with the Rules;

(2A) AEMO's expenditures in relation to inter-network tests;

(3) AEMO's expenditures in the collection, storage and processing of metering data;

(4) AEMO's expenditures in the facilitation of the billing and settlement of market transactions;

(4A) AEMO's expenditures in carrying out NTP functions;

(4B) AEMO's expenditures in carrying out additional advisory functions;

(5) AEMO's other expenditure requirements, operating costs and margin so far as they relate to the electricity industry;

(5A) the proportion of AEMO's residual expenditures allocated to the electricity industry under paragraph (c).

(6) AEMO's consumer advocacy funding obligation under rule 8.10;

(7) any revenue shortfall or excess from each of the requirements specified under clause 2.11.3(b)(1)-(5) from the previous financial year; and

7A AEMO's expenditure in relation to B2B costs;

(7B) AEMO's expenditure in relation to a voluntary book build under Chapter 4A, Part H; and
(8) the funding requirements of the *Participant compensation fund* in accordance with rule 3.16 (which requirements must only be recovered from *Scheduled Generators, Semi-Scheduled Generators and Scheduled Network Service Providers*).

(c) *AEMO* must allocate expenditures that cannot be specifically related to electricity activities or gas activities (*residual expenditures*) between the electricity and gas industries in a manner that:

(1) ensures that the total amount of the residual expenditures is allocated appropriately between the electricity and the gas industries; and

(2) ensures that each industry bears an allocation at least equal to the amount by which residual expenditures would be reduced if services were no longer provided to that industry; and

(3) promotes the efficient use of electricity and gas services.

(d) *AEMO’s* expenditures in carrying out *declared network functions* are to be recovered through fees charged as a *Transmission Network Service Provider* and not through *participant fees*.

2.12 **Interpretation of References to Various Registered Participants**

(a) A person may register in more than one of the categories of *Registered Participant*.

(b) Notwithstanding anything else in the *Rules*, a reference to:

(1) a "*Generator*" applies to a person registered as a *Generator* only in so far as it is applicable to matters connected with the person's *scheduled generating units, semi-scheduled generating units, non-scheduled generating units, market generating units or non-market generating units*;

(1A) a "*Small Generation Aggregator*" applies to a person registered as a "*Small Generation Aggregator*" only in so far as it is applicable to matters connected with the person's *small generating units or market generating units*;

(1B) a "*Market Ancillary Service Provider*" applies to a person registered as a "*Market Ancillary Service Provider*" only in so far as it is applicable to matters connected with the person's *ancillary service load*;

(2) a "*Scheduled Generator*, "*Semi-Scheduled Generator*, "*Non-Scheduled Generator*, "*Market Generator* or "*Non-Market Generator*" applies to a person only in so far as it is applicable to matters connected with the person's *scheduled generating units, semi-scheduled generating units, non-scheduled generating units, market generating units or non-market generating units* respectively;

(3) a "*Customer*" applies to a person registered as a *Customer* only in so far as it is applicable to matters connected with the person's *first-tier loads, second-tier loads or market loads*;
(4) a "First Tier Customer", "Second Tier Customer" or "Market Customer" applies to a person only in so far as it is applicable to matters connected with the person's first-tier loads, second-tier loads or market loads respectively;

(4A) a "Trader" applies to a person only in so far as it is applicable to matters connected with the person's activities as a Trader;

(4B) a "Reallocator" applies to a person only in so far as it is applicable to matters connected with the person's activities as a Reallocator;

(5) subject to clause 2.5.1A(f), a "Network Service Provider" applies to a person registered as a Network Service Provider only in so far as it is applicable to matters connected with the person's network services, including market network services and scheduled network services;

(5A) a "Dedicated Connection Asset Service Provider" applies to a person only in so far as it is applicable to matters connected with the person's dedicated connection assets;

(6) a "Market Network Service Provider" or "Scheduled Network Service Provider" applies to a person only in so far as it is applicable to matters connected with the person's market network services or scheduled network services respectively;

(7) a "Market Participant" applies to a person who is a Market Participant and:

(i) where that person is registered as a Market Generator, in so far as it is applicable to matters connected with the person's market generating units or ancillary services generating units; and

(ii) where that person is registered as a Market Small Generation Aggregator, in so far as it is applicable to matters connected with the person's market generating units; and

(iii) where that person is registered as a Market Ancillary Service Provider, in so far as it is applicable to matters connected with the person's ancillary service load; and

(iv) where that person is registered in any category of Market Participant additional to a Market Generator and/or a Market Customer and/or a Market Network Service Provider, to the extent to which the reference would otherwise apply to the person if it were not taken to be a Market Generator, Market Customer or Market Network Service Provider; and
(8) a "Registered Participant" applies to a person who is registered under Chapter 2 and:

(i) where that person is registered as a Generator, in so far as it is applicable to matters connected with any of the Generator's scheduled generating units, semi-scheduled generating units, non-scheduled generating units, market generating units and non-market generating units;

(ii) where that person is registered as a Customer, in so far as it is applicable to matters connected with any of the Customer's first-tier loads, second-tier loads or market loads; and

(iii) where that person is registered in any other Registered Participant category, to the extent to which the reference would apply to the person if it were not registered in another Registered Participant category.

(c) In rule 2.12, "matter" includes any assets, liabilities, acts, omissions or operations (whether past, present or future).