

National Electricity Rules As in force in the Northern Territory Version 40

Historical Information

This version of the National Electricity Rules As in force in the Northern Territory was current from 1 December 2019 to 11 December 2019.

National Electricity Rules As in force in the Northern Territory

Version 40

Status Information

This is the latest electronically available version of the National Electricity Rules as in force in the Northern Territory (NT NER) as at 1 December 2019.

This consolidated version of the NT NER reflects the current version of the National Electricity Rules (version 128) as amended by the following regulations made by the Northern Territory under section 13(2)(c) of the *National Electricity (Northern Territory) (National Uniform Legislation) Act*:

National Electricity (Northern Territory) (National Uniform Legislation) (Modification) Regulations.

Provisions in force

All provisions displayed in this consolidated version of the Rules have commenced.

As at the date of this consolidation:

- (a) the Australian Energy Market Commission has made certain Rules under Part 7, Division 3 of the National Electricity Law that have not yet commenced. A complete list of these Rules is set out under "Provisions in Force" on the cover sheet of the latest version of the National Electricity Rules.
- (b) As at the date of this consolidation, the Northern Territory has adopted (or adopted a modified version of) various provisions of the National Electricity Rules with effect from 1 July 2019 and certain other provisions with effect from the date that the Northern Territory adopts the National Energy Retail Law as a law of the Northern Territory. The provisions to be adopted and the modifications to those provisions (if relevant) are specified in the National Electricity (Northern Territory)(National Uniform Legislation)(Modification) Regulations.

This consolidated version of the NT NER contains drafting notes to indicate the provisions of the National Electricity Rules that have been adopted in the Northern Territory with effect from a later date.

TABLE OF CONTENTS

1.	Introduction	3
1.1	Preliminary.....	3
1.1.1	References to the Rules	3
1.1.2	Italicised expressions	3
1.1.3	[Deleted]	3
1.2	Background	3
1.3	Nomenclature of and references to provisions of a Chapter	3
1.3.1	Introduction.....	3
1.3.2	Parts, Divisions and Subdivisions.....	3
1.3.3	Rules, clauses, paragraphs, subparagraphs and other items	4
1.4	Effect of renumbering of provisions of the Rules	5
1.5	[Deleted]	5
1.6	[Deleted]	5
1.7	Interpretation	5
1.7.1	General.....	5
1.7.1A	Inconsistency with National Measurement Act	6
1.7.1B	Instruments	6
1.8	Notices.....	7
1.8.1	Service of notices under the Rules.....	7
1.8.2	Time of service	7
1.8.3	Counting of days.....	8
1.8.4	Reference to addressee	8
1.9	Retention of Records and Documents.....	8
1.9A	NTESMO's costs in connection with these Rules	8
1.10	[Deleted]	8
1.11	AEMO Rule Funds	8
2.	Registered Participants and Registration	13
2A.	Regional Structures.....	17
3.	Market Rules	21
4.	Power System Security	25
4A.	Retailer Reliability Obligation	29
Part A	Introduction.....	29
4A.A	Definitions.....	29
4A.A.1	Definitions	29

4A.A.2	Forecast reliability gap materiality	32
4A.A.3	One-in-two year peak demand forecast	32
4A.A.4	Peak demand	32
Part B	Reliability Forecasts	33
4A.B.1	Reliability forecast	33
4A.B.2	Reliability forecast components	33
4A.B.3	Supporting materials	34
4A.B.4	Reliability Forecast Guidelines	34
4A.B.5	AER Forecasting Best Practice Guidelines	35
Part C	Reliability Instruments	36
Division 1	AEMO request for a reliability instrument	36
4A.C.1	AEMO request for a reliability instrument	36
4A.C.2	AEMO request for a T-3 reliability instrument	36
4A.C.3	AEMO request for a T-1 reliability instrument	36
4A.C.4	Related T-3 reliability instrument	37
4A.C.5	Notification of a closed forecast reliability gap at T-1	37
4A.C.6	Corrections to a request	37
4A.C.7	Withdrawing a request	38
Division 2	AER making of a reliability instrument	38
4A.C.8	AER making of a reliability instrument	38
4A.C.9	When a decision by the AER must be made	38
4A.C.10	T-1 reliability instrument components	39
4A.C.11	AER decision making criteria	39
4A.C.12	Reliability Instrument Guidelines	39
Part D	Liabe Entities	40
4A.D.1	Application	40
4A.D.2	Liabe entities	40
4A.D.3	New entrants	40
4A.D.4	Application to register as large opt-in customer	41
4A.D.5	Application to register as prescribed opt-in customer	42
4A.D.6	Thresholds	42
4A.D.7	Opt-in cut-off day	43
4A.D.8	AER approval of applications	43
4A.D.9	AER opt-in register	43
4A.D.10	Changes to register	44
4A.D.11	AER register taken to be correct	44
4A.D.12	AEMO Opt-In Procedures	45
4A.D.13	AER Opt-In Guidelines	45
Part E	Qualifying Contracts and Net Contract Position	46
Division 1	Key concepts	46
4A.E.1	Qualifying contracts	46
4A.E.2	Net contract position	47
Division 2	Firmness methodologies	47
4A.E.3	Firmness methodology	47
4A.E.4	Types of methodologies	48
4A.E.5	Approval of a bespoke firmness methodology	48

Division 3	Reporting net contract position	49
4A.E.6	Reporting requirements	49
Division 4	Adjustment of net contract position.....	50
4A.E.7	Adjustment of net contract position.....	50
Division 5	Contracts and Firmness Guidelines	51
4A.E.8	Contracts and Firmness Guidelines	51
Part F	Compliance with the Retailer Reliability Obligation	52
Division 1	Application	52
4A.F.1	Application	52
Division 2	Key concepts.....	52
4A.F.2	Compliance TI	52
4A.F.3	Share of one-in-two year peak demand forecast.....	52
Division 3	AEMO notifications to AER.....	54
4A.F.4	AEMO notification of compliance trading intervals	54
4A.F.5	AEMO compliance report.....	54
Division 4	AER assessment of compliance.....	54
4A.F.6	Reliability Compliance Procedures and Guidelines	54
4A.F.7	AER assessment.....	55
4A.F.8	AER notification to AEMO for PoLR costs	55
Division 5	Miscellaneous	56
4A.F.9	Demand response information	56
4A.F.10	PoLR cost procedures	56
Part G	Market Liquidity Obligation	56
Division 1	Preliminary.....	56
4A.G.1	Overview of Part G	56
4A.G.2	Purpose and application	57
Division 2	Market Generators and trading right holders	57
4A.G.3	Market Generators and generator capacity	57
4A.G.4	Trading rights and trading right holders	57
Division 3	Trading groups.....	58
4A.G.5	Trading group	58
4A.G.6	Controlling entity.....	58
Division 4	Traced capacity and trading group capacity	60
4A.G.7	Traced capacity	60
4A.G.8	Tracing capacity to trading groups	60
4A.G.9	Trading group capacity	61
Division 5	MLO generators and MLO groups.....	61
4A.G.10	MLO group	61
4A.G.11	MLO generator	61
Division 6	Market Generator information	61
4A.G.12	MLO register	61
4A.G.13	Market Generator information	63
4A.G.14	Applications to the AER.....	64

Division 7	Liquidity period	64
4A.G.15	Notices prior to a liquidity period	64
4A.G.16	Duration of liquidity period	65
Division 8	Liquidity obligation	65
4A.G.17	Liquidity obligation	65
4A.G.18	Performing a liquidity obligation	65
4A.G.19	Volume limits	67
4A.G.20	Appointment of MLO nominee	68
4A.G.21	Exemptions	68
Division 9	MLO products and MLO exchange	69
4A.G.22	MLO products	69
4A.G.23	MLO exchange	70
Division 10	Miscellaneous	71
4A.G.24	MLO compliance and reporting	71
4A.G.25	MLO Guidelines	71
Part H	Voluntary Book Build.....	72
4A.H.1	Purpose and application	72
4A.H.2	Book Build Procedures	72
4A.H.3	Commencement of voluntary book build	73
4A.H.4	Participation in the voluntary book build	73
4A.H.5	Book build fees	74
4A.H.6	Reporting	74
5.	Network Connection Access, Planning and Expansion	77
Part A	Introduction.....	77
5.1	Introduction to Chapter 5.....	77
5.1.1	Structure of this Chapter	77
5.1.2	Overview of Part B and connection and access under the Rules	77
5.1.3	Definitions	80
Part B	Network Connection and Access	81
5.1A	Introduction to Part B.....	81
5.1A.1	Purpose and Application.....	81
5.1A.2	Principles	83
5.1A.3	Dedicated connection asset service providers	83
5.2	Obligations.....	84
5.2.1	Obligations of Registered Participants	84
5.2.2	Connection agreements.....	84
5.2.3	Obligations of network service providers.....	85
5.2.3A	Obligations of Market Network Service Providers	90
5.2.4	Obligations of customers	91
5.2.5	Obligations of Generators.....	93
5.2.6	Obligations of AEMO.....	94
5.2.6A	AEMO review of technical requirements for connection	95
5.2.7	Obligations of Dedicated Connection Asset Service Providers	95
5.2A	Transmission network connection and access.....	96

5.2A.1	Application	96
5.2A.2	Relevant assets	96
5.2A.3	Connection and access to transmission services	97
5.2A.4	Transmission services related to connection	99
5.2A.5	Publication and provision of information	102
5.2A.6	Negotiating principles	102
5.2A.7	Third party IUSAs	103
5.2A.8	Access framework for large dedicated connection assets	104
5.3	Establishing or Modifying Connection	106
5.3.1	Process and procedures	106
5.3.1A	Application of rule to connection of embedded generating units	107
5.3.2	Connection enquiry	107
5.3.3	Response to connection enquiry	108
5.3.4	Application for connection	112
5.3.4A	Negotiated access standards	114
5.3.4B	System strength remediation for new connections	117
5.3.5	Preparation of offer to connect	120
5.3.6	Offer to connect	121
5.3.7	Finalisation of connection agreements and network operating agreements	125
5.3.8	Provision and use of information	126
5.3.9	Procedure to be followed by a Generator proposing to alter a generating system	128
5.3.10	Acceptance of performance standards for generating plant that is altered	130
5.3.11	Notification of request to change normal voltage	130
5.3A	Establishing or modifying connection - embedded generation	131
5.3A.1	Application of rule 5.3A	131
5.3A.2	Definitions and miscellaneous	131
5.3A.3	Publication of Information	132
5.3A.4	Fees	134
5.3A.5	Enquiry	135
5.3A.6	Response to Enquiry	135
5.3A.7	Preliminary Response to Enquiry	136
5.3A.8	Detailed Response to Enquiry	137
5.3A.9	Application for connection	138
5.3A.10	Preparation of offer to connect	139
5.3A.11	Technical Dispute	140
5.3A.12	Network support payments and functions	140
5.3AA	Access arrangements relating to Distribution Networks	140
5.3B	Application for connection to declared shared network	144
5.4	Independent Engineer	144
5.4.1	Application	144
5.4.2	Establishment of a pool	145
5.4.3	Initiating the Independent Engineer process	145
5.4.4	Referral to the Adviser	146
5.4.5	Proceedings and decisions of the Independent Engineer	147
5.4.6	Costs of the Independent Engineer	148

5.4A	[Deleted]	148
5.4AA	[Deleted]	148
5.5	Commercial arbitration for prescribed and negotiated transmission services and large DCA services	148
5.5.1	Application	148
5.5.2	Notification of dispute	149
5.5.3	Appointment of commercial arbitrator	149
5.5.4	Procedures of commercial arbitrator.....	150
5.5.5	Powers of commercial arbitrator in determining disputes	150
5.5.6	Determination of disputes	151
5.5.7	Costs of dispute.....	152
5.5.8	Enforcement of agreement or determination and requirement for reasons	153
5.5.9	Miscellaneous	153
5.5A	[Deleted]	153
Part C	Post-Connection Agreement matters	153
5.6	Design of Connected Equipment	153
5.6.1	Application	153
5.6.2	Advice of inconsistencies	154
5.6.3	Additional information	154
5.6.4	Advice on possible non-compliance	154
5.6A	[Deleted]	155
5.7	Inspection and Testing	155
5.7.1	Right of entry and inspection.....	155
5.7.2	Right of testing	157
5.7.3	Tests to demonstrate compliance with connection requirements for generators.....	158
5.7.3A	Tests to demonstrate compliance with system strength remediation schemes.....	160
5.7.4	Routine testing of protection equipment.....	161
5.7.5	Testing by Registered Participants of their own plant requiring changes to normal operation	163
5.7.6	Tests of generating units requiring changes to normal operation.....	165
5.7.7	Inter-network power system tests	166
5.7.8	Contestable IUSA components	172
5.8	Commissioning	172
5.8.1	Requirement to inspect and test equipment	172
5.8.2	Co-ordination during commissioning	173
5.8.3	Control and protection settings for equipment	173
5.8.4	Commissioning program	174
5.8.5	Commissioning tests	175
5.9	Disconnection and Reconnection	175
5.9.1	Voluntary disconnection	175
5.9.2	Decommissioning procedures.....	176
5.9.3	Involuntary disconnection	176
5.9.4	Direction to disconnect	177

5.9.4A	Notification of disconnection	178
5.9.5	Disconnection during an emergency	178
5.9.6	Obligation to reconnect.....	178
Part D	Network Planning and Expansion.....	179
5.10	Network development generally	179
5.10.1	Content of Part D	179
5.10.2	Definitions	180
5.10.3	Interpretation.....	184
5.11	Forecasts of connection to transmission network and identification of system limitations.....	184
5.11.1	Forecasts for connection to transmission network.....	184
5.11.2	Identification of network limitations	185
5.12	Transmission annual planning process.....	185
5.12.1	Transmission annual planning review	185
5.12.2	Transmission Annual Planning Report.....	186
5.13	Distribution annual planning process.....	190
5.13.1	Distribution annual planning review	190
5.13.2	Distribution Annual Planning Report	192
5.13.3	Distribution system limitation template.....	192
5.13A	Distribution zone substation information.....	193
5.14	Joint planning.....	196
5.14.1	Joint planning obligations of Transmission Network Service Providers and Distribution Network Service Providers.....	196
5.14.2	Joint planning obligations of Distribution Network Service Providers and Distribution Network Service Providers.....	197
5.14.3	Joint planning obligations of Transmission Network Service Providers	197
5.14A	Joint planning in relation to retirement or de-ratings of network assets forming part of the Declared Shared Network	198
5.14B	TAPR Guidelines	198
5.14B.1	Development of TAPR Guidelines	198
5.15	Regulatory investment tests generally	198
5.15.1	Interested parties	198
5.15.2	Identification of a credible option.....	198
5.15.3	Review of costs thresholds	199
5.15.4	Costs determinations.....	202
5.16	Regulatory investment test for transmission.....	202
5.16.1	Principles	202
5.16.2	Regulatory investment test for transmission application guidelines	205
5.16.3	Investments subject to the regulatory investment test for transmission	206
5.16.4	Regulatory investment test for transmission procedures	208
5.16.5	Disputes in relation to application of regulatory investment test for transmission	215

5.16.6	Determination that preferred option satisfies the regulatory investment test for transmission	217
5.17	Regulatory investment test for distribution	217
5.17.1	Principles	217
5.17.2	Regulatory investment test for distribution application guidelines	219
5.17.3	Projects subject to the regulatory investment test for distribution	221
5.17.4	Regulatory investment test for distribution procedures	223
5.17.5	Disputes in relation to application of regulatory investment test for distribution	228
5.18	Construction of funded augmentations	229
5.18A	Generator connections.....	230
5.18A.1	Definitions	230
5.18A.2	Register of generator connections	230
5.18A.3	Impact assessment of large generator connections	231
5.18B	Completed embedded generation projects	232
5.18B.1	Definitions	232
5.18B.2	Register of completed embedded generation projects	233
5.19	SENE Design and Costing Study	233
5.19.1	Definitions	233
5.19.2	Interpretation.....	234
5.19.3	Request for SENE Design and Costing Study	234
5.19.4	Content of SENE Design and Costing Study	235
5.19.5	Co-operation of other Network Service Providers	236
5.19.6	Publication of SENE Design and Costing Study report	236
5.19.7	Provision and use of information.....	237
5.20	National transmission planning.....	237
5.20.1	Preliminary consultation	238
5.20.2	Publication of NTNDP	238
5.20.3	Development strategies for national transmission flow paths	241
5.20.4	NTNDP database	241
5.20.5	Jurisdictional planning bodies and jurisdictional planning representatives	242
5.20.6	NTP Functions	242
5.20.7	Inertia and system strength requirements methodologies.....	242
5.20A	Frequency management planning	243
5.20A.1	Power system frequency risk review	243
5.20A.2	Power system frequency risk review process	245
5.20A.3	Power system frequency risk review report.....	245
5.20A.4	Request for protected event declaration.....	245
5.20A.5	Request to revoke a protected event declaration	246
5.20B	Inertia sub-networks and requirements	247
5.20B.1	Boundaries of inertia sub-networks	247
5.20B.2	Inertia requirements	247
5.20B.3	Inertia shortfalls	248
5.20B.4	Inertia Service Provider to make available inertia services	249
5.20B.5	Inertia support activities	251
5.20B.6	Inertia network services information and approvals.....	252

5.20C	System strength requirements	254
5.20C.1	System strength requirements	254
5.20C.2	Fault level shortfalls	254
5.20C.3	System Strength Service Provider to make available system strength services.....	255
5.20C.4	System strength services information and approvals.....	257
5.21	AEMO's obligation to publish information and guidelines and provide advice	259
5.22	Last resort planning power	260
Schedule 5.1a	System standards	263
S5.1a.1	Purpose	263
S5.1a.2	Frequency	264
S5.1a.3	System stability.....	264
S5.1a.4	Power frequency voltage	264
S5.1a.5	Voltage fluctuations.....	265
S5.1a.6	Voltage waveform distortion	265
S5.1a.7	Voltage unbalance	266
S5.1a.8	Fault clearance times	267
Schedule 5.1	Network Performance Requirements to be Provided or Co-ordinated by Network Service Providers	268
S5.1.1	Introduction.....	268
S5.1.2	Network reliability.....	269
S5.1.2.1	Credible contingency events.....	269
S5.1.2.2	Network service within a region.....	270
S5.1.2.3	Network service between regions.....	271
S5.1.3	Frequency variations.....	271
S5.1.4	Magnitude of power frequency voltage	271
S5.1.5	Voltage fluctuations.....	272
S5.1.6	Voltage harmonic or voltage notching distortion	273
S5.1.7	Voltage unbalance	274
S5.1.8	Stability.....	275
S5.1.9	Protection systems and fault clearance times	276
S5.1.10	Load, generation and network control facilities	279
S5.1.10.1	General.....	279
S5.1.10.1a	Emergency frequency control schemes	280
S5.1.10.2	Distribution Network Service Providers.....	281
S5.1.10.3	Transmission Network Service Providers	281
S5.1.11	Automatic reclosure of transmission or distribution lines.....	282
S5.1.12	Rating of transmission lines and equipment.....	282
S5.1.13	Information to be provided	283
Schedule 5.2	Conditions for Connection of Generators	283
S5.2.1	Outline of requirements	283
S5.2.2	Application of Settings	284
S5.2.3	Technical matters to be coordinated	285
S5.2.4	Provision of information.....	285
S5.2.5	Technical requirements.....	288
S5.2.5.1	Reactive power capability.....	288
S5.2.5.2	Quality of electricity generated.....	289

S5.2.5.3	Generating system response to frequency disturbances	290
S5.2.5.4	Generating system response to voltage disturbances.....	293
S5.2.5.5	Generating system response to disturbances following contingency events	295
S5.2.5.6	Quality of electricity generated and continuous uninterrupted operation	303
S5.2.5.7	Partial load rejection	303
S5.2.5.8	Protection of generating systems from power system disturbances	304
S5.2.5.9	Protection systems that impact on power system security.....	305
S5.2.5.10	Protection to trip plant for unstable operation	307
S5.2.5.11	Frequency control	308
S5.2.5.12	Impact on network capability	310
S5.2.5.13	Voltage and reactive power control	312
S5.2.5.14	Active power control	318
S5.2.6	Monitoring and control requirements	320
S5.2.6.1	Remote Monitoring.....	320
S5.2.6.2	Communications equipment	322
S5.2.7	Power station auxiliary supplies	323
S5.2.8	Fault current.....	323
Schedule 5.3	Conditions for Connection of Customers	325
S5.3.1a	Introduction to the schedule.....	325
S5.3.1	Information	326
S5.3.2	Design standards	328
S5.3.3	Protection systems and settings	328
S5.3.4	Settings of protection and control systems	329
S5.3.5	Power factor requirements	330
S5.3.6	Balancing of load currents	331
S5.3.7	Voltage fluctuations.....	331
S5.3.8	Harmonics and voltage notching	332
S5.3.9	Design requirements for Network Users' substations	332
S5.3.10	Load shedding facilities	333
Schedule 5.3a	Conditions for connection of Market Network Services	333
S5.3a.1a	Introduction to the schedule.....	333
S5.3a.1	Provision of Information.....	334
S5.3a.2	Application of settings	336
S5.3a.3	Technical matters to be co-ordinated.....	337
S5.3a.4	Monitoring and control requirements	337
S5.3a.4.1	Remote Monitoring.....	337
S5.3a.4.2	[Deleted]	338
S5.3a.4.3	Communications equipment	338
S5.3a.5	Design standards	338
S5.3a.6	Protection systems and settings	339
S5.3a.7	[Deleted]	340
S5.3a.8	Reactive power capability.....	340
S5.3a.9	Balancing of load currents	340
S5.3a.10	Voltage fluctuations.....	341
S5.3a.11	Harmonics and voltage notching	341
S5.3a.12	Design requirements for Market Network Service Providers' substations.....	342

S5.3a.13	Market network service response to disturbances in the power system	342
S5.3a.14	Protection of market network services from power system disturbances	343
Schedule 5.4	Information to be Provided with Preliminary Enquiry	343
Schedule 5.4A	Preliminary Response.....	344
Schedule 5.4B	Detailed Response to Enquiry.....	346
Schedule 5.5	Technical Details to Support Application for Connection and Connection Agreement.....	348
S5.5.1	Introduction to the schedule.....	348
S5.5.2	Categories of data	349
S5.5.3	Review, change and supply of data	350
S5.5.4	Data Requirements.....	350
S5.5.5	Asynchronous generating unit data	350
S5.5.6	Generating units smaller than 30MW data	351
S5.5.7	Power System Design Data Sheet, Power System Setting Data Sheet and Power System Model Guidelines	351
Schedule 5.5.1	[Deleted]	354
Schedule 5.5.2	[Deleted]	354
Schedule 5.5.3	Network and plant technical data of equipment at or near connection point.....	354
Schedule 5.5.4	Network Plant and Apparatus Setting Data	357
Schedule 5.5.5	Load Characteristics at Connection Point.....	359
Schedule 5.6	Terms and Conditions of Connection agreements and network operating agreements	360
Part A	Connection agreements	360
Part B	Network Operating Agreements	362
Schedule 5.7	Annual Forecast Information for Planning Purposes	362
Schedule 5.8	Distribution Annual Planning Report	364
Schedule 5.9	Demand side engagement document (clause 5.13.1(h)).....	370
Schedule 5.10	Information requirements for Primary Transmission Network Service Providers (clause 5.2A.5)	372
Schedule 5.11	Negotiating principles for negotiated transmission services (clause 5.2A.6)	375
Schedule 5.12	Negotiating principles for large DCA services	377
5A.	Electricity connection for retail customers	381
Part A	Preliminary.....	381
5A.A.1	Definitions	381
5A.A.2	Application of this Chapter.....	384
5A.A.3	Small Generation Aggregator deemed to be agent of a retail customer.....	384

Part B	Standardised offers to provide basic and standard connection services	385
Division 1	Basic connection services	385
5A.B.1	Obligation to have model standing offer to provide basic connection services	385
5A.B.2	Proposed model standing offer for basic connection services	385
5A.B.3	Approval of terms and conditions of model standing offer to provide basic connection services	386
Division 2	Standard connection services.....	387
5A.B.4	Standard connection services.....	387
5A.B.5	Approval of model standing offer to provide standard connection services	388
Division 3	Miscellaneous	389
5A.B.6	Amendment etc of model standing offer	389
5A.B.7	Publication of model standing offers	389
Part C	Negotiated connection	390
5A.C.1	Negotiation of connection.....	390
5A.C.2	Process of negotiation.....	390
5A.C.3	Negotiation framework.....	390
5A.C.4	Fee to cover cost of negotiation.....	392
Part D	Application for connection service	393
Division 1	Information	393
5A.D.1	Publication of information.....	393
5A.D.1A	Register of completed embedded generation projects	393
Division 2	Preliminary enquiry	394
5A.D.2	Preliminary enquiry	394
Division 3	Applications.....	395
5A.D.3	Application process	395
5A.D.4	Site inspection.....	396
Part E	Connection charges.....	397
5A.E.1	Connection charge principles	397
5A.E.2	Itemised statement of connection charges	398
5A.E.3	Connection charge guidelines.....	398
5A.E.4	Payment of connection charges	400
Part F	Formation and integration of connection contracts	401
Division 1	Offer and acceptance – basic and standard connection services.....	401
5A.F.1	Distribution Network Service Provider's response to application	401
5A.F.2	Acceptance of connection offer	401
5A.F.3	Offer and acceptance—application for expedited connection	402
Division 2	Offer and acceptance – negotiated connection.....	402
5A.F.4	Negotiated connection offer	402
Division 3	Formation of contract.....	403
5A.F.5	Acceptance of connection offer	403
Division 4	Contractual performance.....	403

5A.F.6	Carrying out connection work	403
5A.F.7	Retailer required for energisation where new connection	404
Part G	Dispute resolution between Distribution Network Service Providers and customers	404
5A.G.1	Relevant disputes	404
5A.G.2	Determination of dispute	404
5A.G.3	Termination of proceedings	405
SCHEDULE 5A.1	– Minimum content requirements for connection contract	405
Part A	Connection offer not involving embedded generation	405
Part B	Connection offer involving embedded generation	406
6.	Economic Regulation of Distribution Services	411
Part A	Introduction.....	411
6.0	Operation of Chapter 6 in this jurisdiction	411
6.0A	Interpretation	411
6.1	Introduction to Chapter 6	412
6.1.1	AER's regulatory responsibility	412
6.1.1A	[Deleted]	412
6.1.2	Structure of this Chapter	412
6.1.3	Access to direct control services and negotiated distribution services	413
6.1.4	Prohibition of DUOS charges for the export of energy	414
Part B	Classification of Distribution Services and Distribution Determinations	414
6.2	Classification	414
6.2.1	Classification of distribution services	414
6.2.2	Classification of direct control services as standard control services or alternative control services	414
6.2.3	Term for which classification operates	415
6.2.3A	Distribution Service Classification Guidelines	415
6.2.4	Duty of AER to make distribution determinations	416
6.2.5	Control mechanisms for direct control services	416
6.2.6	Basis of control mechanisms for direct control services	418
6.2.7	Negotiated distribution services	418
6.2.8	Guidelines	418
Part C	Building Block Determinations for standard control services	419
6.3	Building block determinations.....	419
6.3.1	Introduction.....	419
6.3.2	Contents of building block determination	419
6.4	Post-tax revenue model	420
6.4.1	Preparation, publication and amendment of post-tax revenue model.....	420
6.4.2	Contents of post-tax revenue model	420
6.4.3	Building block approach.....	421
6.4.4	Shared assets	422

6.4.5	Expenditure Forecast Assessment Guidelines	424
6.4A	Capital expenditure incentive mechanisms	424
6.4B	Asset exemptions	425
6.4B.1	Asset exemption decisions and Asset Exemption Guidelines	425
6.4B.2	Exemption applications	426
6.5	Matters relevant to the making of building block determinations.....	427
6.5.1	Regulatory asset base.....	427
6.5.2	Return on capital.....	428
6.5.3	Estimated cost of corporate income tax	428
6.5.4	[Deleted]	428
6.5.5	Depreciation.....	428
6.5.6	Forecast operating expenditure	429
6.5.7	Forecast capital expenditure	431
6.5.8	Efficiency benefit sharing scheme	436
6.5.8A	Capital expenditure sharing scheme	437
6.5.9	The X factor	438
6.5.10	Pass through events.....	439
6.6	Adjustments after making of building block determination.	439
6.6.1	Cost pass through.....	439
6.6.1AA	Cost pass through – deemed determinations	446
6.6.1AB	Cost pass through – NT events	447
6.6.1A	Reporting on jurisdictional schemes.....	452
6.6.2	Service target performance incentive scheme	453
6.6.3	Demand management incentive scheme.....	454
6.6.3A	Demand management innovation allowance mechanism.....	455
6.6.4	Small-scale incentive scheme	456
6.6.5	Reopening of distribution determination for capital expenditure.....	457
6.6A	Contingent Projects	461
6.6A.1	Acceptance of a contingent project in a distribution determination	461
6.6A.2	Amendment of distribution determination for contingent project.....	462
Part D	Negotiated distribution services	467
6.7	Negotiated distribution services	467
6.7.1	Principles relating to access to negotiated distribution services.....	467
6.7.2	Determination of terms and conditions of access for negotiated distribution services	469
6.7.3	Negotiating framework determination.....	469
6.7.4	Negotiated Distribution Service Criteria determination	469
6.7.5	Preparation of and requirements for negotiating framework for negotiated distribution services	470
6.7.6	Confidential information	472
Part DA	Connection policies	472
6.7A	Connection policy requirements.....	472
6.7A.1	Preparation of, and requirements for, connection policy	472
Part E	Regulatory proposal and proposed tariff structure statement.....	473

6.8	Regulatory proposal and proposed tariff structure statement.....	473
6.8.1	AER's framework and approach paper	473
6.8.1A	Notification of approach to forecasting expenditure	475
6.8.2	Submission of regulatory proposal, tariff structure statement and exemption application.....	476
6.9	Preliminary examination and consultation	478
6.9.1	Preliminary examination.....	478
6.9.2	Resubmission of proposal.....	478
6.9.2A	Confidential information	478
6.9.3	Consultation.....	479
6.10	Draft distribution determination and further consultation.....	480
6.10.1	Making of draft distribution determination	480
6.10.2	Publication of draft determination and consultation.....	480
6.10.3	Submission of revised proposal	481
6.10.4	Submissions on specified matters	482
6.11	Distribution determination	482
6.11.1	Making of distribution determination.....	482
6.11.1A	Out of scope revised regulatory proposal or late submissions	483
6.11.2	Notice of distribution determination.....	483
6.11.3	Commencement of distribution determination	484
6.12	Requirements relating to draft and final distribution determinations.....	484
6.12.1	Constituent decisions	484
6.12.2	Reasons for decisions	487
6.12.3	Extent of AER's discretion in making distribution determinations	488
6.13	Revocation and substitution of distribution determination for wrong information or error	489
6.14	Miscellaneous	490
6.14A	Distribution Confidentiality Guidelines	490
Part F	Cost Allocation	491
6.15	Cost allocation	491
6.15.1	Duty to comply with Cost Allocation Method	491
6.15.2	Cost Allocation Principles	491
6.15.3	Cost Allocation Guidelines.....	492
6.15.4	Cost Allocation Method.....	493
Part G	Distribution consultation procedures	494
6.16	Distribution consultation procedures	494
Part H	Ring-Fencing Arrangements for Distribution Network Service Providers.....	495
6.17	Distribution Ring-Fencing Guidelines	495
6.17.1	Compliance with Distribution Ring-Fencing Guidelines	495
6.17.1B	Application of Distribution Ring-Fencing Guidelines in this jurisdiction	495
6.17.2	Development of Distribution Ring-Fencing Guidelines.....	496

Part I	Distribution Pricing Rules	497
6.18	Distribution Pricing Rules	497
6.18.1	Application of this Part	497
6.18.1A	Tariff structure statement	497
6.18.1B	Amending a tariff structure statement with the AER's approval	498
6.18.1C	Sub-threshold tariffs	499
6.18.2	Pricing proposals	500
6.18.3	Tariff classes	501
6.18.4	Principles governing assignment or re-assignment of retail customers to tariff classes and assessment and review of basis of charging	502
6.18.5	Pricing principles	502
6.18.6	Side constraints on tariffs for standard control services	504
6.18.7	Recovery of designated pricing proposal charges	505
6.18.7A	Recovery of jurisdictional scheme amounts	505
6.18.8	Approval of pricing proposal	509
6.18.9	Publication of information about tariffs and tariff classes	510
6.19	Data Required for Distribution Service Pricing	511
6.19.1	Forecast use of networks by Distribution Customers and Embedded Generators	511
6.19.2	Confidentiality of distribution network pricing information	511
Part J	Billing and Settlements	511
6.20	Billing and Settlements Process	511
6.20.1	Billing for distribution services	511
6.20.2	Minimum information to be provided in distribution network service bills	513
6.20.3	Settlement between Distribution Network Service Providers	513
6.20.4	Obligation to pay	513
Part K	Prudential requirements, capital contributions and prepayments	514
6.21	Distribution Network Service Provider Prudential Requirements	514
6.21.1	Prudential requirements for distribution network service	514
6.21.2	Capital contributions, prepayments and financial guarantees	515
6.21.3	Treatment of past prepayments and capital contributions	515
Part L	Dispute resolution	515
6.22	Dispute Resolution	515
6.22.1	Dispute Resolution by the AER	515
6.22.2	Determination of dispute	516
6.22.3	Termination of access dispute without access determination	517
Part M	Separate disclosure of transmission and distribution charges	517
6.23	Separate disclosure of transmission and distribution charges	517
Part N	Dual Function Assets	518
6.24	Dual Function Assets	519
6.24.1	Application of this Part	519

6.24.2	Dual Function Assets	519
6.25	AER determination of applicable pricing regime for Dual Function Assets	519
6.26	Division of Distribution Network Service Provider's revenue	520
Part O	Annual Benchmarking Report	521
6.27	Annual Benchmarking Report	521
Part P	Distribution Reliability Measures Guidelines	522
6.28	Distribution Reliability Measures Guidelines	522
Schedule 6.1	Contents of building block proposals.....	522
S6.1.1	Information and matters relating to capital expenditure	522
S6.1.2	Information and matters relating to operating expenditure	524
S6.1.3	Additional information and matters	525
Schedule 6.2	Regulatory Asset Base	528
S6.2.1	Establishment of opening regulatory asset base for a regulatory control period.....	528
S6.2.2	Prudency and efficiency of capital expenditure.....	532
S6.2.2A	Reduction for inefficient past capital expenditure	533
S6.2.2B	Depreciation.....	535
S6.2.3	Roll forward of regulatory asset base within the same regulatory control period.....	536
S6.2.3A	Establishment of opening regulatory asset base for distribution system in this jurisdiction for 1st regulatory control period.....	537
6A.	Economic Regulation of Transmission Services.....	543
6B.	Retail Markets	547
7.	Metering	551
7A.	Metering	555
Part A	Introduction.....	555
7A.1	Introduction to the Metering Chapter	555
7A.1.1	Purpose and application	555
7A.1.2	Contents	555
7A.1.3	Definitions	555
7A.1.4	Inconsistency	556
Part B	Roles and Responsibilities	556
7A.2	Role and responsibility of financially responsible participant	556
7A.3	Role and responsibility of Metering Coordinator.....	557
7A.3.1	Responsibility of the Metering Coordinator	557
7A.3.2	Role of the Metering Coordinator.....	558
7A.4	Qualification and requirements of Metering Providers and Metering Data Providers.....	560

7A.4.1	Qualification and requirements of Metering Providers	560
7A.4.2	Qualification and requirements of Metering Data Providers	560
Part C	Appointment of Metering Coordinator	561
7A.5	Appointment of Metering Coordinator	561
Part D	Metering installation	562
7A.6	Metering installation arrangement	562
7A.6.1	Metering installation requirements	562
7A.6.2	Metering installation components	562
7A.6.3	Emergency management	565
7A.6.4	Network devices	565
7A.6.5	Metering point	565
7A.6.6	Metering installation types and accuracy	566
7A.6.7	Functionality requirements for type 1, 2, 3 and 4 metering installations	566
7A.6.8	Meter churn	566
7A.6.9	Metering installation malfunctions	567
7A.6.10	Timeframes for meters to be installed – new connection	568
7A.6.11	Timeframes for meters to be installed – where a connection service is not required	568
7A.6.12	Timeframes for meters to be installed – where a connection alteration is required	569
7A.6.13	Changing a metering installation	570
7A.6.14	Prepayment metering	571
7A.7	Maintenance, inspection, testing and auditing of metering installations	571
7A.7.1	Maintenance	571
7A.7.2	Responsibility for inspection and testing	572
7A.7.3	Actions in event of non-compliance	573
7A.7.4	Audits of information held in metering installations	574
7A.7.5	Appointment of external auditor	574
7A.7.6	Errors found in metering tests, inspections or audits	575
7A.7.7	Retention of test records and documents	575
Part E	Metering data	576
7A.8	Metering data services	576
7A.8.1	Metering data services	576
7A.8.2	Collection of energy data and estimation of metering data	577
7A.8.3	Data management and storage	578
7A.8.4	Provision of metering data to certain persons	579
7A.8.5	Use of check metering data	580
7A.8.6	Periodic energy metering	580
7A.8.7	Verification of metering data Metering installations other than type 7 metering installations	581
7A.8.8	Time settings	582
7A.8.9	Metering data performance standards	582
7A.9	Metering data and data base	584
7A.9.1	Metering database	584
7A.9.2	Data validation, substitution and estimation	585

7A.9.3	Changes to energy data or to metering data.....	585
7A.10	Register of metering information	586
7A.10.1	Metering register.....	586
7A.10.2	Metering installation registration process.....	586
7A.10.3	Metering register discrepancy.....	586
7A.11	Disclosure of information	587
7A.11.1	Provision of data to retailers	587
7A.12	Metering data provision to retail customers	588
Part F	Security of metering installations and energy data	588
7A.13	Security of metering installations, energy data and metering data.....	588
7A.13.1	Confidentiality of data	588
7A.13.2	Security of metering installations	588
7A.13.3	Security controls for energy data	589
7A.13.4	Additional security controls for type 4 metering installations.....	590
7A.13.5	Access to data	591
Schedule 7A.1	Metering register	592
S7A.1.1	General.....	592
S7A.1.2	Metering register information.....	593
S7A.1.3	Communication guideline.....	593
Schedule 7A.2	Metering provider.....	593
Schedule 7A.3	Metering data provider	593
Schedule 7A.4	Types and accuracy of metering installations	593
S7A.4.1	General requirements.....	593
S7A.4.2	Accuracy requirements for metering installations	594
S7A.4.3	Check metering.....	598
S7A.4.4	Resolution and accuracy of displayed or captured data.....	599
S7A.4.5	General design standards	600
S7A.4.5.1	Design requirements	600
S7A.4.5.2	Design guidelines.....	600
Schedule 7A.5	Metering functionality requirements for type 1, 2, 3 and 4 metering requirements	601
S7A.5.1	Introduction.....	601
S7A.5.1.1	Purpose	601
S7A.5.1.2	Definitions	601
S7A.5.2	Functionality Requirements for Meters in Type 1, 2, and 3 metering installations	601
S7A.5.2.1	Application	601
S7A.5.2.2	Applicable meter configurations.....	602
S7A.5.2.3	Metrology	602
S7A.5.3	Functionality Requirements for Meters in Type 4 metering installations	602
S7A.5.3.1	Application	602
S7A.5.3.2	Applicable meter configurations.....	602
S7A.5.3.3	Metrology	603
S7A.5.3.4	Remote and local reading of meters	603

S7A.5.3.5	Supply disconnection and reconnection	604
S7A.5.3.5.1	General requirements	604
S7A.5.3.5.2	Disconnection	604
S7A.5.3.5.3	Reconnection	604
S7A.5.3.6	Time clock synchronisation	605
S7A.5.3.7	Quality of Supply and other event recording	605
S7A.5.3.8	Tamper detection	606
S7A.5.3.9	Communications and data security	606
S7A.5.3.10	Remote firmware upgrades	606
S7A.5.3.11	Remote arming	606
Schedule 7A.6	Inspection and testing requirements	606
S7A.6.1	General	606
S7A.6.2	Technical guidelines	608
Schedule 7A.7	Metrology procedure	609
Part A		609
S7A.7.1	Introduction	609
S7A.7.1.1	General	609
S7A.7.1.2	Definitions	609
S7A.7.1.3	Relevant retailer	610
Part B		610
S7A.7.2	Purpose and scope	610
S7A.7.2.1	Purpose	610
S7A.7.2.2	Scope	611
S7A.7.3	Metering provision	611
S7A.7.3.1	Responsibility for metering provision	611
S7A.7.3.2	Metering installation components	611
S7A.7.3.3	Use of optical ports and pulse outputs	612
S7A.7.3.4	Load control equipment	613
S7A.7.3.5	Data storage requirements for meters	613
S7A.7.3.6	Metering installation clock	613
S7A.7.3.7	Interval meters	613
S7A.7.3.8	Alarm settings	614
S7A.7.3.9	Summation metering	614
S7A.7.3.10		614
S7A.7.3.11	Routine testing and inspection of metering installations	614
S7A.7.3.12	Requests for testing type 1 – 6 metering installations	615
S7A.7.4	Installation of meters and de-commissioning	616
S7A.7.4.1	General installation requirements	616
S7A.7.4.2	Type 4A, 5 and 6 metering installations	616
S7A.7.4.3	Preliminary de-commissioning and removal of metering equipment requirements	616
S7A.7.4.4		616
S7A.7.5		617
S7A.7.6	Responsibility for metering data services	617
S7A.7.6.1	Metering data storage	617
S7A.7.6.2	Verification of metering data for type 4, 4A, 5, 6 and 7 installations	617
S7A.7.6.3	Metering installation type 7 – sample testing	618
S7A.7.6.4	Request for text of calculated metering data	619
S7A.7.6.5	NTESMO's metering data substitution obligations	620

Part C		620
S7A.7.7	Purpose and scope.....	620
S7A.7.7.1	Purpose	620
S7A.7.7.2	Scope.....	620
S7A.7.8	Principles for validation, substitution and estimation.....	620
S7A.7.8.1	General validation, substitution and estimation requirements.....	620
S7A.7.8.2	Substitution requirements	620
S7A.7.8.3	Estimation requirement.....	621
S7A.7.8.4	Metering data quality flags	622
S7A.7.8.5	Final substitution	622
S7A.7.9	Substitution for acquisition of metering data from remotely read metering installations.....	623
S7A.7.9.1	Application of S7A.7.9	623
S7A.7.9.2	Substitution rules	623
S7A.7.9.3	Substitution types.....	625
S7A.7.10	Substitution and estimation for manually read interval metering installations	628
S7A.7.10.1	Application of S7A.7.10	628
S7A.7.10.2	Substitution and estimation rules.....	628
S7A.7.10.3	Substitution and estimation types	629
S7A.7.11	Substitution and estimation for metering installations with accumulated metering data	631
S7A.7.11.1	Substitution and estimation rules.....	631
S7A.7.11.2	Substitution and estimation types	633
S7A.7.12	Substitution and estimation for calculated metering data.....	634
S7A.7.12.1	Substitution rules	634
S7A.7.12.2	Substitution and estimation types	635
S7A.7.13	Data validation requirements	636
S7A.7.13.1	Validation requirements for all metering installations	636
S7A.7.13.2	Validation of interval metering data alarms	636
S7A.7.13.3	Validation within the meter reading process for manually read metering installations.....	637
S7A.7.13.4	Validation as part of the registration process.....	637
S7A.7.13.5	Validation of metering data	638
S7A.7.14	Determination of metering data for unmetered loads	644
S7A.7.14.1	Load table	644
S7A.7.14.2	Controlled unmetered devices	645
S7A.7.14.3	Uncontrolled unmetered devices	649
Schedule 7A.8	Service level procedures	650
Part A	Introduction.....	650
S7A.8.1	Introduction.....	650
S7A.8.1.1	Purpose and scope.....	650
S7A.8.1.2	Definitions	650
Part B	Metering provider services	651
S7A.8.2	Introduction.....	651
S7A.8.2.1	Purpose and exclusions.....	651
S7A.8.2.2	Services	651
S7A.8.3	General requirements.....	651
S7A.8.3.1	Metering Provider capability and competency	651

S7A.8.3.2	Use of contractors	652
S7A.8.3.3	Insurance	652
S7A.8.4	Device management and test equipment	653
S7A.8.4.1	Procurement	653
S7A.8.4.2	Storage, handling and transport	653
S7A.8.4.3	Management of test equipment	653
S7A.8.4.4	Management of meter programming and authorised software	654
S7A.8.5	Installation and commissioning requirements	654
S7A.8.5.1	General commissioning requirements	654
S7A.8.5.2	Metering data validation requirements	655
S7A.8.6	Metering installation maintenance	656
S7A.8.6.1	Test plans	656
S7A.8.6.2	Management of metering installation malfunctions	656
S7A.8.6.3	Telecommunications	656
S7A.8.6.4	Non-conforming test results or calibrations	657
S7A.8.7	Systems and administration	657
S7A.8.7.1	Register of metering installations	657
S7A.8.7.2	Disaster recovery	658
S7A.8.7.3	Audits undertaken by the Utilities Commission	658
Part C	Metering Data Provider services	658
S7A.8.8	Introduction	658
S7A.8.8.1	Purpose	658
S7A.8.8.2	Obligations	659
S7A.8.9	Service requirements	661
S7A.8.9.1	System requirements	661
S7A.8.9.2	Metering data services database	662
S7A.8.9.3	Exception reports	662
S7A.8.9.4	Collection process requirements	662
S7A.8.9.5	Specific collection process requirements for remotely read metering installations	663
S7A.8.9.6	Specific collection process requirements for manually read metering installations	663
S7A.8.9.7	Metering data processing requirements	664
S7A.8.9.8	Specific metering data processing requirements for type 1, 2, 3 and 4 metering installations	665
S7A.8.9.9	Specific metering data processing requirements for type 7 metering installations	665
S7A.8.9.10	Specific metering data estimation requirements for manually read and type 7 metering installations	666
S7A.8.9.11	Delivery performance requirements for metering data	666
S7A.8.10	Data management following the alteration of type of metering installation at a connection point	668
S7A.8.10.1	Meter churn scenarios	668
S7A.8.10.2	Scenario 1	669
S7A.8.10.3	Scenario 2	669
S7A.8.10.4	Scenario 3	669
S7A.8.10.5	Scenario 4	669
S7A.8.11	System architecture and administration	670
S7A.8.11.1	Metering data archival and recovery	670
S7A.8.11.2	Data backup	671

S7A.8.11.3	Disaster recovery	671
S7A.8.11.4	System administration and data management.....	672
S7A.8.12	Quality control	672
S7A.8.12.1	Audits.....	672
S7A.8.12.2	Corrective action.....	673
S7A.8.13.1	Administration	673
S7A.8.13.2	Quality systems.....	674
8.	Administrative Functions	677
Part A	Introductory	677
8.1	Administrative functions.....	677
8.1.1	[Deleted]	677
8.1.2	[Deleted]	677
8.1.3	Structure of this Chapter	677
Part B	Disputes.....	677
Part C	Registered Participants' confidentiality obligations.....	678
8.6	Confidentiality.....	678
8.6.1	Confidentiality	678
8.6.1A	Application	679
8.6.2	Exceptions.....	679
8.6.3	Conditions.....	680
8.6.4	[Deleted]	681
8.6.5	Indemnity to AER, AEMC and AEMO	681
8.6.6	AEMO information.....	681
8.6.7	Information on Rules Bodies	681
Part D	Monitoring and reporting	681
8.7	Monitoring and Reporting	681
8.7.1	Monitoring	681
8.7.2	Reporting requirements and monitoring standards for Registered Participants	682
8.7.3	Consultation required for making general regulatory information order (Section 28H of the NEL)	684
8.7.4	Preparation of network service provider performance report (Section 28V of the NEL).....	685
8.7.5	[Deleted]	685
8.7.6	Recovery of reporting costs	685
Part E	Reliability panel	686
8.8	Reliability Panel.....	686
8.8.1	Purpose of Reliability Panel	686
8.8.2	Constitution of the Reliability Panel.....	687
8.8.3	Reliability Panel review process.....	689
8.8.4	Determination of protected events.....	692
Part F	Rules consultation procedures.....	693
8.9	Rules Consultation Procedures	693
Part G	Consumer advocacy funding	696

8.10	Consumer advocacy funding obligation	696
Part H	Augmentations	696
8.11	Augmentations	696
8.11.1	Application	696
8.11.2	Object.....	696
8.11.3	Definitions	697
8.11.4	Planning criteria.....	697
8.11.5	Construction of augmentation that is not a contestable augmentation.....	698
8.11.6	Contestable augmentations	698
8.11.7	Construction and operation of contestable augmentation.....	699
8.11.8	Funded augmentations that are not subject to the tender process.....	700
8.11.9	Contractual requirements and principles	701
8.11.10	Annual planning review.....	702
Schedule 8.11	Principles to be reflected in agreements relating to contestable augmentations	702
S8.11.1	Risk allocation	702
S8.11.2	Minimum requirements for agreements relating to contestable augmentation.....	703
S8.11.3	Matters to be dealt with in relevant agreements	703
Part I	Values of customer reliability	704
8.12	Development of methodology and publication of values of customer reliability	704
8A.	Participant Derogations.....	709
Part 1	Derogations Granted to TransGrid	709
8A.1	[Deleted].....	709
Part 2	Derogations Granted to EnergyAustralia	709
8A.2	[Deleted].....	709
8A.2A	[Deleted].....	709
Part 3	[Deleted].....	709
Part 4	[Deleted].....	709
Part 5	[Deleted].....	709
Part 6	Derogations Granted to Victorian Market Participants	709
Part 7	[Deleted].....	710
Part 8	[Deleted].....	710
Part 9	[Deleted].....	710
Part 10	[Deleted].....	710
Part 11	[Deleted].....	710
Part 12	[Deleted].....	710
Part 13	Derogation granted to Aurora Energy (Tamar Valley) Pty Ltd	710

8A.13	[Deleted].....	710
Part 14	Derogations granted to Ausgrid, Endeavour Energy and Essential Energy.....	710
8A.14	Derogations from Chapter 6 for the current regulatory control period and subsequent regulatory control period	710
8A.14.1	Definitions	710
8A.14.2	Expiry date.....	714
8A.14.3	Application of Rule 8A.14.....	714
8A.14.4	Recovery of revenue across the current regulatory control period and subsequent regulatory control period.....	715
8A.14.5	Recovery of revenue in subsequent regulatory control period only and no reopening of subsequent distribution determination required.....	716
8A.14.6	Recovery of revenue in subsequent regulatory control period only and reopening of distribution determination is required.....	717
8A.14.7	Requirements for adjustment determination.....	718
8A.14.8	Application of Chapter 6 under participant derogation	719
Part 15	Derogations granted to ActewAGL.....	720
8A.15	Derogations from Chapter 6 for the current regulatory control period and subsequent regulatory control period	720
8A.15.1	Definitions	720
8A.15.2	Expiry date.....	724
8A.15.3	Application of Rule 8A.15.....	724
8A.15.4	Recovery of revenue across the current regulatory control period and subsequent regulatory control period.....	724
8A.15.5	Recovery of revenue in subsequent regulatory control period only and no reopening of subsequent distribution determination required.....	726
8A.15.6	Recovery of revenue in subsequent regulatory control period only and reopening of distribution determination is required.....	727
8A.15.7	Requirements for adjustment determination.....	729
8A.15.8	Application of Chapter 6 under participant derogation	729
9.	Jurisdictional Derogations and Transitional Arrangements	735
9.1	Purpose and Application.....	735
9.1.1	Purpose	735
9.1.2	Jurisdictional Derogations	735
Part A	Jurisdictional Derogations for Victoria	735
9.2	[Deleted].....	735
9.3	Definitions.....	735
9.3.1	General Definitions.....	735
9.3.2	[Deleted]	737
9.3A	Fault levels.....	737
9.4	Transitional Arrangements for Chapter 2 - Registered Participants, Registration and Cross Border Networks	738
9.4.1	[Deleted]	738

9.4.2	Smelter Trader	738
9.4.3	Smelter Trader: compliance	738
9.4.4	Report from AER	741
9.4.5	Cross Border Networks	741
9.5	[Deleted]	742
9.6	Transitional Arrangements for Chapter 4 - System Security	742
9.6.1	Operating Procedures (clause 4.10.1)	742
9.6.2	Nomenclature Standards (clause 4.12)	742
9.7	Transitional Arrangements for Chapter 5 - Network Connection	742
9.7.1	[Deleted]	742
9.7.2	[Deleted]	742
9.7.3	[Deleted]	742
9.7.4	Regulation of Distribution Network Connection	742
9.7.5	[Deleted]	743
9.7.6	[Deleted]	743
9.7.7	[Deleted]	743
9.8	Transitional Arrangements for Chapter 6 - Network Pricing	743
9.8.1	[Deleted]	743
9.8.2	[Deleted]	743
9.8.3	[Deleted]	743
9.8.4	Transmission Network Pricing	743
9.8.4A	[Deleted]	745
9.8.4B	[Deleted]	745
9.8.4C	[Deleted]	745
9.8.4D	[Deleted]	745
9.8.4E	[Deleted]	745
9.8.4F	[Deleted]	745
9.8.4G	[Deleted]	745
9.8.5	[Deleted]	745
9.8.6	[Deleted]	745
9.8.7	Distribution network pricing – transitional application of former Chapter 6	745
9.8.8	Exclusion of AER's power to aggregate distribution systems and parts of distribution systems	746
9.9	Transitional Arrangements for Chapter 7 - Metering	746
9.9.1	Metering Installations To Which This Schedule Applies	746
9.9.2	[Deleted]	747
9.9.3	[Deleted]	747
9.9.4	[Deleted]	747
9.9.5	[Deleted]	747
9.9.6	[Deleted]	747
9.9.7	[Deleted]	747
9.9.8	[Deleted]	747
9.9.9	Periodic Energy Metering (clause 7.9.3)	747
9.9.10	Use of Alternate Technologies (clause 7.13)	747
9.9A	[Deleted]	748

9.9B	[Deleted]	748
9.9C	[Deleted]	748
1.	Interpretation of tables	748
2.	Continuing effect	748
3.	Subsequent agreement	749
4.	[Deleted]	749
5.	Reactive Power Capability (clause S5.2.5.1 of schedule 5.2)	749
6.	[Deleted]	750
7.	[Deleted]	750
8.	[Deleted]	750
9.	[Deleted]	750
10.	[Deleted]	750
11.	[Deleted]	750
12.	[Deleted]	750
13.	Governor Systems (load control) (clause S5.2.5.11 of schedule 5.2)	750
14.	[Deleted]	750
15.	[Deleted]	750
16.	Excitation Control System (clause S5.2.5.13 of schedule 5.2)	750
Part B	Jurisdictional Derogations for New South Wales	751
9.10	[Deleted]	751
9.11	Definitions	751
9.11.1	Definitions used in this Part B	751
9.12	Transitional Arrangements for Chapter 2 - Generators, Registered Participants, Registration and Cross Border Networks	752
9.12.1	[Deleted]	752
9.12.2	Customers	752
9.12.3	Power Traders	752
9.12.4	Cross Border Networks	755
9.13	[Deleted]	756
9.14	Transitional Arrangements for Chapter 4 - System Security	756
9.14.1	Power System Operating Procedures	756
9.15	NSW contestable services for Chapter 5A	756
9.15.1	Definitions	756
9.15.2	Chapter 5A not to apply to certain contestable services	756
9.16	Transitional Arrangements for Chapter 6 - Network Pricing	756
9.16.1	NSW contestable services	756
9.16.2	[Deleted]	756
9.16.3	Jurisdictional Regulator	756
9.16.4	Deemed Regulated Interconnector	757
9.16.5	[Deleted]	757
9.17	Transitional Arrangements for Chapter 7 - Metering	757
9.17.1	Extent of Derogations	757
9.17.2	Initial Registration (clause 7.1.2)	757
9.17.3	Amendments to Schedule 9G1	757

9.17.4	Compliance with AS/NZ ISO 9002 (clause S7.4.3(f) of schedule 7.4)	758
9.17A	[Deleted]	758
9.18	[Deleted]	758
Part C	Jurisdictional Derogations for the Australian Capital Territory.....	758
9.19	[Deleted]	758
9.20	Definitions and Transitional Arrangements for Cross-Border Networks.....	758
9.20.1	Definitions	758
9.20.2	Cross Border Networks.....	758
9.21	[Deleted]	759
9.22	[Deleted]	759
9.23	Transitional Arrangements for Chapter 6 - Network Pricing.....	759
9.23.1	[Deleted]	759
9.23.2	[Deleted]	759
9.23.3	[Deleted]	759
9.23.4	[Deleted]	759
9.24	Transitional Arrangements.....	759
9.24.1	Chapter 7 - Metering.....	759
9.24.2	[Deleted]	759
9.24A	[Deleted]	759
Part D	Jurisdictional Derogations for South Australia	759
9.25	Definitions.....	759
9.25.1	[Deleted]	759
9.25.2	Definitions	759
9.26	Transitional Arrangements for Chapter 2 - Registered Participants, Registration And Cross Border Networks.....	762
9.26.1	Registration as a Generator.....	762
9.26.2	Registration as a Customer	763
9.26.3	Cross Border Networks.....	763
9.26.4	[Deleted]	763
9.26.5	Registration as a Network Service Provider	763
9.27	[Deleted]	764
9.28	Transitional Arrangements for Chapter 5 - Network Connection.....	764
9.28.1	Application of clause 5.2	764
9.28.2	[Deleted]	765
9.29	Transitional Arrangements for Chapter 6 - Economic Regulation of Distribution Services	765
9.29.1	[Deleted]	765
9.29.2	[Deleted]	765
9.29.3	[Deleted]	765
9.29.4	[Deleted]	765

9.29.5	Distribution Network Pricing – South Australia	765
9.29.6	Capital contributions, prepayments and financial guarantees	766
9.29.7	Ring fencing.....	766
9.29A	Monitoring and reporting	766
9.30	Transitional Provisions	767
9.30.1	Chapter 7 - Metering.....	767
Part E	Jurisdictional Derogations for Queensland.....	767
9.31	[Deleted]	767
9.32	Definitions and Interpretation.....	767
9.32.1	Definitions	767
9.32.2	Interpretation.....	770
9.33	Transitional Arrangements for Chapter 1	770
9.33.1	[Deleted]	770
9.34	Transitional Arrangements for Chapter 2 - Registered Participants and Registration.....	770
9.34.1	Application of the Rules in Queensland (clauses 2.2 and 2.5)	770
9.34.2	Stanwell Cross Border Leases (clause 2.2).....	770
9.34.3	[Deleted]	770
9.34.4	Registration as a Customer (clause 2.3.1)	770
9.34.5	There is no clause 9.34.5	771
9.34.6	Exempted generation agreements (clause 2.2)	771
9.35	[Deleted]	775
9.36	[Deleted]	775
9.37	Transitional Arrangements for Chapter 5 - Network Connection.....	775
9.37.1	[Deleted]	775
9.37.2	Existing connection and access agreements (clause 5.2).....	775
9.37.3	[Deleted]	776
9.37.4	[Deleted]	776
9.37.5	Forecasts for connection points to transmission network (clause 5.11.1)	776
9.37.6	There is no clause 9.37.6	776
9.37.7	Cross Border Networks.....	776
9.37.8	[Deleted]	777
9.37.9	Credible contingency events (clause S5.1.2.1 of schedule 5.1).....	777
9.37.10	Reactive power capability (clause S5.2.5.1 of schedule 5.2)	777
9.37.11	[Deleted]	778
9.37.12	Voltage fluctuations (clause S5.1.5 of schedule 5.1).....	778
9.37.13	[Deleted]	780
9.37.14	[Deleted]	780
9.37.15	[Deleted]	780
9.37.16	[Deleted]	780
9.37.17	[Deleted]	780
9.37.18	[Deleted]	780
9.37.19	Generating unit response to disturbances (clause S5.2.5.3 of schedule 5.2).....	780

9.37.20	[Deleted]	780
9.37.21	Excitation control system (clause S.5.2.5.13 of schedule 5.2)	780
9.37.22	[Deleted]	781
9.37.23	Annual forecast information for planning purposes (schedule 5.7).....	781
9.38	Transitional Arrangements for Chapter 6 - Network Pricing.....	781
9.38.1	[Deleted]	781
9.38.2	[Deleted]	781
9.38.3	[Deleted]	781
9.38.4	Interconnectors between regions	781
9.38.5	Transmission pricing for exempted generation agreements	781
9.39	Transitional Arrangements for Chapter 7 - Metering	782
9.39.1	Metering installations to which this clause applies	782
9.39.2	[Deleted]	783
9.39.3	[Deleted]	783
9.39.4	[Deleted]	783
9.39.5	[Deleted]	783
9.40	Transitional Arrangements for Chapter 8 - Administration	
	Functions	783
9.40.1	[Deleted]	783
9.40.2	[Deleted]	783
9.40.3	[Deleted]	783
9.41	[Deleted].....	783
Part F	Jurisdictional Derogations for Tasmania	784
9.42	Definitions and interpretation	784
9.42.1	Definitions	784
9.42.2	Interpretation.....	785
9.42.3	National grid, power system and related expressions.....	785
9.43	[Deleted].....	786
9.44	Transitional arrangements for Chapter 2 – Registered Participants and Registration - Customers (clause 2.3.1(e)).....	786
9.45	Tasmanian Region (clause 3.5)	786
9.47	Transitional arrangements for Chapter 5- Network Connection	786
9.47.1	Existing Connection Agreements	786
9.48	Transitional arrangements - Transmission and Distribution Pricing.....	786
9.48.4A	Ring fencing.....	786
9.48.4B	Uniformity of tariffs for small customers	787
9.48.5	Transmission network.....	787
9.48.6	Deemed regulated interconnector	787
Part G	Schedules to Chapter 9	787
1.	Introduction.....	787
2.	[Deleted]	787
3.	General Principle	787
4.	[Deleted]	788
5.	Accuracy Requirements.....	788

6.	[Deleted]	788
7.	[Deleted]	788
8.	[Deleted]	788
9.	[Deleted]	788
10.	[Deleted]	788
10.	Glossary	791
11.	Savings and Transitional Rules.....	911
Part ZZJ	Demand management incentive scheme	911
11.82	Rules consequential on making of the National Electricity Amendment (Demand management incentive scheme) Rule 2015	911
11.82.1	Definitions	911
11.82.2	AER to develop and publish the demand management incentive scheme and demand management innovation allowance mechanism	911
Part ZZM	Common definitions of distribution reliability measures	911
11.85	Rules consequential on the making of the National Electricity Amendment (Common definitions of distribution reliability measures) Rule 2015	911
11.85.1	Definitions	911
11.85.2	Distribution reliability measures guidelines	912
11.85.3	Amended STPIS	912
11.86.8	Distribution Ring Fencing Guidelines	912
Part ZZU	Rate of Return Guidelines Review	912
11.93	Rules consequential on the making of the National Electricity Amendment (Rate of Return Guidelines Review) Rule 2016	912
11.93.1	Definitions	912
11.93.2	Application of current rate of return guidelines to making of a distribution determination for the subsequent regulatory control period	913
Part ZZV	Demand Response Mechanism and Ancillary Services Unbundling.....	914
11.94	Rules consequential on the making of the National Electricity Amendment (Demand Response Management and Ancillary Services Unbundling) rule 2016.....	914
11.94.1	Definitions	914
11.94.2	Participant fees for Market Ancillary Service Providers	914
Part ZZW	Local Generation Network Credits	914
11.95	Rules consequential on the making of the National Electricity Amendment (Local Generation Network Credits) Rule 2016	914
11.95.1	Definitions	914
11.95.2	System limitation template	914
Part ZZY	Emergency Frequency Control Schemes	915

11.97	Rules consequent on the making of the National Electricity Amendment (Emergency frequency control schemes) Rule 2017	915
11.97.1	Definitions	915
11.97.2	Interim frequency operating standards for protected events.....	915
11.97.3	First power system frequency risk review	916
11.97.4	AEMO must review existing load shedding procedures	916
11.97.5	Load shedding procedures	916
Part ZZZ	Transmission Connection and Planning Arrangements	917
11.98	Rules consequential on the making of the National Electricity Amendment (Transmission Connection and Planning Arrangements) Rule 2017	917
11.98.1	Definitions	917
11.98.2	Grandfathering of existing dedicated connection assets.....	918
11.98.3	Preparatory steps for registration changes under the Amending Rule.....	918
11.98.4	Participant fees for Dedicated Connection Asset Service Providers	919
11.98.5	Existing Connection Agreements	919
11.98.6	Connection process	919
11.98.7	Transmission Annual Planning Report	920
11.98.8	Preservation for adoptive jurisdictions	920
Part ZZZA	Replacement expenditure planning arrangements.....	920
11.99	Rules consequential on the making of the National Electricity Amendment (Replacement expenditure planning arrangements) Rule 2017	920
11.99.1	Definitions	920
11.99.2	Interpretation.....	921
11.99.3	Transitional arrangements for affected DNSPs	922
11.99.4	Amendments to RIT documentation.....	922
11.99.5	Transitional arrangements relating to excluded projects	922
11.99.6	Transitional arrangements relating to Victorian bushfire mitigation projects.....	922
11.99.7	Transitional arrangements relating to review of costs thresholds.....	923
Part ZZZB	Managing the rate of change of power system frequency.....	923
11.100	Rules consequential on the making of the National Electricity Amendment (Managing the rate of change of power system frequency) Rule 2017	923
11.100.1	Definitions	923
11.100.2	Inertia sub-networks	924
11.100.3	Inertia requirements methodology	924
11.100.4	Inertia requirements	924
11.100.5	NSCAS not to be used to meet an inertia shortfall after 1 July 2019	925
11.100.6	Inertia network services may be used to meet an NSCAS gap declared in the NSCAS transition period.....	925
11.100.7	Inertia network services made available before the commencement date.....	926
Part ZZZC	Managing power system fault levels	926

11.101	Rules consequential on the making of the National Electricity Amendment (Managing power system fault levels) Rule 2017.....	926
11.101.1	Definitions	926
11.101.2	System strength impact assessment guidelines.....	928
11.101.3	System strength requirements methodology.....	928
11.101.4	System strength requirements.....	928
11.101.5	NSCAS not to be used to meet a fault level shortfall after 1 July 2019	929
11.101.6	System strength services may be used to meet an NSCAS gap declared in the NSCAS transition period.....	929
11.101.7	Withdrawal of a system strength-related NSCAS gap already declared.....	930
11.101.8	System strength services made available before the commencement date.....	930
Part ZZZD	Generating System Model Guidelines.....	930
11.102	Making of Power System Model Guidelines	930
Part ZZZE	Five Minute Settlement	930
11.103	Rules consequential on the making of the National Electricity Amendment (Five Minute Settlement) Rule 2017.....	930
11.103.1	Definitions	930
11.103.2	Amendments to procedures	931
11.103.3.	Exemption for certain metering installations.....	932
11.103.4	New or replacement meters	932
11.103.5	Metering installations exempt from metering data provision requirements	933
11.103.6	Exemption from meter data storage requirements.....	933
11.103.7	Default offers and bids submitted prior to the commencement date	933
Part ZZZF	Contestability of energy services	933
11.104	Rules consequential on the making of the National Electricity Amendment (Contestability of energy services) Rule 2017	933
11.104.1	Definitions	933
11.104.2	New guidelines	935
11.104.3	Transitional arrangements for application of Distribution Service Classification Guidelines and service classification provisions	935
11.104.4	Transitional arrangements for application of Asset Exemption Guidelines, exemption applications and asset exemption decisions.....	935
11.104.5	Transitional arrangements for adjustment in value of regulatory asset base	937
Part ZZZG	Declaration of lack of reserve conditions.....	937
11.105	Making of lack of reserve declaration guidelines	937
11.105.1	Definitions	937
11.105.2	Making of lack of reserve declaration guidelines.....	937
Part ZZZH	Implementation of demand management incentive scheme	937
11.106	Implementation of demand management incentive scheme	937
11.106.1	Definitions	937
11.106.2	Purpose	938

11.106.3	Early application of revised demand management incentive scheme	938
Part ZZZI	Reinstatement of long notice Reliability and Emergency Reserve Trader.....	939
11.107	Rules consequential on the making of the National Electricity Amendment (Reinstatement of long notice Reliability and Emergency Reserve Trader) Rule 2018.....	939
11.107.1	Definitions	939
11.107.2	New RERT guidelines	940
11.107.3	Amendments to RERT procedures	943
11.107.4	Reserve contracts entered into before the commencement date	943
Part ZZZJ	Register of distributed energy resources	943
11.108	Rules consequential on the making of the National Electricity Amendment (Register of distributed energy resources) Rule 2018	943
11.108.1	Definitions	943
11.108.2	AEMO to develop and publish DER register information guidelines	944
11.108.3	NSPs to provide AEMO with existing DER generation information.....	944
Part ZZZK	Generator technical performance standards	944
11.109	Rules consequential on the making of the National Electricity Amendment (Generator technical performance standards) Rule 2018	944
11.109.1	Definitions	944
11.109.2	Application of the Amending Rule to existing connection enquiries.....	945
11.109.3	Application of the Amending Rule to existing applications to connect.....	946
11.109.4	Application of the Amending Rule to existing offers to connect	948
11.109.5	Application of the Amending Rule to Existing Connection Agreements	948
Part ZZZL	Generator three year notice of closure	949
11.110	Rules consequential on the making of the National Electricity Amendment (Generator three year notice of closure) Rule 2018.....	949
11.110.1	Definitions	949
11.110.2	AER to develop and publish notice of closure exemption guideline.....	949
11.110.3	Application of Amending Rule to AEMO	949
11.110.4	Application of Amending Rule to Generators	949
Part ZZZM	Participant compensation following market suspension.....	950
11.111	Rules consequential on the making of the National Electricity Amendment (Participant compensation following market suspension) Rule 2018.....	950
11.111.1	Definitions	950
11.111.2	Market suspension compensation methodology and schedule of benchmark values	950
Part ZZZN	Global settlement and market reconciliation	950

11.112	Rules consequential on the making of the National Electricity Amendment (Global settlement and market reconciliation) Rule 2018	950
11.112.1	Definitions	950
11.112.2	Amendments to AEMO procedures.....	951
11.112.3	AEMO to publish report on unaccounted for energy trends.....	951
11.112.4	Continuation of registration for non-market generators	951
11.112.5	Publication of UFE data by AEMO	951
11.112.6	Publication of UFE reporting guidelines	952
Part ZZZO	Metering installation timeframes	952
11.113	Rules consequential on making of the National Electricity Amendment (Metering installation timeframes) Rule 2018	952
11.113.1	Definitions	952
11.113.2	Timeframes for meters to be installed	952
Part ZZZP	Early implementation of ISP priority projects	953
11.114	National Electricity Amendment (Early implementation of ISP priority projects) Rule 2019	953
11.114.1	Definitions	953
11.114.2	Modifications to clause 5.16.6 for ISP VNI and QNI projects.....	954
11.114.3	Modifications to clause 6A.8.2 for ISP projects.....	955
Part ZZZQ	Enhancement to the Reliability and Emergency Reserve Trader	957
11.115	Rules consequential on the making of the National Electricity Amendment (Enhancement to the reliability and emergency reserve trader) Rule 2019	957
11.115.1	Definitions	957
11.115.2	New RERT guidelines	958
11.115.3	Amendments to RERT procedures	958
11.115.4	Reserve contracts entered into before the commencement date	958
11.115.5	Clause 3.20.6 (Reporting on RERT by AEMO).....	958
Part ZZZR	Retailer Reliability Obligation.....	958
11.116	Rules consequential on the making of the National Electricity Amendment (Retailer Reliability Obligation) Rule 2019	958
11.116.1	Application	958
11.116.2	Reliability Instrument Guidelines	959
11.116.3	Forecasting Best Practice Guidelines	959
11.116.4	Reliability Forecast Guidelines.....	959
11.116.5	AER Opt-in Guidelines.....	960
11.116.6	Contracts and Firmness Guidelines	960
11.116.7	Qualifying contracts under interim Contracts and Firmness Guidelines	960
11.116.8	Grandfathering arrangements	960
11.116.9	Reliability Compliance Procedures and Guidelines	961
11.116.10	MLO Guidelines	962
11.116.11	Application of Part G, Divisions 2 – 6 (inclusive)	962
11.116.12	Interim deeming of MLO generators and MLO groups	963
11.116.13	MLO information template.....	969
11.116.14	Initial MLO register	970

11.116.15	Approved MLO products list.....	970
11.116.16	Designated MLO exchange	970
11.116.17	Five minute settlement intervals	970
11.116.18	Review by AEMC.....	970
Part ZZZS	Transparency of new projects	971
11.117	Rules consequential on the making of the National Electricity Amendment (Transparency of new projects) Rule 2019.....	971
11.117.1	Definitions	971
11.117.2	Generation information page	971
11.117.3	Generation information guidelines	971
11.117.4	Provision and use of information.....	972
11A.	NT Savings and Transitional Rules	975
Part A	Savings and transitional rules for Chapter 5	975
11A.1	Chapter 5 provisions.....	975
Part B	Savings and transitional rules for Chapter 5A	975
11A.2	Model standing offers	975
11A.2.1	Definitions	975
11A.2.2	Extended meaning of some terms	976
11A.2.3	Transitional operation of relevant provisions	976
11A.2.4	Exclusions, qualifications and modifications	976
11A.2.5	References.....	977
Part C	Savings and transitional rules for Chapter 7A	977
11A.3	Existing metering installations	978
11A.4	Testing metering installations.....	978
11A.5	Metering data services database and related requirements	979
11A.6	Communication guideline	980
11A.7	Timeframes for meters to be installed	980