



## **National Electricity Amendment (Extension of Inter-regional Settlements Agreement) Rule 2006 No.12**

under the National Electricity Law as applied by:

- (a) the National Electricity (South Australia) Act 1996; and
- (b) the Electricity (National Scheme) Act 1997 of the Australian Capital Territory; and
- (c) the National Electricity (New South Wales) Act 1997 of New South Wales; and
- (d) the Electricity - National Scheme (Queensland) Act 1997 of Queensland; and
- (e) the Electricity - National Scheme (Tasmania) Act 1999 of Tasmania; and
- (f) the National Electricity (Victoria) Act 1997 of Victoria; and
- (g) the Australian Energy Market Act 2004 of the Commonwealth.

The Australian Energy Market Commission makes the following Rule under the National Electricity Law.

John Tamblyn  
Chairman  
Australian Energy Market Commission

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## **National Electricity Amendment (Extension of Inter-regional Settlements Agreement) Rule 2006 No.12**

### **1. Title of Rule**

This Rule is the *National Electricity Amendment (Extension of Inter-regional Settlements Residue) Rule 2006 No.12*.

### **2. Commencement**

This Rule commences operation on 13 July 2006.

### **3. Amendment of the National Electricity Rules**

The National Electricity Rules are amended as set out in Schedule 1.

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**Schedule 1      Amendment of National Electricity Rules**

(Clause 3)

**[1]            Clause 3.6.5      Settlements residue due to network losses and constraints**

Omit clause 3.6.5(a)(5) and substitute:

- (5) for the purposes of the distribution or recovery of *settlements residue* that is attributable to *regulated interconnectors*:
  - (i) all of the *settlements residue* relating to electricity that is transferred from one *region* (the "exporting region") to another *region* (the "importing region") must be allocated to *Network Service Providers* in respect of a *network* located in the importing region (or part of a *network* located in the importing region);
  - (ii) the importing region must, in respect of the period from *market commencement* until the expiry date referred to in subparagraph (iv), pay a charge to the exporting region reflecting the extent of the use of a *network* located in the exporting region (or part of a *network* located in the exporting region) to transfer the electricity from the exporting region to the importing region;
  - (iii) the amount of the charge described in subparagraph (ii) must not exceed the amount of the *settlements residue* referred to in subparagraph (i), and must be agreed between the *participating jurisdictions* in which the importing region and the exporting region are located; and
  - (iv) the expiry date referred to in subparagraph (ii), means 1 July 2009 or the date of commencement of rules which make alternative provision in the *Rules* for inter-regional *settlements*, whichever is the earlier date; and