Draft National Electricity Amendment (Connecting embedded generators under chapter 5A) Rule 2014

Under the National Electricity Law to the extent applied by:

(a) the National Electricity (South Australia) Act 1996 of South Australia;
(b) the Electricity (National Scheme) Act 1997 of the Australian Capital Territory;
(c) the Electricity - National Scheme (Queensland) Act 1997 of Queensland;
(d) the Electricity - National Scheme (Tasmania) Act 1999 of Tasmania;
(e) the National Electricity (New South Wales) Act 1997 of New South Wales;
(f) the National Electricity (Victoria) Act 2005 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 Pierce
Chairman
Australian Energy Market Commission
Draft National Electricity Amendment (Connecting embedded generators under chapter 5A) Rule 2014

1 Title of Rule

This Rule is the Draft National Electricity Amendment (Connecting embedded generators under chapter 5A) Rule 2014.

2 Commencement

This Rule commences operation on [COMMENCEMENT_DATE].

3 Amendment of the National Electricity Rules

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

4 Amendment of the National Electricity Rules

The National Electricity Rules are amended as set out in Schedule 2.

5 Savings and Transitional Amendments to the National Electricity Rules

The National Electricity Rules are amended as set out in Schedule 3.

6 Note

This draft Rule proposes draft amendments to clauses 5.3.1A and 5.3A.1. Theses clauses were made as part of National Electricity Amendment (Connecting embedded generators) Rule 2014 and commence in the form made under that rule on 1 October 2014, prior to the date the Commission will make a final determination on this rule.
Schedule 1  Amendment to the National Electricity Rules

(Clause 3)

[1] Clause 5.3.1A  Application of rule to connection of embedded generating units

Omit clause 5.3.1A and substitute:

5.3.1A  Application of rule to connection of embedded generating units

(a) For the purposes of this clause 5.3.1A;

the non-registered embedded generator has the same meaning as in clause 5A.A.1.

(b) If a Connection Applicant wishes to connect an embedded generating unit, then:

(1) unless otherwise provided, rule 5.3A applies to the proposed connection and clauses 5.3.2, 5.3.3, 5.3.4 and 5.3.5 do not apply to the proposed connection; and

(2) for the avoidance of doubt, the application of the balance of Chapter 5, Part A to the Connection Applicant is otherwise unaffected by this clause 5.3.1A.

(c) A reference to a Connection Applicant in paragraph (a) is to a:

(1) person who intends to be an Embedded Generator;

(2) person who is required to apply to AEMO for an exemption from the requirement to register as a Generator in respect of an embedded generating unit; or

(3) non-registered embedded generator who has made an election under clause 5A.A.2(c); and

(4) person who makes a connection enquiry under clause 5.3A.5 or an application to connect under clause 5.3A.9 in relation to any generating systems, or any network elements used in the provision of a network service, as the case may be.

[2] Clause 5.3A.1  Application of rule 5.3A

Omit clause 5.3A.1 and substitute:

5.3A.1  Application of rule 5.3A

(a) For the purposes of this rule 5.3A:
non-registered embedded generator has the same meaning as in clause 5A.A.1

(b) Where a Connection Applicant wishes to connect an embedded generating unit, this rule 5.3A applies.

(c) For the purposes of this rule 5.3A and Schedules 5.4A and 5.4B:

(1) a reference to a Connection Applicant is to a:

(i) person who intends to be an Embedded Generator;

(ii) person who is required to apply to AEMO for exemption from the requirement to register as a Generator in respect of an embedded generating unit; or

(iii) non-registered embedded generator who has made an election under clause 5A.A.2(c); and

(iv) person who makes a connection enquiry under clause 5.3A.5 or an application to connect under clause 5.3A.9 in relation to any generating systems, or any network elements used in the provision of a network service, as the case may be.

(2) the Distribution Network Service Provider is the Distribution Network Service Provider required under clause 5.3A.5 to process and respond to a connection enquiry or required under clause 5.3A.10 to prepare an offer to connect for the establishment or modification of a connection to the distribution network owned, controlled or operated by that Distribution Network Service Provider or for the provision of a network service.

[3] Clause 5A.A.1 Definitions
Omit the definition of 'standard' and substitute:

standard connection service

means a connection service (other than a basic connection service) for a particular class (or sub-class) of connection applicant and for which a model standing offer has been approved by the AER.

[4] Clause 5A.A.1 Definitions
Insert the following definition:

confidential information

means, in relation to a Registered Participant, AEMO or connection applicant, information which is or has been provided to that Registered
Participant, AEMO or connection applicant under or in connection with the Rules and which is stated under the Rules, or by AEMO, the AER of the AEMC, to be confidential information or is otherwise confidential or commercially sensitive. It also includes any information which is derived from such information.

[5] Clause 5.A.A.2 Application of this Chapter

Omit clause 5.A.A.2 and substitute:

5A.A.2 Application of this Chapter

(a) This Chapter does not apply to, or in relation to, a connection applicant that is a Registered Participant or an Intending Participant unless the Registered Participant or Intending Participant is acting as the agent of a retail customer.

(b) Where a non-registered embedded generator wishing to connect an embedded generating unit to a Distribution Network Service Provider’s network:

(1) falls within a particular class (or subclass) of connection applicant for which that Distribution Network Service Provider provides a standard connection service this Chapter will apply;

(2) does not fall within a particular class (or subclass) of connection applicant for which that Distribution Network Service Provider provides a standard connection service, paragraph (c) will apply.

(c) A non-registered embedded generator that meets the requirements in paragraph (b)(2) may elect to seek connection of the relevant embedded generating unit under rule 5.3A instead of this Chapter.

(d) Any election made by a non-registered embedded generator under paragraph (c) must be:

(1) made before an enquiry is made under clause 5A.D.2;

(2) in writing; and

(3) delivered to the relevant Distribution Network Service Provider.

(e) If a non-registered embedded generator:

(1) makes a valid election under paragraph (c); and

(2) lodges an enquiry under clause 5.3A.5.
the connection of the relevant embedded generating unit can no longer be sought under this Chapter and Chapter 5 will apply to the connection of that embedded generating unit.

(f) If a connection applicant is eligible to make an election under paragraph (c) and does not do so, this Chapter will apply to the connection of the embedded generating unit in relation to which the election could have been made.

(g) For the avoidance of doubt, clause 5A.C.1(a)(2) is still applicable when a non-registered embedded generator meets the requirements in paragraph (b)(1).

[6] Clause 5A.D.1 Publication of information

Omit clause 5A.D.1 and substitute:

5A.D.1 Publication of information

(a) A Distribution Network Service Provider must publish on its website the following:

(1) an application form for a new connection or a connection alteration; and

(2) a description of how an application for a new connection or a connection alteration is to be made (including a statement of the information required for the application); and

(3) a description of the Distribution Network Service Provider’s basic connection services and standard connection services and the classes (or subclasses) of retail customer to which they apply. If the Distribution Network Service Provider does not provide standard connection services for all or some non-registered embedded generators, a clear statement to this effect must also be included in the description; and

(4) an explanation of the connection applicant’s right to negotiate with the Distribution Network Service Provider for a negotiated connection contract and a description of the negotiation process; and

(5) the requirements for an expedited connection; and

(6) the basis for calculation of connection charges; and

(7) information set out in clause 5.3A.3(b)(1)(vii), (2)–(7) as such information relates to the connection of embedded generating units by a non-registered embedded generator.
(b) To the extent a Distribution Network Service Provider has provided the information required under paragraph (a)(7) by including that information in its information pack under clause 5.3A.3(a)(3), it will be taken to have complied with paragraph (a)(7).

[7] New clause 5A.D.1A Register of completed embedded generation projects

After clause 5A.D.1, insert:

5A.D.1A Register of completed embedded generation projects

(a) For the purposes of this clause 5A.D.1A:

completed non-registered embedded generation projects means all embedded generating units, operated or controlled by a non-registered embedded generator and are connected to the Distribution Network Service Provider's network.

DAPR date has the same meaning as in clause 5.13.2.

(b) In relation to completed non-registered embedded generation projects, a Distribution Network Service Provider must establish and publish, on its website, a register of the plant, including but not limited to:

(1) technology of generating unit (e.g. synchronous generating unit, induction generator, photovoltaic array, etc) and its make and model;

(2) maximum power generation capacity of all embedded generating units comprised in the relevant generating system;

(3) contribution to fault levels;

(4) the size and rating of the relevant transformer;

(5) a single line diagram of the connection arrangement;

(6) protection systems and communication systems;

(7) voltage control and reactive power capability; and

(8) details specific to the location of a facility connected to the network that are relevant to any of the details in subparagraphs (1)-(7).

(c) The Distribution Network Service Provider must not publish confidential information as part of, or in connection with, the register, unless disclosure of the information is authorised:

(1) by the party to whom the duty of confidentiality is owed; or
(2) under:

(i) the Law or the Rules; or

(ii) any other law.

(d) The Distribution Network Service Provider must:

(1) include in the register the details contained in paragraph (b) for all non-registered embedded generation projects completed by the DAPR date each year after the date the register referred to in paragraph (b) is established; and

(2) in the fifth year after the establishment of the register, and in each year thereafter, update the register by the DAPR date with details of all completed non-registered embedded generation projects in the 5 year period preceding the review date.

[8] Clause 5A.D.3 Application Process

In clause 5A.D.3(f)(1), before “advise the connection applicant” insert "subject to any statements made on its website under clause 5A.D.1(a)(3).".
[1] Chapter 10 Substituted definitions

In chapter 10, substitute the following definitions:

*Generator*

A person who engages in the activity of owning, controlling or operating a generating system that is connected to, or who otherwise supplies electricity to, a transmission or distribution system and who is registered by AEMO as a Generator under Chapter 2 and, for the purposes of Chapter 5, the term includes a person who is required to, intends to register in that capacity or is a non-registered embedded generator (as defined in clause 5A.A.1) who has made an election under clause 5A.A.2(c).

[2] Chapter 10 Amended definitions

In chapter 10, after the definition of Confidential Information insert:

**Note:**

In the context of Chapter 5A, the above definition has been displaced by a definition specifically applicable to that Chapter. See clause 5A.A.1.
Schedule 3  Savings and Transitional Amendments to the National Electricity Rules

(Clause 5)

[1] Chapter 11  Savings and Transitionals Rules

After rule 11.68 insert:

Part ZZC  Connecting Embedded Generators Under Chapter 5A

11.69  Rules consequential on the making of the National Electricity Amendment (Connecting embedded generators under chapter 5A) Rule 2014

11.69.1  Definitions

For the purposes of this rule 11.69:

Amending rule means the National Electricity Amendment (Connecting embedded generators under chapter 5A) Rule 2014.

commencement date means the date on which the Amending Rule commences operation.

non-registered embedded generator has the same meaning as in clause 5A.A.1.

11.69.2  Continuation of enquiries lodged

(a) Any enquiry lodged by a non-registered embedded generator under clause 5A.D.2 that has not been responded to or otherwise finalised under clause 5A.D.2 on the commencement date, must be responded to or finalised under clause 5A.D.2 unless both the non-registered embedded generator and the Distribution Network Service Provider agree otherwise.