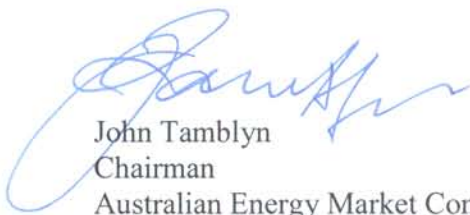


National Electricity Amendment (Management of negative settlement residues in the Snowy Region) Rule 2006 No.14

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 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 Tamblyn
Chairman
Australian Energy Market Commission

National Electricity Amendment (Management of negative settlement residues in the Snowy Region) Rule 2006 No.14

1. Title of Rule

This Rule is the *National Electricity Amendment (Management of negative settlement residues in the Snowy Region) Rule 2006 No.14*.

2. Commencement

This Rule commences operation on 1 November 2006.

3. Amendment of the National Electricity Rules

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

Schedule 1 Amendment of National Electricity Rules

(Clause 3)

[1] Chapter 8A, Part 8 Network Constraint Formulation

In Chapter 8A, after Part 8 paragraph (c) insert:

- (c1) Paragraph (c) does not apply to the use of a *network constraint* referred to in the ‘Murray/Tumut constraint list’ developed pursuant to paragraph (f).

[2] Chapter 8A, Part 8

In Chapter 8A, omit Part 8 subparagraph (n)(2), and insert:

- (2) *Trading amounts* determined as follows:

$$TA_1 = \text{Min} (EVA_N, IRSR_{Sn-NSW})$$

$$TA_7 = -1 \times \text{Min} (0, IRSR_{Vic-Sn})$$

$$TA_2 = -1 \times TA_1 - TA_7$$

Where:

TA_1 is a *trading amount* for Snowy Hydro Limited;

$IRSR_{Sn-NSW}$ is the inter-regional settlement residue allocated to flows **from the Snowy region to the NSW region** for the relevant *trading interval*;

$IRSR_{Vic-Sn}$ is the inter-regional settlement residue allocated to flows **from the Victorian region to the Snowy region** for the relevant *trading interval*;

TA_2 is a *trading amount* for the inter-regional settlement residue allocated to flows **from the Snowy region to the NSW region**; and

TA_7 is a *trading amount* for the inter-regional settlement residue allocated to flows **from the Victorian region to the Snowy region**.

[3] Chapter 8A, Part 8

Omit Part 8 subparagraph (o)(4) and substitute:

- (4) A *settlements residue trading amount* determined as follows:

$$TA_8 = -1 \times \text{Min} (0, \text{IRSR}_{\text{Sn-Vic}})$$

where:

TA_8 is a *trading amount* for the inter-regional settlement residue allocated to flows **from the Snowy region to the Victorian region**; and

$\text{IRSR}_{\text{Sn-Vic}}$ is the inter-regional settlement residue allocated to flows **from the Snowy region to the Victorian region** for the relevant *trading interval*.

- (5) A *settlements residue trading amount* determined as follows:

$$TA_6 = (-1 \times TA_3) - TA_4 - TA_5 - TA_8$$

where:

TA_6 is a *trading amount* for the inter-regional settlement residue allocated to flows **from the NSW region to the Snowy region**; and

$\text{IRSR}_{\text{Sn-Vic}}$ is the inter-regional settlement residue allocated to flows **from the Snowy region to the Victorian region** for the relevant *trading interval*.
