



National Electricity Amendment (Application of Offsets in the Prudential Margin Calculation) Rule 2016 No. 8

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;
- (g) the National Electricity (Northern Territory) (National Uniform Legislation) Act 2015; and
- (h) 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

National Electricity Amendment (Application of Offsets in the Prudential Margin Calculation) Rule 2016 No. 8

1 Title of Rule

This Rule is the *National Electricity Amendment (Application of Offsets in the Prudential Margin Calculation) Rule 2016 No.8.*

2 Commencement

Schedule 1 of this Rule commences operation on 20 October 2017.

Schedule 2 of this Rule commences operation on 29 September 2016.

3 Amendment of the National Electricity Rules

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

4 Savings and Transitional Amendments to the National Electricity Rules

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

Schedule 1 Amendment to the National Electricity Rules

(Clause 3)

[1] Clause 3.3.8 Credit limit procedures and prudential settings

In clause 3.3.8(d), omit “Subject to paragraph (e), in” and substitute “In”.

[2] Clause 3.3.8 Credit limit procedures and prudential settings

Omit clause 3.3.8(e) and substitute:

(e) **[Deleted]**

[3] Clause 3.3.8 Credit limit procedures and prudential settings

After clause 3.3.8(k), insert:

(k1) The prudential margin for a *Market Participant* must not be a negative amount.

Schedule 2 Savings and Transitional Amendments to the National Electricity Rules

(Clause 4)

[1] Chapter 11 New Part ZZT

In Chapter 11, after Part ZZS, insert:

Part ZZT Application of Offsets in the Prudential Margin Calculation

11.92 Rules consequential on the making of the National Electricity Amendment (Application of Offsets in the Prudential Margin Calculation) Rule 2016

11.92.1 Definitions

In this rule 11.92:

Amending Rule means the National Electricity Amendment (Application of Offsets in the Prudential Margin Calculation) Rule 2016.

credit limit procedures has the meaning given in clause 3.1.1A.

reallocation timetable has the meaning given in clause 3.15.11(d)(2).

11.92.2 Amended procedures

- (a) By 1 July 2017, *AEMO* must amend and *publish* the following, as required, to take into account the Amending Rule:
- (1) credit limit procedures;
 - (2) *reallocation procedures*; and
 - (3) reallocation timetable.
- (b) *AEMO* must comply with the *Rules consultation procedures* when meeting its obligations under paragraph (a).

[END OF RULE AS MADE]
