



## **Draft National Electricity Amendment (Connecting embedded generators) Rule 2013**

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) Rule 2013**

### **1 Title of Rule**

This Rule is the *Draft National Electricity Amendment (Connecting embedded generators) Rule 2013*.

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

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

### **6 Amendment of the National Electricity Rules**

The National Electricity Rules are amended as set out in Schedule 4.

### **7 Savings and Transitional Amendments to the National Electricity Rules**

The National Electricity Rules are amended as set out in Schedule 5.

## **Schedule 1          Amendment to the National Electricity Rules**

(Clause 3)

### **[1] Clause 5.1.2          Purpose**

In the heading of clause 5.1.2, insert "and Application" after "Purpose".

### **[2] Clause 5.1.2          Purpose**

Omit clause 5.1.2(b) and substitute:

- (b) Any person who is not a *Registered Participant* and who is not required to, or does not intend to register with *AEMO*:
  - (1) may request a *Network Service Provider* to comply with this Part A in seeking a *connection agreement*; and
  - (2) if a person makes a request under subparagraph (1), that person must follow the process under this Part A in establishing the *connection* that is the subject of the request.

### **[3] Clause 5.2.3          Obligations of network service providers**

In clauses 5.2.3(d)(1), 5.2.3(d)(1A) and 5.2.3(d)(10) omit "rule 5.3" and insert "rules 5.3 or 5.3A".

### **[4] Clause 5.3.1          Process and procedures**

In clause 5.3.1(b), omit "A" and insert "Subject to paragraph (e), a".

### **[5] Clause 5.3.1          Process and procedures**

After clause 5.3.1(d), insert:

- (e) Without limiting the other provisions of Chapter 5, Part A, where a *Connection Applicant* wishes to connect an *embedded generating unit*, rule 5.3A applies.

### **[6] New Clause 5.3.1A      Application of rule to connection of embedded generating units**

After clause 5.3.1, insert:

#### **5.3.1A      Application of rule to connection of embedded generating units**

- (a) If a *Connection Applicant* wishes to connect an *embedded generating unit*, then unless otherwise provided:

- (1) clauses 5.3A.1, 5.3A.2, 5.3A.3, 5.3A.4, 5.3A.5, 5.3A.6, 5.3A.7, 5.3A.8, 5.3A.9 apply 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 Part A to the *Connection Applicant* is otherwise unaffected by this clause 5.3.1A.

### **[7] Clause 5.3.3 Response to connection enquiry**

In clause 5.3.3(c)(4), omit "6.6 and 6.7" and insert "6.21 and 6A.28".

### **[8] Clause 5.3.6 Offer to connect**

Omit clause 5.3.6(a) and substitute:

- (a) A *Network Service Provider* processing an *application to connect* must make an offer to *connect* the *Connection Applicant's facilities* to the *network* within the following timeframes:
  - (1) where the *application to connect* was made under clause 5.3.4(a), the timeframe specified in the *preliminary program*, subject to clause 5.3.3(b)(6);
  - (2) where the *application to connect* was made under clause 5.3A.8(b)(1), within 20 *business days* of receiving the *application to connect*; and
  - (3) where the *application to connect* was made under clause 5.3A.8(b)(2), in the period agreed with the *Connection Applicant* being a date no later than 4 months from the date of receipt of the *application to connect*.

### **[9] Clause 5.3.6 Offer to connect**

In clause 5.3.6(a1) omit "clause 5.3.6(a)" and substitute "clause 5.3.6(a)(1) and (3)".

### **[10] Clause 5.3.6 Offer to connect**

After clause 5.3.6(a1), insert:

- (a2) In relation to the timeframes fixed in subparagraphs (a)(2) and (a)(3):
  - (1) any period taken by the *Transmission Network Service Provider* or *AEMO* when consulted under clause 5.3A.9(c), (d) or (e); and
  - (2) the period between commencement and conclusion of any independent expert appraisal initiated under rule 5.9A,

is to be disregarded for the purposes of calculating elapsed time.

### **[11] Clause 5.3.6 Offer to connect**

In clause 5.3.6(b), omit "The" and insert "In relation to an *application to connect* made under clause 5.3.4(a), the".

### **[12] Clause 5.3.6 Offer to connect**

After clause 5.3.6(b1), insert:

- (b2) An offer to *connect* made under clause 5.3.6(a)(2) and (3), must be accompanied by:
  - (1) a schedule containing an itemised statement of *connection* costs including, so far as is relevant:
    - (i) *connection service* charges;
    - (ii) costs associated with *metering* requirements contained in the offer to *connect* ;
    - (iii) costs of *network extension*;
    - (iv) details of *augmentation* required to provide the *connection* and associated costs; and
    - (v) other incidental costs and their basis of calculation.
  - (2) a *connection agreement* capable of execution by the *Connection Applicant*, which must contain the proposed terms and conditions for *connection* to the *distribution network* including, for each technical requirement identified by the *Distribution Network Service Provider* in the detailed response provided under clause 5.3A.8, the *automatic access standard* or the *negotiated access standard* as determined in accordance with S5.4B(b) and clause 5.3.4A; and
  - (3) an explanation:
    - (i) of how the offer to *connect* can be accepted; and
    - (ii) that the offer to *connect* remains open for 20 *business days*, unless otherwise agreed.
- (b3) An offer to *connect* made under clause 5.3.6(a)(2) must remain open for acceptance for 20 *business days* from the date it is made and, if not accepted within that period, lapses.
- (b4) An offer to *connect* made under clause 5.3.6(a)(3) must remain open for acceptance for 20 *business days* from the date it is made and, if not accepted within that period, lapses unless the period for

acceptance is extended by agreement between the *Connection Applicant* and the *Distribution Network Service Provider*.

### **[13] Clause 5.3.8 Provision and use of information**

In clause 5.3.8 omit "this rule 5.3" wherever occurring and insert "rules 5.3 and 5.3A" in each case.

### **[14] New Rule 5.3A Establishing or modifying connection - embedded generation**

After rule 5.3, insert:

#### **5.3A Establishing or modifying connection - embedded generation**

##### **5.3A.1 Application**

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

(b) For the purposes of this rule 5.3A:

(1) references to *Connection Applicant* are to:

(i) an *Embedded Generator*; or

(ii) a person wishing to *connect* an *embedded generating unit* within a *distribution network*,

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 units* or group of *generating units*, or any *network elements* used in the provision of *network service*, as the case may be; and

(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 *network service*.

##### **5.3A.2 Definitions and miscellaneous**

(a) In this rule 5.3A and Schedules 5.4A and 5.4B:

**agreed project** means the project parameters and corresponding access standards and technical requirements for the proposed

*connection to the distribution network* contained in the detailed enquiry response provided by a *Distribution Network Service Provider* under clause 5.3A.8.

**detailed response** means the response prepared under clause 5.3A.8.

**establish a connection** has the same meaning as in clause 5.3.1.

**information pack** means information relevant to the making of an *application to connect* required to be published by a *Distribution Network Service Provider* under clause 5.3A.3(b).

**preliminary response** means the response prepared under clause 5.3A.7.

**sub-transmission line** has the same meaning as in clause 5.10.2.

**zones substation** has the same meaning as in clause 5.10.2.

(b) To the extent a *Distribution Network Service Provider* has satisfied a requirement under this rule 5.3A to provide information by including that information in its:

(1) demand side engagement document under clause 5.13.1(g); or

(2) *Distribution Annual Planning Report*,

it will comply with the relevant information provision requirements of rule 5.3A by including hyperlinks to the relevant information in information provided to a *Connection Applicant*.

(c) Where this rule 5.3A fixes a timeframe:

(1) for the provision of information or a response; or

(2) on the validity of the preliminary response under clause 5.3A.7 or the detailed response under clause 5.3A.8,

then, for the purposes of calculating elapsed time, the period between commencement and conclusion of any independent expert appraisal initiated under clause 5.9A is to be disregarded.

### **5.3A.3 Publication of information**

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

(1) an enquiry form for *connection* of an *embedded generating unit*;

(2) a register of compliant equipment under clause 5.4.5; and

(3) an information pack.

(b) An information pack must include:

- (1) a description of the process for lodging an *application to connect* for an *embedded generating unit*, including:
  - (i) the purpose of each stage of the *connection* enquiry and application processes;
  - (ii) the steps a *Connection Applicant* will need to follow at each stage of the *connection* enquiry and application processes;
  - (iii) the information that is to be included by the *Connection Applicant* with a *connection* enquiry and the information that will be made available to the *Connection Applicant* by the *Distribution Network Service Provider* at each stage of the *connection* enquiry;
  - (iv) the information that is otherwise to be included with an *application to connect* and the information that will be made available to the *Connection Applicant* by the *Distribution Network Service Provider* after lodgement of the application;
  - (v) the factors taken into account by the *Distribution Network Service Provider*, at each stage of the *connection* enquiry and application when assessing an *application to connect* for an *embedded generating unit*; and
  - (vi) the process for negotiating access standards under clause 5.3.4A and a summary of the factors the *Distribution Network Service Provider* takes into account;
- (2) worked examples of *connection service* charges, enquiry and application fees for the *connection* of *embedded generating units*, based on a range of *connections* with varying technical characteristics;
- (3) details of any *minimum access standards* or plant standards the *Distribution Network Service Provider* considers is applicable to *embedded generating units* and *plant*;
- (4) to the extent that it holds technical information necessary to facilitate the processing of a *connection* enquiry or an *application to connect*, that technical information; and
- (5) model *connection agreements* used by that *Distribution Network Service Provider*.



#### **5.3A.4 Fees**

- (a) *A Distribution Network Service Provider* may charge a *Connection Applicant* an enquiry fee, the amount of which must not be more than necessary to:
  - (1) cover the reasonable costs of all work anticipated to arise from investigating the *application to connect* and preparing the detailed response to the enquiry; and
  - (2) meet the reasonable costs anticipated to be incurred by *AEMO* and other *Network Service Providers* whose participation in the assessment of the *application to connect* will be required, to the extent such involvement is required for preparing the detailed response to the enquiry.
- (b) An enquiry fee is only payable if a detailed response is requested by the *Connection Applicant* under clause 5.3A.8.
- (c) *A Distribution Network Service Provider* may charge an application fee, the amount of which must not:
  - (1) cover work that was completed in preparing the detailed response to the enquiry; and
  - (2) be more than necessary to cover the costs of work and expenses reasonably incurred by the *Distribution Network Service Provider* in assessing the *application to connect* and making an offer to *connect*.

#### **5.3A.5 Enquiry**

- (a) A *Connection Applicant* who wishes to make an *application to connect* must first make a *connection* enquiry with the *Local Network Service Provider*.
- (b) An enquiry must be in the form determined by the *Local Network Service Provider* and must, where relevant, be accompanied by an enquiry fee.
- (c) The enquiry form referred to in paragraph (b) must require the *Connection Applicant* to provide:
  - (1) a qualitative description of the objectives of the project proposal the subject of the *application to connect*;
  - (2) information of the kind listed in Schedule 5.4; and
  - (3) a list of the information required from the *Local Network Service Provider* in relation to its *application to connect* and supporting reasons for its requests.

- (d) A *Local Network Service Provider* must, within 2 *business days* after receiving an enquiry, provide written acknowledgment of receipt of the *connection* enquiry.
- (e) Where the *Local Network Service Provider* considers that the *connection* enquiry should be jointly examined by more than one *Distribution Network Service Provider*, with the agreement of the *Connection Applicant*, one of those *Distribution Network Service Providers* may be allocated the task of liaising with the *Connection Applicant* and the other *Distribution Network Service Providers* to process and respond to the enquiry.
- (f) If the enquiry is incomplete in a material respect, or the *Connection Applicant* has lodged an enquiry other than in accordance with the form determined by a *Distribution Network Service Provider*, that *Distribution Network Service Provider* must, within 5 *business days* after receipt of it, advise the *Connection* of the deficiency, and may require the *Connection* to provide the necessary information.

#### **5.3A.6 Response to enquiry**

- (a) In response to a *connection* enquiry, the *Distribution Network Service Provider* must provide:
  - (1) a preliminary response; and
  - (2) subject to receiving the enquiry fee and the further information requested under clause 5.3A.7(a), a detailed response.
- (b) In preparing either the detailed or preliminary response to a *connection* enquiry, the *Distribution Network Service Provider* must liaise with other *Network Service Providers* with whom it has *connection agreements*, if the *Distribution Network Service Provider* believes, in its reasonable opinion, that compliance with the terms and conditions of those *connection agreements* will be affected. The *Distribution Network Service Provider* responding to the *connection* enquiry may include in that response, at either stage, the reasonable requirements of any such other *Network Service Providers* for information to be provided by the *Connection Applicant*.

#### **5.3A.7 Preliminary response**

- (a) Unless agreed otherwise, a preliminary response must be provided within 15 *business days* of receipt of a *connection* enquiry and include the information specified in:
  - (1) paragraphs (a), (b), (c) and (q) of Schedule 5.4A; and
  - (2) paragraphs (d) - (p) and (r)-(t) of Schedule 5.4A.

- (b) A preliminary response must remain valid for 3 months from the date it is made and, if the *Connection Applicant* has not sought a detailed response under clause 5.3A.8 within that period, lapses unless the *Distribution Network Service Provider* agrees to extend the timeframe within which it will remain valid.

### **5.3A.8 Detailed response**

- (a) A *Distribution Network Service Provider* must within 2 *business days* after receiving the further information identified in S5.4A(q) provide written acknowledgment of receipt of it.
- (b) If the further information provided under subparagraph (a) is incomplete in a material respect the *Distribution Network Service Provider* must within 10 *business days* after receipt of it, advise the *Connection Applicant* of the deficiency and what is required to address it.
- (c) Unless:
  - (1) agreed otherwise; or
  - (2) the proposed *connection* requires the application of the *regulatory investment test for distribution*,a detailed response must be provided within 30 *business days* of the date specified under paragraph (d).
- (d) For the purpose of paragraph (c) the relevant date is the date on which the *Distribution Network Service Provider* has received all of the following:
  - (1) the enquiry fee;
  - (2) if the *Connection Applicant* was required in the preliminary response to provide further information, that information; and
  - (3) if the *Connection Applicant* was required to remedy a deficiency in the further information provided under clause 5.3A.7(b), the provision of that further information.
- (e) Where the proposed *connection* requires the application of the *regulatory investment test for distribution*, the *Distribution Network Service Provider* and the *Connection Applicant* are to agree a timeframe for the provision of a detailed response enquiry, taking into account the status of the relevant RIT-D project (as defined in clause 5.10.2).
- (f) A detailed response must include the information specified in:
  - (1) paragraphs (e), (j) and (k) of Schedule 5.4B;

- (2) paragraphs (a)-(d) and (f)-(h) of Schedule 5.4B.
- (g) A detailed response will remain valid for 30 *business days* from the date it is made and, if the *Connection Applicant* has not lodged an *application to connect* under clause 5.3A.9 within that period, lapses unless the *Distribution Network Service Provider* agrees to extend the timeframe within which it will remain valid.
- (h) A *Connection Applicant* that is a *Registered Participant* may make a request in relation to technical requirements for access to the *Reliability Panel* in accordance with clause 5.3.3(b2)-(b4).

### **5.3A.9 Application for connection**

- (a) Following receipt of a detailed response under clause 5.3A.8, a *Connection Applicant* may make an *application to connect* in accordance with this clause 5.3A.9 and 5.3.4A.
- (b) An *application to connect* may be submitted to the *Distribution Network Service Provider* and may be on the basis of:
  - (1) the agreed project; or
  - (2) proposed variations to project parameters and corresponding access standards and technical requirements contained in the detailed enquiry response (including proposed *connection negotiated access standards* in accordance with clause 5.3.4A).
- (c) If the *application to connect* is made on the basis specified in subparagraph (b)(2) the *Connection Applicant* must include with the *application to connect* a statement outlining the material ways in which the proposed variations differ to the agreed project and the reasons for the proposed variations.
- (d) After considering the *application to connect* and statement provided under paragraph (c), the *Distribution Network Service Provider*:
  - (1) may request the *Connection Applicant* to lodge a new enquiry under clause 5.3A.5 if the proposed variations are materially different to the agreed project; and
  - (2) must provide reasons for any request made under subparagraph (1).
- (e) If the *application to connect* is incomplete in a material respect the *Distribution Network Service Provider* must, within 5 *business days* after receipt of it, advise the *Connection Applicant* of the deficiency, and the steps required to address it.

- (f) The *Connection Applicant* may submit an *application to connect* to more than one *Network Service Provider* in order to receive additional offers to *connect* in respect of *facilities* to be provided that are *contestable*.
- (g) The *Connection Applicant* may:
  - (1) lodge separate *applications to connect* and separately liaise with the other *Network Service Providers* identified in clause 5.3A.5(e) who may require a form of agreement; or
  - (2) lodge one *application to connect* with the *Distribution Network Service Provider* who processed the *connection* enquiry and require it to liaise with those other *Network Service Providers* and obtain and present all necessary draft agreements to the *Connection Applicant*.

### **5.3A.10 Preparation of offer to connect**

- (a) The *Distribution Network Service Provider* to whom the *application to connect* is submitted under clause 5.3A.9(b) must proceed to prepare an offer to *connect* in response.
- (b) So as to maintain levels of service and quality of *supply* to existing *Registered Participants* in accordance with the *Rules*, the *Distribution Network Service Provider* in preparing the offer to *connect* must consult with AEMO and other *Registered Participants* with whom it has *connection agreements*, if the *Distribution Network Service Provider* believes in its reasonable opinion that compliance with the terms and conditions of those *connection agreements* will be affected, in order to assess the *application to connect* and determine:
  - (1) the technical requirements for the equipment to be *connected*;
  - (2) the extent and cost of *augmentations* and changes to all affected *networks*;
  - (3) any consequent change in *network service* charges; and
  - (4) any possible material effect of this new *connection* on the *network power transfer capability* including that of other *networks*.
- (c) If the *application to connect* involves the connection of *embedded generating units* having a nameplate rating of 10 MW or greater, the *Distribution Network Service Provider* must consult the relevant *Transmission Network Service Provider* regarding the impact of the *connection* contemplated by the *application to connect* on fault levels, line reclosure protocols, and stability aspects.

- (d) The *Transmission Network Service Provider* consulted under paragraph (c) must determine the reasonable costs of addressing those matters for inclusion in the offer to *connect* and the *Distribution Network Service Provider* must make it a condition of the offer to *connect* that the *Connection Applicant* pay these costs.
- (e) The *Distribution Network Service Provider* preparing the offer to *connect* must include provision for payment of the reasonable costs associated with *remote control equipment* and *remote monitoring equipment* as required by *AEMO* and it may be a condition of the offer to *connect* that the *Connection Applicant* pay these costs.

### **5.3A.11 Technical dispute**

- (a) Clause 5.9A applies to any dispute between a *Distribution Network Service Provider* and a *Connection Applicant* as to the technical requirements to establish or modify a *connection* sought by a *Connection Applicant* in a *connection* enquiry made under clause 5.3A.5 or an *application to connect* under clause 5.3A.9.

## **[15] New Clause 5.4.5 Register of compliant equipment**

After clause 5.4.4, insert:

### **5.4.5 Register of compliant equipment**

- (a) In relation to *embedded generating units*, a *Distribution Network Service Provider* must establish and maintain a register of any:
  - (1) *plant*; or
  - (2) associated equipment that has been *connected* to its *network*,  
that complies with:
    - (3) *minimum access standards*; and
    - (4) that *Distribution Network Service Provider's* reasonable requirements in respect of design and technical requirements of *plant* or equipment *connected* to the *network*.
- (b) If the standards or requirements referred to in subparagraphs (a)(3) and (a)(4) are specific to a type, rating or location of a *facility connected* to the *network*, the register referred to in paragraph (a) may include such information.
- (c) The *Distribution Network Service Provider* must keep the register up to date to reflect the developing market and otherwise update the register every two years.

## **[16] New Rule 5.9A Independent expert appraisal - technical dispute**

After rule 5.9, insert:

### **5.9A Independent expert appraisal – technical dispute**

#### **5.9A.1 Scope**

(a) If the *Connection Applicant* and the *Distribution Network Service Provider* cannot agree on any:

- (1) *minimum access standards*;
- (2) *negotiated access standards*;
- (3) *augmentation* or *extension* necessary to establish or modify a *connection*;
- (4) design at the *connection point*;
- (5) physical layout adjacent to the *connection point*;
- (6) primary protection and backup protection;
- (7) control characteristics;
- (8) communications *facilities*;
- (9) insulation co-ordination and lightning protection;
- (10) fault levels and fault clearance;
- (11) switching and *isolation* facilities;
- (12) interlocking and *synchronising* arrangements; and
- (13) *metering installations*,

then either the *Distribution Network Service Provider* or the *Connection Applicant* (**initiating party**) may, without prejudice to their rights to pursue other dispute resolution processes, initiate independent expert appraisal under this rule 5.9A at any time prior to execution of a *connection agreement* in respect of the *connection* sought to be established or modified.

(b) This clause is not to be taken to limit how a dispute about access to a *distribution network* may be raised or dealt with.

#### **5.9A.2 Definitions**

In this rule 5.9A:

**expert** means a person appointed under clause 5.9A.4.

### **5.9A.3 Notification of technical dispute**

- (a) In order to initiate independent expert appraisal the initiating party must notify the other party to the dispute (**responding party**) in writing of the following:
  - (1) that it wishes to initiate independent expert appraisal under this rule 5.9A;
  - (2) the matters on which it seeks expert appraisal; and
  - (3) the names, contact details and qualifications of at least 2 independent experts that it considers are qualified to undertake the appraisal.
- (b) An initiating party that has given notice under paragraph (a) may withdraw its notification at any time by written notice to the other party to the dispute before an expert is appointed under clause 5.9A.4.
- (c) If the notification is withdrawn under paragraph (b), it is taken for the purposes of this rule 5.9A to never have been given.

### **5.9A.4 Appointment of expert**

- (a) Within 10 *business days* of the date of a notice under clause 5.9A.3, if:
  - (1) the responding party has not agreed to the expert appraisal being undertaken by one of the experts referred to in the notice under clause 5.9A.3(a); or
  - (2) the parties have not otherwise agreed on an expert to undertake the appraisal,the initiating party must ask the *AER* to nominate an expert to conduct the appraisal.
- (b) If the *AER* receives a request under clause 5.9A.4(a) it must nominate an expert within 10 *business days* and notify the parties of the person nominated.
- (c) Either the initiating party or the responding party can appoint the expert:
  - (1) nominated by the *AER*; or
  - (2) agreed to by the parties under subparagraph (a)(1).



- (d) The person who appoints the expert must include as part of the expert's terms of appointment the following requirements:
- (1) provision of an estimate of the expert's fees for completing the appraisal within 5 *business days* of appointment;
  - (2) the expert appraisal is to be provided in writing;
  - (3) the matters to be subject to expert appraisal;
  - (4) the procedures to be followed by the expert in preparing the appraisal, which procedures must be consistent with clause 5.9A.5;
  - (5) the powers of the expert, which powers must be consistent with clause 5.9A.6;
  - (6) *confidential information* made available to the expert by either party for the purposes of the appraisal must:
    - (i) using reasonable endeavours, be kept confidential;
    - (ii) not be disclosed to any person not party to the technical dispute, subject to agreement otherwise by the party providing the *confidential information*;
    - (iii) only be used or reproduced for the purpose of the technical dispute and the expert appraisal;
    - (iv) be protected from unauthorised access; and
    - (v) to the extent the information needs to be disclosed to another person for the purposes of the expert appraisal, that person observes these confidentiality obligations in relation to that information.
  - (7) subject to clause 5.9A.7 the date by which the expert must provide its appraisal to the parties; and
  - (8) provision of a tax invoice to each party for its half share of the expert's fee within 5 *business days* of final appraisal.

#### **5.9A.5 Procedures of expert**

- (a) The expert may:
- (1) receive information and written submission from either party in relation to the matters the subject of expert appraisals; and
  - (2) put questions to either party for written answers, which answers must be made available to the other party.

- (b) The expert must observe the rules of procedural fairness, but is not bound by the rules of evidence and may inform itself in any manner it thinks fit.

#### **5.9A.6 Powers of expert in appraising the technical dispute**

- (a) In making its appraisal the expert must:
  - (1) consider whether the technical requirements associated with the matters the subject of the technical dispute are reasonable in all the circumstances associated with the *connection*; and
  - (2) take into account the technical requirements contained in Chapter 5, as applicable.
- (b) In making its appraisal the expert may:
  - (1) have regard to *good electricity industry practice*, where relevant;
  - (2) have regard to other matters which the expert considers relevant; and
  - (3) receive submissions from *AEMO*, if considered necessary.

#### **5.9A.7 Determination of technical dispute**

- (a) Subject to paragraph (c), the expert must complete the appraisal as quickly as possible, and in any case it must do so within 20 *business days* after being appointed.
- (b) The appraisal of the expert is final but is not binding on either party.
- (c) The expert may extend the period referred to in paragraph (a) if both parties so agree in writing.

#### **5.9A.8 Costs of technical dispute**

The fees and costs of the expert must be borne equally by the both parties.

#### **5.9A.9 Admissibility of appraisal**

The expert's appraisal will be admissible in any judicial or dispute resolution proceedings under these Rules or the *National Electricity Law* to which the initiating party and the responding party are parties.

#### **5.9A.10 Miscellaneous**

- (a) To the extent permitted by law, a person who is appointed as an expert is not liable for any loss, damage or liability suffered or incurred by any person as a consequence of any act or omission of

that person which was done in good faith in connection with the technical dispute.

- (b) A person who is appointed as an expert may, before acting in relation to the technical dispute, require the parties to the technical dispute (or any one of them) to execute a release and indemnity in relation to any loss, damage or liability that that person would, but for the release or indemnity, suffer or incur as a consequence of any act or omission done in good faith in connection with the dispute.

## **[17] Schedule 5.8      Distribution Annual Planning Report**

Omit S5.8(1) and insert:

- (1) information on the *Distribution Network Service Provider's* demand management activities, including:
- (1) a qualitative summary of:
- (i) non-network options that have been considered in the past year, including *generation* from *embedded generating units*;
  - (ii) key issues arising from *applications to connect embedded generating units* received in the past year;
  - (iii) actions taken to promote non-network proposals in the preceding year, including *generation* from *embedded generating units*; and
  - (iv) the *Distribution Network Service Provider's* plans for demand management and *generation* from *embedded generating units* over the forward planning period;
- (2) a quantitative summary of:
- (i) *connection enquiries* received under clause 5.3A.5;
  - (ii) *applications to connect* received under clause 5.3A.9; and
  - (iii) the average time taken to complete *applications to connect*.

## Schedule 2      Amendment to the National Electricity Rules

(Clause 4)

### [1] Schedule 5.4A    Preliminary Response

After schedule 5.4 insert:

#### **Preliminary Response**

For the purposes of clause 5.3A.5(c), the following information must be included in the preliminary response:

- (a) technical information relevant to the *application to connect*, including minimum requirements necessary to maintain system security and reliability of supply relevant to any or all of the following matters:
  - (1) design at the *connection point*;
  - (2) physical layout adjacent to the *connection point*;
  - (3) primary protection and backup protection;
  - (4) control characteristics;
  - (5) communications *facilities*;
  - (6) insulation co-ordination and lightning protection;
  - (7) fault levels and fault clearance;
  - (8) switching and *isolation* facilities;
  - (9) interlocking and *synchronising* arrangements; and
  - (10) *metering installations*.
- (b) if not otherwise provided in accordance with paragraph (a), to the extent the *Distribution Network Service Provider* holds technical information necessary to facilitate the processing of a *connection* enquiry, that information.
- (c) written details of each technical requirement relevant to the proposed *plant* as relevant to:
  - (1) the *automatic access standards*;
  - (2) the *minimum access standards*;
  - (3) the applicable *plant standards*; and

- (4) the *normal voltage* level, if that is to change from the nominal voltage level;
- (d) whether *negotiated access standards* may be required and if so:
  - (1) the aspects of the standards that will be the subject of negotiation; and
  - (2) the standards that will require *AEMO's* involvement in accordance with clause 5.3.4A;
- (e) the identity of other parties that the *Distribution Network Service Provider* considers:
  - (1) will need to be involved in planning to make the *connection* or must be involved under clause 5.3A.10(c); and
  - (2) must be paid for *transmission services* or *distribution services* in the appropriate jurisdiction;
- (f) whether it will be necessary for any of the parties identified in subparagraph (e) to enter into an agreement with the *Connection Applicant* in respect of the provision of *connection* or other *transmission services* or *distribution services* or both, to the *Connection Applicant*;
- (g) whether any service the *Distribution Network Service Provider* proposes to provide is *contestable* in the relevant *participating jurisdiction*;
- (h) worked examples of *connection service* charges relevant to the enquiry and an explanation of the factors on which the charges depend;
- (i) information regarding the *Distribution Network Service Provider* and its *network*, system limitations for sub-transmission lines and zone substations and other information relevant to constraints of the *network* as such information is relevant to the *application to connect*;
- (j) whether *network augmentation* may be required;
- (k) a hyperlink to the *Distribution Network Service Provider's* information pack;
- (l) the contact details for the person within the *Distribution Network Service Provider* managing the *connection* enquiry;
- (m) a description of how the *Distribution Network Service Provider* proposes to amend its model *connection agreement* to address the *connection* sought in the enquiry;

- (n) the *Distribution Network Service Provider's* response to the objectives of the *connection* sought as included by the *Connection Applicant* in its enquiry under clause 5.3A.5(c)(1);
- (o) a description of the process for the provision of the detailed response, including:
  - (1) the further information to be provided and analysis to be undertaken by the *Distribution Network Service Provider* as part of the preparation of the detailed response; and
  - (2) an explanation that unless the *Connection Applicant* requests a detailed response within 3 months the preliminary response will become invalid and the *Distribution Network Service Provider* then has the right to request the *Connection Applicant* to lodge a new enquiry;
- (p) using reasonable endeavours, all risks and obligations in respect of the proposed *connection* associated with planning and environmental laws not contained in the *Rules*;
- (q) a statement of further information required from the *Connection Applicant* for the preparation of the detailed response, including:
  - (1) details of the *Connection Applicant's* *connection* requirements, and the *Connection Applicant's* specifications of the *facility* to be *connected*, consistent with the requirements advised in accordance with paragraphs (a), (b) and (c);
  - (2) details of the *Connection Applicant's* reasonable expectations of the level and standard of service of *power transfer capability* that the *network* should provide;
  - (3) a list of the technical data to be included with the *application to connect*, which may vary depending on the *connection* requirements and the type, rating and location of the *facility* to be *connected* and will generally be in the nature of the information set out in schedule 5.5 but may be varied by the *Distribution Network Service Provider* as appropriate to suit the size and complexity of the proposed *facility* to be *connected*;
- (r) the enquiry fee payable by the *Connection Applicant* to request a detailed response, including details of how components of the fee were calculated;
- (s) an estimate of the application fee which is payable on submitting an *application to connect*; and
- (t) any additional information relevant to the enquiry.

## [2] Schedule 5.4B Detailed Response

After schedule 5.4A insert:

### Schedule 5.4B Detailed Response

For the purposes of clause 5.3A.8(f), the following information must be included in the detailed response:

- (a) the contact details for the person within the *Distribution Network Service Provider* who will manage the *application to connect*;
- (b) for each technical requirement where the proposed arrangement will not meet the:
  - (1) *automatic access standards*; or
  - (2) *minimum access standards*,nominated by the *Distribution Network Service Provider* pursuant to S5.4A(c), the *Distribution Network Service Provider* must propose a *negotiated access standard* for each such requirement to be determined in accordance with clause 5.3.4A;
- (c) details of the *connection* requirements based on the *Connection Applicant's* specifications of the *facility* to be *connected*;
- (d) details of the level and standard of service of *power transfer capability* that the *Distribution Network Service Provider* can ensure that the *network* provides;
- (e) commercial information to be supplied by the *Connection Applicant* to allow a *Network Service Provider* (as is relevant) to make an assessment of the ability of the *Connection Applicant* to satisfy the prudential requirements set out in rules 6.21 and 6A.28;
- (f) an itemised estimate of *connection* costs including, so far as is relevant:
  - (1) *connection services* charges;
  - (2) cost associated with the proposed *metering* requirements for the *connection*;
  - (3) costs of any *network extension*;
  - (4) details of *augmentation* required to provide the *connection* and associated cost; and
  - (5) other incidental costs and their basis of calculation;

- (g) an explanation of the factors affecting each component of the itemised estimate of *connection* costs and the further information that will be taken into account by the *Distribution Network Service Provider* in preparing the final itemised statement of *connection* costs to be provided under clause 5.3.6(b2)(1);
- (h) a draft *connection agreement* that contains the proposed terms and conditions for *connection* to the *network* including those of the kind set out in schedule 5.6 and:
  - (1) an explanation of the terms and conditions in the *connection agreement* that need to be finalised; and
  - (2) if relevant, further information necessary from the *Connection Applicant* to finalise the *connection agreement*;
- (i) a description of the process for lodging the *application to connect*, including:
  - (1) the options open to the *Connection Applicant* in submitting an *application to connect* in accordance with clause 5.3A.9;
  - (2) the further analysis to be undertaken by the *Distribution Network Service Provider* as part of the *Distribution Network Service Provider's* assessment of the *application to connect*;
  - (3) further information required from the *Connection Applicant* for the *Distribution Network Service Provider* to assess the *application to connect*;
  - (4) an explanation that unless the *Connection Applicant* submits and *application to connect* within 4 months of receiving the detailed response, the detailed response will become invalid and the *Distribution Network Service Provider* then has the right to request the *Connection Applicant* to lodge a new enquiry; and
  - (5) a *preliminary program* showing proposed milestones for *connection* and access activities which may be modified from time to time by agreement of the parties, where such agreement must not be unreasonably withheld;
- (j) the application fee payable when submitting an *application to connect*; and
- (k) any additional information relevant to the *application to connect*.



## **Schedule 3            Amendment to the National Electricity Rules**

### **[1] Clause 6.7.2            Determination of terms and conditions of access for negotiated distribution services**

In clause 6.7.2(b), omit "rules 5.2" wherever occurring and insert "rules 5.3, 5.3A" in each case.

### **[2] Clause 6.7.5            Preparation of and requirements for negotiation framework for negotiated distribution services**

In clause 6.7.5(d), omit "rules 5.3" wherever occurring and insert "rules 5.3, 5.3A" in each case.

### **[3] Clause 8.6.1            Confidentiality**

After clause 8.6.2(e), insert:

- (f) For the purposes of this rule 8.6 only, "*Registered Participant*" is deemed to include not just *Registered Participants* but also *Connection Applicants*.

### **[4] Clause 8.6.2            Exceptions**

In clause 8.6.2(e), insert ", expert appraisal under clause 5.9A" after "expert determination".

## **Schedule 4            Amendment to the National Electricity Rules**

### **[1] Chapter 10            Substituted definitions**

In Chapter 10, substitute the following definitions:

#### ***application to connect***

An application made by a *Connection Applicant* in accordance with rule 5.3 or rule 5.3A for *connection* to a *network* and/or the provision of *network services* or modification of a *connection* to a *network* and/or the provision of *network services*.

#### ***Connection Applicant***

A person who wants to establish or modify *connection* to a *transmission network* or *distribution network* and/or who wishes to receive *network services* and who makes a *connection* enquiry as described in clause 5.3.2 or clause 5.3A.5.

#### **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.

#### ***connection point***

The agreed point of *supply* established between *Network Service Provider(s)* and another *Registered Participant*, *Non-Registered Customer*, *franchise customer* or person seeking to connect an *embedded generating unit*.

#### ***Embedded Generator***

A *Generator* who owns, operates or controls an *embedded generating unit* and for the purposes of Chapter 5, Part A, the term includes a person who has made a request under clause 5.1.2(b).

#### ***Registered Participant***

A person who is registered by *AEMO* in any one or more of the categories listed in rules 2.2 to 2.7 (in the case of a person who is registered by *AEMO* as a *Trader*, such a person is only a *Registered Participant* for the purposes referred to in rule 2.5A).

Under clause 8.2.1(a1) *AEMO*, *Connection Applicants*, *Metering Providers* and *Metering Data Providers* who are not otherwise *Registered Participants* are also deemed to be *Registered Participants* for the purposes of rule 8.2 only.

Under clause 8.6.1, *Connection Applicants* who are not otherwise *Registered Participants* are also deemed to be *Registered Participants* for the purposes of rule 8.6 only.

**Schedule 5            Savings and Transitional Amendments to the  
National Electricity Rules**

(Clause 7)

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