



Draft National Electricity Amendment (Network Service Provider Expenditure Objectives) Rule 2013

under the National Electricity Law to the extent applied by:

- (a) the National Electricity (South Australia) Act 1996;
- (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 (Network Service Provider Expenditure Objectives) Rule 2013

1 Title of Rule

This Rule is the *Draft National Electricity Amendment (Network Service Provider Expenditure Objectives) 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 Savings and Transitional Amendments to the National Electricity Rules

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

5 Note

The note does not form part of the National Electricity Rules.

Schedule 1 Amendment to the National Electricity Rules

(Clause 3)

[1] Clause 6.5.6 Forecast operating expenditure

Omit clauses 6.5.6(a)(3) and (4), and substitute:

- (3) to the extent that there is no applicable *regulatory obligation or requirement* in relation to:
 - (i) the quality, reliability or security of supply of *standard control services*; or
 - (ii) the reliability or security of the *distribution system* through the supply of *standard control services*,to the relevant extent:
 - (iii) maintain the quality, reliability and security of supply of *standard control services*; and
 - (iv) maintain the reliability and security of the *distribution system* through the supply of *standard control services*; and
- (4) maintain the safety of the *distribution system* through the supply of *standard control services*.

[2] Clause 6.5.7 Forecast capital expenditure

Omit clause 6.5.7(a)(3) and (4), and substitute:

- (3) to the extent that there is no applicable *regulatory obligation or requirement* in relation to:
 - (i) the quality, reliability or security of supply of *standard control services*; or
 - (ii) the reliability or security of the *distribution system* through the supply of *standard control services*,to the relevant extent:
 - (iii) maintain the quality, reliability and security of supply of *standard control services*; and
 - (iv) maintain the reliability and security of the *distribution system* through the supply of *standard control services*; and
- (4) maintain the safety of the *distribution system* through the supply of *standard control services*.

[3] Clause 6A.6.6 Forecast operating expenditure

Omit clause 6A.6.6(a)(3) and (4), and substitute:

- (3) to the extent that there is no applicable *regulatory obligation or requirement* in relation to:
 - (i) the quality, reliability or security of supply of *prescribed transmission services*; or
 - (ii) the reliability or security of the *transmission system* through the supply of *prescribed transmission services*,to the relevant extent:
 - (iii) maintain the quality, reliability and security of supply of *prescribed transmission services*; and
 - (iv) maintain the reliability and security of the *transmission system* through the supply of *prescribed transmission services*; and
- (4) maintain the safety of the *transmission system* through the supply of *prescribed transmission services*.

[4] Clause 6A.6.7 Forecast capital expenditure

Omit clause 6A.6.7(a)(3) and (4), and substitute:

- (3) to the extent that there is no applicable *regulatory obligation or requirement* in relation to:
 - (i) the quality, reliability or security of supply of *prescribed transmission services*; or
 - (ii) the reliability or security of the *transmission system* through the supply of *prescribed transmission services*,to the relevant extent:
 - (iii) maintain the quality, reliability and security of supply of *prescribed transmission services*; and
 - (iv) maintain the reliability and security of the *transmission system* through the supply of *prescribed transmission services*; and
- (4) maintain the safety of the *transmission system* through the supply of *prescribed transmission services*.

Schedule 2 Savings and Transitional Amendments to the National Electricity Rules

(Clause 4)

[1] Chapter 11 Savings and Transitional Rules

After rule 11.[xx], insert:

Part [XX] Network Service Provider Expenditure Objectives

11.[xx] Rules consequent on the making of the National Electricity Amendment (Network Service Provider Expenditure Objectives) Rule 2013

11.[xx].1 Definitions

For the purposes of this rule 11.[xx]:

Amending Rule means the National Electricity Amendment (Network Service Provider Expenditure Objectives) Rule 2013.

commencement date means the date of commencement of the Amending Rule.

11.[xx].2 Application of rule 11.[xx]

From the commencement date, despite clauses 11.55.3, 11.57.3 and 11.60.2, in rules 11.55 to 11.60 (as relevant), references to:

- (a) 'current Chapter 6' are to be read as Chapter 6 of the *Rules* as in force immediately after the Amending Rules come into force; and
- (b) 'current Chapter 6A' are to be read as Chapter 6A of the *Rules* as in force immediately after the Amending Rules come into force.

Note

The intention of the *AEMC* is to apply former Chapters 6A and 10 of the *Rules* as those Chapters were immediately prior to the making of the National Electricity Amendment (Economic Regulation of Network Service Providers) Rule 2012 No.9 on 29 November 2012 (Rule No.9), in respect of the *regulatory control period* that commences on 1 April 2014, to the making of the *transmission determination* for SPI PowerNet.

Further, the intention of the *AEMC* is to apply current Chapters 6, 6A and 10 as those Chapters are immediately after the Amending Rules come into force, in respect of other *regulatory control periods* and determinations referred to in Rule No.9.