



Draft National Electricity Amendment (Local Generation Network Credits) Rule 2016

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

Draft National Electricity Amendment (Local Generation Network Credits) Rule 2016

1 Title of Rule

This Rule is the *Draft National Electricity Amendment (Local Generation Network Credits) Rule 2016*.

2 Commencement

Schedule 2 of this Rule commences operation on [COMMENCEMENT_DATE].

Schedule 1 of this Rule commences operation on 1 July 2017.

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 5.10.2 Definitions

In clause 5.10.2, insert the following definitions in alphabetical order:

system limitation template means a template developed and *published* by the *AER* under clause 5.13.3(a).

[2] New Clause 5.13.3 Distribution system limitation template

After clause 5.13.2, insert:

5.13.3 Distribution system limitation template

- (a) The *AER* must develop and *publish* a system limitation template in accordance with paragraph (c). The system limitation template must be developed by the *AER* in consultation with *Distribution Network Service Providers* and any persons who have identified themselves to the *AER* as having an interest in the form or contents of the system limitation template.
- (b) The purpose of the system limitation template is to facilitate the publication by *Distribution Network Service Providers* of information on system limitations referred to in their *Distribution Annual Planning Reports* in a useable, consistent, accessible format to assist third parties to propose alternative options to address system limitations.
- (c) The system limitation template must:
 - (1) provide a template for the reporting of the following information:
 - (i) the name (or identifier) and location of *substations*, sub-transmission lines, zone substations and, where appropriate, primary feeders, where there is a system limitation or a projected system limitation during the forward planning period that has been identified in a *Distribution Network Service Provider's Distribution Annual Planning Report*;
 - (ii) the estimated timing (months(s) and year) of the system limitation or projected system limitation identified in subparagraph (i);

- (iii) the *Distribution Network Service Provider's* proposed option to address the system limitation;
 - (iv) the estimated capital or operating cost of the proposed option; and
 - (v) the amount by which peak demand at the location of the system limitation or projected system limitation would need to be reduced in order to defer the proposed solution, and the dollar value to the *Distribution Network Service Provider* of each year of deferral; and
- (2) include a statement that any information provided using the system limitation template must be read in conjunction with the reporting *Distribution Network Service Provider's Distribution Annual Planning Report*.
- (d) At the same time as it *publishes* its *Distribution Annual Planning Report* each year, a *Distribution Network Service Provider* must *publish* a report which contains the information specified in paragraph (c) in the form required by the system limitation template.

Schedule 2 Savings and Transitional Amendments to the National Electricity Rules

(Clause 4)

[1] Chapter 11 New Part ZZ[U]

In Chapter 11, after Part ZZ[T], insert:

Part ZZ[U] Local Generation Network Credits

11.xx Rules consequential on the making of the National Electricity Amendment (Local Generation Network Credits) Rule 2016

11.xx.1 Definitions

(a) In this rule 11.xx:

Amending Rule means the National Electricity Amendment (Local Generation Network Credits) Rule 2016.

commencement date means the date of commencement of Schedule 1 of the Amending Rule.

system limitation template has the meaning given to it in the Amending Rule.

11.xx.2 System initiation template

(a) The *AER* must develop and *publish* the first system limitation template by the commencement date and in accordance with clause 5.13.3(a) of the Amending Rule.