



Draft National Electricity Amendment (Updating the electricity B2B framework) 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; 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 (Updating the electricity B2B framework) Rule 2016

1 Title of Rule

This Rule is the *Draft National Electricity Amendment (Updating the electricity B2B framework) Rule 2016*.

2 Commencement

Schedules 1 and 5 of this Rule commence operation on [COMMENCEMENT_DATE].

Schedule 2 of this Rule commences operation on 1 December 2017, immediately prior to Schedules 2, 3 and 4 of the *National Electricity Amendment (Expanding Competition in metering and related services) Rule 2015 No. 12*.

Schedules 3 and 4 of this Rule commence operation on 1 December 2017, immediately after Schedule 1 of the *National Electricity Amendment (Meter Replacement Processes) Rule 2016 No. 2*.

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.

Note

The amendments in Schedules 3 and 4 of this Rule amend clauses that were either inserted or amended as part of the *National Electricity Amendment (Expanding competition in metering and related services) Rule 2015 No. 12* (“Competition in Metering Rule”) and the *National Electricity Amendment (Embedded Networks) Rule 2015 No. 15* (“Embedded Networks Rule”). In addition, certain clauses amended by the Competition in Metering Rule have been further amended by the *National Electricity Amendment (Meter Replacement Processes) Rule 2016 No. 2* (“Meter Replacement Rule”). Certain schedules of the Competition in Metering Rule, Embedded Networks Rule and Meter Replacement Rule will commence on 1 December 2017 and will be consolidated into the National Electricity Rules. Schedules 2, 3 and 4 of the Competition in Metering Rule will be consolidated into the National Electricity Rules immediately following the commencement and consolidation of Schedule 2 of this Rule, but immediately prior to the commencement and consolidation of Schedules 3 and 4 of this Rule.

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Schedule 1 Amendment to the National Electricity Rules

(Clause 3)

[1] Clause 7.1.3 Obligation to establish, maintain and publish procedures

Omit clause 7.1.3 and substitute:

7.1.3 Obligation to establish, maintain and publish procedures

- (a) *AEMO* is responsible for the establishment and maintenance of procedures specified in this Chapter 7 except for the *B2B Procedures*.
- (b) The procedures authorised by *AEMO* must be established and maintained by *AEMO* in accordance with the *Rules consultation procedures*.
- (c) The procedures established or maintained by *AEMO* under this clause must be *published* by *AEMO*.
- (d) *AEMO* must establish, maintain and *publish* a list of procedures authorised under the *Rules* relevant to this Chapter 7, irrespective of who authorised those procedures.

[2] Rule 7.2A B2B Arrangements

Omit rule 7.2A and substitute:

7.2A.1 B2B e-Hub

AEMO must provide and operate a *B2B e-Hub*. As required by *B2B Procedures* and, subject to clause 7.2A.2(b), *Local Retailers*, *Market Customers* and *Distribution Network Service Providers* must use the *B2B e-Hub* for *B2B Communications*.

7.2A.2 B2B Procedures

- (a) *Local Retailers*, *Market Customers*, *Distribution Network Service Providers*, *AEMO*, *Metering Providers* and *Metering Data Providers* must comply with the *B2B Procedures*.
- (b) *Local Retailers*, *Market Customers* and *Distribution Network Service Providers* may, on such terms and conditions as agreed between them, communicate a *B2B Communication* on a basis other than as set out in the *B2B Procedures*, in which case the parties to the agreement need not comply with the *B2B Procedures* to the extent that the terms and conditions agreed between them are inconsistent with the *B2B Procedures*.

- (c) *B2B Data* is *confidential information* and may only be disclosed as permitted by the *Rules*.

7.2A.3 Cost Recovery

- (a) The operational costs associated with any service provided by *AEMO* to facilitate *B2B Communications* (including providing and operating a *B2B e-Hub*) must be paid by *AEMO* in the first instance and recouped by *AEMO* as *Participant fees*.
- (b) The cost to a *Local Retailer*, *Market Customer* and *Distribution Network Service Provider* of implementing and maintaining the necessary systems and processes to ensure compliance with *B2B Procedures* must be met by that *Local Retailer*, *Market Customer* or *Distribution Network Service Provider*.

[3] Rule 8.2A B2B Determination Disputes

Omit rule 8.2A, including the heading and substitute:

8.2A [Deleted]

[4] Chapter 10 Omitted Definitions

In Chapter 10, omit the definitions of “*B2B Decision*”, “*B2B Determination Dispute*”, “*B2B Objective*”, “*B2B Principles*”, “*B2B Procedures Change Pack*”, “*B2B Proposal*”, “*Distribution Network Service Provider Member*”, “*Independent Member*”, “*Information Exchange Committee*”, “*Information Exchange Committee Annual Report*”, “*Information Exchange Committee Election Procedures*”, “*Information Exchange Committee Operating Manual*”, “*Information Exchange Committee Recommendation*”, “*Information Exchange Committee Working Groups*”, “*Information Exchange Committee Works Programme*”, “*Local Retailer/Market Customer Member*” and “*Member*”.

[5] Clause 11.86.1 Definitions

In clause 11.86.1, omit the definition of “**Initial Metering Coordinator**”.

[6] Clause 11.86.6 New and amended procedures

In clause 11.86.6, omit paragraphs (e) and (f), and substitute “[Deleted]”, in each case.

[7] Clause 11.86.9 B2B Arrangements

Omit clause 11.86.9 and substitute “[Deleted]”.

[8] Clause 11.87.2 Amended procedures and NMI Standing Data Schedule

In clause 11.87.2, omit paragraphs (b) and (c) and substitute “[Deleted]”, in each case.

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Schedule 2 Amendment to the National Electricity Rules

(Clause 4)

[1] New Clause 8.2A B2B Determination Disputes

Omit clause 8.2A and substitute:

8.2A B2B Determination Disputes

8.2A.1 Application of rule 8.2

Rule 8.2 applies to *B2B Determination Disputes* but with the modifications set out in clause 8.2A.2.

8.2A.2 How rule 8.2 applies

For the purposes of its application to a *B2B Determination Dispute*, rule 8.2 is modified as follows:

(a) For clause 8.2.1(a) substitute:

"(a) This clause 8.2 applies to a *B2B Determination Dispute*."

(b) In clause 8.2.1(a1) delete "and *Connection Applicants* who are otherwise *Registered Participants*" and substitute "clause 8.2.9(c)" for "clauses 8.2.4(a) or 8.2.9(c)".

(c) For clause 8.2.1(e)(1) substitute:

"(1) be guided by the *national electricity objective* and the *B2B Principles*;"

(d) In clause 8.2.1(f):

(1) omit "set out in clauses 8.2.4 to 8.2.10 and 8.2.12" and substitute "set out in clauses 8.2.5 to 8.2.10 and 8.2.12 (in each case, as those clauses are amended by clause 8.2A.2)"; and

(2) insert a new sentence at the end of the clause as follows:

"The subject matter of a *B2B Determination Dispute* which has been determined by the *DRP* cannot be the subject of further review."

(e) For the avoidance of doubt, clause 8.2.3 does not apply to the *Information Exchange Committee*.

(f) The contact for the *Information Exchange Committee* in relation to disputes will be the *DMS Contact* for *AEMO*.

- (g) Clause 8.2.4 does not apply.
- (h) Clauses 8.2.5(a), (b), (c) and (d) do not apply.
- (i) Insert new clauses 8.2.5(d1) to (d4) as follows:
 - "(d1) A *Market Customer, Local Retailer or Distribution Network Service Provider* adversely affected by an *Information Exchange Committee Recommendation* or a *B2B Decision* may apply to the *Adviser* for review of that *Information Exchange Committee Recommendation* or that *B2B Decision*. The application must be made within 10 *business days* of publication of the *Information Exchange Committee Recommendation* or the *B2B Decision*, state grounds for the review and give full particulars of where the applicant believes the *Information Exchange Committee Recommendation* or *B2B Decision* is in error.
 - (d2) Where an application for review of an *Information Exchange Committee Recommendation* is made, *AEMO* must not take any further action in relation to that *Information Exchange Committee Recommendation* until the *DRP* has made its decision in relation to the dispute.
 - (d3) An application for review of a *B2B Decision* stays the *B2B Decision*.
 - (d4) On receiving the application the *Adviser* must refer the dispute to a *DRP* for determination in accordance with clauses 8.2.6A to 8.2.6D."
- (j) In clause 8.2.6A(a), for "decides to refer" substitute "refers".
- (k) In clause 8.2.6A(c), for "the parties to the Stage 1 dispute resolution process" substitute "the parties to the dispute".
- (l) In clause 8.2.6A(h)(1) before "a *Registered Participant*" insert "the *Information Exchange Committee* or".
- (m) For clause 8.2.6B(a)(1) substitute:
 - "(1) the *Registered Participant* making application for a review of the *Information Exchange Committee Recommendation* or the *B2B Decision*, a *Registered Participant* affected by the *Information Exchange Committee Recommendation* or the *B2B Decision* the subject of the application for review and the *Information Exchange Committee* or, if the *Information Exchange Committee* is unable to act as a party, any other *Registered Participant* wishing to support the position of the *Information Exchange Committee*;"
- (n) At the end of clause 8.2.6B(a) insert:

“AEMO is a party to an application for review of a *B2B Decision* and may be a party, in accordance with clause 8.2.6B(b), to an application for review of an *Information Exchange Committee Recommendation*. In addition:

- (1) where the *Information Exchange Committee* is unable to act as a party to a *B2B Determination Dispute*, and another *Registered Participant* is a party to support the position of the *Information Exchange Committee*, the *Information Exchange Committee* must give to that party all assistance including access to both documents and *Members*. A *Registered Participant* of which a *Member* is an employee must ensure that *Member* is available to provide such assistance; and
 - (2) where AEMO is a party to a *B2B Determination Dispute*, the *Information Exchange Committee* must give AEMO all assistance including access to both documents and *Members*. A *Registered Participant* of which a *Member* is an employee must ensure that *Member* is available to provide such assistance.”.
- (o) Clause 8.2.6C(d) does not apply.
- (p) Insert a new clause 8.2.6C(g) as follows:

"(g) In considering a *B2B Determination Dispute*, the *DRP* must conduct a full reconsideration of the *Information Exchange Committee Recommendation* or *B2B Decision* and:

- (1) can rely on any material available and is not confined to only considering material that was before the *Information Exchange Committee* in relation to an *Information Exchange Committee Recommendation* or AEMO in relation to a *B2B Decision*; and
- (2) may exercise all powers and discretions that are conferred on the *Information Exchange Committee* in relation to an *Information Exchange Committee Recommendation* or AEMO in relation to a *B2B Decision*.”.

- (q) Insert a new clause 8.2.6D(da) as follows:

"(da) The *DRP* must make a decision in writing:

- (1) affirming the *Information Exchange Committee Recommendation* or the *B2B Decision*;
- (2) varying the *Information Exchange Committee Recommendation* or the *B2B Decision*; or

- (3) setting aside the *Information Exchange Committee Recommendation* or the *B2B Decision* and substituting its own decision.”.
- (r) Clause 8.2.7(a) does not apply.
- (s) In clause 8.2.8(a) after “8.2.6D” insert “(as modified by clause 8.2A.2)”.
- (t) Clauses 8.2.9(a), (b) and (c)(2) do not apply.
- (u) In clause 8.2.9(d) after “*Registered Participant*” insert “and the *Information Exchange Committee*”, and delete “and any agreement that is recorded in accordance with clause 8.2.9(a)”.
- (v) In clause 8.2.8(a), insert “(in each case, as modified by clause 8.2A.2)” after “8.6.2D”.

Schedule 3 Amendment to the National Electricity Rules

(Clause 5)

[1] New Rule 7.17 B2B Arrangements

Omit Part H of Chapter 7 and substitute:

Part H B2B Requirements

7.17 B2B Arrangements

7.17.1 B2B e-Hub

- (a) *AEMO* must provide and operate a *B2B e-Hub*.
- (b) The *B2B e-Hub* must:
 - (1) have the capability to facilitate the *B2B Communications* in accordance with the *B2B Procedures*;
 - (2) have the capability to support a free-form method of communication between *B2B Parties*; and
 - (3) meet any minimum standards of performance specified in the *B2B Procedures*.
- (c) A person must not use the *B2B e-Hub* unless they are a *B2B e-Hub Participant*.
- (d) Each *B2B Party* and *AEMO* must comply with the *B2B Procedures*.
- (e) Subject to paragraph (f), each *B2B Party* must use the *B2B e-Hub* for *B2B Communications* in accordance with the *B2B Procedures*.
- (f) *B2B Parties* may, on such terms and conditions as agreed between them, communicate a *B2B Communication* on a basis other than through the *B2B e-Hub* provided the *B2B Communication* is otherwise made in accordance with the *B2B Procedures*.
- (g) Despite paragraphs (d) and (e), a person:
 - (1) appointed as a *Metering Coordinator* in respect of a *transmission network connection point*; and
 - (2) not accredited as a *B2B e-Hub Participant*,is not required to:
 - (3) comply with the *B2B Procedures*; and
 - (4) use the *B2B e-Hub* for *B2B Communications*,

in respect of that *transmission network connection point*.

7.17.2 B2B e-Hub Participants

- (a) A *B2B e-Hub Participant* is a person so accredited with *AEMO*.
- (b) *AEMO* must establish and maintain an accreditation process for *B2B e-Hub Participants* (including circumstances under which accreditation can be revoked by *AEMO*) and *publish* information relating to the process by which parties can apply to be accredited as *B2B e-Hub Participants*.
- (c) To be eligible for accreditation as a *B2B e-Hub Participant*, a person must:
 - (1) satisfy *AEMO* that it is complying with and will comply with the *Rules* and the procedures authorised under the *Rules*; and
 - (2) satisfy such other requirements as reasonably determined by *AEMO*, which may include (but are not limited to):
 - (i) systems and information technology requirements necessary for secure use of the *B2B e-Hub*; and
 - (ii) fee payment and credit support requirements.
- (d) *AEMO* may exempt persons or classes of persons from any one or more requirements of the accreditation process for *B2B e-Hub Participants* established under paragraph (b), subject to such conditions as *AEMO* deems appropriate.

7.17.3 Content of the B2B Procedures

- (a) The *B2B Procedures* may be constituted by one or more separate documents and:
 - (1) must provide for *B2B Communications* to support each of the services set out in the *minimum services specification*;
 - (2) may provide for any other *B2B Communications* determined in accordance with the *Rules*;
 - (3) may include obligations in relation to the information to be maintained and provided to support *B2B Communications*;
 - (4) must not restrict *B2B Parties* from communicating *B2B Communications* on a basis other than through the *B2B e-Hub* as permitted under clause 7.17.1(f); and
 - (5) may include minimum performance standards for the *B2B e-Hub*.

- (b) For each *B2B Communication*, the *B2B Procedures*:
 - (1) must specify:
 - (i) the required *B2B Data* inputs and *B2B Data* outputs;
 - (ii) the required business process flows and related timing requirements;
 - (iii) the required content and format;
 - (iv) the required delivery method; and
 - (v) the back-up delivery method to be used where the required delivery method cannot be used; and
 - (2) may specify:
 - (i) details for testing and certification;
 - (ii) provisions relating to contingency arrangements; and
 - (iii) examples of how a *B2B Communication* may operate in practice.
- (c) *B2B Data* is confidential information and may only be disclosed as permitted by the *Rules*.

7.17.4 Changing B2B Procedures

Change date for B2B Procedures

- (a) Any change to the *B2B Procedures* must specify the date on which the change to the *B2B Procedures* will commence (**B2B change date**). The B2B change date must be not less than 10 *business days* after the *B2B Decision* to make the change is *published*.
- (b) The *Information Exchange Committee* may change the B2B change date to a date later than that previously specified by the *Information Exchange Committee* following consultation with *AEMO* and any affected *B2B Parties* and *B2B Change Parties*. If the B2B change date is changed by the *Information Exchange Committee*, the *Information Exchange Committee* must provide *AEMO* with that date and *AEMO* must *publish* that date
- (c) A change to the *B2B Procedures* may also include provisions relating to a date for the end of a process related to a *B2B Communication*. That date may be after the date of commencement of the change and may be left to the discretion of the *Information Exchange Committee*. If the date is set by the *Information Exchange Committee*, the *Information Exchange Committee* must provide *AEMO* with that date and *AEMO* must *publish* that date.

Minor and administrative changes to the B2B Procedures

- (d) If a change to the *B2B Procedures* is of a minor or administrative nature or is necessary to correct a manifest error in the *B2B Procedures*, the *Information Exchange Committee* may recommend the change to *AEMO* and need not consult on the change in accordance with the *Rules consultation procedures*. Paragraphs (a) to (c) and (n) to (q) (inclusive) and clause 7.17.5 apply to such a change (with any necessary modifications).
- (e) *AEMO* must publish its *B2B Decision* in relation to a change under paragraph (d) and notify all *B2B Parties* of the change to the *B2B Procedures*.

B2B Procedure change process

- (f) Any person (other than the *Information Exchange Committee*) may propose a change to the *B2B Procedures* by providing a change proposal to the *Information Exchange Committee* in writing. A change proposal must provide details of the proposed change to the *B2B Procedure* and supporting information, including reasons for the proposed change.
- (g) Within 25 *business days* of receipt by the *Information Exchange Committee* of a proposal under paragraph (f), the *Information Exchange Committee* must meet to determine whether, on a *prima facie* basis, changing the *B2B Procedures* is warranted having regard to the *national electricity objective* and the *B2B factors* and considering the *B2B Principles*.
- (h) If, after its consideration under paragraph (g), the *Information Exchange Committee* decides that the proposal made under paragraph (f) should not be considered further, the *Information Exchange Committee* must within five *business days* provide written reasons for that decision to the person who made the proposal.
- (i) If, after its consideration under paragraph (g), the *Information Exchange Committee* decides that the proposal made under paragraph (f) should be considered further, the *Information Exchange Committee* must:
 - (1) develop the proposal into a *B2B Proposal* (which may differ from the proposal originally made) and an accompanying *B2B Procedures Change Pack* for consultation; and
 - (2) seek *AEMO*'s advice on whether:
 - (i) a conflict with the *Market Settlement and Transfer Solution Procedures* arises from the *B2B Proposal*; and

- (ii) changes are required to the *B2B e-Hub* in order to deliver the *B2B Proposal* and, if so, the likely costs of making such changes,

and include any such advice in the *B2B Procedures Change Pack*.

- (j) The *Information Exchange Committee* must comply with the *Rules consultation procedures* in relation to the *B2B Proposal*. For the purposes of rule 8.9(b), the nominated persons to whom notice must be given are *B2B Parties*, relevant *B2B Change Parties*, *AEMO* and such other persons who identify themselves to the *Information Exchange Committee* as interested in the *B2B Procedures*. For the purposes of the notice, the particulars of the matters under consultation must include a copy of the *B2B Procedures Change Pack*.
- (k) *AEMO* must publish the notice of consultation within 3 *business days* of its receipt and must notify all persons referred to in paragraph (j) of the consultation.
- (l) In addition to the matters which rule 8.9(g) requires be included in the draft report, the draft report must contain details of how the *Information Exchange Committee* has:
 - (1) had regard to the *national electricity objective* and the *B2B factors*; and
 - (2) sought to give effect to the *B2B Principles*,when considering the *B2B Proposal* and each valid written submission.
- (m) In addition to the matters which rule 8.9(k) requires be included in the final report, the final report must contain details of how the *Information Exchange Committee* has:
 - (1) had regard to the *national electricity objective* and the *B2B factors*; and
 - (2) sought to give effect to the *B2B Principles*,when considering the *B2B Proposal* and each valid written submission.
- (n) The *Information Exchange Committee* may decide:
 - (1) not to recommend the proposed change to the *B2B Procedures*; or
 - (2) to recommend a change to the *B2B Procedures* to *AEMO*.

- (o) An *Information Exchange Committee Recommendation* may recommend a different change to the *B2B Procedures* than that originally proposed under paragraph (f).
- (p) The *Information Exchange Committee's* decision under paragraph (n) must be included in the final report required under rule 8.9(k).
- (q) In making a decision under paragraph (n), the *Information Exchange Committee* must:
 - (1) have regard to the *national electricity objective* and the *B2B factors*; and
 - (2) seek to give effect to the *B2B Principles*.
- (r) For the purposes of paragraph (q), to the extent of any conflict between the *B2B Principles*, the *Information Exchange Committee* may determine the manner in which those principles can best be reconciled or which of them should prevail.

7.17.5 B2B Decision

- (a) If the *Information Exchange Committee* decides not to recommend a change to the *B2B Procedures* under clause 7.17.4(n)(1), *AEMO* must take no further action in respect of the proposal.
- (b) If the *Information Exchange Committee* makes an *Information Exchange Committee Recommendation*, *AEMO* must consider the *Information Exchange Committee Recommendation* and must approve that *Information Exchange Committee Recommendation*, unless it concludes that the *Information Exchange Committee Recommendation* would conflict with the *Market Settlement and Transfer Solution Procedures*.
- (c) In considering whether the *Information Exchange Committee Recommendation* would conflict with the *Market Settlement and Transfer Solution Procedures*, *AEMO* must not otherwise consider the merits of the *Information Exchange Committee Recommendation*.
- (d) *AEMO* must not amend the *Information Exchange Committee Recommendation* and must not conduct any further consultation on the *Information Exchange Committee Recommendation* prior to making its *B2B Decision*.
- (e) *AEMO* must *publish* and make available on its website its *B2B Decision*, with reasons, within 10 *business days* of receiving an *Information Exchange Committee Recommendation* from the *Information Exchange Committee*.

- (f) If *AEMO* decides not to approve an *Information Exchange Committee Recommendation* (a **Vetoed Recommendation**), then:
- (1) the reasons for the *B2B Decision* which are to be published and made available in accordance with paragraph (e) must include an explanation of how the Vetoed Recommendation would give rise to a conflict with the *Market Settlement and Transfer Solution Procedures*; and
 - (2) the *Information Exchange Committee* may:
 - (i) reconsider the proposal made under clause 7.17.4(f) in respect of which the Vetoed Recommendation was made; and
 - (ii) make a new *Information Exchange Committee Recommendation*, which may materially differ from the Vetoed Recommendation,in accordance with clauses 7.17.4(i) to 7.17.4(r) (inclusive).

7.17.6 Establishment of Information Exchange Committee

- (a) *AEMO* must establish the *Information Exchange Committee* in accordance with the *Information Exchange Committee Election Procedures* and the *Rules*.
- (b) The *Information Exchange Committee* must consist of:
 - (1) one *Distribution Network Service Provider Member*;
 - (2) one *Retailer Member*;
 - (3) one *Metering Member*;
 - (4) one *Consumer Member*;
 - (5) one *AEMO Member*;
 - (6) if there is at least one person that is accredited by *AEMO* as a *B2B e-Hub Participant* and that person:
 - (i) is a *Third Party B2B Participant*; and
 - (ii) nominates a representative for election as the *Third Party B2B Participant Member*,one *Third Party B2B Participant Member*; and
 - (7) at least two, but no more than four, *Discretionary Members*.
- (c) *AEMO* must maintain a register of *Members* which includes:

- (1) the name of each current *Member* and their category of membership; and
 - (2) in respect of each *Discretionary Member*, a description of the class or classes of persons that the *Discretionary Member* has been appointed by *AEMO* to represent under clause 7.17.10(d).
- (d) Subject to paragraph (e), the *AEMO Member* is the chairperson of the *Information Exchange Committee*.
 - (e) If the *AEMO Member* is unable to act as chairperson at a meeting of the *Information Exchange Committee* because he or she has, or would reasonably be considered to have, a material conflict of interest in the matter to be decided or determined by the *Information Exchange Committee* at that meeting, then a *Member* chosen by an *ordinary majority* may preside as chairperson of the meeting for the relevant matter.
 - (f) Each *Member* must serve on the *Information Exchange Committee* for the term specified in the *Information Exchange Committee Election Procedures* and must only be removed or replaced in accordance with the *Information Exchange Committee Election Procedures* and the *Rules*.
 - (g) *B2B Parties* must ensure that the *Information Exchange Committee Election Procedures* include provisions in respect of:
 - (1) procedures for nominating *Members* and voting for *Members*;
 - (2) the term of a *Member*;
 - (3) procedures for the determination and publication of results of elections of a *Member*: and
 - (4) procedures for the removal or resignation of a *Member*.

7.17.7 Functions and powers of Information Exchange Committee

- (a) The functions and powers of the *Information Exchange Committee* include:
 - (1) developing, consulting on and making an *Information Exchange Committee Recommendation*;
 - (2) managing the ongoing development of the *B2B Procedures* and any changes to them;
 - (3) establishing the *Information Exchange Committee Working Groups*;

- (4) developing, consulting on and approving the *Information Exchange Committee Works Programme*;
 - (5) reviewing and considering work completed by the *Information Exchange Committee Working Groups*;
 - (6) developing proposed amendments to the *Information Exchange Committee Election Procedures*; and
 - (7) developing proposed amendments to the *Information Exchange Committee Operating Manual*.
- (b) The *Information Exchange Committee* must prepare an *Information Exchange Committee Annual Report* by 31 December each year. The *Information Exchange Committee* must provide the *Information Exchange Committee Annual Report* to AEMO by the following 31 March and AEMO must publish that *Information Exchange Committee Annual Report*.
 - (c) The *Information Exchange Committee Annual Report* must contain the information required by the *Information Exchange Committee Operating Manual*.
 - (d) By 28 February each year the *Information Exchange Committee* must prepare a draft budget for the following *financial year* in a form which is consistent with the budget procedures of AEMO. Following discussion with AEMO the *Information Exchange Committee* must prepare a budget by 31 March and provide that budget to AEMO. When AEMO publishes its budget pursuant to clause 2.11.3, AEMO must advise the *Information Exchange Committee* of the final budget for the *Information Exchange Committee* for that *financial year*.
 - (e) The *Information Exchange Committee* must provide to AEMO the current version of the *B2B Procedures* and the *Information Exchange Committee Works Programme*.
 - (f) AEMO must publish the *B2B Procedures* and the *Information Exchange Committee Works Programme* provided to it by the *Information Exchange Committee*.

7.17.8 Obligations of Members

- (a) Each *Member* in performing his or her duties or in exercising any right, power or discretion as a *Member* must:
 - (1) have regard to the *national electricity objective* and *B2B factors*; and
 - (2) seek to give effect to the *B2B Principles*,and must:

- (1) at all times act honestly;
 - (2) exercise the degree of care and diligence that a reasonable person in a like position would exercise;
 - (3) not make improper use of information acquired by virtue of his or her position to gain, directly or indirectly, an advantage for himself or herself, or the parties by which he or she is employed and/or which nominated him or her to be a *Member*;
 - (4) not make improper use of his or her position to gain, directly or indirectly, an advantage for himself or herself or the parties by which he or she is employed and/or which nominated him or her to be a *Member*; and
 - (5) not take part in any decision or determination of the *Information Exchange Committee* where the *Member* has, or would reasonably be considered to have, a material conflict of interest in the matter to be decided or determined by the *Information Exchange Committee*.
- (b) For the purposes of subparagraph (a)(5), a conflict will be material if it detracts, or would reasonably be considered to be likely to detract, from the *Member's* capacity to exercise independent judgment in respect of the relevant decision or determination.
 - (c) Notwithstanding subparagraph (a)(5) and paragraph (b), a *B2B Party* may take into account the interests of the persons it has been elected to represent in performing his or her duties or in exercising any right, power or discretion.
 - (d) Notwithstanding subparagraph (a)(5) and paragraph (b), the *Consumer Member* may take into account the interests of *small customers* in performing his or her duties or in exercising any right, power or discretion.
 - (e) Notwithstanding subparagraph (a)(5) and paragraph (b), the *Discretionary Member* may take into account the interests of the persons the *Discretionary Member* was appointed by *AEMO* to represent in performing his or her duties or in exercising any right, power or discretion.
 - (f) Notwithstanding subparagraph (a)(5) and paragraph (b), the *AEMO Member* may take into account the interests of *AEMO* in performing his or her duties or in exercising any right, power or discretion.

7.17.9 Meetings of Information Exchange Committee

- (a) The *Information Exchange Committee* must meet at least once every three months.

- (b) The quorum for a meeting of the *Information Exchange Committee* consists of:
 - (1) if there are less than nine *Members*, five *Members*; and
 - (2) if there are nine *Members* or more, six *Members*,and must include the *AEMO Member*, except where the *AEMO Member* is unable to attend the meeting because he or she has, or would reasonably be considered to have, a material conflict of interest in the matter to be decided or determined by the *Information Exchange Committee* at the meeting.
- (c) A decision of the *Information Exchange Committee* is not valid and enforceable unless, in respect of:
 - (1) an *Information Exchange Committee Recommendation*, it has the support of a *super majority*;
 - (2) any decision that a proposal under clause 7.17.4(f) should not be considered further after initial consideration under clause 7.17.4(g), and any decision to not recommend a change to the *B2B Procedures* for approval by *AEMO*, it has the support of a *super majority*;
 - (3) any decision to approve the *Information Exchange Committee Works Programme*, it has the support of a *super majority*; and
 - (4) any other decision by the *Information Exchange Committee*, it has the support of an *ordinary majority*.

7.17.10 Nomination, election and appointment of Members

- (a) A person may only be nominated and elected as a *Member* in accordance with the *Information Exchange Committee Election Procedures* and the *Rules* including, without limitation, this clause 7.17.10 and clause 7.17.11.
- (b) *AEMO* must appoint a *Consumer Member*. Prior to making such appointment, *AEMO* must consult with Energy Consumers Australia and may consult with any other person or persons determined by *AEMO*.
- (c) *AEMO* must appoint an *AEMO Member* and the *AEMO Member* must be a director of *AEMO*.
- (d) *AEMO* must appoint at least two, but may appoint up to four, *Discretionary Members* to represent a class or classes of persons who, in *AEMO*'s reasonable opinion, have an interest in the *B2B Procedures* and those interests are not adequately represented on the *Information Exchange Committee*. Prior to making such

appointments, *AEMO* may consult with any person or persons determined by *AEMO*.

- (e) *Distribution Network Service Providers* must elect a *Distribution Network Service Provider Member*.
- (f) *Retailer Member Voters* must elect a *Retailer Member*.
- (g) *Metering Member Voters* must elect a *Metering Member*.
- (h) *Third Party B2B Participants* must elect a *Third Party B2B Participant Member*.
- (i) Any person who is:
 - (1) both a *retailer* and a *Local Retailer*, may nominate and vote only once in respect of the appointment of a *Retailer Member*; and
 - (2) registered with *AEMO* in two or more of the categories of *Metering Coordinator*, *Metering Provider* and *Metering Data Provider*, may nominate and vote only once in respect of the appointment of a *Metering Member*.
- (j) If two or more persons are *related bodies corporate* and belong to the same *Voter Category* (**related voters**) then only one of the related voters may nominate and vote in respect of an election for a *Distribution Network Service Provider Member*, a *Retailer Member*, *Metering Member* or *Third Party B2B Participant Member*, as the case may be.

7.17.11 Qualifications of Members

- (a) In this clause, being **Independent** of another person means:
 - (1) is not currently an employee or director of that person;
 - (2) is not:
 - (i) an employee of, or a partner in, any partnership; or
 - (ii) an employee of, or a director of, any company,which partnership or company is an adviser or consultant to that person, where such relationship is a significant source of income for that partnership or company; or
 - (3) an adviser or consultant to that person, where such relationship is a significant source of income for that adviser or consultant.

- (b) Each *B2B Party* must ensure that a person they nominate as a *Member* satisfies the requirements for that particular category of *Member* as set out in the *Information Exchange Committee Election Procedures* and the *Rules*.
- (c) A *B2B Party* must ensure that a person they nominate as a *Member*:
 - (1) has knowledge of and experience in the *National Electricity Market*;
 - (2) in relation to *Members* voted by a particular *Voter Category*, has experience with and skills in considering, issues that affect the relevant *Voter Category*.
 - (3) has knowledge of the subject matter of *B2B Procedures*; and
 - (4) has knowledge and understanding of the *Rules* and the related legislative and regulatory framework.
- (d) *AEMO* must ensure that an appointee for a *Discretionary Member* or the *Consumer Member*:
 - (1) has knowledge of and experience with the *National Electricity Market*;
 - (2) has experience with and skills in considering issues that affect:
 - (i) in respect of a *Discretionary Member*, the class or classes of persons whom the *Discretionary Member* represents (as specified in the register kept pursuant to clause 7.17.6(c)); and
 - (ii) in respect of the *Consumer Member*, *small customers*;
 - (3) has knowledge of the subject matter of *B2B Procedures*;
 - (4) has knowledge and understanding of the *Rules* and the related legislative and regulatory framework; and
 - (5) in the case of the *Discretionary Member*, is Independent of *AEMO*.

7.17.12 Information Exchange Committee Election Procedures and Information Exchange Committee Operating Manual

- (a) The *Information Exchange Committee*, *AEMO* and *B2B Parties* must comply with the *Information Exchange Committee Election Procedures* and the *Information Exchange Committee Operating Manual*.
- (b) *B2B Parties* and *AEMO* are not obliged to comply with an amendment to the *Information Exchange Committee Election*

Procedures unless that amendment is made in accordance with this clause.

- (c) The *Information Exchange Committee Election Procedures* may only be amended in accordance with the procedure set out in the *Information Exchange Committee Election Procedures* and with the support of not less than 75% of voters in each of at least three of the *Voter Categories* for the following *Members*:
 - (1) *Distribution Network Service Provider Member*;
 - (2) *Retailer Member*;
 - (3) *Metering Member*; and
 - (4) *Third Party B2B Participant Member*.
- (d) AEMO must *publish* the current version of the *Information Exchange Committee Election Procedures*.
- (e) *B2B Parties* and AEMO are not obliged to comply with an amendment to the *Information Exchange Committee Operating Manual* unless that amendment is made in accordance with this clause.
- (f) The *Information Exchange Committee Operating Manual* may only be amended in accordance with the procedure set out in the *Information Exchange Committee Election Procedures* and with the support of not less than 75% of voters in each of at least three of the *Voter Categories* for the following *Members*:
 - (1) *Distribution Network Service Provider Member*;
 - (2) *Retailer Member*;
 - (3) *Metering Member*; and
 - (4) *Third Party B2B Participant Member*.
- (g) AEMO must *publish* the current version of the *Information Exchange Committee Operating Manual*.

7.17.13 Cost Recovery

- (a) The *B2B costs* must be paid by AEMO in the first instance and recouped by AEMO as *Participant fees*.
- (b) Subject to paragraph (a), the costs of any *Member* relating to their participation in the *Information Exchange Committee* and the costs of individuals relating to their participation in the *Information Exchange Committee Working Groups* is not to be borne by AEMO.

- (c) The cost to a person of implementing and maintaining the necessary systems and processes to ensure compliance with *B2B Procedures* must be met by that person.

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Schedule 4 Amendment to the National Electricity Rules

(Clause 6)

[1] New Clause 2.11.1A Application

In rule 2.11, before clause 2.11.1 insert the following new clause:

2.11.1A Application

For the purposes of rule 2.11 only, *Third Party B2B Participants* (other than *Third Party B2B Participants* who are also *Embedded Network Managers*) who are not otherwise *Registered Participants* are deemed to be *Registered Participants*.

[2] Clause 2.11.3 Budgeted revenue requirements

In clause 2.11.3, insert a new clause 2.11.3(b)(7A) as follows:

7A *AEMO's expenditure in relation to B2B costs;*

[3] Clause 8.2A.2 How Rule 8.2 applies

Omit clause 8.2A.2(b) and substitute:

- (b) In clause 8.2.1(a1):
 - (1) delete "*Connection Applicants*"; and
 - (2) omit "*Embedded Network Managers and NMAS providers (including NSCAS preferred tenderers)*" and substitute "*Third Party B2B Participants and B2B Change Parties*".

[4] Clause 8.2A.2 How Rule 8.2 applies

In clause 8.2A.2(i), omit the paragraph starting "(d1) A *Market Customer*..." and substitute:

"(d1) A *B2B Party* or *B2B Change Party* adversely affected by an *Information Exchange Committee Recommendation* or a *B2B Decision* may apply to the *Adviser* for review of that *Information Exchange Committee Recommendation* or that *B2B Decision*. The application must be made within 10 *business days* of publication of the *Information Exchange Committee Recommendation* or the *B2B Decision*, state grounds for the review and give full particulars of where the applicant believes the *Information Exchange Committee Recommendation* or *B2B Decision* is in error.

[5] Clause 8.6.1A

Omit clause 8.6.1A and substitute:

8.6.1A Application

For the purposes of this Part C only, "*Registered Participant*" is deemed to include not just *Registered Participants* but also *Metering Providers*, *Metering Data Providers*, *Embedded Network Managers* and *Third Party B2B Participants*.

[6] Chapter 10 New Definitions

In Chapter 10, insert the following new definitions in alphabetical order:

AEMO Member

A person appointed as a *Member* by *AEMO* to represent *AEMO* in accordance with clause 7.17.10(c).

B2B costs

The following costs incurred by *AEMO*:

- (a) the costs of the development of the *B2B Procedures*;
- (b) the costs of the establishment and operation of the *Information Exchange Committee* (including the engagement costs of specialist advisers), all of which must be set out in the budget prepared by the *Information Exchange Committee* pursuant to clause 7.17.7(d) and the *Information Exchange Committee Annual Report*; and
- (c) the operational costs associated with any service provided by *AEMO* to facilitate *B2B Communications* (including providing, maintaining, upgrading and operating a *B2B e-Hub*).

B2B Change Party

A person who has provided a change proposal to the *Information Exchange Committee* under clause 7.17.4(f) and is not otherwise a *B2B Party*.

B2B Decision

A decision of *AEMO* to approve or not approve an *Information Exchange Committee Recommendation*.

B2B Determination Dispute

A dispute in relation to either a *B2B Decision* or an *Information Exchange Committee Recommendation*.

B2B e-Hub Participant

A person who has been accredited by *AEMO* as a *B2B e-Hub Participant* under clause 7.17.2.

B2B factors

The following factors:

- (a) The reasonable costs of compliance by *AEMO* and *B2B Parties* with the *B2B Procedures* compared with the likely benefits from *B2B Communications*;
- (b) The likely impacts on innovation in and barriers to entry to the markets for services facilitated by advanced meters resulting from changing the existing *B2B Procedures*; and
- (c) The implementation timeframe reasonably necessary for *AEMO* and *B2B Parties* to implement systems or other changes required to be compliant with any change to existing *B2B Procedures*.

B2B Party

Distribution Network Service Providers, retailers, Local Retailers, Metering Coordinators, Metering Providers, Metering Data Providers, Embedded Network Managers and other Third Party B2B Participants.

B2B Principles

The following principles:

- (a) *B2B Procedures* should provide a uniform approach to *B2B Communications* in *participating jurisdictions*;
- (b) *B2B Procedures* should detail operational and procedural matters and technical requirements that result in efficient, effective and reliable *B2B Communications*;
- (c) *B2B Procedures* should avoid unreasonable discrimination between *B2B Parties*; and
- (d) *B2B Procedures* should protect the confidentiality of commercially sensitive information.

B2B Procedures Change Pack

A document consisting of:

- (a) a *B2B Proposal*;
- (b) a report setting out an overview of the likely impact of the *B2B Proposal* on *AEMO* and *B2B Parties*;
- (c) draft *B2B Procedures* (incorporating proposed changes in mark up, where appropriate); and
- (d) an issues paper explaining why the *B2B Proposal* is being presented.

B2B Proposal

A proposal for *B2B Procedures*, or a change to the *B2B Procedures*, which is the subject of consultation by the *Information Exchange Committee*.

Consumer Member

A person appointed by *AEMO* as a *Member* to represent *small customers* in accordance with the *Rules* (including clause 7.17.10(b)).

Discretionary Member

A person appointed as a *Member* by *AEMO* to represent a class or classes of persons who have an interest in the *B2B Procedures* in accordance with the *Rules* (including clause 7.17.10(d)).

Distribution Network Service Provider Member

A person nominated and elected as a *Member* by *Distribution Network Service Providers* to represent *Distribution Network Service Providers* in accordance with the *Rules* (including clause 7.17.10(e)) and *Information Exchange Committee Election Procedures*.

Information Exchange Committee

The committee established under clause 7.17.6(a).

Information Exchange Committee Annual Report

The annual report prepared by the *Information Exchange Committee* in accordance with the *Information Exchange Committee Operating Manual* and the *Rules*.

Information Exchange Committee Election Procedures

The procedures of that title which set out the process for election of *Members*.

Information Exchange Committee Operating Manual

The manual of that title prepared by the *Information Exchange Committee* which sets out the processes pursuant to which the *Information Exchange Committee* operates.

Information Exchange Committee Recommendation

- (a) For the purposes of Chapter 8 and any applicable definitions, a decision made by the *Information Exchange Committee* under clauses 7.17.4(n)(1) or 7.17.4(n)(2).
- (b) Otherwise, a decision made by the *Information Exchange Committee* under clause 7.17.4(n)(2).

Information Exchange Committee Working Groups

The groups established by the *Information Exchange Committee* to assist with the *Information Exchange Committee Works Programme*.

Information Exchange Committee Works Programme

The work programme prepared by the *Information Exchange Committee* in respect of the development, implementation and operation of the *B2B Procedures* and other matters which are incidental to effective and efficient *B2B Communications*.

Member

A person appointed or elected (as the case may be) to the *Information Exchange Committee* pursuant to the *Information Exchange Committee Election Procedures and Rules*, and includes all membership categories, unless a contrary intention appears.

Metering Member

A person nominated and elected as a *Member* by *Metering Member Voters* to represent *Metering Member Voters* in accordance with the *Rules* (including clause 7.17.10(g)) and the *Information Exchange Committee Election Procedures*.

Metering Member Voters

Metering Coordinators, Metering Providers and Metering Data Providers.

ordinary majority

At least 60% of the number of *Members*.

Retailer Member

A person nominated and elected as a *Member* by *Retailer Member Voters* to represent *Retailer Member Voters* in accordance with the *Rules* (including clause 7.17.10(f)) and *Information Exchange Committee Election Procedures*.

Retailer Member Voters

Retailers and Local Retailers.

super majority

At least 70% of the number of *Members*.

Third Party B2B Participant

A *B2B e-Hub Participant* who is not also a *Distribution Network Service Provider, retailer, Local Retailer, Metering Coordinator, Metering Provider or Metering Data Provider*.

Third Party B2B Participant Member

A person who is nominated and elected as a *Member* by *Third Party B2B Participants* to represent *Third Party B2B Participants* in accordance with the *Rules* (including clause 7.17.10(h)) and the *Information Exchange Committee Election Procedures*.

Voter Category

Means:

- (a) in respect of the *Distribution Network Service Provider Member, Distribution Network Service Providers*;
- (b) in respect of the *Retailer Member, Retailer Member Voters*, collectively;
- (c) respect of the *Metering Member, Metering Member Voters*, collectively; and
- (d) in respect of the *Third Party B2B Participant Member, Third Party B2B Participants*.

[7] Chapter 10 Substituted Definitions

In Chapter 10, substitute the following definitions:

B2B Communications

Communications between *B2B Parties* relating to end-users or *supply* to end-users provided for in the *B2B Procedures*.

B2B e-Hub

An electronic information exchange platform provided, maintained and operated by *AEMO* to facilitate *B2B Communications*.

B2B Procedures

The *B2B Procedures* made under Part H with the content required under clause 7.17.3.

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. However:

- (a) 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;
- (b) in the case of a person who is registered by *AEMO* as a *Metering Coordinator*, such a person is only a *Registered Participant* for the purposes referred to in clause 2.4A.1(d);

- (c) as set out in rule 2.11.1A, for the purposes of rule 2.11 only, *Third Party B2B Participants* (other than *Third Party B2B Participants* who are also *Embedded Network Managers*) are also deemed to be *Registered Participants*;
- (d) as set out in clause 8.2.1(a1) and 8.2A.2(b), for the purposes of some provisions of rule 8.2 only, *AEMO*, *Connection Applicants*, *Metering Providers*, *Metering Data Providers*, *Third Party B2B Participants* and *B2B Change Parties* who are not otherwise *Registered Participants* are also deemed to be *Registered Participants*; and
- (e) as set out in clause 8.6.1A, for the purposes of Part C of Chapter 8 only, *Metering Providers*, *Metering Data Providers* and *Third Party B2B Participants* who are not otherwise *Registered Participants* are also deemed to be *Registered Participants*.

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

(Clause 7)

[Note

The draft rule does not include draft provisions for transitional arrangements. See Chapter 6 of the draft determination for details of the transitional arrangements.]

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