



Draft National Electricity Amendment (Embedded Networks) Rule 2015

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 (Embedded Networks) Rule 2015

1 Title of Rule

This Rule is the *Draft National Electricity Amendment (Embedded Networks) Rule 2015*.

2 Commencement

Schedules 1, 2 and 3 commence operation on [1 December 2017].

Schedule 4 commences operation on [rule 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 Savings and Transitional Amendments to the National Electricity Rules

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

Schedule 1 Amendment to the National Electricity Rules

(Clause 3)

[1] Clause 2.5.1 Registration as a Network Service Provider

In clause 2.5.1(d), omit "subject to such conditions as the *AER* deems appropriate" after "the operation of Chapter 5" .

[2] Clause 2.5.1 Registration as a Network Service Provider

After clause 2.5.1(d), insert:

- (d1) An exemption granted by the *AER* under paragraph (d):
 - (1) is, if the exemption relates to a person who owns, controls or operates an *embedded network*, deemed to be subject to the *ENM conditions* unless:
 - (i) the *embedded network* the subject of the exemption is located in a *participating jurisdiction* in which persons *connected*, or proposed to be *connected*, to the *embedded network* are not afforded the right to a choice of *retailer*; or
 - (ii) the *AER* has made a determination under paragraph (d2); and
 - (2) may be subject to such other conditions as the *AER* deems appropriate.
- (d2) If the *AER* considers that the likely costs of complying with *ENM conditions* outweigh the likely benefits to persons *connected*, or proposed to be *connected*, to the *embedded network*, the *AER* may, when granting an exemption under paragraph (d), determine to exempt that person or class of persons from the requirement to comply with the *ENM conditions* until such time as an *ENM conditions trigger* occurs.

[3] Clause 6.17.2 Development of Distribution Ring-Fencing Guidelines

In clause 6.17.2(a), omit "may" and substitute "must".

Note

This amendment will not be made in any final rule in respect of this rule change request if the amendment is made in the final rule in the Competition in Metering rule change.

[4] Clause 8.2.1 Application and guiding principles

In clause 8.2.1(a1), insert ", *Embedded Network Managers*" after "*Metering Data Providers*".

[5] Clause 8.2.1 Application and guiding principles

Omit clause 8.2.1(h)(11), and substitute:

- (11) a decision by *AEMO* whether or not to deregister a *Metering Provider*, *Metering Data Provider* or *Embedded Network Manager* under clause 7.4.3(c) or clause 7.16.3(d) or to suspend a *Metering Provider*, *Metering Data Provider* or *Embedded Network Manager* from a category of registration under clause 7.4.3(c) or clause 7.16.3(d) or to impose agreed constraints on the continued operation of a *Metering Provider*, *Metering Data Provider* or *Embedded Network Manager*;

[6] New Clause 8.6.1A Application

After clause 8.6.1, insert:

8.6.1A Application

For the purposes of this Part C only, "*Registered Participant*" is deemed to include not just *Registered Participants* but also *Embedded Network Managers*.

Schedule 2 Amendment to the National Electricity Rules

(Clause 4)

[1] Clause 7.1.2 Obligations of Market Participants to establish metering installations

In clause 7.1.2(a)(2)(i), insert "or *Embedded Network Manager* in the case of a *child connection point*" after "*Local Network Service Provider*".

[2] Clause 7.1.2 Obligations of Market Participants to establish metering installations

Omit clause 7.1.2(a)(3) and substitute:

- (3) prior to registration, a *NMI* has been obtained by the *responsible person*, or the *Embedded Network Manager* in the case of a *child connection point*, for that *metering installation*.

[3] Clause 7.1.4 Amendment of procedures in the Metering Chapter

In clause 7.1.4(e)(2), insert "*Embedded Network Managers*," after "*Metering Data Providers*".

[4] Clause 7.1.4 Amendment of procedures in the Metering Chapter

In clause 7.1.4(e)(5), omit "or *Metering Data Providers*" and substitute ", *Metering Data Providers* or *Embedded Network Managers*".

[5] Clause 7.2.2 Responsibility of the Market Participant

Omit clause 7.2.2(a) and insert:

- (a) *A Market Participant*:
 - (1) may elect to be the *responsible person* for a *metering installation* that is a type 1, 2, 3 or 4 *metering installation* for a *connection point* on the *Local Network Service Provider's network*; and
 - (2) is the *responsible person* for a *metering installation*, regardless of its type, for a *child connection point* in an *embedded network*.

[6] Clause 7.2.2 Responsibility of the Market Participant

In clause 7.2.2(b), omit "if" and substitute "referred to in clause 7.2.2(a)(1) if".

[7] Clause 7.2.3 Responsibility of the Local Network Service Provider

Omit clause 7.2.3(a)(1) and substitute:

- (1) a type 1, 2, 3 or 4 *metering installation* for a *connection point* on the *Local Network Service Provider's network* where the *Market Participant* has accepted the *Local Network Service Provider's* offer in accordance with paragraphs (b) and (c); and

[8] Clause 7.2.3 Responsibility of the Local Network Service Provider

After clause 7.2.3(a), omit the subheading and substitute:

Types 1 - 4 metering installations on the Local Network Service Provider's network

[9] Clause 7.2.3 Responsibility of the Local Network Service Provider

In clause 7.2.3(b), insert "for a *connection point* on the *Local Network Service Provider's network*" after "*metering installation*".

[10] Clause 7.2.3 Responsibility of the Local Network Service Provider

After clause 7.2.3(c), omit the subheading and substitute:

Types 5 - 7 metering installations on the Local Network Service Provider's network

[11] Clause 7.2.3 Responsibility of the Local Network Service Provider

In clause 7.2.3(d), insert "referred to in clause 7.2.3(a)(2)" after "*metering installation*".

[12] Clause 7.2.4 Joint metering installations

After clause 7.2.4(e), insert:

- (f) Clause 7.2.4 does not apply to a *metering installation* at a *child connection point*.

[13] Clause 7.2.8 Market Settlement and Transfer Solution Procedures

In clauses 7.2.8(c) and (d), omit "and *Metering Data Providers*" wherever appearing and substitute ", *Metering Data Providers* and *Embedded Network Managers*".

[14] Clause 7.2A.4 Content of the B2B Procedures

In clauses 7.2A.4(h) and (i), omit "and *Metering Data Providers*" and substitute "*Metering Data Providers* and *Embedded Network Managers*".

[15] Clause 7.3.1 Metering installation components

Omit clauses 7.3.1(d), (e) and (f) and substitute:

- (d) Subject to paragraph (fa)(1), the *responsible person* for a *metering installation* must apply to the *Local Network Service Provider* for a *NMI*.
- (e) The *Local Network Service Provider* must issue for each *metering installation* on its *network* a unique *NMI*.

Note

This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

- (f) The *responsible person* must register a *NMI* issued under paragraph (e) with *AEMO* in accordance with procedures from time to time specified by *AEMO*.

Note

This clause is classified as a civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

- (fa) An *Embedded Network Manager* must, in respect of each *child connection point* on an *embedded network* for which it is the *Embedded Network Manager*:
 - (1) apply to *AEMO* for a *NMI* for a *metering installation* at the *child connection point*; and
 - (2) register the *NMI* in relation to the *child connection point* with *AEMO* in accordance with procedures from time to time specified by *AEMO*.
- (fb) *AEMO* must issue for each *metering installation* at a *child connection point* a unique *NMI*.

[16] Clause 7.3.2 Connection and metering point

In clause 7.3.2(b), insert "or, in the case of a *child connection point*, the *Embedded Network Manager*" after "*Local Network Service Provider*".

[17] Clause 7.3.4 Metering installation types, accuracy and meter churn

In clause 7.3.4(e), insert "in respect of a *connection point* other than a *child connection point*" after "*Local Network Service Provider*".

[18] Rule 7.7 Entitlement to metering data and access to metering installation

After clause 7.7(a)(4), insert:

- (4a) in relation to a metering installation for a *child connection point* on the *Exempt Embedded Network Service Provider's embedded network*, an *Exempt Embedded Network Service Provider* and its *Embedded Network Manager*;

[19] Rule 7.7 Entitlement to metering data and access to metering installation

In clause 7.7(a1)(3), omit ", " and substitute"; and".

[20] Rule 7.7 Entitlement to metering data and access to metering installation

After clause 7.7(a1)(3), insert:

- (4) *Exempt Embedded Network Service Provider* and its *Embedded Network Manager* is entitled to access or receive the relevant data referred to in paragraph (a),

[21] Clause 7.8.2 Security Controls

In clause 7.8.2(c), insert "*Embedded Network Managers* in relation to *child connection points*" after "*Local Network Service Providers*".

[22] Clause 7.11.3 Data Management and Storage

In clause 7.11.3(e), insert "*Embedded Network Managers* in relation to *child connection points*" after "*Local Network Service Providers*".

[23] Clause 7.11.5 Periodic energy metering

In clause 7.11.5(a), insert ", *Embedded Network Managers* in relation to *child connection points*" after "*Local Network Service Providers*".

[24] Clause 7.14.1 Requirements of the metrology procedure

In clause 7.14.1(c)(3), omit "and *Metering Data Providers*" and substitute ", *Metering Data Providers* and *Embedded Network Managers*".

[25] Clause 7.14.3 Additional metrology procedure matters

In clause 7.14.3(a)(1)(v), omit "and *Metering Data Providers*" and substitute ", *Metering Data Providers* and *Embedded Network Managers*".

[26] Clause 7.14.3 Additional metrology procedure matters

Omit clause 7.14.3(a)(2)(iv) and substitute:

- (iv) *Metering Provider, Metering Data Provider* and *Embedded Network Manager* capabilities in accordance with schedule 7.4, 7.6 and 7.7 respectively, and accreditation standards;

[27] New Rule 7.16 Embedded Networks and Embedded Network Managers

After rule 7.15, insert:

7.16 Embedded Networks and Embedded Network Managers

7.16.1 Role of Embedded Network Managers

The provision of *embedded network management services* must be carried out only by an *Embedded Network Manager*.

7.16.2 Qualifications and registration of Embedded Network Managers

- (a) An *Embedded Network Manager* is a person who:
 - (1) meets the requirements set out in schedule 7.7; and
 - (2) is accredited and registered by *AEMO* in that capacity in accordance with the qualification process established under clause S7.7.1(b).
- (b) Any person may apply to *AEMO* for accreditation and registration as an *Embedded Network Manager*.
- (c) *AEMO* must include requirements for accreditation and registration of *Embedded Network Managers* in the *ENM service level procedures*. The adoption of the requirements by *Embedded Network Managers* is to be included in the qualification process in accordance with clause S7.7.1(b). The requirements must include a dispute resolution process.
- (d) *AEMO* must develop and *publish* guidelines to assist persons wishing to be accredited and registered by *AEMO* as an *Embedded Network Manager* with the preparation of their applications to *AEMO*.

- (e) An *Embedded Network Manager* must comply with the provisions of the *Rules* and procedures authorised under the *Rules* that are expressed to apply to *Embedded Network Managers*.

7.16.3 Deregistration of Embedded Network Managers

- (a) *AEMO* may deregister an *Embedded Network Manager* if the *Embedded Network Manager* requests deregistration and the request is made in accordance with the procedures developed by *AEMO* under paragraph (b).
- (b) *AEMO* must establish, maintain and *publish* a procedure for deregistration of *Embedded Network Managers*. This procedure must include a process for:
 - (1) voluntary deregistration by *Embedded Network Managers*; and
 - (2) a process for determining a breach of the provisions of the *Rules* or of the procedures under the *Rules* by *AEMO*, which process must take into account the following principles:
 - (i) the definition of breach must contain three or more levels of severity, the highest level of severity being a ‘material breach’;
 - (ii) the deregistration of an *Embedded Network Manager* can only occur if it can be demonstrated that the *Embedded Network Manager* has performed a material breach; and
 - (iii) the levels of a breach with severity below a material breach are to be treated as warnings with different levels of magnitude.
- (c) If *AEMO* reasonably determines that an *Embedded Network Manager* has breached the provisions of the *Rules* or of procedures authorised under the *Rules* that apply to *Embedded Network Managers* then:
 - (1) *AEMO* must send to that *Embedded Network Manager* a notice in writing setting out the nature of the breach; and
 - (2) *AEMO* must, if the *Embedded Network Manager* remains in breach for a period of more than 7 days after notice in accordance with subparagraph (1), conduct a review to assess the *Embedded Network Manager’s* capability for ongoing compliance with the *Rules* or procedures authorised under the *Rules*.

- (d) *AEMO* may, following a review conducted under paragraph (c) and in accordance with the procedure under paragraph (b), deregister the *Embedded Network Manager*, suspend the *Embedded Network Manager* from registration or allow the *Embedded Network Manager* to continue to operate under constraints agreed with *AEMO*.
- (e) If following a review under paragraph (d), *AEMO* deregisters or suspends from registration or allows the *Embedded Network Manager* to continue to operate under constraints, then *AEMO* must inform the relevant *Exempt Embedded Network Service Providers*, the relevant *responsible person* for the *child connection point*, the relevant *financially responsible Market Participants* and the relevant *Local Network Service Providers* of the outcome of that review.

7.16.4 Requirements of the ENM service level procedures

- (a) *AEMO* must establish, maintain and *publish* the *ENM service level procedures* that apply to *Embedded Network Managers*, in accordance with this Chapter 7 and this rule 7.16.4.
- (b) *AEMO* must establish and *publish* the *ENM service level procedures* in accordance with clause 7.1.3.
- (c) The *ENM service level procedures* must include:
 - (1) a list of *embedded network management services*;
 - (2) the requirements for the provision of *embedded network management services*;
 - (3) the requirements for the management of relevant *EN wiring information*;
 - (4) the requirements for the assignment of the *parent connection point* and *child connection points* on an *embedded network*;
 - (5) the application of *distribution loss factors* in relation to the *embedded network*;
 - (6) the requirements for the notification of *distribution loss factors* to *AEMO*; and
 - (7) information to ensure consistency in practice between the *ENM service level procedures* and other documents developed and published by *AEMO*, including the practices adopted in the *Market Settlement and Transfer Solutions Procedures*.
- (d) The *ENM service level procedures* must include requirements for accreditation and registration for *Embedded Network Managers*, including, without limitation:

- (1) requirements relating to cooperation with *AEMO, Registered Participants, Metering Providers* and *Metering Data Providers*;
- (2) the confidentiality of information collected by the *Embedded Network Managers*;
- (3) the resolution of disputes between *AEMO* and the *Embedded Network Managers*, including disputes associated with a breach of the *Rules* and procedures authorised under the *Rules*;
- (4) the access of *AEMO* to and the inspection and audit by *AEMO* of any relevant database maintained by the *Embedded Network Managers*;
- (5) the insurance which must be taken out by or on behalf of the *Embedded Network Managers*;
- (6) subcontracting by the *Embedded Network Managers*;
- (7) the software and systems that are used by the *Embedded Network Managers*;
- (8) the ownership of intellectual property that is developed or used by the *Embedded Network Managers*; and
- (9) the delivery up to *AEMO* of data, works, material and other property that *AEMO* has the right to in the event of the deregistration of an *Embedded Network Manager*.

7.16.5 List of Embedded Network Managers

AEMO must *publish* a list of persons accredited and registered as *Embedded Network Managers*.

7.16.6 EN information

An *Embedded Network Manager* must maintain information about the types and configuration of *metering installations* at the *parent connection point* and all *child connection points* on the *Embedded Network Manager's embedded network* and about the subtractive or other arrangements used in respect of those *metering installations* relevant to *settlements* and, in accordance with the *B2B Procedures*, make that information available on request to:

- (a) the *financially responsible Market Participant* for any *child connection point* on the *embedded network* or that *Market Participant's Metering Provider*; or

- (b) any *Market Participant* who is to become *financially responsible* for that *child connection point* or that *Market Participant's* proposed *Metering Provider*.

7.16.7 Guide to embedded networks

AEMO must develop and *publish* a guide to *embedded networks* addressing, without limitation:

- (a) the nature of exemptions granted by the *AER* under section 13(3) of the *National Electricity Law* and clause 2.5.1(d) in respect of *embedded networks*;
- (b) which *retailers* and other persons are able to sell electricity to consumers whose premises are *supplied* with electricity conveyed through *embedded networks*; and
- (c) the roles, responsibilities and obligations of *Embedded Network Managers* under the *Rules* and procedures authorised under the *Rules*.

[28] Schedule 7.5 Metering Register

In clause S7.5.2(a)(4), insert "and the *Embedded Network Manager* in relation to a *child connection point*" after "*connection point*".

[29] Schedule 7.7 Embedded Network Managers

After Schedule 7.6, insert:

Schedule 7.7 Embedded Network Managers

S7.7.1 General

- (a) An *Embedded Network Manager* must be accredited and registered by *AEMO*.
- (b) *AEMO* must establish a qualification process for *Embedded Network Managers* that enables accreditation and registration to be achieved in accordance with the requirements of this schedule 7.7.
- (c) An *Embedded Network Manager* must ensure that *embedded network management services* are carried out in accordance with the *Rules* and procedures authorised under the *Rules*.

S7.7.2 Capabilities of Embedded Network Managers

Embedded Network Managers must be able to exhibit to the reasonable satisfaction of *AEMO* the following capabilities:

- (a) detailed understanding of the *Rules* including this Chapter 7, and all procedures authorised under the *Rules* including the *ENM service level procedures*;
- (b) detailed understanding of:
 - (1) the terms and conditions on which the *AER* grants exemptions under section 13 of the *National Electricity Law* to persons who engage in the activity of owning, controlling or operating *embedded networks*; and
 - (2) any related guidelines developed and issued by the *AER* under clause 2.5.1(d);
- (c) detailed understanding of the participant role relationships and obligations that exist between *Embedded Network Managers*, *Metering Data Providers*, *Metering Providers*, *financially responsible Market Participants*, *Local Network Service Providers*, *AEMO* and *responsible persons*;
- (d) the establishment of a system which will:
 - (1) underpin all operational documentation, processes and procedures;
 - (2) facilitate good change control management of procedures, IT systems and software;
 - (3) provide audit trail management of *EN wiring information*;
 - (4) maintain security controls and data integrity; and
 - (5) maintain knowledge and understanding of the *Rules* and relevant procedures, standards and guides authorised under the *Rules*; and
- (e) understanding of the required logical interfaces necessary to support the provision of *embedded network management services* including the interfaces needed to:
 - (1) access *AEMO*'s systems; and
 - (2) support the *metrology procedure*, *B2B Procedures*, *service level procedures*, *ENM service level procedures* and *Market Settlement and Transfer Solution Procedures*.

Schedule 3 Amendments to the National Electricity Rules

(Clause 5)

[1] Chapter 10 Substituted definitions

In Chapter 10, substitute the following definitions:

B2B Communications

Communications between *Local Retailers, Market Customers, Embedded Network Managers* and *Distribution Network Service Providers* relating to an end-user or *supply* to an end-user provided for in the *B2B Procedures*.

B2B Objective

The benefits from *B2B Communications* to *Local Retailers, Market Customers, Embedded Network Managers* and *Distribution Network Service Providers* as a whole should outweigh the detriments to *Local Retailers, Market Customers, Embedded Network Managers* and *Distribution Network Service Providers* as a whole.

B2B Principles

The following principles:

- (a) *B2B Procedures* should provide a uniform approach to *B2B Communications* in *participating jurisdictions* in which there are no *franchise customers*;
- (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 *Local Retailers, Market Customers, Embedded Network Managers* and *Distribution Network Service Providers*; and
- (d) *B2B Procedures* should protect the confidentiality of commercially sensitive information.

connection point

In relation to a *network* other than an *embedded network*, the agreed point of *supply* established between *Network Service Provider(s)* and another *Registered Participant, Non-Registered Customer* or *franchise customer* and includes a *parent connection point*.

In relation to an *embedded network*, the *child connection point*, unless otherwise specified.

distribution loss factor

An *average loss factor* calculated according to clause 3.6.3 or, in the case of *child connection points*, in accordance with guidelines developed by the AER under clause 2.5.1(a) and the *ENM service level procedures*.

NMI Standing Data

The following data in respect of a *connection point*:

- (a) the *NMI* of the *connection point* and the street address of the relevant *connection point* to which that *NMI* is referable;
- (b) the *NMI* checksum for the *connection point*;
- (c) the identity of the *Local Network Service Provider* or, if the *connection point* is a *child connection point*, the identity of the *Embedded Network Manager* and the *Exempt Embedded Network Service Provider*;
- (d) the code (known as a TNI) identifying the relevant *transmission node* which identifies the *transmission loss factor* and/or *transmission use of system* charge for the *connection point* and, if the *connection point* is a *child connection point*, the *NMI* of the *parent connection point* on that *embedded network*;
- (e) the relevant *distribution loss factor* applicable to the *connection point*;
- (f) the Network Tariff (identified by a code) applicable in respect of the *connection point*;
- (g) the *NMI* classification code (as set out in the *Market Settlement and Transfer Solution Procedures*) of the *connection point*;
- (h) the read cycle date, or date of next scheduled read or date in a relevant code representing the read cycle date or date of next scheduled read, for that *connection point*;
- (i) the profile type applicable to the *connection point*; and
- (j) such other categories of data as may be referred to in the *Market Settlement and Transfer Solution Procedures* as forming *NMI Standing Data*,

and, for the avoidance of doubt, does not include any *metering data* or other details of an end-user's consumption at that *connection point*.

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). However:

- (a) as set out in clause 8.2.1(a1), for the purposes of some provisions of rule 8.2 only, *AEMO*, *Connection Applicants*, *Metering Providers*, *Metering Data Providers* and *Embedded Network Managers* who are not otherwise *Registered Participants* are also deemed to be *Registered Participants*; and
- (b) as set out in clause 8.6.1A, for the purposes of Part C of Chapter 8 only, *Embedded Network Managers* who are not otherwise *Registered Participants* are also deemed to be *Registered Participants*.

[2] Chapter 10 New Definitions

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

child connection point

The agreed point of *supply* between an *embedded network* and an electrical installation, *generating unit* or other *network connected* to that *embedded network*, for which a *Market Participant* is, or proposes to be, *financially responsible*.

embedded network

A *distribution system*, *connected* to either a *distribution system* or *transmission system*, that forms part of the *national grid* and which is owned, controlled or operated by a person who is not a *Network Service Provider*.

embedded network management services

Services that involve carrying out the roles, discharging the responsibilities and complying with the obligations of an *Embedded Network Manager* under the *Rules* and procedures authorised under the *Rules*.

Embedded Network Manager

A person:

- (a) who meets the requirements listed in schedule 7.7 and has been accredited and registered by *AEMO* as an *Embedded Network Manager*; and
- (b) who has not been deregistered by *AEMO* as an *Embedded Network Manager* under clause 7.16.3(d).

EN information

The information about an *embedded network* an *Embedded Network Manager* is required to maintain under clause 7.16.6.

EN wiring information

Panel layouts and wiring diagrams relevant to an *embedded network*.

ENM conditions

An *Exempt Embedded Network Service Provider* must:

- (a) act as the *Embedded Network Manager* for the relevant *embedded network*; or
- (b) engage an *Embedded Network Manager* to provide *embedded network management services* for the relevant *embedded network*; and
- (c) enter into an agreement with an *Embedded Network Manager* for the provision of *embedded network management services* where that person has engaged an *Embedded Network Manager* under subparagraph (2).

ENM conditions trigger

A person connected to the *embedded network* exercises a right to a choice of *retailer*.

ENM service level procedures

The procedures established by *AEMO* in accordance with clause 7.16.4.

Exempt Embedded Network Service Provider

A person who engages in the activity of owning, controlling or operating an *embedded network* under an exemption granted or deemed to be granted by the *AER* under section 13 of the *National Electricity Law* and clause 2.5.1(d).

parent connection point

The *connection point* between an *embedded network* and a *Network Service Provider's network*.

Schedule 4 Savings and Transitional Rules

(Clause6)

After rule 11.82, insert:

Part ZZK Embedded Networks

11.83 Rules consequential on the making of the National Electricity Amendment (Embedded Networks) Rule 2015

11.83.1 Definitions

(a) In this rule 11.83:

Amending Rule means the National Electricity Amendment (Embedded Networks) Rule 2015.

effective date means [1 December 2017].

old Chapter 7 means the Chapter 7 of the *Rules* as in force immediately before the effective date.

new Chapter 7 means the Chapter 7 of the *Rules* as in force immediately after the effective date.

(b) Italicised terms used in this rule, not otherwise defined, have the same meaning as under Schedule 3 of the Amending Rule.

11.83.2 Continued operation of old Rules until the effective date

Subject to this rule 11.83, old Chapter 7:

(a) continues to apply until the effective date;

(b) ceases to apply on and from the effective date.

11.83.3 Amended Procedures and NMI Standing Data Schedule

(a) By 1 September 2016, *AEMO* must amend and *publish* the following procedures to take account of the Amending Rule:

(1) *Market Settlement and Transfer Solution Procedures*;

(2) *metrology procedure*; and

(3) *service level procedure*.

(b) The *Information Exchange Committee* must make a *Information Exchange Committee Recommendation* to change the *B2B*

Procedures to take account of the Amending Rule by 1 August 2016.

- (c) Subject to clause 7.2A.3(k), by 1 September 2016, *AEMO* must *publish B2B Procedures* to take account of the Amending Rule.
- (d) By 1 September 2016, *AEMO* must amend and *publish* the NMI Standing Data Schedule referred to in clause 3.13.12A to take account of the Amending Rule.
- (e) If, prior to the effective date and for the purposes of developing *changes* to the *metrology procedure*, the *Market Settlement and Transfer Solution Procedures*, the *service level procedures* or the *B2B Procedures* in anticipation of the Amending Rule, *AEMO* or (in the case of the *B2B Procedures*) the *Information Exchange Committee*, undertook a consultation, step, decision or action equivalent to that required in the *Rules consultation procedures* or otherwise under the *Rules*, then that consultation, step, decision or action is taken to satisfy the equivalent consultation, step, decision or action under the *Rules consultation procedures* or otherwise under the *Rules*.

11.83.4 ENM service level procedures and guide to embedded networks

- (a) By 1 March 2017, *AEMO* must develop and *publish* the:
 - (1) *ENM service level procedures*; and
 - (2) guide to *embedded networks* referred to in clause 7.16.7 of the Amending Rule,in accordance with the Amending Rule.
- (b) If, prior to the effective date, and for the purposes of establishing the *ENM service level procedures* in anticipation of the Amending Rule, *AEMO* undertook a consultation or step equivalent to that as required in the *Rules consultation procedures*, then that consultation or step is taken to satisfy the equivalent consultation or step under the *Rules consultation procedures*.
- (c) If, prior to the effective date and in anticipation of the Amending Rule, *AEMO* made a decision or took an action, that decision or action is taken to satisfy the equivalent decision or action under the *Rules*.

11.83.5 Exemptions under section 13 of the National Electricity Law

- (a) By 1 December 2016, the *AER* must:

- (1) amend and *publish* the guidelines developed under clause 2.5.1(d) to take account of the Amending Rule; and
 - (2) make any determination under clause 2.5.1(d2) that it considers necessary.
- (b) If, prior to the effective date and for the purposes of developing *changes* to the guidelines referred to in paragraph (a) in anticipation of the Amending Rule, the *AER* undertook a consultation or step equivalent to that as required in the *Rules consultation procedures*, then that consultation or step is taken to satisfy the equivalent consultation or step under the *Rules consultation procedures*.

Note

This amendment will not be made in any final rule in respect of this rule change request if the amendment is made in the final rule in the Competition in Metering rule change.

11.83.6 Distribution Ring-Fencing Guidelines

- (a) By 1 December 2016, the *AER* must *publish Distribution Ring-fencing Guidelines*.
 - (b) If, prior to the effective date, and for the purposes of publishing the *Distribution Ring-fencing Guidelines* in anticipation of the Amending Rule, the *AER* undertook a consultation or step equivalent to that as required in the *Rules consultation procedures*, then that consultation or step is taken to satisfy the equivalent consultation or step under the *Rules consultation procedures*.
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