

Extract of the National Electricity Rules as proposed to be amended by the Draft National Electricity Amendment (Network Service Provider Expenditure Objectives) Rule 2013

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The Draft National Electricity Amendment (Network Service Provider Expenditure Objectives) Rule 2013 is published separately on the website of the Australian Energy Market Commission.

6.5.6 Forecast operating expenditure

- (a) A *building block proposal* must include the total forecast operating expenditure for the relevant *regulatory control period* which the *Distribution Network Service Provider* considers is required in order to achieve each of the following (the *operating expenditure objectives*):
- (1) meet or manage the expected demand for *standard control services* over that period;
 - (2) comply with all applicable *regulatory obligations or requirements* associated with the provision of *standard control services*;
 - (3) ~~maintain the quality, reliability and security of supply of *standard control services*; and~~ 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 reliability, safety and security of the *distribution system* through the supply of *standard control services*.~~ maintain the safety of the *distribution system* through the supply of *standard control services*.

6.5.7 Forecast capital expenditure

- (a) A *building block proposal* must include the total forecast capital expenditure for the relevant *regulatory control period* which the *Distribution Network Service Provider* considers is required in order to achieve each of the following (the *capital expenditure objectives*):
- (1) meet or manage the expected demand for *standard control services* over that period;
 - (2) comply with all applicable *regulatory obligations or requirements* associated with the provision of *standard control services*;

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- (3) ~~maintain the quality, reliability and security of supply of standard control services; and~~ 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 reliability, safety and security of the distribution system through the supply of standard control services.~~ maintain the safety of the distribution system through the supply of standard control services.

6A.6.6 Forecast operating expenditure

- (a) A *Revenue Proposal* must include the total forecast operating expenditure for the relevant *regulatory control period* which the *Transmission Network Service Provider* considers is required in order to achieve each of the following (the *operating expenditure objectives*):
 - (1) meet or manage the expected demand for *prescribed transmission services* over that period;
 - (2) comply with all applicable *regulatory obligations or requirements* associated with the provision of *prescribed transmission services*;
 - (3) ~~maintain the quality, reliability and security of supply of prescribed transmission services; and~~ 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 reliability, safety and security of the transmission system through the supply of prescribed transmission services.~~ maintain the safety of the transmission system through the supply of prescribed transmission services.

6A.6.7 Forecast capital expenditure

- (a) A *Revenue Proposal* must include the total forecast capital expenditure for the relevant *regulatory control period* which the *Transmission Network Service Provider* considers is required in order to achieve each of the following (the *capital expenditure objectives*):
- (1) meet or manage the expected demand for *prescribed transmission services* over that period;
 - (2) comply with all applicable *regulatory obligations or requirements* associated with the provision of *prescribed transmission services*;
 - (3) ~~maintain the quality, reliability and security of supply of prescribed transmission services; and~~ 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 reliability, safety and security of the transmission system through the supply of prescribed transmission services.~~ maintain the safety of the transmission system through the supply of prescribed transmission services.