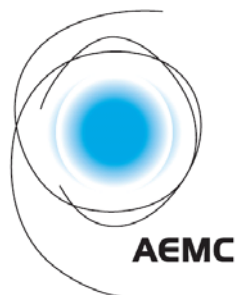


DRAFT RULE



Draft National Electricity Amendment (Transmission network replacement and reconfiguration) Rule 2006

under the National Electricity Law as applied by:

- (a) the National Electricity (South Australia) Act 1996;
- (b) the Electricity (National Scheme) Act 1997 of the Australian Capital Territory;
- (c) the National Electricity (New South Wales) Act 1997 of New South Wales;
- (d) the Electricity - National Scheme (Queensland) Act 1997 of Queensland;
- (e) the Electricity - National Scheme (Tasmania) Act 1999 of Tasmania;
- (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 Tamblyn
Chairman
Australian Energy Market Commission

DRAFT RULE

Draft National Electricity Amendment (Transmission network replacement and reconfiguration) Rule 2006

1. Title of Rule

This Rule is the *Draft National Electricity Amendment (Transmission network replacement and reconfiguration) Rule 2006*.

2. Commencement

This Rule commences operation on [insert date].

3. Amendment of the National Electricity Rules

The National Electricity Rules are amended as set out in Schedule 1.

DRAFT RULE

Schedule 1 Amendment of National Electricity Rules

(Clause 3)

[1] Clause 5.6.2A Annual Planning Report

In clause 5.6.2A(b)(4), after “*augmentations to the network*” insert “and proposed *new large transmission network assets*”.

[2] Clause 5.6.2A

In clause 5.6.2A(b)(4)(v), after “an *augmentation to the network*” insert “or a *new large transmission network asset*,”.

[3] Chapter 10 Definition of “new large transmission network asset”

In Chapter 10, omit the definition of “new large transmission network asset” and substitute:

new large transmission network asset

A transmission asset:

- (a) which is an *augmentation* and in relation to which the *Transmission Network Service Provider* has estimated it will be required to invest a total capitalised expenditure in excess of \$10 million, unless the *AER* publishes a requirement that a *new large transmission network asset* is to be distinguished from a *new small network asset* if it involves investment of a total capitalised expenditure in excess of another amount, or satisfaction of another criterion. Where such a specification has been made, an asset must require total capitalised expenditure in excess of that amount or satisfaction of those other criteria to be a *new large transmission network asset*; or
- (b) for which a *Transmission Network Service Provider* estimates an investment in excess of \$35 million of total capitalised expenditure is required.

[4] Chapter 11 Savings and Transitional Rules

After clause 11.4, insert:

DRAFT RULE

11.5 Rules consequent on the making of the National Electricity Amendment (Transmission network replacement and reconfiguration) Rule 2006

11.5.1 Definitions

For the purposes of this rule 11.5:

Amending Rule means the National Electricity Amendment (Transmission network replacement and reconfiguration) Rule 2006.

commencement date means the date on which the Amending Rule commences operation.

new definition means the definition of “new large transmission network asset” in Chapter 10 of the *Rules* as in force immediately after the commencement date.

old definition means the definition of “new large transmission network asset” in Chapter 10 of the *Rules* as in force immediately before the commencement date.

11.5.2 New definition to be included in regulatory test

From the commencement date, where the *regulatory test* as made by the *AER* relies upon or otherwise references the old definition, the new definition is taken to apply.

11.5.3 Old definition to apply to jurisdictional derogations

- (a) For the purposes of clause 9.3.2 of the *Rules*, the old definition continues to apply as if the Amending Rule had not been made.
 - (b) For the purposes of clause 9.28.3(ac) of the *Rules*, the old definition continues to apply as if the Amending Rule had not been made.
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