



Draft National Electricity Amendment (Connection to dedicated connection assets) Rule 2021

under the National Electricity Law to the extent applied by:

- (a) the National Electricity (South Australia) Act 1996 of South Australia;
- (b) the Electricity (National Scheme) Act 1997 of the Australian Capital Territory;
- (c) the Electricity - National Scheme (Queensland) Act 1997 of Queensland;
- (d) the Electricity - National Scheme (Tasmania) Act 1999 of Tasmania;
- (e) the National Electricity (New South Wales) Act 1997 of New South Wales;
- (f) the National Electricity (Victoria) Act 2005 of Victoria;
- (g) the National Electricity (Northern Territory) (National Uniform Legislation) Act 2015 of the Northern Territory; and
- (h) the Australian Energy Market Act 2004 of the Commonwealth.

The Australian Energy Market Commission makes the following Rule under the National Electricity Law.

Merryn York
Acting Chairperson
Australian Energy Market Commission

Draft National Electricity Amendment (Connection to dedicated connection assets) Rule 2021

1 Title of Rule

This Rule is the *Draft National Electricity Amendment (Connection to dedicated connection assets) Rule 2021*.

2 Commencement

Schedules 1 to 4 of this Rule commence operation on [commencement date].
Schedule 5 of this Rule commences operation on [the day the rule is made].

3 Amendment to the National Electricity Rules

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

4 Amendment to the National Electricity Rules

The National Electricity Rules are amended as set out in Schedule 2.

5 Amendment to the National Electricity Rules

The National Electricity Rules are amended as set out in Schedule 3.

6 Amendment to the National Electricity Rules

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

7 Savings and Transitional Amendment to the National Electricity Rules

The National Electricity Rules are amended as set out in Schedule 5.

Schedule 1 Amendment to the National Electricity Rules

(Clause 3)

[1] Clause 2.5.1 Registration as a Network Service Provider

Omit clause 2.5.1(d3) and substitute "[Deleted]".

[2] Clause 2.5.1 Registration as a Network Service Provider

Omit clause 2.5.1(d4), including the Note, and substitute "[Deleted]".

[3] Clause 2.5.1A Dedicated Connection Asset Service Provider

In clause 2.5.1A, omit the heading, and substitute:

2.5.1A [Deleted]

[4] Clause 2.5.1A Dedicated Connection Asset Service Provider

Omit clause 2.5.1A.

[5] Rule 2.12 Interpretation of References to Various Registered Participants

Omit rule 2.12(b)(5A) and substitute "[Deleted]".

[6] New clause 3.6.2B Boundary point losses

After clause 3.6.2A, insert:

3.6.2B Boundary point losses

- (a) *Boundary point losses* are *electrical energy losses* that occur due to the transfer of electricity between a *regional reference node* and a *boundary point* in the same *region*.
- (b) *Boundary point loss factors*:
 - (1) notionally describe the *marginal electrical energy losses* for electricity transmitted between a *regional reference node* and a *boundary point* in the same *region* for a defined time period and associated set of operating conditions; and
 - (2) apply for a *financial year*.

- (c) *AEMO* must determine *boundary point loss factors* for each *boundary point* for each *financial year* having regard to the following:
- (1) the methodology prepared and *published* by *AEMO* under clauses 3.6.2(d) and 3.6.2(d1) as it relates to *intra-regional losses* to the extent *AEMO* determines they are relevant to the calculation of *boundary point losses*;
 - (2) the need for the *boundary point loss factors* determined by *AEMO* to be in a form that can be used by *Primary Transmission Network Service Providers* to facilitate the calculation of the *settlements residues* that accrue on a *designated network asset*; and
 - (3) forecast *load* and *generation* data for the *financial year* relevant to the *boundary point loss factor* that is prepared by *AEMO* pursuant to clause 3.6.2A.
- (d) By 1 April in each year, *AEMO* must *publish* the *boundary point loss factors* determined under paragraph (c) and to apply for the next *financial year*.
- (e) If:
- (1) a new *boundary point* is established during the *financial year*, for which there is no *boundary point loss factor published* by *AEMO* pursuant to paragraph (d); or
 - (2) a *transmission network connection point* located behind the *boundary point* is established or modified in accordance with rule 5.3, that in *AEMO's* reasonable opinion results in a material change to the *boundary point losses*, then,

AEMO must determine and *publish* the *boundary point loss factor* that applies for that *financial year* for that *boundary point* so far as practicable in accordance paragraph (c).

Schedule 2 Amendment to the National Electricity Rules

(Clause 4)

[1] Clause 5.1.2 Overview of Part B and connection and access under the Rules

In clause 5.1.2(c), omit "and *large dedicated connection assets*".

[2] Clause 5.1.2 Overview of Part B and connection and access under the Rules

In clause 5.1.2(d), omit "The table below" and substitute "For illustrative purposes only, the table below".

[3] Clause 5.1.2 Overview of Part B and connection and access under the Rules

In clause 5.1.2(d), insert a new column in the table to the left of the first column, and sequentially number each row from 1 to 13, excluding the header rows.

[4] Clause 5.1.2 Overview of Part B and connection and access under the Rules

In clause 5.1.2(d), in the row numbered 1 in the table, after the words "Rule 5.3 applies", insert "If the person is *connecting* to part of a *transmission network* which is a *designated network asset*, then rule 5.3 applies subject to the relevant *access policy* (see clause 5A.2.8)".

[5] Clause 5.1.2 Overview of Part B and connection and access under the Rules

In clause 5.1.2(d), in the row numbered 2 in the table, after the words "Rule 5.3 applies", insert "If the person is *connecting* to part of a *transmission network* which is a *designated network asset*, then rule 5.3 applies subject to the relevant *access policy* (see clause 5A.2.8)".

[6] Clause 5.1.2 Overview of Part B and connection and access under the Rules

Omit clause 5.1.2(g) and substitute:

- (g) Part B also provides for a *Primary Transmission Network Service Provider* to have an *access policy* for a *designated network asset* and for *commercial arbitration* under rule 5.5 to apply to a *DNA services access dispute*.

[7] Clause 5.1A.2 Principles

In clause 5.1A.2(a), at the end of the sentence, omit ";" and substitute", except that if the *connection* is to part of a *network* that is a *designated network asset* then that *connection* and access will be subject to the relevant access policy;"

[8] Clause 5.2.3 Obligations of network service providers

In clause 5.2.3(e), omit "(including a *Dedicated Connection Asset Service Provider*)"

Note

The AEMC proposes to recommend that this clause remains 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.)

[9] Clause 5.2.7 Obligations of Dedicated Connection Asset Service Providers

Omit the heading of clause 5.2.7 and substitute:

5.2.7 [Deleted]

[10] Clause 5.2.7 Obligations of Dedicated Connection Asset Service Providers

Omit clause 5.2.7.

[11] Clause 5.2A.2 Relevant assets

In clause 5.2A.2(a), insert a new column in the table to the left of the first column, and sequentially number each row from 1 to 6, excluding the header row.

[12] Clause 5.2A.2 Relevant assets

In clause 5.2A.2(a), omit rows 2 to 4 of the table and substitute:

2	<i>funded network asset</i> owned by the <i>Primary Transmission Network Service Provider</i>	<i>Primary Transmission Network Service Provider</i> (forms part of that provider’s broader <i>transmission network</i>)
3	<i>funded network asset</i> not owned by the <i>Primary Transmission Network Service Provider</i>	<i>Primary Transmission Network Service Provider</i> (as controller and operator of the <i>funded network assets</i> not owned by the <i>Primary Transmission Network Service Provider</i> under a <i>network operating agreement</i>) (forms part of that provider’s broader <i>transmission network</i>)

4	<i>dedicated connection asset</i>	<p>If owned, operated or controlled by a <i>Transmission Network Service Provider</i> (forms part of that provider's broader <i>transmission system</i>)</p> <p>For a <i>dedicated connection asset</i> that is not owned, operated or controlled by a <i>Primary Transmission Network Service Provider</i>, that asset forms part of the asset owner's <i>facility</i></p>
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[13] Clause 5.2A.2 Relevant assets

Omit clause 5.2A.2(b) and substitute:

- (b) This clause sets out an overview of the framework relating to the ownership, *connection* and access to a *funded network asset*:
- (1) a *funded network asset* is for the benefit of specific *Transmission Network Users* and a *Primary Transmission Network Service Provider* is not entitled to receive a charge for a *funded network asset* under Chapter 6A;
 - (2) a *funded network asset* forms part of the *Primary Transmission Network Service Provider's transmission network*;
 - (3) a *funded network asset* may be owned by persons other than the *Primary Transmission Network Service Provider*;
 - (4) a *funded network asset* may comprise multiple components owned by different persons who would each have a separate *network operating agreement* with the *Primary Transmission Network Service Provider* for the component that person owns;
 - (5) if the *Primary Transmission Network Service Provider* does not own a *funded network asset*, the *Primary Transmission Network Service Provider* controls and operates that *funded network asset* as part of its *transmission network* under the relevant *network operating agreement*;
 - (6) *connections* to a *funded network asset* (other than those components which comprise a *designated network asset*) are subject to access and *connection* requirements under this Chapter;
 - (7) a *designated network asset* refers to all the assets behind a *boundary point* and the *identified user group* refers to all the *Transmission Network Users connected* (from time to time) behind that *boundary point*; and

- (8) *connection* to a part of a *transmission network* that is a *designated network asset* is subject to Chapter 5 as supplemented and modified by the *access policy* established and administered by the *Primary Transmission Network Service Provider*, which *access policy* has the objective of providing protections to the existing *identified user group* for that *designated network asset* in respect of future users of that asset.

Note

For example, an *identified user shared asset* connects a *dedicated connection asset* to, or provides the interface for a *designated network asset* with a part of the *transmission network* that provides *prescribed transmission services*. An *identified user shared asset* is subject to *connection* and access under Chapter 5. However, a person seeking to *connect* to a part of the *transmission network* that is a *designated network asset* is subject to the *connection* and access requirements under Chapter 5 and the relevant *access policy*.

[14] Clause 5.2A.3 Connection and access to transmission services

In clause 5.2A.3(a), omit the table, and substitute:

	Service classification	TNSP obligations in respect of the services
1	<i>prescribed transmission services</i>	Subject to access under Chapter 5 and economic regulation under Chapter 6A
2	<i>negotiated transmission services that are not DNA services</i>	Subject to access under Chapter 5
3	<i>negotiated transmission services that are DNA services</i>	Subject to access under Chapter 5 and the <i>access policy</i> established under clause 5.2A.8
4	<i>non-regulated transmission services</i>	Not subject to access under Chapter 5 or economic regulation under Chapter 6A

[15] Clause 5.2A.3 Connection and access to transmission services

In clause 5.2A.3(b), after "*connection agreement*", insert "*or network operating agreement*".

[16] Clause 5.2A.3 Connection and access to transmission services

After clause 5.2A.3(d), insert:

- (d1) A *Connection Applicant* may apply to a *Primary Transmission Network Service Provider* for the provision of *DNA services* in accordance with rule 5.3 and relevant aspects of the *access policy* and

the *Primary Transmission Network Service Provider* must provide *DNA services* on terms and conditions that are consistent with the requirements of the *access policy*.

[17] Clause 5.2A.4 Transmission services related to connection

In clause 5.2A.4(a), omit the table and substitute:

	Asset	Service	Example of service	Classification
1	<i>transmission network including funded network assets</i>	Functional specification for <i>funded network assets</i>	Specification of: <ul style="list-style-type: none"> • preferred equipment suppliers; • preferred equipment; • land/access requirements; • design specifications; • single line diagrams; • remote monitoring and communication requirements; • protection, control and metering requirements; • minimum operating conditions; • supervisory control and data acquisition system interface requirements; • equipment ratings; • equipment protection ratings; and • spare parts itineraries 	non-contestable
2	<i>funded network assets</i>	Detailed design for <i>funded network assets</i>	Provision of: <ul style="list-style-type: none"> • site plan; • asset layout and configuration; • the specification for vendor equipment; 	<i>contestable</i>

	Asset	Service	Example of service	Classification
			<ul style="list-style-type: none"> • civil, structural, mechanical and electrical detailed design; • issued for construction drawings; • as built drawings; • tender specifications; • cable schedules; • protection settings; • applicable technical studies; • earthing design; • the design of lightning protection; and • the design of insulation co-ordination, consistent with the functional specification. 	
3	<i>transmission network (including designated network assets)</i>	Cut-in works	Interface works that cut into the existing shared <i>transmission network</i> , which may include tower realignment, protection control and communications requirements	non-contestable
4	<i>contestable FNA components</i>	Construction and ownership	Construction and/or ownership of a substation and/or power lines	<i>contestable</i>
5	<i>non-contestable FNA components</i>	Construction and ownership	Construction or installation and ownership of supervisory control and data acquisition systems and cabling forming part of the <i>Primary Transmission Network Service Provider's control system</i>	non-contestable
6	<i>funded network assets owned by the</i>	Control, operation and maintenance	<i>Primary Transmission Network Service Provider</i> provides operation and maintenance services	non-contestable

	Asset	Service	Example of service	Classification
	<i>Primary Transmission Network Service Provider</i>			
7	<i>Funded network assets owned by a person who is not the Primary Transmission Network Service Provider</i>	Control, operation and maintenance under a <i>network operating agreement</i>	See clause 5.2A.7	non-contestable
8	<i>designated network asset</i>	<i>DNA services</i>	See clause 5.2A.8	non-contestable
9	<i>dedicated connection assets</i>	All development aspects	Design, construction, maintenance and ownership of a power line connecting a <i>facility</i>	<i>contestable</i>

[18] Clause 5.2A.4 Transmission services related to connection

Omit clauses 5.2A.4(b) and (c) and substitute:

- (b) The detailed design, construction and ownership of each component of a *funded network asset* is a *non-regulated transmission service* to the extent that it satisfies the following criteria:
- (1) the component being constructed is new or a complete replacement of existing assets (and does not involve the reconfiguration of existing assets); and
 - (2) the detailed design and construction of the relevant component of the *funded network asset* is separable in that the new component will be distinct and definable from the existing *transmission network*,
- ("contestable FNA components").

[19] Clause 5.2A.4 Transmission services related to connection

Omit clause 5.2A.4(d) and substitute:

- (c) To the extent that any components of a *funded network asset* do not satisfy the criteria set out in paragraph (b) ("**non-contestable FNA components**"), the *Primary Transmission Network Service Provider* must negotiate under rule 5.3 to undertake the detailed design, construction and ownership of the *non-contestable FNA components* as a *negotiated transmission service*.

Note

Parties may seek the advice of an *Independent Engineer* under rule 5.4 if the parties cannot agree on whether a component of a *funded network asset* based on the criteria under paragraphs (b)(1) and (2) is a *contestable FNA component* or a *non-contestable FNA component*.

[20] Clause 5.2A.6 Negotiating principles

In clause 5.2A.6(a), omit "an *identified user shared asset*" and substitute "a *funded network asset*".

[21] Clause 5.2A.6 Negotiating principles

In clause 5.2A.6(c), omit "*large DCA services, the Dedicated Connection Asset Service Provider*" and substitute "*DNA services, the Primary Transmission Network Service Provider*".

Note

The AEMC proposes to recommend that this clause remains 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.)

[22] Clause 5.2A.7 Third party IUSAs

Omit the heading of clause 5.2A.7 and substitute:

5.2A.7 Funded network assets

[23] Clause 5.2A.7 Funded network assets

Omit clause 5.2A.7 and substitute:

- (a) This clause applies only to those components of a *funded network asset* that are not owned or leased by the *Primary Transmission Network Service Provider*. A reference to *funded network asset* in this clause includes a component of a *funded network asset*.
- (b) A person must not commission, or permit the commissioning of, a *funded network asset* unless there is a *network operating agreement*

between the owner of that *funded network asset* and the *Primary Transmission Network Service Provider*.

Note

The AEMC proposes to recommend that 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.)

- (c) The person who owns, or is intending to own, a *funded network asset* and the *Primary Transmission Network Service Provider* must:
 - (1) include terms and conditions in the *network operating agreement* which give effect to the requirements of paragraphs (d) and (e);
 - (2) include terms and conditions in the *network operating agreement* of the kind set out in Part B of schedule 5.6; and
 - (3) negotiate the *network operating agreement* in accordance with the *negotiating principles* (where applicable).
- (d) The term of the *network operating agreement* must be for a period which is at least equal to the term of the longest *connection agreement* of a member of the initial *identified user group* for the *funded network asset*.
- (e) Subject to the *access policy* (where applicable), the *network operating agreement* must provide for the *Primary Transmission Network Service Provider* to:
 - (1) have operation and control of the *funded network asset* (including the rights and obligations to maintain that asset) for an agreed charge or based on an agreed charging methodology;
 - (2) have an option to purchase the *funded network asset* at fair market value at the expiry or early termination of the *network operating agreement*;
 - (3) alter, replace or augment the *funded network asset*;
 - (4) have the right to connect other persons to the *funded network asset* in accordance with the *Rules*;
 - (5) have unrestricted use of, and access to, the *funded network asset*;
 - (6) treat the *funded network asset* as forming part of the *Primary Transmission Network Service Provider's transmission network* in all material respects and provide *transmission services* to a *Transmission Network User* in accordance with the *Rules*; and
 - (7) distribute to the owner of the *designated network asset* any:

- (i) relevant amounts that the *Primary Transmission Network Service Provider* has collected from *Connection Applicants* for connection to the *designated network asset* in accordance with the *access policy*; and
- (ii) *settlements residue* accrued on the *designated network asset*,

in accordance with the methodology to be developed by the *Primary Transmission Network Service Provider*.

[24] Clause 5.2A.8 Access framework for large dedicated connection assets

Omit the heading of clause 5.2A.8 and substitute:

5.2A.8 Access framework for designated network assets

[25] Clause 5.2A.8 Access framework for designated network assets

In clause 5.2A.8(a), omit "*large dedicated connection assets*" and substitute "*designated network assets*".

[26] Clause 5.2A.8 Access framework for designated network assets

Omit clause 5.2A.8(b) and substitute:

- (b) A *Primary Transmission Network Service Provider* must prepare, maintain and publish an *access policy* on its website to provide a framework for applicants to obtain *DNA services*. An *access policy* may apply different terms to different *DNA services* or to different components of a *designated network asset*.

[27] Clause 5.2A.8 Access framework for designated network assets

In clause 5.2A.8, omit paragraphs (c) to (m).

[28] Clause 5.2A.8 Access framework for designated network assets

After clause 5.2A.8(b), insert:

- (c) An *access policy* must include, as a minimum, the following information:

- (1) the pricing principles and the key terms which are proposed to apply to the provision of *DNA services* where such principles and terms must be consistent with schedule 5.12;
 - (2) the extent to which the processes in rule 5.3 are supplemented or modified by the *access policy*;
 - (3) advice on the availability of commercial arbitration under rule 5.5 in the case of a dispute; and
 - (4) the processes and mechanisms that the *Primary Transmission Network Service Provider* will implement to protect the rights of existing users of a *designated network asset* (which may contemplate cost sharing from subsequent applicants who are seeking *DNA services* from that asset); and
 - (5) the process by which a *Primary Transmission Network Service Provider* will notify existing persons who have a *connection agreement* in respect of that *designated network asset* of new applicants who are seeking *DNA services* from that asset.
- (d) The *AER* has the function of:
- (1) approving an *access policy* and variations to it; and
 - (2) enforcing compliance with an *access policy*.
- (e) In preparing or varying the *access policy*, the *Primary Transmission Network Service Provider* must:
- (1) publish a proposed *access policy* on its website and publicly consult on its proposed *access policy* for at least 30 days;
 - (2) prepare and publish on its website a report that:
 - (i) summarises each of the submissions received during consultation on the *access policy*;
 - (ii) sets out the *Primary Transmission Network Service Provider's* response to each of the submissions; and
 - (iii) describes the relevant amendments made to the *access policy* in response to submissions and provides explanations for each of those amendments.
- (f) The *Primary Transmission Network Service Provider* may make minor and administrative amendments to the *access policy* without complying with the consultation process set out in paragraph (e).
- (g) The *Primary Transmission Network Service Provider* must submit the *access policy* (as amended following consultation in accordance with paragraph (e)(1)), as well as copies of submissions received during consultation on the *access policy*, to the *AER* for approval.

Note

The AEMC proposes to recommend that 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.)

- (h) A *Primary Transmission Network Service Provider* may seek approval of a variation to an *access policy* from the *AER* at any time and must do so where required to keep the *access policy* up to date and compliant with requirements under the *Rules*. Except to the extent paragraph (f) applies, a variation must comply with the consultation process set out in paragraph (e).
- (i) Within 60 days of receiving the *access policy* submitted under paragraphs (g) or (h), the *AER* must approve an *access policy*, or a variation to an *access policy*, if it is reasonably satisfied that it complies with paragraph (c) or propose an *access policy*. If the *AER* does not intend to approve an *access policy* submitted under paragraphs (g) or (h), the *AER* must notify of the changes required for it to be approved. If the *AER* and the *Primary Transmission Network Service Provider* are unable to agree on the terms of the *access policy* within 60 days of receiving the *access policy* submitted under paragraphs (g) or (h), the *AER* must itself propose an *access policy*.
- (j) The *AER's* proposal for an *access policy* is to be formulated with regard to:
 - (1) the minimum requirements set out in paragraph (c);
 - (2) the *Primary Transmission Network Service Provider's* proposed *access policy*; and
 - (3) the *AER's* reasons for refusing to approve the proposed *access policy*.
- (k) The *AER* must give a copy of its decision to either approve or reject the *access policy* submitted by the *Primary Transmission Network Service Provider* under paragraph (g) or (h) and if:
 - (1) the *AER* approves an *access policy* submitted by the *Primary Transmission Network Service Provider*, it must give the decision to the *Primary Transmission Network Service Provider* of its approval of the *access policy*; or
 - (2) the *AER* does not approve an *access policy* submitted by the *Primary Transmission Network Service Provider* and proposes its own *access policy* under paragraph (i), it must give the decision to the *Primary Transmission Network Service Provider* outlining the changes and reasons for those changes to the proposed *access policy*.
- (l) Within 7 days after the *AER* provides the *Primary Transmission Network Service Provider* with its decision under paragraph (k), the

Primary Transmission Network Service Provider must publish on its website:

- (1) the approved or the *AER* proposed *access policy*;
 - (2) the *AER's* decision for that *access policy*; and
 - (3) the submissions as between the *Primary Transmission Network Service Provider* and the *AER* on the *access policy* (as relevant).
- (m) An *access policy*, or a variation to it, takes effect on a date fixed in the *AER's* decision to approve it.
- (n) A *Primary Transmission Network Service Provider* or a person who is provided *DNA services* must not engage in conduct for the purpose of preventing or hindering access to *DNA services*.

Note

The AEMC proposes to recommend that 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.)

- (o) A *Primary Transmission Network Service Provider* may, but is not required to, give access to an applicant for *DNA services* if doing so would mean the *designated network asset* would no longer constitute a *designated network asset*.

Note

An example of where clause 5.2A.8(o) may apply is where the applicant for access to *DNA services* seeks to *connect* assets which would result in the *designated network asset* forming part of a *network loop*.

[29] Clause 5.3.1 Process and procedures

Omit clause 5.3.1(a) and substitute:

- (a) For the purposes of this rule 5.3:
- (1) **establish a connection** includes:
 - (i) modify an existing *connection* or alter *plant* but does not include alterations to *generating plant* in the circumstances set out in clause 5.3.9; or
 - (ii) incorporating a *funded network asset* into an existing *transmission network*.
 - (2) **connect, connected, connection** includes the incorporation of a *funded network asset* into an existing *transmission network*.

[30] Clause 5.3.1 Process and procedures

In clause 5.3.1(b), omit "A" at the beginning of the paragraph and substitute "Subject to paragraph (b1), a".

[31] Clause 5.3.1 Process and procedures

After clause 5.3.1(b), insert:

- (b1) If a *Registered Participant*, or person intending to become a *Registered Participant*, wishes to establish a *connection* to a part of a *network* that is a *designated network asset*, then that person and the *Primary Transmission Network Service Provider* must also comply with rule 5.3 as supplemented or modified by the relevant *access policy*.

[32] Clause 5.3.1 Process and procedures

In clause 5.3.1(e), omit "*IUSA components*" and substitute "*FNA components*".

[33] Clause 5.3.3 Response to connection enquiry

Omit clause 5.3.3(b)(5A) and substitute:

- (5A) whether any service a *Transmission Network Service Provider* proposes to provide in relation to the *connection* enquiry is a *prescribed transmission service*, a *negotiated transmission service* or a *non-regulated transmission service* including, if applicable, whether the components that make up a *funded network asset* satisfy the criteria set out in clause 5.2A.4(b) and if so, the *contestable FNA components* and *non-contestable FNA components*;
- (5B) whether the *connection* enquiry relates (in whole or in part) to *connection* to components of a *funded network asset* that comprise a *designated network asset* such that the *Primary Transmission Network Service Provider* is providing *DNA services* that are subject to an *access policy*;
- (5C) if the *Primary Transmission Network Service Provider* will be providing *DNA services* in relation to the *connection* enquiry, the tenure arrangements and main components of the *designated network asset* and the *facilities connected* to it;

Note

The AEMC proposes to recommend that this clause remains 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.)

[34] Clause 5.3.3 Response to connection enquiry

In clause 5.3.3(b)(7), after "*dedicated connection asset*" insert "*or funded network asset*" and omit "*contestable IUSA components*" and substitute "*contestable FNA components*".

Note

The AEMC proposes to recommend that this clause remains 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.)

[35] Clause 5.3.3 Response to connection enquiry

In clause 5.3.3(b)(8), omit "*non-contestable IUSA components*" and substitute "*non-contestable FNA components*".

Note

The AEMC proposes to recommend that this clause remains 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.)

[36] Clause 5.3.3 Response to connection enquiry

Omit clause 5.3.3(b)(9)(i) and substitute:

- (9) if the response to the *connection* enquiry specifies that there are *contestable FNA components*, a functional specification:
 - (i) setting out the technical parameters for those assets as described in the table in clause 5.2A.4 with sufficient detail to enable the *Connection Applicant* to obtain binding tenders for the provision of detailed design, construction and ownership services for the *contestable FNA components*;

Note

The AEMC proposes to recommend that this clause remains 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.)

[37] Clause 5.3.3 Response to connection enquiry

In clause 5.3.3(b)(10), omit "*identified user shared asset*" and substitute "*funded network asset*".

Note

The AEMC proposes to recommend that this clause remains 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.)

[38] Clause 5.3.4 Application for connection

In clause 5.3.4(b)(3), omit "*contestable IUSA components*" and substitute "*contestable FNA components*".

[39] Clause 5.3.4 Application for connection

Omit clause 5.3.4(b)(3)(ii) and substitute:

- (ii) the detailed design of those components and assets (as relevant); and

[40] Clause 5.3.4 Application for connection

In clause 5.3.4(b)(3)(iii), omit "*contestable IUSA components*" and substitute "*contestable FNA components*".

[41] Clause 5.3.4 Application for connection

In clause 5.3.4(b)(4), omit "*contestable IUSA components*" and substitute "*contestable FNA components*".

[42] Clause 5.3.4 Application for connection

In clause 5.3.4(b)(4), omit "*contestable IUSA components*" and substitute "*contestable FNA components*".

[43] Clause 5.3.4 Application for connection

Omit clause 5.3.4(b1)(2) and substitute:

- (2) must not unreasonably inhibit the capacity for future expansion of the *funded network asset* or preclude the possibility of future *connections* to those assets; and

[44] Clause 5.3.4 Application for connection

In clause 5.3.4(f)(3), omit "*contestable IUSA components*" and substitute "*contestable FNA components*".

[45] Clause 5.3.5 Preparation of offer to connect

In clause 5.3.5(c), omit "*contestable IUSA components*" and substitute "*contestable FNA components*".

[46] Clause 5.3.6 Offer to connect

In clause 5.3.6(a), after "*facilities*", insert "*or funded network asset*".

Note

The AEMC proposes to recommend that this clause remains 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.)

[47] Clause 5.3.7 Finalisation of connection agreements and network operating agreements

Omit clause 5.3.7(f1) and substitute "[Deleted]".

[48] Clause 5.4.1 Application

Omit clauses 5.4.1(b)(2), (3) and (4) and substitute:

- (2) whether assets or components form part of a *dedicated connection asset* or form part of the *network* (including a *designated network asset*);
- (3) whether or not a component of a *funded network asset* is a *contestable FNA component* pursuant to clause 5.2A.4(b); or
- (4) whether the detailed design of a *contestable FNA component* is consistent with the functional specification for the relevant *funded network asset*,

[49] Clause 5.4.5 Proceedings and decisions of the Independent Engineer

In clause 5.4.1(e)(2), omit "an *identified user shared asset*" and substitute "a *funded network asset*".

[50] Rule 5.5 Commercial arbitration for prescribed and negotiated transmission services and large DCA services

Omit the heading of rule 5.5 and substitute:

5.5 Commercial arbitration for prescribed and negotiated transmission services and DNA services

[51] Clause 5.5.1 Application

Omit clause 5.5.1(b) and substitute:

- (b) This rule 5.5 applies to any dispute which may arise between a *Transmission Network Service Provider* (a **provider**) and a *Connection Applicant* or a person seeking *DNA services* (an **applicant**) as to *terms and conditions of access*, for the provision of *prescribed transmission services*, the provision of *negotiated transmission services* that are not *DNA services* (each a *transmission services access dispute*), or the provision of *DNA services* (a *DNA services access dispute*) (as applicable).

[52] Clause 5.5.1 Application

In clause 5.5.1(c), omit "*large DCA services*" and substitute "*DNA services*" wherever appearing.

[53] Clause 5.5.1 Application

In clause 5.5.1(c)(3), after "under" insert "Chapters 4 and 5 of the *Rules* (as applicable) and".

[54] Clause 5.5.1 Application

In clause 5.5.1(c)(3), omit both references to "*large DCA services*" and substitute "*DNA services*".

[55] Clause 5.5.2 Notification of dispute

In clause 5.5.2(a), omit "*large DCA services access dispute*" and substitute "*DNA services access dispute*".

[56] Clause 5.5.3 Appointment of commercial arbitrator

In clause 5.5.3(a), omit "*large DCA services access dispute*" and substitute "*DNA services access dispute*".

[57] Clause 5.5.5 Powers of commercial arbitrator in determining disputes

Omit clause 5.5.5(c) and substitute:

- (c) In determining a *DNA services access dispute* in relation to the *terms and conditions of access* for the provision of *DNA services*, the *commercial arbitrator* must:
 - (1) apply Chapters 4 and 4 of the *Rules* (as applicable) and the *access policy* of the *Primary Transmission Network Service Provider*;
 - (2) apply the relevant negotiating principles in schedule 5.12;
 - (3) have regard to the legitimate business interests of the *Primary Transmission Network Service Provider* and any owner of the *designated network asset*;
 - (4) have regard to the interests of all persons who have rights to use the *DNA services*; and
 - (5) have regard to the operational and technical requirements necessary for the safe and reliable operation of the *designated network asset* and any *facility connected* to it.

[58] Clause 5.5.6 Determination of disputes

Omit clause 5.5.6(b)(2) to (4), including the note, and substitute:

- (2) may specify, for a *negotiated transmission service* or a *DNA service*, a price or charge in such a way that it is or is to be adjusted over time;
- (3) may direct the provision of *DNA services* in accordance with the *access policy* of the *Primary Transmission Network Service Provider*; and
- (4) only where the dispute is a *DNA services access dispute*, may require the enlargement or increase in capacity of, or alterations to, a *designated network asset* in accordance with the *access policy*.

Note

An adjustment as referred to in subparagraph (2) may, for example, be appropriate where the cost of providing the *negotiated transmission service* to a *Connection Applicant* or person seeking *DNA services* changes because the assets used to provide that service are subsequently used to provide a service to another person and the payment for the service by that other person enables the *Transmission Network Service Provider* to recoup some of those costs from that other person.

[59] Clause 5.5.6 Determination of disputes

In clause 5.5.6(e), omit "*large DCA service*" and substitute "*DNA service*".

[60] Clause 5.7.8 Contestable IUSA components

Omit the heading of clause 5.7.8(a) and substitute:

5.7.8 Contestable FNA components

[61] Clause 5.7.8 Contestable FNA components

In clause 5.7.8(a), omit "*IUSA components*" and substitute "*FNA components*" and omit "*identified user shared asset*" and substitute "*funded network asset*".

[62] Clause 5.7.8 Contestable FNA components

In clause 5.7.8(b), omit "*identified user shared asset*" and substitute "*funded network asset*" and before "*Transmission Network Service Provider*", insert "*Primary*".

[63] Schedule 5.6 Terms and Conditions of Connection agreements and network operating agreements

In paragraph (m) in Part A of Schedule 5.6, omit "*non-contestable IUSA components*" and substitute "*non-contestable FNA components*".

[64] Schedule 5.6 Terms and Conditions of Connection agreements and network operating agreements

In paragraph (n) in Part A of Schedule 5.6, omit "*contestable IUSA components*" and substitute "*contestable FNA components*".

[65] Schedule 5.6 Terms and Conditions of Connection agreements and network operating agreements

In paragraph (o) in Part A of Schedule 5.6, omit "*contestable IUSA components*" and substitute "*contestable FNA components*" and omit "*identified user shared asset*" and substitute "*funded network asset*".

[66] Schedule 5.6 Terms and Conditions of Connection agreements and network operating agreements

In the introductory paragraph in Part B of Schedule 5.6, omit "*contestable IUSA components*" and substitute "*contestable FNA components*".

[67] Schedule 5.6 Terms and Conditions of Connection agreements and network operating agreements

In paragraph (a) in Part B of Schedule 5.6, omit "*identified user shared asset*" and substitute "*funded network asset*".

[68] Schedule 5.6 Terms and Conditions of Connection agreements and network operating agreements

In paragraph (g) in Part B of Schedule 5.6, omit "." at the end of the sentence and substitute ";".

[69] Schedule 5.6 Terms and Conditions of Connection agreements and network operating agreements

Omit paragraph (g) in Part B of Schedule 5.6, and substitute:

- (g) defect warranties; and
- (h) for a *designated network asset*, metering arrangements at the *boundary point* to facilitate the calculation of *electrical energy losses* over the *designated network asset*.

[70] Schedule 10 Information requirements for Primary Transmission Network Service Providers (clause 5.2A.5)

In the table in Schedule 10, under the heading "Legal", omit "clause 5.2.7(b)" and substitute "5.2A.7(e)".

[71] Schedule 5.11 Negotiating principles for negotiated transmission services (clause 5.2A.6)

At the beginning of Schedule 5.11, before the numbered paragraphs, insert "This schedule does not apply to *DNA services*".

[72] Schedule 5.11 Negotiating principles for negotiated transmission services (clause 5.2A.6)

In principles 11 and 12 in Schedule 11, omit all references to "*identified user shared asset*" and substitute "*funded network asset*".

[73] Schedule 5.12 Negotiating principles for large DCA services

Omit Schedule 5.12, including the heading, and substitute:

Schedule 5.12 Negotiating principles for DNA services

References to 'existing connecting party' in this schedule means a person who has a *connection agreement* in respect of a *designated network asset*.

- 1 The price for a *DNA service* should be at least equal to the avoided cost of providing it but no more than the cost of providing it on a stand-alone basis.
- 2 The price for a *DNA service* should be such to enable the *Primary Transmission Network Service Provider* to recover the efficient costs of complying with all regulatory obligations or requirements associated with the provision of the *DNA service*.
- 3 An applicant for *DNA services* should pay for the cost of any enlargement or increase in capacity of (an "**upgrade**"), or alterations to, an existing *designated network asset* required to provide it with *DNA services*, including the moving of metering and other related equipment, necessary for the applicant's *connection* to the *designated network asset*.
- 4 The *connection* of an applicant to an existing *designated network asset* and access to *DNA services* must not adversely affect the *access standards*, including *performance standards* and *power transfer*

- capability* of an existing connecting party at the time of the access application by the applicant.
- 5 The *connection* of an applicant to an existing *designated network asset* and access to *DNA services* must not adversely affect contractual obligations of an existing connecting party to the *designated network asset* with the relevant *Primary Transmission Network Service Provider*.
 - 6 To the extent that the applicant's subsequent *connection* adversely impacts the *access standards, performance standards, power transfer capability* or contractual obligations of an existing party, then an applicant for *DNA services* to an existing *designated network asset* must provide reasonable compensation to an existing connecting party to that *designated network asset*.
 - 7 An applicant must compensate the *Primary Transmission Network Service Provider* and any existing connecting party (as relevant) for any lost revenue incurred during an upgrade of, or alterations to, an existing *designated network asset* and metering and other related equipment moves to provide for the *connection* and operation of the applicant's *facilities* and access to *DNA services*.
 - 8 The *connection* of an applicant to a *designated network asset* and access to *DNA services* must not:
 - (a) prevent an existing connecting party from obtaining a sufficient amount of *DNA services* to be able to meet that person's reasonably anticipated requirements, measured at the time of the access application by the applicant;
 - (b) result in the applicant becoming the owner (or one of the owners) of any part of the existing *designated network asset* or upgrade of that asset without the consent of the existing owner;
 - (c) require the *Primary Transmission Network Service Provider*, an existing connecting party or the owner of the *designated network asset* to bear all or some of the costs of an upgrade of the *designated network asset* or maintaining an upgrade;
 - (d) require an existing connecting party to the *designated network asset* to bear all or some of the costs of a *connection* to the *designated network asset* or maintaining a *connection*.

Schedule 3 Amendment to the National Electricity Rules

(Clause 5)

[1] Clause 6A.23.3 Principles for the allocation of the annual service revenue requirement to connection points

In clause 6A.23.3(c), after "*transmission system* assets", insert ", excluding, to avoid doubt, assets which constitute a *funded network asset*".

[2] Clause S6A.3.2 CRNP methodology

In clause S6A.3.2(1), after "**locational network asset cost.**", insert "To avoid doubt, the optimised replacement cost of *transmission system* assets that are *funded network assets* is zero."

[3] Clause S6A.3.2 CRNP methodology

In clause S6A.3.2(4), after "operating conditions considered.", insert "To avoid doubt, the individual locational *network* asset cost of a *network* asset that is *funded network asset* is zero."

[4] Clause S6A.3.3 Modified CRNP methodology

In clause S6A.3.3(1), omit "asset's gross network asset." and substitute "asset's gross network asset cost, except, to avoid doubt, if that asset is a *funded network asset*, the asset cost is zero".

[5] Clause 7.1.1 Contents

In clause 7.1.1(a), omit "and *AEMO*" and substitute ", *AEMO* and *Primary Transmission Network Service Providers*".

[6] New rule 7.5B Role and responsibility of Primary Transmission Network Service Providers

After clause 7.5A.2, insert:

7.5B Role and responsibility of Primary Transmission Network Service Providers

7.5B.1 Metering at the boundary point

- (a) Subject to paragraph (b), a *Primary Transmission Network Service Provider* must arrange for a *metering installation* at a *boundary point* to facilitate the calculation of *electrical energy losses* over a *designated network asset*.

- (b) To the extent that *AEMO* determines in the special site or technology related conditions *published* under clause 7.8.12(c)(1), that the *boundary point* and the calculation of *electrical energy losses* over the *designated network asset* requires a particular arrangement, the *Primary Transmission Network Service Provider* must implement the arrangements specified in that document.

[7] Clause 8.2.1 Application and guiding principles

Omit clause 8.2.1(h)(3A).

[8] Clause 8.2.1 Application and guiding principles

In clause 8.2.1(h)(14), omit "*large DCA services access dispute*" and substitute "*DNA services access dispute*".

Schedule 4 Amendment to the National Electricity Rules

(Clause 6)

[1] Chapter 10 Substituted definition

In chapter 10, in the definition of "*access policy*", omit "*large DCA services*" and substitute "*DNA services*".

[2] Chapter 10 Substituted definition

In chapter 10, in the definition of "*connect, connected, connection*", after "including to a *network connection asset* or" insert "through".

[3] Chapter 10 Substituted definition

In chapter 10, in the definition of "*Connection Applicant*", omit paragraphs (a) and (b), including the **Note**, and substitute:

- (a) a person seeking to *connect* its *facilities* to the *transmission network* of that *Primary Transmission Network Service Provider* including through a *dedicated connection asset*; and
- (b) a person seeking to negotiate a *network operating agreement* for a *funded network asset*.

Note

In the context of Chapter 5A, the above definition has been displaced by a definition specifically applicable to that Chapter. See clause 5A.A.1.

[4] Chapter 10 Substituted definition

In chapter 10, in the definition of "*connection assets*", omit the **Note** in its entirety.

[5] Chapter 10 Substituted definition

In chapter 10, in the definition of "*connection point*", omit "the person" and substitute "a person".

[6] Chapter 10 Substituted definition

In chapter 10, in the definition of "*connection point*", omit "or *identified user group*" wherever occurring.

[7] Chapter 10 Substituted definition

In chapter 10, in the definition of "*connection service*", omit "a single *connection point*" wherever occurring and substitute "the same *connection point*".

[8] Chapter 10 Substituted definition

In chapter 10, omit the definition "*contestable IUSA components*" and substitute in alphabetical order:

contestable FNA components

Those components of the *funded network asset* that satisfy the criteria set out in clause 5.2A.4(b).

[9] Chapter 10 Substituted definition

In chapter 10, omit the definition "*dedicated connection asset*", including the **Note** and substitute:

dedicated connection asset

The apparatus, equipment, *plant* and buildings that:

- (a) are used for the purpose of *connecting* a person at a *connection point* to a *transmission network* and are used exclusively by that person;
- (b) include power lines less than 30 kilometres in route length;
- (c) can be electrically isolated from the *transmission network* without affecting the provision of *shared transmission services* to other persons; and
- (d) are not:
 - (1) *network connection assets*;
 - (2) part of a *generating system*;
 - (3) part of a *distribution system*;
 - (4) part of a *transmission system* for which a *Market Network Service Provider* is registered under Chapter 2;
 - (5) part of *Transmission Customer's facility* that utilises electrical energy;
 - (6) part of the *declared transmission system* of an *adoptive jurisdiction*; or
 - (7) *designated network assets*.

[10] Chapter 10 Substituted definitions

In chapter 10, omit the definitions "*large DCA service*" and "*large DCA services access dispute*" and substitute in alphabetical order:

DNA service

A service provided by means of a *designated network asset*.

DNA services access dispute

A dispute between a *Primary Transmission Network Service Provider* and a person seeking *DNA services* as referred to in clause 5.5.1(c), that is for determination by a *commercial arbitrator* under rule 5.5.

[11] Chapter 10 Substituted definition

In chapter 10, in the definition of "*distribution system*", omit the second paragraph and substitute "*Connection assets on their own do not constitute a distribution system.*".

[12] Chapter 10 Substituted definition

In chapter 10, in the definition of "*entry service*", omit "a single *connection point*" and substitute "the same *connection point*".

[13] Chapter 10 Substituted definition

In chapter 10, in the definition of "*exit service*", omit "a single *connection point*" and substitute "the same *connection point*".

[14] Chapter 10 Substituted definition

In chapter 10, in the definition of "*identified user group*", omit "at the same single *connection point*" and substitute "behind the same *boundary point*".

[15] Chapter 10 Substituted definition

In chapter 10, omit the definition of "*identified user shared asset*" and substitute:

identified user shared asset

The apparatus, equipment, *plant* and buildings that:

- (a) are used for the purpose of:
 - (1) *connecting* a person through a *dedicated connection asset* or *connecting* one or more *identified user groups* to an existing *transmission network*; or
 - (2) expanding the existing *transmission network* to incorporate a *designated network asset* (but does not include subsequent components that are incorporated into that *designated network asset*);
- (b) are not for the exclusive use by that person for a *dedicated connection asset* or *identified user group* for a *designated network asset*;

- (c) if used to *connect* that person to a *transmission network* through a *dedicated connection asset*, under normal operating conditions, cannot be electrically isolated from the *transmission network* without affecting the provision of *shared transmission services* to other persons; and
- (d) are not part of the *declared transmission system* of an *adoptive jurisdiction* or a *designated network asset*.

Note:

An *identified user shared asset* is located at: (1) the interface between a *dedicated connection asset* and a *transmission network* (but this does not include where the interface is between a *dedicated connection asset* with a *designated network asset*); and (2) the *boundary point* between a *designated network asset* and part of a *transmission network* that is not a *designated network asset*.

There is no *identified user shared asset* where there are subsequent components that are incorporated into the *designated network asset*.

[16] Chapter 10 Substituted definition

In chapter 10, in the definition of "*negotiated transmission service*", omit the last sentence after paragraph (d) and substitute "but does not include an *above-standard system shared transmission service*, a *market network service* or a service provided by a *funded network asset* except as specified under paragraph (c)."

[17] Chapter 10 Substituted definition

In chapter 10, omit the definition "*non-contestable IUSA components*" and substitute in alphabetical order:

non-contestable FNA components

Those components of the *funded network asset* that do not satisfy the criteria set out in clause 5.2A.4(c).

[18] Chapter 10 Substituted definition

In chapter 10, in the definition of "*transmission network*", omit the last paragraph and substitute:

Except in the case of a *declared transmission system* of an *adoptive jurisdiction*, a *funded network asset* owned, controlled or operated by a *Primary Transmission Network Service Provider* (including under a *network operating agreement*) forms part of that *Primary Transmission Network Service Provider's transmission network*.

[19] Chapter 10 Substituted definition

In chapter 10, in the definition of "*Transmission Network User*", omit paragraphs (a) to (c) and substitute:

- (a) a *Generator* whose *generating unit*; and
- (b) a *Network Service Provider* whose *network*,
is *connected* to the *transmission network*.

[20] Chapter 10 Substituted definition

In chapter 10, in the definition of "*transmission system*", omit all text following the first paragraph, including the **Note**.

[21] Chapter 10 New definitions

In chapter 10, insert the following definitions in alphabetical order:

boundary point

The point of delineation between a *designated network asset* and an *identified user shared asset*:

- (a) as agreed in the relevant *network operating agreement* between the *Primary Network Service Provider* and the owner of the *designated network asset*; or
- (b) where the *designated network asset* is owned or leased by the *Primary Network Service Provider*, as determined by that provider.

Note

There could be multiple owners of the components of a *designated network asset* that are behind the *boundary point* and each owner will have a separate *network operating agreement* with the *Primary Transmission Network Service Provider* for the component it owns. The subsequent incorporation of additional components to the *designated network asset* with different owners will not change the *boundary point* because it describes the point of delineation between the initial component of the *designated network asset* and the *identified user shared asset*.

boundary point losses

Has the meaning given to it by clause 3.6.2B(a).

boundary point loss factors

Has the meaning given to it by clause 3.6.2B(b).

designated network asset

The apparatus, equipment, *plant* and buildings that:

- (a) are used from the *boundary point* to convey, and control the conveyance of, electricity, for an *identified user group*;
- (b) are for the exclusive use of the *identified user group* and may be owned by different persons within that *identified user group*;

- (c) include power lines that have a route length of:
 - (1) 30 kilometres or more; or
 - (2) less than 30 kilometres where the owner of those assets has entered into a *network operating agreement* in respect of those assets; and
- (d) do not:
 - (1) provide *prescribed transmission services*; or
 - (2) form part of a *network loop*; or
 - (3) form part of a *declared transmission system* of an *adoptive jurisdiction*.

funded network asset

The parts of a *transmission network* that:

- (a) comprise:
 - (1) a *designated network asset*;
 - (2) an *identified user shared asset*; and
- (b) do not form components of *system strength connection works*, a *funded augmentation* or part of a *declared transmission system* of an *adoptive jurisdiction*.

[22] Chapter 10 Omitted definitions

In chapter 10, omit definitions "*Dedicated Connection Asset Service Provider*", "*large dedicated connection asset*", "*small dedicated connection asset*", "*third party DCA*", and "*third party IUSA*".

Schedule 5 Savings and Transitional Amendment to the National Electricity Rules

(Clause 7)

[1] New Part ZZZZ[X] Connection to dedicated connection assets

In chapter 11, after Part ZZZZ[X], insert:

Part ZZZZ[X] Connection to dedicated connection assets

11.[xxx] Rules consequential on the making of the National Electricity Amendment (Connection to dedicated connection assets) Rule 2021

11.[xxx].1 Definitions

(a) In this rule 11.[xxx]:

access policy has the same meaning given in new chapter 10.

Amending Rule means the Draft National Electricity Amendment (Connection to dedicated connection assets) Rule 2021.

commencement date means the date of commencement of Schedules 1 to 4 of the Amending Rule.

dedicated connection asset has the same meaning given in New Chapter 10.

Existing Connection Agreement means a *connection agreement* entered into before the commencement date other than in relation to a *declared transmission system* of an *adoptive jurisdiction* and includes a Pre-TCAPA Connection Agreement and a TCAPA Connection Agreement.

Existing DCA has the same meaning given in clause 11.98.1.

New Chapter 10 means Chapter 10 of the *Rules* as it will be in force immediately after the commencement date.

New Chapter 5 means Chapter 5 of the *Rules* as it will be in force immediately after the commencement date.

new clause 5.2A.8 means clause 5.2A.8 of the *Rules* as it will be in force immediately after the commencement date.

Pre-TCAPA Connection Agreement means a connection agreement entered into before 1 July 2018, other than in relation to a *declared transmission system* of an *adoptive jurisdiction*.

TCAPA Connection Agreement means a *connection agreement* entered into between 1 July 2018 and the commencement date, other than in relation to a *declared transmission system* of an *adoptive jurisdiction*.

TCAPA Amending Rule means the National Electricity Amendment (Transmission Connection and Planning arrangements) Rule 2017 No. 4.

11.[xxx].2 Existing DCAs and Dedicated connection asset service providers

- (a) If a *Dedicated Connection Asset Service Provider* has registered with *AEMO* pursuant to clause 2.5.1A before the commencement date in respect of a *small dedicated connection asset*:
 - (1) that *Dedicated Connection Asset Service Provider* ceases to be a *Dedicated Connection Asset Service Provider* in respect of its *small dedicated connection asset*; and
 - (2) that *small dedicated connection asset* is deemed to be a dedicated connection asset,on and from the commencement date.
- (b) Nothing in this clause is intended to have, nor is to be read or construed as having, the effect of changing the application of clause 11.98.2 in relation to an Existing DCA.

11.[xxx].3 Grandfathering of Existing Connection Agreements

- (a) The Amending Rule is neither intended to have, nor is it to be read or construed as having, the effect of:
 - (1) altering any of the terms of an Existing Connection Agreement (including the location of a *connection point*);
 - (2) altering the contractual rights or obligations of any of the parties under an Existing Connection Agreement as between those parties; or
 - (3) relieving the parties under an Existing Connection Agreement of their contractual obligations under such an agreement.
- (b) If a *Transmission Network User* under a TCAPA Connection Agreement requests an amendment to that TCAPA Connection Agreement after the commencement date for the purposes of altering a *connection service* provided under that agreement, then the *Rules* as amended by the Amending Rule apply to that request.
- (c) If a *Transmission Network User* under a Pre-TCAPA Connection Agreement requests an amendment to that Pre-TCAPA Connection

Agreement after the commencement date for the purposes of altering a *connection service* provided under that agreement, then:

- (1) clause 11.98.5(b) does not apply; and
 - (2) the *Rules* as amended by the Amending Rule and the TCAPA Amending Rule do not apply to that request.
- (d) The Amending Rule is neither intended to have, nor is it to be read or construed as having, the effect of changing the application of clause 11.6.11 (if applicable) in relation to *connection services* provided under an Existing Connection Agreement.

11.[xxx].4 Connection process

- (a) If a *connection* enquiry was made to a *Primary Transmission Network Service Provider* by a *Connection Applicant* under clause 5.3.2 before the commencement date in respect of a *small dedicated connection asset*, then New Chapter 5 applies to the *connection* process and negotiation for a *connection agreement* related to that *connection* enquiry.

11.[xxx].5 Access policy

- (a) By the commencement date, a *Primary TNSP* must publish an access policy in accordance with the requirements of new clause 5.2A.8.
- (b) For the purposes of new clause 5.2A.8(g), the *Primary TNSP* must submit its access policy to the *AER* by [the date that is 4 months after the date the final rule is made], after having developed and consulted on its access policy in accordance with the requirements of new clause 5.2A.8(b), (c) and (e).
- (c) For the purposes of new clause 5.2A.8(i), the *AER* must approve the access policy in accordance with the requirements of new clause 5.2A.8(i) to (k) by [the date is 2 months after the date referred to in paragraph (b)].
- (d) For the purposes of new clause 5.2A.8(l), the *Primary TNSP* must publish the approved access policy on its website by [the date that is 7 days after the date referred to in paragraph (c)] in accordance with the requirements of new clause 5.2A.8(l).

11.[xxx].6 Preparatory steps for guidelines and procedures under the Amending Rule

- (a) By the commencement date, the *AER* must amend and issue the guidelines developed under clause 2.5.1(d) to take account of the Amending Rule.

- (b) Despite clause 2.5.1(e), the *AER* is not required to consult on the changes required to those guidelines, provided those changes are limited to changes necessary to give effect to the Amending Rule.