



## **National Electricity Amendment (Deferral of network charges) Rule 2020 No. 11**

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

## **National Electricity Amendment (Deferral of network charges) Rule 2020 No. 11**

### **1 Title of Rule**

This Rule is the *National Electricity Amendment (Deferral of network charges) Rule 2020 No. 11*.

### **2 Commencement**

This Rule commences operation on 6 August 2020.

### **3 Savings and Transitional Amendment to the National Electricity Rules**

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

## Schedule 1 Savings and Transitional Amendment to the National Electricity Rules

(Clause 3)

### [1] New Part ZZZZC Deferral of network charges

In Chapter 11, after Part ZZZZB, insert:

#### Part ZZZZC Deferral of network charges

#### 11.127 Transitional arrangements made by the National Electricity Amendment (Deferral of network charges) Rule 2020 No. 11

##### 11.127.1 Definitions

- (a) Unless otherwise defined, terms defined in clause 6B.A1.2 have the same meaning when used in this Part ZZZZC.
- (b) For the purposes of this Part ZZZZC:

**Amending Rule** means the National Electricity Amendment (Deferral of network charges) Rule 2020 No. 11.

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

**COVID-19 customer arrangement** means:

- (1) any payment plan within the meaning of the *NERL*;
- (2) any arrangements for a hardship customer (other than a payment plan) within the meaning of the *NERL*; and
- (3) any deferred debt arrangement,

other than a plan or arrangement between an eligible retailer and a *shared customer* where the *shared customer* is a large customer.

**deferred debt arrangement** means any arrangement by which the payment of a debt owed or expected to be owed by a *shared customer* to an eligible retailer for the supply of electricity is deferred because the *shared customer* is experiencing payment difficulties.

**eligible retailer** means a *retailer* except:

- (1) any *retailer* which is owned by the Crown in right of any *participating jurisdiction* (whether wholly or partly, directly or indirectly), including without limitation because the *retailer* has one or more shareholders who are Ministers of the Crown or the *retailer* is established under statute or is controlled by a body

whose shareholders are Ministers of the Crown or which is established under statute; and

- (2) any registered *RoLR* within the meaning of the *NERL* and any *related bodies corporate* of such a *RoLR*.

**large customer** means a large customer within the meaning of the *NERL*, subject to any relevant modifications made to the *NERL* in its application as a law of the relevant *participating jurisdiction*.

**old chapter 6B** has the meaning given in clause 11.96.1.

### 11.127.2 Deferral of payment of network charges

- (a) Subject to clause 11.127.2(b), if:
  - (1) during the period beginning on the commencement date and ending on 6 February 2021 a *Distribution Network Service Provider* issues a *statement of charges* to an eligible retailer and the *statement of charges* includes *network charges* payable under clause 6B.A2.1 in respect of a *shared customer*; and
  - (2) as at the *date of issue* of that *statement of charges*, a COVID-19 customer arrangement is in place between the eligible retailer and that *shared customer*; and
  - (3) the eligible retailer has, within 10 *business days* from the *date of issue* specified on the *statement of charges*, provided to the *Distribution Network Service Provider* a statutory declaration signed by an officer of that eligible retailer verifying the following for each *shared customer* referred to in clause 11.127.2(a)(2):
    - (i) that the COVID-19 customer arrangement described in clause 11.127.2(a)(2) is in place; and
    - (ii) the amount of *network charges* payable in respect of that *shared customer* pursuant to that *statement of charges*,

then, for the purposes of Chapter 6B and old Chapter 6B (insofar as it continues to apply under clause 11.96.2), the *due date for payment* for the *network charges* payable in respect of the relevant *shared customer* is taken to be 6 months from the *date of issue* of that *statement of charges*.

- (b) Clause 11.127.2(a) applies only to *network charges* other than charges in respect of *alternative control services* and *negotiated distribution services*.
- (c) In respect of any *network charges* to which clause 11.127.2(a) applies, the eligible retailer must pay the *Distribution Network Service Provider*:

- (1) interest at a rate of 3% per annum on those *network charges* in respect of the period commencing 10 *business days* from the *date of issue* of the relevant *statement of charges* and ending upon the earlier of:
  - (i) the *day* occurring 6 months from the *date of issue* of the *statement of charges*; and
  - (ii) the date those *network charges* are paid; and
- (2) in respect of any *network charges* not paid by the *day* occurring 6 months from the *date of issue* of the *statement of charges*, interest calculated in accordance with clause 6B.A3.4,

and any interest owing under paragraph (c)(1) is taken to be *billed but unpaid charges* in determining *retailer insolvency costs* for the purposes of clause 6.6.1(1).

- (d) For the purposes of the *credit support* rules in:
  - (1) Chapter 6B; and
  - (2) old Chapter 6B (insofar as it continues to apply under clause 11.96.2),

the application of clause 11.127.2(a) to any *network charges* must be taken into account in determining whether any amount is or remains outstanding, and in determining the time allowed for payment of *network charges*.

- (e) A *Distribution Network Service Provider* and eligible retailer to whom clause 11.127.2(a) applies must in good faith cooperate to implement the processes necessary to ensure their compliance with this clause 11.127.2 as soon as practicable, and in any event no later than 10 *business days*, after the commencement date.
- (f) For the purposes of clause 6B.A3.3(a), if a *retailer* disputes an amount (the **disputed amount**) set out in a *statement of charges*, then to the extent that the disputed amount relates to *network charges* to which clause 11.127.2(a) applies, the *retailer* must, within 10 *business days* from the *date of issue* specified on the *statement of charges* or in any event as soon as reasonably practicable, give written notice to the *Distribution Network Service Provider* of the disputed amount and the reasons for disputing payment.

### **11.127.3 Deferral of payment of charges for prescribed transmission services**

- (a) Where the *due date for payment* of *network charges* to a *Distribution Network Service Provider* is deferred in accordance with clause 11.127.2(a), then to the extent that those *network charges* include charges for *prescribed transmission services* billed to that *Distribution*

*Network Service Provider* by a *Transmission Network Service Provider* during the period beginning on the commencement date and ending on 6 February 2021:

- (1) for the purposes of Chapter 6A and the connection agreement between them, the due date for payment of those charges for *prescribed transmission services* to that *Transmission Network Service Provider* is taken to be 6 months after the date specified in the bill;
- (2) to the extent that pursuant to clause 11.127.2(c)(1) the *Distribution Network Service Provider* has been paid interest in respect of those charges for *prescribed transmission services*, the *Distribution Network Service Provider* must pay that interest to the *Transmission Network Service Provider*; and
- (3) in respect of any of those charges for *prescribed transmission services* not paid by the due date described in subparagraph (a)(1), the *Distribution Network Service Provider* must pay the *Transmission Network Service Provider* interest calculated in accordance with the connection agreement between them,

and the *Transmission Network Service Provider* is not entitled to charge or recover any other or additional interest in respect of those charges for *prescribed transmission services*.

- (b) A *Distribution Network Service Provider* and *Transmission Network Service Provider* to whom clause 11.127.3(a) applies must in good faith cooperate to implement the processes necessary to ensure their compliance with clause 11.127.3(a) as soon as practicable, and in any event no later than 10 *business days*, after the commencement date.

#### **11.127.4 AER reporting**

- (a) An eligible retailer to whom clause 11.127.2(a) applies must as soon as is practicable following the end of each month report to the *AER* the following information as at the end of that month:
  - (1) the number of *shared customers* in respect of whom the *due date for payment* for *network charges* has been deferred pursuant to clause 11.127.2(a);
  - (2) the total amount of *network charges* deferred pursuant to clause 11.127.2(a); and
  - (3) the latest *due date for payment* for *network charges* deferred pursuant to clause 11.127.2(a),

and where possible, such information must be provided to the *AER* on both a month-on-month and cumulative basis.

- (b) The *AER* must *publish* on a monthly basis any information it received pursuant to clause 11.127.4(a) for the previous month.

#### **11.127.5 Application of this Part**

This Part *ZZZZC* prevails to the extent of any inconsistency with any provision of the *Rules*.

##### **Note**

This Part *ZZZZC* only applies to and in relation to *distribution charges* to which Chapter 6B applies. Chapter 6B does not apply in *participating jurisdictions* that have not adopted the *NERL*, by reason of clause 24 of Schedule 3 to the *NEL*. This Part *ZZZZC* accordingly has no effect in the *participating jurisdictions* in which Chapter 6B does not apply.