National Electricity Rules Version 20

Status Information

This is a draft consolidation based on the latest electronically available version of the National Electricity Rules as at 1 May 2008.

This draft consolidated version of the National Electricity Rules includes the following draft amendment.

> Draft National Electricity Amendment (Performance Standard Compliance of Generators) Rule 2008

This version of the National Electricity Rules is provided for information purposes only. The Australian Energy Market Commission does not guarantee the accuracy, reliability or completeness of this consolidated version. The official National Electricity Amendment (Performance Standard Compliance of Generators) Rule 2008 is published separately on the website of the Australian Energy Market Commission.

This coversheet was last updated on 20 June 2008

CHAPTER 4

4. Power System Security

4.1 Introduction

4.1.1 Purpose

(a) This Chapter:

(1) provides the framework for achieving and maintaining a secure *power system*;

(2) provides the conditions under which *NEMMCO* can intervene in the processes of the *spot market* and issue *directions* to *Registered Participants* so as to maintain or re-establish a secure and reliable *power system*;

(3) has the following aims:

(i) to detail the principles and guidelines for achieving and maintaining *power system security*;

(ii) to establish the processes for the assessment of the adequacy of *power system* reserves;

(iii) to establish processes to enable *NEMMCO* to plan and conduct operations within the *power system* to achieve and maintain *power system security*; and

(iv) to establish processes for the actual *dispatch* of *scheduled generating units*, *scheduled loads*, *scheduled network services* and *ancillary services* by *NEMMCO*.

(b) By virtue of this Chapter and the *National Electricity Law*, *NEMMCO* has responsibility to maintain and improve *power system security*. This Chapter also requires the *Jurisdictional System Security Coordinator* for each *participating jurisdiction* to advise *NEMMCO* of the requirements of the *participating jurisdiction* regarding *sensitive loads* and priority of *load shedding* and requires *NEMMCO* to provide copies of the relevant *load shedding procedures* to the *Jurisdictional System Security Coordinator*.

4.2 Definitions and Principles

This rule sets out certain definitions and concepts that are relevant to this Chapter.

4.2.1 [Deleted]

4.2.2 Satisfactory Operating State

The *power system* is defined as being in a *satisfactory operating state* when:

(a) the *frequency* at all energised *busbars* of the *power system* is within the *normal operating frequency band*, except for brief excursions outside the *normal operating frequency band* but within the *normal operating frequency excursion band*;

(b) the *voltage* magnitudes at all energised *busbars* at any *switchyard* or *substation* of the *power system* are within the relevant limits set by the relevant *Network Service Providers* in accordance with clause S5.1.4 of schedule 5.1;

(c) the current flows on all *transmission lines* of the *power system* are within the ratings (accounting for time dependency in the case of emergency ratings) as defined by the relevant *Network Service Providers* in accordance with schedule 5.1;

(d) all other *plant* forming part of or impacting on the *power system* is being operated within the relevant operating ratings (accounting for time dependency in the case of emergency ratings) as defined by the relevant *Network Service Providers* in accordance with schedule 5.1;

(e) the configuration of the *power system* is such that the severity of any potential fault is within the capability of circuit breakers to *disconnect* the faulted circuit or equipment; and

(f) the conditions of the *power system* are stable in accordance with requirements designated in or under clause S5.1.8 of schedule 5.1.

4.2.3 Credible and non-credible contingency events

(a) A "*contingency event*" means an event affecting the *power system* which *NEMMCO* expects would be likely to involve the failure or removal from operational service of a *generating unit* or *transmission element*.

(b) A "*credible contingency event*" means a *contingency event* the occurrence of which *NEMMCO* considers to be reasonably possible in the surrounding circumstances including the *technical envelope*. Without limitation, examples of *credible contingency events* are likely to include:

(1) the unexpected automatic or manual *disconnection* of, or the unplanned reduction in capacity of, one operating *generating unit*; or

(2) the unexpected *disconnection* of one major item of *transmission plant* (e.g. *transmission line*, *transformer* or *reactive plant*) other than as a result of a three phase electrical fault anywhere on the *power system*.

(c) A "*single credible contingency event*" means an individual *credible contingency event* for which a *Registered Participant* adversely affected by the event would reasonably expect, under normal conditions, the design or operation of the relevant part of the *power system* would adequately cater, so as to avoid significant disruption to *power system security*.

(d) The "*critical single credible contingency event*" at any particular time is the *single credible contingency event* considered by *NEMMCO*, in the particular

circumstances, to have the potential for the most significant impact on the *power system* at that time. This would generally be the instantaneous loss of the largest *generating unit* on the *power system*. Alternatively, it might be the loss of any *interconnection* under *abnormal conditions*.

(e) A "*non-credible contingency event*" is a *contingency event* other than a *credible contingency event*. Without limitation, examples of *non-credible contingency events* are likely to include:

(1) three phase electrical faults on the *power system*; or

(2) simultaneous disruptive events such as:

(i) multiple *generating unit* failures; or

(ii) double circuit *transmission line* failure (such as may be caused by tower collapse).

(f) *Abnormal conditions* are conditions posing added risks to the *power system* including, without limitation, severe weather conditions, lightning, storms, and bush fires. During such conditions, *NEMMCO* may, in its reasonable opinion, determine a *non-credible contingency event* (in particular, but without limitation, the tripping of some *substation* or *switchyard busbars* or both circuits of a double circuit *transmission line*) to be a *credible contingency event*. *NEMMCO* must notify all *Market Participants* of such a re-classification as soon as practicable.

4.2.4 Secure operating state and power system security

(a) The *power system* is defined to be in a *secure operating state* if, in *NEMMCO*'s reasonable opinion, taking into consideration the appropriate *power system security* principles described in clause 4.2.6:

(1) the *power system* is in a *satisfactory operating state*; and

(2) the *power system* will return to a *satisfactory operating state* following the occurrence of a *single credible contingency event* in accordance with the *power system security and reliability standards*.

(b) Without limitation, in forming the opinions described in clause 4.2.4(a), *NEMMCO* must:

(1) consider the impact of each of the potentially *constrained interconnectors*; and

(2) use the *technical envelope* as the basis of determining events considered to be *credible contingency events* at that time.

4.2.5 Technical envelope

(a) The *technical envelope* means the technical boundary limits of the *power system* for achieving and maintaining the *secure operating state* of the *power system* for a given demand and *power system* scenario.

(b) *NEMMCO* must determine and revise the *technical envelope* (as may be necessary from time to time) by taking into account the prevailing *power system* and *plant* conditions as described in clause 4.2.5(c).

(c) In determining and revising the *technical envelope NEMMCO* must take into account matters such as:

(1) *NEMMCO's* forecast of total *power system load*;

(2) the provision of the applicable *contingency capacity reserves*;

(3) operation within all *plant* capabilities of *plant* on the *power system*;

(4) *contingency capacity reserves* available to handle a *single credible contingency event*;

(5) advised *generation* minimum *load constraints*;

(6) *constraints* on *transmission networks*, including short term limitations;

(7) *ancillary service* requirements;

(8) **[Deleted]**

(9) the existence of proposals for any major equipment or *plant* testing, including the checking of, or possible changes in, *transmission plant* availability; and

(10) applicable *performance standards*.

(d) *NEMMCO* must, when determining the secure operating limits of the *power system*, assume that the applicable *performance standards* are being met, subject to:

(1) a *Registered Participant* notifying *NEMMCO*, in accordance with rule 4.15(f), that a *performance standard* is not being met; or

(2) *NEMMCO* otherwise becoming aware that a *performance standard* is not being met.

4.2.6 General principles for maintaining power system security

The *power system security* principles are as follows:

(a) To the extent practicable, the *power system* should be operated such that it is and will remain in a *secure operating state*.

(b) Following a *contingency event* (whether or not a *credible contingency event*) or a significant change in *power system* conditions, *NEMMCO* should take all reasonable actions:

(1) to adjust, wherever possible, the operating conditions with a view to returning the *power system* to a *secure operating state* as soon as it is practical to do so, and, in any event, within thirty minutes; or

(2) if any principles and guidelines have been *published* under clause 8.8.1(a)(2a), to adjust, wherever possible, the operating conditions, in accordance with such principles and guidelines, with a view to returning the *power system* to a *secure operating state* within at most thirty minutes.

(c) Adequate *load shedding* facilities initiated automatically by *frequency* conditions outside the *normal operating frequency excursion band* should be available and in service to restore the *power system* to a *satisfactory operating state* following significant multiple *contingency events*.

(d) **[Deleted]**

(e) Sufficient *system restart ancillary services* should be available in accordance with the *system restart standard* to allow the restoration of *power system security* and any necessary restarting of *generating units* following a *major supply disruption*.

4.2.7 Reliable Operating State

The *power system* is assessed to be in a *reliable operating state* when:

(a) *NEMMCO* has not *disconnected*, and does not expect to *disconnect*, any points of *load connection* under clause 4.8.9;

(b) no *load shedding* is occurring or expected to occur anywhere on the *power system* under clause 4.8.9; and

(c) in *NEMMCO's* reasonable opinion the levels of *short term* and *medium term capacity reserves* available to the *power system* are at least equal to the required levels determined in accordance with the *power system security and reliability standards*.

4.2.8 Time for undertaking action

The provisions of clause 1.7.1(l) do not apply to this Chapter and an event which is required under this Chapter to occur on or by a stipulated *day* must occur on or by that *day* whether or not a *business day*.

4.3 Power System Security Responsibilities and Obligations

4.3.1 Responsibility of NEMMCO for power system security

The *NEMMCO power system security responsibilities* are:

(a) to maintain *power system security*;

(b) to monitor the operating status of the *power system*;

(c) to co-ordinate the *System Operators* in undertaking certain of its activities and operations and monitoring activities of the *power system*;

(d) to ensure that *high voltage* switching procedures and arrangements are utilised by *Network Service Providers* to provide adequate protection of the *power system*;

(e) to assess potential infringement of the *technical envelope* or *power system operating procedures* which could affect the security of the *power system*;

(f) to ensure that the *power system* is operated within the limits of the *technical envelope*;

(g) to ensure that all *plant* and equipment under its control or co-ordination is operated within the appropriate operational or emergency limits which are advised to *NEMMCO* by the respective *Network Service Providers* or *Registered Participants*;

(h) to assess the impacts of technical and any operational *plant* on the operation of the *power system*;

(i) to arrange the *dispatch* of *scheduled generating units, scheduled loads, scheduled network services* and *ancillary services* (including *dispatch* by remote control actions or specific directions) in accordance with the *Rules*, allowing for the dynamic nature of the *technical envelope*;

(j) to determine any potential *constraint* on the *dispatch* of *generating units, loads, market network services* and *ancillary services* and to assess the effect of this *constraint* on the maintenance of *power system security*;

(k) to assess the availability and adequacy, including the dynamic response, of *contingency capacity reserves* and *reactive power reserves* in accordance with the *power system security and reliability standards* and to ensure that appropriate levels of *contingency capacity reserves* and *reactive power reserves* are available:

(1) to ensure the *power system* is, and is maintained, in a *satisfactory operating state*; and

(2) to arrest the impacts of a range of significant multiple *contingency events* (affecting up to 60% of the total *power system load*) to allow a prompt restoration or recovery of *power system security*, taking into account

under-*frequency* initiated *load shedding* capability provided under *connection agreements* or otherwise;

(l) to determine the required levels of *short term capacity reserves* and *medium term capacity reserves* in accordance with the *power system security and reliability standards*, and to assess the availability of the actual *short term capacity reserve* and actual *medium term capacity reserve* in accordance with the *projected assessment of system adequacy* (PASA), described in Chapter 3, which would be available to supplement utilised *contingency capacity reserves* and, if necessary, initiate action in relation to the trading in *reserves* in accordance with Chapter 3;

(m) to make available to *Registered Participants* as appropriate, information about the potential for, or the occurrence of, a situation which could significantly impact, or is significantly impacting, on *power system security*, and advise of any *low reserve* condition for the relevant periods where the *short term capacity reserve* and/or *medium term capacity reserve* is assessed as being less than that determined in accordance with the *short term capacity reserve standard* or *medium term capacity reserve standard* respectively;

(n) to refer to *Registered Participants*, as *NEMMCO* deems appropriate, information of which *NEMMCO* becomes aware in relation to significant risks to the *power system* where actions to achieve a resolution of those risks are outside the responsibility or control of *NEMMCO*;

(o) to utilise resources and services provided or procured as *ancillary services* or otherwise to maintain or restore the *satisfactory operating state* of the *power system*;

(p) to procure adequate *system restart ancillary services* in accordance with clause 3.11.4A to enable *NEMMCO* to co-ordinate a response to a *major supply disruption*;

(q) to interrupt, subject to clause 4.3.2(l), *Registered Participant connections* as necessary during emergency situations to facilitate the re-establishment of the *satisfactory operating state* of the *power system*;

(r) to issue a *direction* or *clause 4.8.9 instruction* (as necessary) to any *Registered Participant*;

(s) to co-ordinate and direct any rotation of widespread interruption of demand in the event of a major *supply* shortfall or disruption;

(t) to liaise with *participating jurisdictions* should there be a need to manage an extensive disruption, including the use of emergency services powers in a *participating jurisdiction*;

(u) to determine the extent to which the levels of *contingency capacity reserves* and *reactive power reserves* are or were appropriate through appropriate testing, auditing and simulation studies;

(v) to investigate and review all major *power system* operational incidents and to initiate action plans to manage any abnormal situations or significant deficiencies which could reasonably threaten *power system security*. Such situations or deficiencies include without limitation:

(1) *power system frequencies* outside those specified in the definition of *satisfactory operating state*;

(2) *power system voltages* outside those specified in the definition of *satisfactory operating state*;

(3) actual or potential *power system* instability; and

(4) unplanned/unexpected operation of major *power system* equipment; and

(w) to ensure that each *System Operator* satisfactorily interacts with *NEMMCO*, other *System Operators* and *Distribution System Operators* for both *transmission* and *distribution network* activities and operations, so that *power system security* is not jeopardised by operations on the *connected transmission networks* and *distribution networks*.

4.3.2 System security

(a) *NEMMCO* must use its reasonable endeavours, as permitted under the *Rules*, including through the provision of appropriate information to *Registered Participants* to the extent permitted by law and under the *Rules*, to achieve the *NEMMCO power system security responsibilities* in accordance with the *power system security* principles described in clause 4.2.6.

(b) Where an obligation is imposed on *NEMMCO* under this Chapter to arrange or control any act, matter or thing or to ensure that any other person undertakes or refrains from any act, that obligation is limited to a requirement for *NEMMCO* to use reasonable endeavours as permitted under the *Rules*, including to give such directions as are within its powers, to comply with that obligation.

(c) If *NEMMCO* fails to arrange or control any act, matter or thing or the acts of any other person notwithstanding the use of *NEMMCO's* reasonable endeavours, *NEMMCO* will not be taken to have breached such obligation.

(d) *NEMMCO* must make accessible to *Registered Participants* such information as:

(1) *NEMMCO* considers appropriate;

(2) *NEMMCO* is permitted to disclose in order to assist *Registered Participants* to make appropriate *market* decisions; and

(3) *NEMMCO* is able to disclose to enable *Registered Participants* to consider initiating procedures to manage the potential risk of any necessary action by *NEMMCO* to restore or maintain *power system security*,

provided that, in doing so, *NEMMCO* must use reasonable endeavours to ensure that such information is available to those *Registered Participants* who request the information on equivalent bases.

(e) The *Jurisdictional System Security Coordinator* for a *participating jurisdiction* may nominate an individual to be the principal point of contact with *NEMMCO* for the *Jurisdictional System Security Coordinator*.

(f) The *Jurisdictional System Security Coordinator* for each *participating jurisdiction* must provide *NEMMCO* with:

(1) a schedule of *sensitive loads* in that jurisdiction, specifying:

(i) the priority, in terms of security of *supply*, that each *load* specified in the schedule has over the other *loads* specified in the schedule; and

(ii) the *loads* (if any) for which the approval of the *Jurisdictional System Security Coordinator* must be obtained by *NEMMCO* under clause 4.3.2(l) before *NEMMCO* can interrupt *supply* to, or prevent reconnection of, that *load*: and

(2) a schedule setting out the order in which *loads* in the *participating jurisdiction*, other than *sensitive loads*, may be shed by *NEMMCO* for the purposes of undertaking any *load shedding* under rule 4.8.

(g) A *Jurisdictional System Security Coordinator* may from time to time amend the schedules provided to *NEMMCO* under clause 4.3.2(f) and must provide to *NEMMCO* a copy of the amended schedules.

(h) *NEMMCO* must develop, update and maintain a set of procedures for each *participating jurisdiction* under which *loads* will be shed and restored in accordance with the priorities set out in the schedules for that *participating jurisdiction* (which procedures for a *participating jurisdiction* shall be known as the "*load shedding procedures*" for that jurisdiction).

(i) *NEMMCO* must provide the *Jurisdictional System Security Coordinator* for a *participating jurisdiction* with a copy of the *load shedding procedures* for that *participating jurisdiction*, as amended from time to time.

(j) The *load shedding procedures* for a *participating jurisdiction* must be consistent with the schedules of the *participating jurisdiction* provided under clause 4.3.2(f) and must, without limitation, include a requirement that:

(1) automatic *disconnection* of a *sensitive load* under clause 4.3.5(a) is not to occur until the occurrence of a specified *power system frequency* referred to in the *load shedding procedures*;

(2) any such *sensitive load* (or part thereof) which would otherwise have been part of a block of *interruptible load* in an under-*frequency* band specified in clause 4.3.5(b), must be replaced in that band in relation to the *participating jurisdiction* with an equivalent amount of *interruptible*

load nominated by other *Market Customers* in the relevant *participating jurisdiction*;

(3) after *supply* is interrupted to a *load*, *supply* to that *load* must be restored as soon as this can be achieved and in accordance with the schedules of *loads* referred to in clause 4.3.2(f); and

(4) in the event of a major *supply* shortfall, the rotation of any *load shedding* requirements within *regions* (or parts of *regions*) in the *participating jurisdiction* must be in accordance with the *load shedding procedures*.

(k) Notwithstanding any other provision of the *Rules*, *NEMMCO* must use its reasonable endeavours to ensure that the *power system* is operated in a manner that maintains security of *supply* to any *sensitive loads* prescribed by the *Jurisdictional System Security Coordinator* for each *participating jurisdiction* under clause 4.3.2(f).

(l) (1) Notwithstanding any other provision of the *Rules*, in the event that *NEMMCO*, in its reasonable opinion for reasons of public safety or for *power system security*, needs to interrupt *supply* to any *sensitive loads*, *NEMMCO* may only give a direction requiring that interruption:

(i) in accordance with the *load shedding procedures*; and

(ii) if it is a *sensitive load* of a type described in clause 4.3.2(f)(1)(ii), once the *Jurisdictional System Security Coordinator* for the relevant *participating jurisdiction* has given *NEMMCO* its approval (which approval must not be unreasonably withheld).

(2) Other than to ensure the maintenance of *power system security* or public safety, after *disconnection*, notwithstanding any other provision of the *Rules*, *NEMMCO* must not take any steps to prevent the reconnection of a *sensitive load* of the type described in clause 4.3.2(f)(1)(ii) without the approval of the *Jurisdictional System Security Coordinator* for the relevant *participating jurisdiction* (which approval must not be unreasonably withheld).

4.3.3 The role of System Operators

(a) For the purpose of complying with its obligations under clause 4.3.2, *NEMMCO* may, from time to time, in addition to any other power or right under the *Rules*:

(1) engage such agents or appoint such delegates as it considers appropriate to carry out on its behalf some or all of its rights, functions and obligations under this Chapter (such persons being known as "*System Operators*" upon registration with *NEMMCO*); and

(2) organise, enter into and manage any contractual arrangements with appropriately competent service providers.

(b) *NEMMCO* must make accessible to *Registered Participants* information as to:

(1) the engagement or appointment of any agent, delegate or service provider under clause 4.3.3;

(2) the identity of that agent, delegate or service provider; and

(3) the scope of the engagement or appointment, including without limitation, the activities in relation to which the engagement or appointment applies.

(c) A *Registered Participant* must ensure that, where *NEMMCO* has engaged or appointed an agent, delegate or service provider under clause 4.3.3 in relation to certain of its rights, functions or obligations, any communications from the *Registered Participant* to *NEMMCO* under this Chapter concerning the rights, functions or obligations within the scope of the agent's, delegate's or service provider's engagement or appointment are made through that agent, delegate or service provider to the extent notified to the *Registered Participant* by *NEMMCO*.

(d) A *System Operator* must carry out the rights, functions and obligations in respect of which it has been engaged or appointed by *NEMMCO* in accordance with the provisions of the *Rules*.

(e) A *System Operator* must, to the extent that the *System Operator* is aware or ought reasonably to have been aware, keep *NEMMCO* fully and timely informed as to:

(1) the state of the security of the *power system*;

(2) any present or anticipated risks to *power system security*; and

(3) any action contemplated or initiated to address a risk to *power system security* or to restore or maintain the *power system* in a *satisfactory operating state*.

(f) *NEMMCO* must ensure that any agent engaged, or delegate appointed, under clause 4.3.3(a)(1) is registered by it as a *System Operator*.

(g) Notwithstanding that *NEMMCO* may have engaged or appointed an agent, delegate or service provider under clause 4.3.3 to carry out a right, function or obligation of *NEMMCO*, *NEMMCO* remains liable under the *Rules* for performance of that right, function or obligation.

4.3.4 Network Service Providers

(a) Each *Network Service Provider* must use reasonable endeavours to exercise its rights and obligations in relation to its *networks* so as to co-operate with and assist *NEMMCO* in the proper discharge of the *NEMMCO power system security responsibilities*.

(b) Each *Network Service Provider* must use reasonable endeavours to ensure that *interruptible loads* are provided as specified in clause 4.3.5 and clause S5.1.10

of schedule 5.1 (including without limitation, through the inclusion of appropriate provisions in *connection agreements*).

(c) Each *Network Service Provider* must arrange and maintain, in accordance with the standards described in clause 4.3.4(e), controls, monitoring and secure communication systems to facilitate a manually initiated, rotational *load shedding* and restoration process which may be necessary if there is, in *NEMMCO's* opinion, a prolonged major *supply* shortage or extreme *power system* disruption.

(d) Each *Network Service Provider* must advise *NEMMCO* of any *ancillary services* or similar services provided under any *connection agreement* to which it is a party.

(e) *NEMMCO* must develop, and may amend, standards in consultation with *Network Service Providers* in accordance with the *Rules consultation procedures* which must be met by *Network Service Providers* in arranging and maintaining the controls, monitoring and secure communication systems referred to in clause 4.3.4(c).

(f) Until the standards contemplated by clause 4.3.4(e) are issued by *NEMMCO*, each *Network Service Provider* must maintain the control, monitoring and secure communication systems referred to in clause 4.3.4(c) that were in place at 13 December 1998 so as to achieve substantially the same performance and functionality as they did over the 12 months prior to 13 December 1998.

(g) Each *Network Service Provider* must plan or operate its *transmission system* or *distribution system* in accordance with the *power system* stability guidelines described in clause 4.3.4(h).

(h) *NEMMCO* must develop, and may amend, guidelines for *power system* stability but only in consultation with *Registered Participants* in accordance with the *Rules consultation procedures*, and must *publish* the guidelines for *power system* stability.

(i) The *power system* stability guidelines developed in accordance with clause 4.3.4(h) must detail the policies governing *power system* stability so as to facilitate the operation of the *power system* within stable limits.

4.3.5 Market Customer obligations

(a) All *Market Customers* having expected peak demands at *connection points* in excess of 10 MW, must provide automatic *interruptible load* of the type described in clause S5.1.10 of schedule 5.1. The level of this automatic *interruptible load* must be a minimum of 60% of their expected demand, or such other minimum *interruptible load* level as may be periodically determined by the *Reliability Panel*, to be progressively automatically *disconnected* following the occurrence of a *power system* under-*frequency* condition described in the *power system security and reliability standards*.

(b) *Market Customers* must provide their *interruptible load* in manageable blocks spread over a number of steps within under-*frequency* bands from 49.0 Hz down to 47.0 Hz as nominated by *NEMMCO*.

(c) Any *load shedding* capability the subject of an *ancillary services agreement* or *enabled* as a *market ancillary service* can be counted as automatic *interruptible load* provided for the purposes of clause 4.3.5.

4.4 Power System Frequency Control

4.4.1 Power system frequency control responsibilities

NEMMCO must use its reasonable endeavours to:

(a) control the *power system frequency*; and

(b) ensure that the *frequency operating standards* set out in the *power system security and reliability standards* are achieved.

4.4.2 Operational frequency control requirements

To assist in the effective control of *power system frequency* by *NEMMCO* the following provisions apply:

(a) *NEMMCO* may give *dispatch instructions* in respect of *scheduled generating units, scheduled loads, scheduled network services* and *market ancillary services* pursuant to rule 4.9.

(b) Each *Generator* must ensure that all of its *generating units* have responsive speed *governor systems* in accordance with the requirements of schedule 5.2, so as to automatically share in changes in *power system demand* or loss of *generation* as it occurs through response to the resulting excursion in *power system frequency*.

(c) *NEMMCO* must use its reasonable endeavours to arrange to be available and specifically allocated to *regulating duty* such *generating plant* as *NEMMCO* considers appropriate which can be automatically controlled or directed by *NEMMCO* to ensure that all normal *load* variations do not result in *frequency* deviations outside the limitations specified in clause 4.2.2(a).

(d) **[Deleted]**

(e) *NEMMCO* must use its reasonable endeavours to ensure that adequate *facilities* are available and are under the direction of *NEMMCO* to allow the managed recovery of the *satisfactory operating state* of the *power system*.

4.4.3 Generator protection requirements

Generators must, in accordance with schedule 5.2 and Chapter 5, provide any necessary automatically initiated protective device or systems to protect their *plant*

and associated *facilities* against abnormal *voltage* and extreme *frequency* excursions of the *power system*.

4.5 Control of Power System Voltage

4.5.1 Power system voltage control

(a) *NEMMCO* must determine the adequacy of the capacity of the *power system* to produce or absorb *reactive power* in the control of the *power system voltages*.

(b) *NEMMCO*, in consultation with *Network Service Providers*, must assess and determine the limits of the operation of the *power system* associated with the avoidance of *voltage* failure or collapse under *single credible contingency event* scenarios.

(c) The limits of operation of the *power system* must be translated by *NEMMCO*, in consultation with *Network Service Providers*, into key location operational *voltage* settings or limits, *transmission line* capacity limits, *reactive power* production (or absorption) capacity or other appropriate limits to enable their use by *NEMMCO* in the maintenance of *power system security*.

(d) The determination referred to in clause 4.5.1(b) must include a review of the dynamic stability of the *voltage* of the *power system*.

(e) *NEMMCO* must use its reasonable endeavours to maintain *voltage* conditions throughout the *power system* so that the *power system* remains in a *satisfactory operating state*.

(f) *NEMMCO* must use its reasonable endeavours to arrange the provision of *reactive power facilities* and *power system voltage* stabilising *facilities* through:

(1) contractual arrangements for *ancillary services* with appropriate *Registered Participants* in accordance with rule 3.11;

(2) negotiation and agreement with appropriate *Network Service Providers*; or

(3) obligations on the part of *Registered Participants* under their *connection agreements* in accordance with clause 3.11.4(b)(1).

(g) Without limitation, such *reactive power facilities* may include:

(1) *synchronous generator voltage controls* (rotor current adjustment) usually associated with *tap-changing transformers*;

(2) *synchronous condensors* (compensators);

(3) *static VAR compensators* (SVC);

(4) *shunt capacitors*;

(5) *shunt reactors*.

4.5.2 Reactive power reserve requirements

(a) *NEMMCO* must use its reasonable endeavours to ensure that sufficient *reactive power reserve* is available at all times to maintain or restore the *power system* to a *satisfactory operating state* after the most critical *contingency event* as determined by previous analysis or by periodic contingency analysis by *NEMMCO*.

(b) If *voltages* are outside acceptable limits, and the means of *voltage* control set out in this rule 4.5 are exhausted, *NEMMCO* must take all reasonable actions, including to direct changes to demand (through selective *load shedding* from the *power system*), additional *generation* operation or reduction in the *transmission line* flows but only to the extent necessary to restore the *voltages* to within the relevant limits. A *Registered Participant* must comply with any such direction.

4.5.3 Audit and testing

NEMMCO must arrange, co-ordinate and supervise the conduct of appropriate tests to assess the availability and adequacy of the provision of *reactive power* to control and maintain *power system voltages* under both *satisfactory operating state* and *contingency event* conditions.

4.6 Protection of Power System Equipment

4.6.1 Power system fault levels

(a) *NEMMCO*, in consultation with *Network Service Providers*, must determine the fault levels at all *busbars* of the *power system* as described in clause 4.6.1(b).

(b) *NEMMCO* must ensure that there are processes in place, which will allow the determination of fault levels for normal operation of the *power system* and in anticipation of all *credible contingency events* that *NEMMCO* considers may affect the configuration of the *power system*, so that *NEMMCO* can identify any *busbar* which could potentially be exposed to a fault level which exceeds the fault *current ratings* of the circuit breakers associated with that *busbar*.

4.6.2 Power system protection co-ordination

NEMMCO must use its reasonable endeavours to co-ordinate, in consultation with the *Network Service Providers*, the protection of *transmission system plant* and equipment that *NEMMCO* reasonably considers could affect *power system security*.

4.6.3 Audit and testing

NEMMCO must use its reasonable endeavours to co-ordinate such inspections and tests as *NEMMCO* thinks appropriate to ensure that the protection of the *power system* is adequate to protect against damage to *power system plant* and equipment.

4.6.4 Short-term thermal ratings of power system

(a) *NEMMCO* may act so as to use, or require or recommend actions which use, the full extent of the thermal ratings of *transmission elements* to maintain *power system security*, including the short-term ratings (being time dependent ratings), as defined by the *Network Service Providers* from time to time.

(b) *NEMMCO* must use its reasonable endeavours not to exceed the ratings defined by the *Network Service Providers* and not to require or recommend action which causes those ratings to be exceeded, to the extent that *NEMMCO* is or ought reasonably to be aware of such ratings.

4.6.5 Partial outage of power protection systems

(a) Where there is an *outage* of one *protection system* of a *transmission line*, *NEMMCO* must determine, in consultation with the relevant *Network Service Provider*, the most appropriate action. Depending on the circumstances the determination may be:

(1) to leave the *transmission element* in service for a limited duration;

(2) to take the *transmission element* out of service immediately;

(3) to install a temporary *protection system*;

(4) to accept a degraded performance from the *protection system*, with or without additional operational measures or temporary protection measures to minimise *power system* impact; or

(5) to operate the *transmission element* at a lower capacity.

(b) If there is an *outage* of both *protection systems* on a *transmission line* and *NEMMCO* determines this to be an unacceptable risk to *power system security*, *NEMMCO* must take the *transmission element* out of service as soon as possible and advise the appropriate *Network Service Provider* immediately this action is undertaken.

(c) The *Network Service Provider* must comply with a determination made by *NEMMCO* under this clause 4.6.5 unless, in the reasonable opinion of the *Network Service Provider*, it would threaten the safety of any person or cause material damage.

4.7 Power System Stability Co-ordination

4.7.1 Stability analysis co-ordination

(a) *NEMMCO* must, in cooperation with the relevant *Network Service Providers*, apply the *power system* stability guidelines described in clause 4.3.4(h) to the conduct of all necessary calculations associated with the stable operation of the *power system* and use its reasonable endeavours to coordinate the determination of the settings of equipment used to maintain *power system* stability. The *Network Service Providers* must submit to *NEMMCO* for

approval the settings of any *transmission* equipment used to maintain the stable operation of the *power system*.

(b) *NEMMCO* must arrange and endorse the installation of *power system* devices which are approved by *NEMMCO* to be necessary to assist the stable operation of the *power system*.

4.7.2 Audit and testing

NEMMCO must arrange, co-ordinate and supervise the conduct of such inspections and tests as it deems appropriate to assess the availability and adequacy of the devices installed to maintain *power system* stability.

4.8 Power System Security Operations

4.8.1 Registered Participants' advice

A *Registered Participant* must promptly advise *NEMMCO* or a relevant *System Operator* at the time that the *Registered Participant* becomes aware, of any circumstance which could be expected to adversely affect the secure operation of the *power system* or any equipment owned or under the control of the *Registered Participant* or a *Network Service Provider*.

4.8.2 Protection or control system abnormality

(a) If a *Registered Participant* becomes aware that any relevant *protection system* or *control system* is defective or unavailable for service, that *Registered Participant* must advise *NEMMCO*. If *NEMMCO* considers it to be a threat to *power system security*, *NEMMCO* may direct that the equipment protected or operated by the relevant *protection system* or *control system* be taken out of operation or operated as *NEMMCO* directs.

(b) A *Registered Participant* must comply with a direction given by *NEMMCO* under clause 4.8.2(a).

4.8.3 NEMMCO's advice on power system emergency conditions

(a) *NEMMCO* must *publish* all relevant details promptly after *NEMMCO* becomes aware of any circumstance with respect to the *power system* which, in the reasonable opinion of *NEMMCO*, could be expected to materially adversely affect *supply* to or from *Registered Participants*.

(b) Without limitation, such circumstances may include:

(1) electricity *supply* capacity shortfall, being a condition where there are insufficient *generation* or *supply* options available to securely *supply* the total load in a *region*;

(2) unexpected disruption of *power system security*, which may occur when:

(i) an unanticipated major *power system* or *generation plant contingency event* occurs; or

(ii) significant environmental or similar conditions, including weather, storms or fires, are likely to, or are affecting, the *power system*; or

(3) a *major supply disruption*.

4.8.4 Declaration of conditions

NEMMCO may declare the following conditions in relation to a period of time, either present or future:

(a) *Low reserve* condition - when *NEMMCO* considers that the *short term capacity reserves* or *medium term capacity reserves* for the period being assessed have fallen below those determined by *NEMMCO* as being in accordance with the relevant *short term capacity reserve standards* or *medium term capacity reserve standards*;

(b) *Lack of reserve* level 1 (LOR1) - when *NEMMCO* considers that there is insufficient *short term capacity reserves* available to provide complete replacement of the *contingency capacity reserve* on the occurrence of a *critical single credible contingency event* for the period nominated;

(c) *Lack of reserve* level 2 (LOR2) - when *NEMMCO* considers that the occurrence of a *critical single credible contingency event* is likely to require *involuntary load shedding*;

(d) *Lack of reserve* level 3 (LOR3) - when *NEMMCO* considers that *Customer load* (other than *ancillary services* or contracted *interruptible loads*) would be, or is actually being, interrupted automatically or manually in order to maintain or restore the security of the *power system*.

4.8.5 Managing declarations of conditions

(a) *NEMMCO* must as soon as reasonably practicable *publish* any declaration under clause 4.8.4.

(a1) The *publication* of any such declaration must, to the extent reasonably practicable, include the following:

(1) the nature and extent of the *low reserve* or *lack of reserve* condition; and

(2) the time period over which the *low reserve* or *lack of reserve* condition applies.

(b) If *NEMMCO* makes a declaration under clause 4.8.4, *NEMMCO* must use its reasonable endeavours to follow the processes set out in clauses 4.8.5A and 4.8.5B.

(c) Following a declaration under clause 4.8.4, *NEMMCO* must as soon as reasonably practicable *publish* notice of:

(1) any cancellation of that declaration; or

(2) any significant change in the *low reserve* or *lack of reserve* condition due to changed positions of *Scheduled Network Service Providers, Market Customers* and *Scheduled Generators* or due to other reasons.

4.8.5A Determination of the latest time for intervention by direction or dispatch of reserve contract

(a) *NEMMCO* must immediately *publish* a notice of any foreseeable circumstances that may require *NEMMCO* to issue a *direction* or *dispatch reserves* it has available under *reserve contracts* under clause 4.8.6.

(a1) Any such notice must include the forecast circumstances creating the need to issue a *direction* or *dispatch reserves*.

(b) *NEMMCO* must, as soon as reasonably practicable after the *publication* of a notice pursuant to clause 4.8.5A(a), estimate and *publish* the latest time at which it would need to intervene to issue a *direction* under clause 4.8.9, or *dispatch reserves* it has available under *reserve contracts* under clause 4.8.6, should the response from the *market* not be such as to obviate the need to issue a *direction* or *dispatch reserves*.

(c) In order to estimate the time referred to in clause 4.8.5A(b), *NEMMCO* may request information from a *Scheduled Network Service Provider, Scheduled Generator* or *Market Customer* and may specify the time within which that information is to be provided. Such information may include, but is not limited to:

(1) *plant* status;

(2) any expected or planned *plant outages* and the MW capacity affected by the *outage*, proposed start date and time and expected end date and time associated with the *outage* and an indication of the possibility of deferring the *outage*;

(3) estimates of the relevant costs to be incurred by the *Scheduled Network Service Provider, Scheduled Generator* or *Market Customer* should it be the subject of a *direction*, but only if *NEMMCO* considers it reasonably likely that such *Scheduled Network Service Provider, Scheduled Generator* or *Market Customer* will be subject to a *direction*.

(d) A *Scheduled Network Service Provider, Scheduled Generator* or *Market Customer* must use reasonable endeavours:

(1) to comply with a request for information pursuant to clause 4.8.5A(c); and

(2) to provide *NEMMCO* with the information required in the time specified by *NEMMCO*.

(e) *NEMMCO* must regularly review its estimate of the latest time at which it would need to intervene to issue a *direction* under clause 4.8.9 or to *dispatch*

reserves it has available under *reserve contracts* under clause 4.8.6 and must *publish* any revisions to the estimate.

(f) *NEMMCO* must treat any information provided in response to a request under clause 4.8.5A(c) as *confidential information* and use it for the sole purpose of assessing to which *Scheduled Network Service Provider, Market Customer* or *Scheduled Generator* it should issue *directions*.

4.8.5B Notifications of last time of intervention

If the latest practicable time for the *dispatch* of *reserves*, as estimated by *NEMMCO* under clause 4.8.5A, is reached and, taking into account any *reserve contracts*, the circumstances described under clause 4.8.5A(a) have not been alleviated, *NEMMCO* must to the extent reasonably practicable immediately:

(1) *publish* a notice that *NEMMCO*:

(i) considers the time for the negotiation of further *reserve contracts* in accordance with clause 3.12.1 has elapsed; and

(ii) intends to issue *directions* under clause 4.8.9 or *dispatch reserve* available under *reserve contracts* under clause 4.8.6; and

(2) amend the *pre-dispatch schedule* to ensure that it is a physically realisable schedule for all periods in which *NEMMCO* intends to issue *directions* or *dispatch reserves* available under *reserve contracts*.

4.8.6 NEMMCO utilisation of reserves under contract

(a) Notwithstanding clauses 4.8.4, 4.8.5, 4.8.5A and 4.8.5B, if in *NEMMCO's* opinion the latest time for intervention by *dispatch* of *reserves* it has available under *reserve contracts* has arrived, then *NEMMCO* may *dispatch* such *reserves.*

(b) *NEMMCO* must follow the relevant procedures in rule 4.8 prior to *dispatching plant* the subject of a *reserve contract* unless it is not reasonably practicable to do so.

(b1) Subject to clause 4.8.6(b), *NEMMCO* must only *dispatch plant* the subject of a *reserve contract* in accordance with the procedures developed pursuant to clause 4.8.6(c).

(b2) In order to effect the *dispatch* of *plant* the subject of a *reserve contract NEMMCO* may:

(1) submit, update or vary *dispatch bids* or *dispatch offers* in relation to all or part of a *scheduled generating unit*, *scheduled network service* or *scheduled load* which is the subject of a *reserve contract*; or

(2) change other inputs to the *dispatch* process to give effect to the *dispatch* of *reserves*.

(c) *NEMMCO* must develop, and may amend from time to time, in accordance with the *Rules consultation procedures*, procedures for the *dispatch* of *reserves* it has available under *reserve contracts* pursuant to clause 4.8.6(a). Such procedures must reflect the following principles:

(1) *NEMMCO* must use its reasonable endeavours to minimise the cost of *dispatching reserves* and compensation to *Affected Participants* and *Market Customers* pursuant to clause 3.12.11 and compensation to *Directed Participants* pursuant to clauses 3.15.7 and 3.15.7A;

(2) the instruction to *dispatch reserves* is to be revoked as soon as *NEMMCO* determines the *dispatch* of such *reserves* is no longer required; and

(3) *NEMMCO* must take into account the procedures developed pursuant to clause 4.8.9(b).

(d) **[Deleted]**

(e) *NEMMCO* must take into account any guidelines and policies for the provision of *reserves* issued by the *Reliability Panel* pursuant to clause 8.8.1(a)(4).

4.8.7 Managing a power system contingency event

(a) During the period when the *power system* is affected by a *contingency event* *NEMMCO* must carry out actions, in accordance with the guidelines set out in the *power system security and reliability standards* and its obligations concerning *sensitive loads*, to:

(1) identify the impact of the *contingency event* on *power system security* in terms of the capability of *generating units* or *transmission* or *distribution networks*; and

(2) identify and implement the actions required in each affected *region* to restore the *power system* to its *satisfactory operating state*.

(b) When *contingency events* lead to potential or actual electricity *supply* shortfall events, *NEMMCO* must follow the procedures outlined in clause 4.8.9.

4.8.8 [Deleted]

4.8.9 Power to issue directions and clause 4.8.9 instructions

(a) Notwithstanding any other provision of rule 4.8:

(1) *NEMMCO* may require a *Registered Participant* to do any act or thing if *NEMMCO* is satisfied that it is necessary to do so to maintain or re-establish the *power system* to a *secure operating state*, a *satisfactory operating state*, or a *reliable operating state*; and

(2) *NEMMCO* may authorise a person to do any of the things contemplated by section 116 of the *National Electricity Law* if *NEMMCO* is satisfied

that it is necessary to do so for reasons of public safety or the security of the electricity system.

(a1) If *NEMMCO*, or a person authorised by *NEMMCO*, requires a *Registered Participant* to:

(1) take action as contemplated by clause 4.8.9(a) or section 116 of the *National Electricity Law* in relation to *scheduled plant* or a *market generating unit*, *NEMMCO* is taken to have issued a *direction*; or

(2) take some other action contemplated by clause 4.8.9(a) or section 116 of the *National Electricity Law*, *NEMMCO* is taken to have issued a *clause 4.8.9 instruction*.

(a2) *NEMMCO* must use reasonable endeavours to ensure that persons authorised by *NEMMCO* under clause 4.8.9(a)(2) follow all relevant processes in clause 4.8 prior to issuing a *direction*, unless it is not reasonably practical to do so.

(b) *NEMMCO* must develop, and may amend from time to time, in accordance with the *Rules consultation procedures*, procedures for the issuance of *directions.* Such procedures must reflect the following principles:

(1) *NEMMCO* must use its reasonable endeavours to minimise any cost related to *directions* and compensation to *Affected Participants* and *Market Customers* pursuant to clause 3.12.11 and compensation to *Directed Participants* pursuant to clauses 3.15.7 and 3.15.7A;

(2) a *direction* should be revoked as soon as *NEMMCO* determines that the *direction* is no longer required;

(3) *NEMMCO* must take into account any applicable guidelines issued by the *Reliability Panel*;

(4) *NEMMCO* must observe its obligations under clause 4.3.2 concerning *sensitive loads*;

(5) *NEMMCO* must expressly notify a *Directed Participant* that *NEMMCO's* requirement or that of another person authorised by *NEMMCO* pursuant to clause 4.8.9(a) is a *direction*.

(c) A *Registered Participant* must use its reasonable endeavours to comply with a *direction* or *clause 4.8.9 instruction* unless to do so would, in the *Registered Participant's* reasonable opinion, be a hazard to public safety, or materially risk damaging equipment, or contravene any other law.

(c1) Subject to clause 4.8.9(c) a *Registered Participant* must use its best endeavours to comply with a *direction* or *clause 4.8.9 instruction* in accordance with the timeframe specified by *NEMMCO* in the *direction* or *clause 4.8.9 instruction.*

(c2) A *Market Participant* must not by any act or omission, whether intentionally or recklessly, cause or significantly contribute to the circumstances causing a *direction* to be issued, without reasonable cause.

(d) A *Registered Participant* must immediately notify *NEMMCO* of its inability to comply or its intention not to comply with a *direction* or *clause 4.8.9 instruction.*

(e) If a *Registered Participant* does not comply with a *direction* or *clause 4.8.9 instruction*, it must within 2 *business days* of the *direction* or *clause 4.8.9 instruction* deliver to *NEMMCO* and the *AER* a report detailing the reasons for the non compliance together with all relevant facts.

(f) *NEMMCO* must *publish* a report in accordance with clause 3.13.6A.

(g) **[Deleted]**

(h) *NEMMCO's* obligations and powers under clause 4.8.9(a) to issue a *direction* or *clause 4.8.9 instruction* to maintain or re-establish the *power system* in a *reliable operating state* cease when *NEMMCO's* right to enter into contracts for the provision of *reserves* in accordance with rule 3.12 ceases.

(i) Any *Registered Participant* who is aware of a failure to comply with a *direction* or *clause 4.8.9 instruction* or who believes any such failure has taken place must notify *NEMMCO* and the *AER* in writing and as soon as practicable of that fact.

(j) If *NEMMCO* issues a *direction* or *clause 4.8.9 instruction*, *NEMMCO* may, to give effect to the *direction* or *clause 4.8.9 instruction*:

(1) submit, update or vary *dispatch bids*, *dispatch offers* or *rebids* in relation to the *plant* of *Directed Participants* and *Affected Participants*;

(2) change other inputs to the *dispatch process*; or

(3) select a *Market Participant* or *Market Participants* to become *Affected Participants* to implement clause 3.8.1(b)(11).

(k) When issuing *clause 4.8.9 instructions* to implement *load shedding* across *interconnected regions*, *NEMMCO* must use reasonable endeavours to implement *load shedding* in an equitable manner as specified in the *power system security and reliability standards*, taking into account the *power transfer capability* of the relevant *networks.*

(l) When issuing *clause 4.8.9 instructions* to implement *load shedding*, *NEMMCO* must comply with its obligations under clauses 4.3.2(e) to (l) and Part 8 of the *National Electricity Law.*

4.8.9A System security directions

(a) Notwithstanding any other provision of the *Rules*, a *Registered Participant* must follow any *direction* issued by or on behalf of *NEMMCO* and with which that *Registered Participant* is required to comply under Chapter 4 or section 116 of the *National Electricity Law*.

(b) Any event or action required to be performed pursuant to a *direction* issued under Chapter 4 or section 116 of the *National Electricity Law* on or by a stipulated *day* is required by the *Rules* to occur on or by that *day*, whether or not a *business day*.

(c) Any failure to observe such a *direction* will be deemed to be a breach of the *Rules*.

(d) *NEMMCO* or any *Registered Participant* who is aware of any such failure must notify the *AER* in writing of the failure.

4.8.10 Disconnection of generating units and market network services

(a) Where, under the *Rules*, *NEMMCO* has the authority or responsibility to *disconnect* a *generating unit* or a *market network service*, then it may do so (either directly or through any agent) as described in rule 5.9.

(b) The relevant *Generator* or *Market Network Service Provider* must provide all reasonable assistance to *NEMMCO* for the purpose of such *disconnection*.

4.8.11 [Deleted]

4.8.12 System restart plan and local black system procedures

(a) *NEMMCO* must prepare, and may amend, a *system restart plan* for the purpose of managing and coordinating system restoration activities during any *major supply disruption*.

(b) The *system restart plan* is *confidential information*.

(c) The *system restart plan* must be consistent with the *system restart standard*.

(d) Each *Generator* and *Network Service Provider* must develop *local black system procedures* in accordance with the guidelines referred to in clause 4.8.12(e). A *Generator's* or *Network Service Provider's local black system procedures* must be consistent with any *ancillary services agreement* to provide *system restart ancillary services* to which that *Generator* or *Network Service Provider* is a party. On request from *NEMMCO*, or as a result of a significant change of circumstances, a *Generator* or *Network Service Provider* must review, and amend if appropriate, its *local black system procedures*.

(e) Subject to clause 4.8.12(f), *NEMMCO* must develop and *publish*, and may amend, guidelines for the preparation of *local black system procedures* in consultation with *Generators* and *Network Service Providers*.

(f) *Local black system procedures* must:

(1) provide sufficient information to enable *NEMMCO* to understand the likely condition and capabilities of *plant* following any *major supply disruption* such that *NEMMCO* is able to effectively co-ordinate the safe implementation of the *system restart plan*; and

(2) appropriately incorporate any relevant *energy support arrangements* to which a *Generator* or *Network Service Provider* may be party.

(g) Each *Generator* and *Network Service Provider* must submit its *local black system procedures*, including any amendments to those procedures, to *NEMMCO* for approval. In considering whether to grant approval, *NEMMCO* must take into account the consistency of the *local black system procedures* with:

(1) the guidelines referred to in clause 4.8.12(e); and

(2) relevant components of the *system restart plan*.

(h) *NEMMCO* may request amendments to *local black system procedures*, including, without limitation, imposing conditions in respect of any *energy support arrangement* as *NEMMCO* reasonably considers necessary to ensure the integrity of the *system restart plan*. When requesting amendments to the *local black system procedures*, *NEMMCO* must provide reasons for those requested amendments.

(i) Requests by *NEMMCO* for amendments under clause 4.8.12(h) must be by notice in writing to a *Generator* or *Network Service Provider*. Reasonable requests by *NEMMCO* for amendments under clause 4.8.12(h) must be complied with by a *Generator* or *Network Service Provider*.

(j) *NEMMCO* and *Network Service Providers* must jointly develop communication protocols to facilitate the exchange of all information relevant to the roles played by *NEMMCO*, *Network Service Providers*, *Generators* and *Customers* in the implementation of the *system restart plan*.

4.8.13 [Deleted]

4.8.14 Power system restoration

(a) *NEMMCO* must notify a *Registered Participant* if, in *NEMMCO's* reasonable opinion, there is a *major supply disruption* which is affecting, or which may affect, that *Registered Participant*.

(b) If *NEMMCO* advises a *Generator* or *Network Service Provider* of a *major supply disruption*, or if the terms of the relevant *local black system procedures* require the *Generator* or *Network Service Provider* to take action, then the *Generator* or *Network Service Provider* must comply with the requirements of the *local black system procedures* as quickly as is practicable.

(c) Where in *NEMMCO's* reasonable opinion the *system restart plan* cannot be implemented to effectively ameliorate the actual *power system* conditions created by a *major supply disruption*, *NEMMCO* may adapt or vary the *system restart plan* as it considers reasonably necessary to suit those actual *power system* conditions.

(d) If there is a *major supply disruption*, a *Generator* or *Network Service Provider* must comply with *NEMMCO's directions* or *clause 4.8.9 instructions* regarding the restoration of the *power system*.

(e) If there is a *major supply disruption*, a *Market Customer* must comply with *NEMMCO's directions* with respect to the timing and magnitude of *load* restoration.

4.8.15 Review of operating incidents

(a) For the purposes of this clause 4.8.15:

Reviewable operating incident means:

(1) an incident comprising:

(i) a *non-credible contingency event* or multiple *contingency events* on the *transmission system;* or

(ii) a *black system* condition; or

(iii) an event where the *frequency* of the *power system* is outside limits specified in the *power system security* and *reliability standards*; or

(iv) an event where the *power system* is not in a *secure operating state* for more than 30 minutes; or

(v) an event where *NEMMCO* issues a *clause 4.8.9 instruction* for *load shedding*,

being an incident identified, in accordance with guidelines determined by the *Reliability Panel* under rule 8.8, to be of significance to the operation of the *power system* or a significant deviation from normal operating conditions; or

(2) an incident where *NEMMCO* has been responsible for the *disconnection* of *facilities* of a *Registered Participant* under the circumstances described in clause 5.9.5; or

(3) any other operating incident identified, in accordance with guidelines determined by the *Reliability Panel* under rule 8.8, to be of significance to the operation of the *power system* or a significant deviation from normal operating conditions;

but does not include an incident in respect of which *NEMMCO* is required to conduct a review under clause 3.14.3(c).

(b) *NEMMCO* must conduct a review of every reviewable operating incident in order to assess the adequacy of the provision and response of *facilities* or services, and the appropriateness of actions taken to restore or maintain *power system security*.

(c) *NEMMCO* must prepare a report on the review of a reviewable operating incident, and where that report relates to an incident described in clause

4.8.15(a)(1) or (3), *NEMMCO* must make the report available to *Registered Participants* and to the public.

(d) Where *NEMMCO* has been responsible for the *disconnection* of *facilities* of a *Registered Participant* under the circumstances described in clause 5.9.5, *NEMMCO* must provide a report on that review to the *Registered Participant*, the *AEMC* and the *AER* advising of the circumstances requiring that action.

(e) A *Registered Participant* must co-operate in any review conducted by *NEMMCO* including making available relevant records and information.

(f) *NEMMCO* may request a *Registered Participant* to provide such information relating to the performance of equipment of that *Registered Participant* during and after reviewable operating incidents, as *NEMMCO* reasonably requires for the purposes of analysing or reporting on the incident.

(g) A *Registered Participant* must provide the information requested by *NEMMCO* under clause 4.8.15(f) within 20 *business days* unless *NEMMCO* agrees to a longer period, taking into account:

(1) the particular circumstances of the reviewable operating incident; and

(2) any request made under clause 4.8.15(h).

(h) *NEMMCO* must as soon as practicable, provide to a *Registered Participant* such information relating to the performance of equipment of the *Registered Participant* during and after a reviewable operating incident as the *Registered Participant* reasonably requests and in relation to which *NEMMCO* is required to conduct a review under this clause 4.8.15.

(i) At any time when no guidelines are in force under rule 8.8, *NEMMCO* may conduct a review of any incident referred to in clause 4.8.15(a)(1) that *NEMMCO* considers to be of significance to the operation of the *power system* or a significant deviation from normal operating conditions, and this clause 4.8.15 applies to and in respect of the review as if the incident were a reviewable operating incident.

4.9 Power System Security Related Market Operations

4.9.1 Load forecasting

(a) *NEMMCO* must produce (at the intervals indicated and in accordance with the *timetable*) an indicative *load* forecast for each *region* for the periods indicated below:

(1) each *day*, a forecast for the *day* ahead, such forecast divided into half-hourly *load* forecasts for each *trading interval*;

(2) each *day*, a forecast for 2 to 7 *days* (inclusive) ahead, the forecasts for each *day* divided into half-hourly *load* forecasts for each *trading interval*;

(3) every week, a forecast for the 24 *months* ahead of the *day* on which the forecast is produced, with a daily profile based on an estimated weekly peak load condition with allowances for weekends and holidays.

(b) These forecasts must provide an indicative estimate of the total *generation* capacity required to meet the forecast *load* (called "forecast load (as generated)"), and an equivalent estimation of the *supply* required to be delivered to the relevant *transmission network* (called "forecast load (sent out)").

(c) The following factors must be taken into account in the development of the *load* forecasts, to the extent that such are relevant to the particular forecast:

(1) the annual *load* forecasts and *load* profiles collected by the *Network Service Providers* from all *Registered Participants* as required by schedule 5.7, including *load* management expectations and expected *sent out generation* from *embedded generating units*;

(2) historic *load* data, including *transmission* losses and *power station* in-house use of the *generated* output;

(3) weather forecasts and the current and historic weather conditions and pattern;

(4) the incidence of major events or activities which are known to *NEMMCO*;

(5) anticipated pumped storage *loads*;

(6) official economic activity forecasts from *participating jurisdictions*; and

(7) other information provided by *Registered Participants*.

(d) *NEMMCO* must develop a methodology to create the indicative *load* forecasts.

(e) A 10% probability of exceedence of *load* forecast must be adopted for the purposes of determination of *short term capacity reserve* and *medium term capacity reserve* requirements under the *power system security and reliability standards*.

(f) *NEMMCO* must aggregate the regional forecasts to produce a total *interconnected transmission network* indicative *load* schedule for use in *NEMMCO* processes such as the determination of the required levels of *short term capacity reserves*, *medium term capacity reserves*, the *PASA* assessments and *pre-dispatch schedules*.

(g) The *load* forecasts produced by *NEMMCO* are indicative only as *NEMMCO* has no direct influence over *Market Participants* in their decisions about their level of demand and, accordingly, no person may claim any loss or damage from *NEMMCO* as a result of any difference between *load* forecasts and actual *load*.

4.9.2 Dispatch instructions to Scheduled Generators

(a) To implement *central dispatch* or, where *NEMMCO* has the power to direct or to instruct a *Scheduled Generator* either under Chapter 3 or this Chapter, then for the purpose of giving effect to that direction or instruction, *NEMMCO* may at any time give an instruction to a *Scheduled Generator* in relation to any of its *scheduled generating units* (a *dispatch instruction*), in accordance with clause 4.9.5(b), nominating:

(1) whether the facilities for *generation* remote control by *NEMMCO*, if available, are required to be in service; and

(2) the level or schedule of power to be supplied by the *generating unit* over the specified period.

(b) Subject to paragraph (c), *NEMMCO* may at any time give an instruction to a *Generator* in relation to any of its *generating units* with a *nameplate rating* of 30MW or more, or its *generating systems* of combined *nameplate rating* of 30 MW or more, nominating that:

(1) the *generating unit* or *generating system* transformer is to be set to a nominated tap position (if it has on-load tap changing capability);

(2) the *generating unit's* or *generating system's voltage control system* set-point is to be set to give a nominated *voltage*; or

(3) the *generating unit* or *generating system* is to be operated to supply or absorb a nominated level of *reactive power* at its *connection point*.

(c) Unless otherwise provided under an *ancillary services agreement* or a *connection agreement, NEMMCO* must not give an instruction under paragraph (b) that requires a *generating unit* or *generating system* to supply or absorb *reactive power* at a level outside the *plant's* relevant *performance standard*.

(d) A *Scheduled Generator* must with respect to *scheduled generating units* which have an availability offer of greater than 0 MW (whether *synchronised* or not), ensure that appropriate personnel are available at all times to receive and immediately act upon *dispatch instructions* issued to the *Scheduled Generator* by *NEMMCO*.

4.9.2A Dispatch Instructions to Scheduled Network Service Providers

(a) Where *NEMMCO* has the power to direct or to instruct a *Scheduled Network Service Provider* either under Chapter 3 or this Chapter then, for the purpose of giving effect to that direction or instruction, *NEMMCO* may at any time give an instruction to a *Scheduled Network Service Provider* in relation to any of its *scheduled network services (*a *"dispatch instruction")*, in accordance with clause 4.9.5(b), nominating:

(1) whether the facilities for remote control by *NEMMCO*, if available, are required to be in service; and

(2) the level or schedule of power to be transferred by the *network service* over the specified service.

(b) **[Deleted]**

(c) A *Scheduled Network Service Provider* must, with respect to *scheduled network services* which have an availability offer of greater than 0 MW, ensure that appropriate personnel are available at all times to receive and immediately act upon *dispatch instructions* issued to the *Scheduled Network Service Provider* by *NEMMCO*.

4.9.3 Instructions to Registered Participants

(a) *NEMMCO* may, at any time, give instructions to *Registered Participants* to reduce their *load* for electricity consistent with *dispatch bids* made in accordance with Chapter 3 ("*dispatch instructions*").

(b) **[Deleted]**

(c) **[Deleted]**

(d) A *Market Customer* must, with respect to *scheduled loads* in relation to which a *dispatch offer* has been submitted for a particular *trading interval*, ensure that appropriate personnel and/or electronic facilities are available at all times to receive and immediately act upon *dispatch instructions* issued to the *Market Customer* by *NEMMCO*.

4.9.3A Ancillary services instructions

(a) *NEMMCO* may at any time give an instruction (a "*dispatch instruction*") to a *Market Participant* which has classified one or more of its *generating units* or *market loads* as an *ancillary service generating unit* or an *ancillary service load*:

(1) stating that the relevant *generating unit* or *load* has been selected for the provision of a *market ancillary service;*

(2) stating the *market ancillary service* concerned; and

(3) nominating the range to be *enabled*.

(b) *NEMMCO* may at any time give an instruction (a "*dispatch instruction*") to a *Registered Participant* with which *NEMMCO* has an *ancillary services agreement* in relation to the provision of *non-market ancillary services* under that *ancillary services agreement* or which *NEMMCO* is otherwise entitled to give under that *ancillary services agreement*.

(c) A *Market Participant* which has:

(1) classified one or more of its *generating units* or *market loads* as an *ancillary service generating unit* or an *ancillary service load*; and

(2) submitted a *market ancillary service offer* in respect of that *generating unit* or *load*,

must ensure that appropriate personnel or electronic facilities are available at all times to receive and immediately act upon *dispatch instructions* issued to the *Market Participant* by *NEMMCO*.

(d) A *Registered Participant* with which *NEMMCO* has an *ancillary services agreement* must ensure that appropriate personnel or electronic facilities are available in accordance with that agreement at all times to receive and immediately act upon *dispatch instructions* issued to the *Registered Participant* by *NEMMCO*.

4.9.3B Compliance with dispatch instructions

(a) A *dispatch instruction* applies from the time it is given (or any later time specified in the *dispatch instruction*) until the earlier of:

(1) the cessation time specified in the *dispatch instruction* (if any); or

(2) the time when the next *dispatch instruction* applies.

4.9.4 Dispatch related limitations on Scheduled Generators

A *Scheduled Generator* must not, unless in the *Scheduled Generator's* reasonable opinion public safety would otherwise be threatened or there would be a material risk of damaging equipment or the environment:

(a) send out any *energy* from a *scheduled generating unit*, except:

(1) in accordance with the *self-commitment* procedures specified in clause 4.9.6 up to the *self-dispatch level*;

(2) in accordance with a *dispatch instruction*;

(3) as a consequence of operation of the *generating unit's* automatic *frequency response mode* to *power system* conditions;

(4) in response to remote control signals given by *NEMMCO* or its agent; or

(5) in connection with a test conducted in accordance with the requirements of this Chapter or Chapter 5;

(b) adjust the *transformer tap position* or *excitation control system voltage* set-point of a *scheduled generating unit* except:

(1) in accordance with a *dispatch instruction*;

(2) in response to remote control signals given by *NEMMCO* or its agent;

(3) if, in the *Scheduled Generator's* reasonable opinion, the adjustment is urgently required to prevent material damage to the *Scheduled Generator's plant* or associated equipment, or in the interests of safety; or

(4) in connection with a test conducted in accordance with the requirements of rule 5.7;

(c) *energise* a *connection point* in relation to a *scheduled generating unit* without prior approval from *NEMMCO*. This approval must be obtained immediately prior to *energisation*;

(d) *synchronise* a *scheduled generating unit* to, or *de-synchronise* a *scheduled generating unit* from, the *power system* without prior approval from *NEMMCO* or other than in response to a *dispatch instruction* except *de-synchronisation* as a consequence of the operation of automatic protection equipment or where such action is urgently required to prevent material damage to *plant* or equipment or in the interests of safety;

(e) change the *frequency response mode* of a *scheduled generating unit* without the prior approval of *NEMMCO*; or

(f) remove from service or interfere with the operation of any *power system* stabilising equipment installed on that *generating unit*.

4.9.4A Dispatch related limitations on Scheduled Network Service Providers

A *Scheduled Network Service Provider* must not, unless in the *Scheduled Network Service Provider's* reasonable opinion public safety would otherwise be threatened or there would be a material risk of damaging equipment or the environment:

(a) *energise* a *connection point* in relation to a *scheduled network service* without prior approval from *NEMMCO*. This approval must be obtained immediately prior to *energisation;* or

(b) *synchronise* a *scheduled network service* to, or *de-synchronise* a *scheduled network service* from, the *power system* without prior approval from *NEMMCO* except *de-synchronisation* as a consequence of the operation of automatic protection equipment or where such action is urgently required to prevent material damage to *plant* or equipment or in the interests of safety.

4.9.5 Form of dispatch instructions

(a) A *dispatch instruction* for a *scheduled generating unit*, a *dispatch instruction* for a *scheduled network service* and a *dispatch instruction* for a *scheduled load* (including aggregated *generating units, scheduled network services* or *scheduled loads* as described in clause 3.8.3) must include the following:

(1) specific reference to the *scheduled generating unit* (including any aggregated *generating unit*), *scheduled network service* or *scheduled load* or other *facility* to which the *dispatch instruction* applies;

(2) the desired outcome of the *dispatch instruction* such as *active power*, *reactive power*, *transformer* tap or other outcome;

(3) in the case of a *dispatch instruction* under clause 4.9.2, the *ramp rate* (if applicable) which is to be followed by the *generating unit* or a specific target time to reach the outcome specified in the *dispatch instruction*;

(4) the time the *dispatch instruction* is issued; and

(5) if the time at which the *dispatch instruction* is to take effect is different from the time the *dispatch instruction* is issued, the start time.

(a1) A *dispatch instruction* for an *ancillary service* must include:

(1) specific reference to the *generating unit* or *load* to which the *dispatch instruction* applies;

(2) the desired outcome of the *dispatch instruction*;

(3) the time the *dispatch instruction* is issued; and

(4) if the time at which the *dispatch instruction* is to take effect is different from the time the *dispatch instruction* is issued, the start time.

(b) The *dispatch instruction* must be provided as provided in clause 3.8.21.

4.9.6 Commitment of scheduled generating units

(a) Self-commitment:

(1) In relation to any *scheduled generating unit*, the *Scheduled Generator* must confirm with *NEMMCO* the expected *synchronising* time at least one hour before the expected actual *synchronising* time, and update this advice 5 minutes before *synchronising* unless otherwise agreed with *NEMMCO*. *NEMMCO* may require further notification immediately before *synchronisation*.

(2) The *Scheduled Generator* must advise *NEMMCO* when a *generating unit* reaches the *self-dispatch level* (being a *self-dispatch level* that is greater than zero MW) and must not increase output above that level unless instructed otherwise by *NEMMCO* to increase output or unless the increase in output results from the *generating unit* being placed under remote control to be loaded in accordance with Chapter 3.

(b) Instructions by *NEMMCO* to commit a *generating unit* for service:

(1) A *dispatch instruction* for a *scheduled generating unit* to commit given by *NEMMCO* in response to a *dispatch offer* must be consistent with the start-up time specified in the latest *dispatch offer* in relation to the *generating unit*.

(2) When *NEMMCO* issues a *dispatch instruction* to a *generating unit* for *commitment*, *NEMMCO* must nominate the time at which the *generating unit* is to be *synchronised*.

(3) After a *dispatch instruction* for *commitment* of a *generating unit* has been issued, the relevant *Scheduled Generator* must promptly advise *NEMMCO* of any inability to meet the nominated time to *synchronise*.

(4) Unless instructed otherwise by *NEMMCO*, at the time a *dispatch instruction* to *commit* takes effect, the relevant *generating unit* must remain on *self-dispatch level* until *NEMMCO* issues a further *dispatch instruction*.

4.9.7 De-commitment, or output reduction, by Scheduled Generators

(a) In relation to any *scheduled generating unit*, the *Scheduled Generator* must confirm with *NEMMCO* the expected *de-synchronising* time at least one hour before the expected actual *de-synchronising* time, and update this advice 5 minutes before *de-synchronising* unless otherwise agreed with *NEMMCO*. *NEMMCO* may require further notification immediately before *de-synchronisation*.

(b) The *Scheduled Generator* must not de-commit a *generating unit* unless it has confirmed with *NEMMCO*:

(1) the time to commence decreasing the output of the *generating unit*;

(2) the *ramp rate* to decrease the output of the *generating unit*;

(3) the time to *de-synchronise* the *generating unit*; and

(4) the output from which the *generating unit* is to be *de-synchronised*.

4.9.8 General responsibilities of Registered Participants

(a) A *Registered Participant* must comply with a *dispatch instruction* given to it by *NEMMCO* unless to do so would, in the *Registered Participant's* reasonable opinion, be a hazard to public safety or materially risk damaging equipment.

(b) A *Scheduled Generator* must ensure that each of its *scheduled generating units* is at all times able to comply with the latest *generation dispatch offer* under Chapter 3 in respect of that *generating unit*.

(b1) A *Scheduled Network Service Provider* must ensure that each of its *scheduled network services* is at all times able to comply with the latest *network dispatch offer* under Chapter 3 in respect of that *market network service*.

(c) A *Registered Participant* must ensure that each of its *facilities* is at all times able to comply with any relevant *dispatch bid* under Chapter 3 in respect of the *facility* (as adjusted by any subsequent restatement of that bid under Chapter 3).

(d) A *Market Participant* which has classified a *generating unit* or *load* as an *ancillary service generating unit* or an *ancillary service load*, as the case may

be, must ensure that the *ancillary service generating unit* or *ancillary service load* is at all times able to comply with the latest *market ancillary service offer* for the relevant *trading interval*.

4.9.9 Scheduled Generator plant changes

A *Scheduled Generator* must, without delay, notify *NEMMCO* of any event which has changed or is likely to change the operational availability of any of its *scheduled generating units*, whether the relevant *generating unit* is *synchronised* or not, as soon as the *Scheduled Generator* becomes aware of the event.

4.9.9A Scheduled Network Service Provider plant changes

A Scheduled Network Service Provider must, without delay, notify *NEMMCO* of any event which has changed or is likely to change the operational availability of any of its *scheduled network services* as soon as the *Scheduled Network Service Provider* becomes aware of the event.

4.9.9B Ancillary service plant changes

A Market Participant which has classified a *generating unit* or *load* as an *ancillary service generating unit* or an *ancillary service load* must, without delay, notify *NEMMCO* of any event which has changed or is likely to change the availability of a *market ancillary service*, or the capability of the *generating unit* or *load* to respond in the manner contemplated by the *market ancillary service specification*, as soon as the *Market Participant* becomes aware of the event.

4.10 Power System Operating Procedures

4.10.1 Power system operating procedures

(a) The *power system operating procedures* are:

(1) any instructions which may be issued by *NEMMCO* from time to time covering *market* operations and relating to the operation of the *power system*;

(2) any guidelines issued from time to time by *NEMMCO* in relation to *power system security*;

(3) regional specific *power system operating procedures* covering the operational activities and associated responsibilities of the relevant *Network Service Provider* and any *Registered Participants* connected to the relevant *transmission network* and operational activities for operational elements of the *transmission network* which interface with *Scheduled Generators* and other *Registered Participants* including, but not limited to, those relating to *sensitive loads*;

(4) the *load shedding procedures*; and

(5) any other procedures, instructions or guidelines which *NEMMCO* nominates to be and advises to *Registered Participants* as being *power system operating procedures* from time to time.

(b) *NEMMCO* must compile the *regional specific power system operating procedures* in conjunction with the relevant *Network Service Providers* and the relevant *Jurisdictional System Security Coordinators* to the extent required under clause 4.10.1(a)(3).

(c) *NEMMCO* must ensure that the various elements of the *power system operating procedures* are consistent with the *load shedding procedures*.

4.10.2 Transmission network operations

(a) *NEMMCO* must exercise any power granted to it by the *Rules* or the *power system operating procedures* to:

(1) approve the manner in which operations are carried out on a *transmission network* by the relevant *Network Service Provider*; or

(2) instruct the relevant *Network Service Provider* to take any action on the *transmission network*,

in accordance with the appropriate *power system operating procedures*.

(b) A *Registered Participant* must observe the requirements of the relevant *power system operating procedures*.

(c) *Registered Participants* must operate their equipment interfacing with a *transmission network* in accordance with the requirements of Chapter 5, any applicable *connection agreement*, *ancillary services agreement*, and the associated *power system operating procedures*.

(d) *Registered Participants* must ensure that *transmission network* operations performed on their behalf are undertaken by authorised persons advised in writing to *NEMMCO*.

(e) *NEMMCO* must ensure the regular review and update of the *regional specific power system operating procedures*.

4.10.3 Operating interaction with distribution networks

(a) *NEMMCO* and each *Distribution System Operator* must maintain effective communications concerning the conditions of its *distribution network* and the *transmission network* or other *distribution network* to which that *distribution network* is *connected* and to co-ordinate activities where operations are anticipated to affect other *transmission* or *distribution networks*.

(b) *NEMMCO* must use its reasonable endeavours to give at least 3 *days*' notice to all affected *Distribution System Operators* prior to a *Transmission Network Service Provider* carrying out switching related to a *transmission network* which could reasonably be expected to affect security of *supply* to any *distribution network.*

4.10.4 Switching of a Distributor's high voltage networks

(a) A *Distribution System Operator* must use reasonable endeavours to give *NEMMCO* at least 3 *days*' prior notice of plans to carry out switching related to the *high voltage* network which could reasonably be expected to materially affect power flows at points of *connection* to a *transmission network*. The *Distribution System Operator* must also notify *NEMMCO* immediately prior to carrying out any such switching.

(b) A *Distribution System Operator* must provide confirmation to *NEMMCO* of any such switching immediately after it has occurred.

4.10.5 Switching of reactive power facilities

(a) *NEMMCO* may instruct a *Distribution System Operator* to place *reactive power facilities* belonging to or controlled by that *Distribution System Operator* into or out of service for the purposes of maintaining *power system security* where prior arrangements concerning these matters have been made between *NEMMCO* and the *Distribution System Operator*.

(b) Without limitation to its obligations under such prior arrangements, a *Distribution System Operator* must use reasonable endeavours to comply with such an instruction given by *NEMMCO* or its authorised agent.

4.10.6 Automatic reclose

(a) A *Network Service Provider* or a *Distribution System Operator* may request *NEMMCO* to disable or enable *automatic reclose equipment* in relation to a particular *transmission* or *distribution network* circuit or a feeder connecting its *distribution network* to a *transmission network* which has *automatic reclose equipment* installed on it.

(b) If a *Distribution System Operator* makes such a request, then *NEMMCO* must use reasonable endeavours to comply with the request as soon as reasonably practical.

(c) *NEMMCO* is not responsible for the consequences of automatic reclosure in relation to a circuit or a feeder and the *Distribution System Operator* must indemnify *NEMMCO* against any loss or damage arising out of *NEMMCO* complying with such a request unless the loss or damage is due to the failure by *NEMMCO* to comply with the request within a reasonable period of time.

4.10.7 Inspection of facilities by NEMMCO

NEMMCO may inspect a *facility* of a *Registered Participant* as specified in clause 5.7.1.

4.11 Power System Security Support

4.11.1 Remote control and monitoring devices

(a) All remote control, operational *metering* and monitoring devices and local circuits as described in schedules 5.2, 5.3 and 5.3a, must be installed and maintained in accordance with the standards and protocols determined and advised by *NEMMCO* (for use in the *control centres*) for each:

(1) *scheduled generating unit connected* to the *transmission* or *distribution network*; and

(2) *substation* connected to the *network.*

(b) The provider of any *ancillary services* must arrange the installation and maintenance of all *remote control equipment* and *remote monitoring equipment* in accordance with the standards and protocols determined and advised by *NEMMCO* for use in the relevant *control centre*.

(c) The control and monitoring devices must include provision for indication of *active power* and *reactive power* output, provision for signalling the status and any associated alarm condition relevant to achieving adequate control of the *transmission network*, and provision for indication of *generating plant* active and reactive output.

(d) Where reasonably necessary to allow *NEMMCO* to discharge its *market* and *power system security* functions *NEMMCO* may, by notice in writing, require a *Network Service Provider*, a *Generator* or a *Market Network Service Provider* to:

(1) install *remote monitoring equipment* which, in *NEMMCO's* reasonable opinion, is adequate to enable *NEMMCO* to remotely monitor the performance of a *transmission system* or *distribution system*, *generating unit* (including its *dynamic performance*) or a *market network service facility* as appropriate; and

(2) upgrade, modify or replace any *remote monitoring equipment* already installed in a *facility* provided that the existing *remote monitoring equipment* is, in the reasonable opinion of *NEMMCO*, no longer fit for the intended purpose.

(e) A *Network Service Provider*, *Generator* or *Market Network Service Provider* who receives a notice in accordance with clause 4.11.1(d), must comply with the notice within 120 *business days* or such further period that *NEMMCO* requires.

(f) **[Deleted]**

(g) A *Generator* or *Market Network Service Provider* wishing to receive *dispatch instructions* electronically from *NEMMCO's automatic generation control system* under clause 3.8.21(d) must comply with *NEMMCO's* reasonable

requirements in respect of how the remote control signals are issued by the *automatic generation control system* and transmitted to the *facility*.

4.11.2 Operational control and indication communication facilities

(a) Each *Network Service Provider* must provide and maintain, in accordance with the standards referred to in clause 4.11.2(c), the necessary primary and, where nominated by *NEMMCO*, back-up communications facilities for control, operational *metering* and indication from the relevant local sites to the appropriate interfacing termination as nominated by *NEMMCO*.

(b) *NEMMCO* must provide and maintain the communication facilities between control centres of each *Transmission Network Service Provider*, on the one hand, and the *NEMMCO co-ordinating centre*, on the other hand.

(c) *NEMMCO* must develop, and may amend, standards in consultation with *Network Service Providers* in accordance with the *Rules consultation procedures* which must be met by *Network Service Providers* in providing and maintaining the facilities referred to in clause 4.11.2(a).

(d) Until the standards contemplated by clause 4.11.2(c) are issued by *NEMMCO*, each *Network Service Provider* must maintain the primary and back-up communications facilities referred to in clause 4.11.2(a) that were in place at 13 December 1998 so as to achieve substantially the same performance and functionality as they did over the 12 months prior to 13 December 1998.

4.11.3 Power system voice/data operational communication facilities

(a) *Network Service Providers*, *System Operators*, *Distribution System Operators*, *Generators* and *Market Participants* must advise *NEMMCO* of each nominated person for the purposes of giving or receiving *operational communications* in relation to each of its *facilities*. The persons so nominated must be those responsible for undertaking the operation of the relevant equipment of the relevant *Registered Participant*.

(b) Contact personnel details which must be forwarded to *NEMMCO* include:

(1) title of contact personnel;

(2) the telephone numbers of those personnel;

(3) the telephone numbers of other available communication systems in relation to the relevant *facility*;

(4) a facsimile number for the relevant *facility*; and

(5) an electronic mail address for the relevant *facility*.

(c) Each *Registered Participant* must provide, for each nominated person, two independent telephone communication systems fully compatible with the equipment installed at the appropriate *control centre* nominated by *NEMMCO*.

(d) Each *Registered Participant* must maintain both telephone communication systems in good repair and must investigate faults within 4 hours, or as otherwise agreed with *NEMMCO*, of a fault being identified and must repair or procure the repair of faults promptly.

(e) Each *Registered Participant* must establish and maintain a form of electronic mail facility as approved by *NEMMCO* for communication purposes (such approval may not be unreasonably withheld).

(f) *NEMMCO* must advise all *Registered Participants* of nominated persons for the purposes of giving or receiving *operational communications*.

(g) Contact personnel details to be provided by *NEMMCO* include title, telephone numbers, a facsimile number and an electronic mail address for the contact person.

4.11.4 Records of power system operational communication

(a) *NEMMCO* and the *System Operators* must record each telephone *operational communication* in the form of log book entries or by another auditable method which provides a permanent record as soon as practicable after making or receiving the *operational communication*.

(b) Records of *operational communications* must include the time and content of each communication and must identify the parties to each communication.

(c) Voice recordings of telephone *operational communications* may be undertaken by *NEMMCO* and the *System Operators*. *NEMMCO* and the *System Operators* must ensure that, when a telephone conversation is being recorded under this clause, the persons having the conversation receive an audible indication that the conversation is being recorded. Voice recordings may be used as an alternative to written logs.

(d) *NEMMCO* and the *System Operators* must retain all *operational communications* records including voice recordings for a minimum of 7 years.

(e) In the event of a dispute involving an *operational communication*, the records of that *operational communication* maintained by, or on behalf of, *NEMMCO* will constitute prima facie evidence of the contents of the *operational communication*.

(f) Any recordings made in accordance with this clause 4.11.4 must be made in accordance with the provisions of all applicable privacy laws.

4.11.5 Agent communications

(a) A *Registered Participant* may appoint an agent (called a "*Registered Participant Agent*") to co-ordinate operations of one or more of its *facilities* on its behalf, but only with the prior written consent of *NEMMCO*.

(b) A *Registered Participant* which has appointed a *Registered Participant Agent* may replace that *Registered Participant Agent* but only with the prior written consent of *NEMMCO*.

(c) *NEMMCO* may only withhold its consent to the appointment of a *Registered Participant Agent* under clause 4.11.5(a) or (b) if it reasonably believes that the relevant person is not suitably qualified or experienced to operate the relevant *facility*.

(d) For the purposes of the *Rules*, acts or omissions of a *Registered Participant Agent* are deemed to be acts or omissions of the relevant *Registered Participant*.

(e) *NEMMCO* and its representatives (including authorised agents) may:

(1) rely upon any communications given by a *Registered Participant Agent* as being given by the relevant *Registered Participant*; and

(2) rely upon any communications given to a *Registered Participant Agent* as having been given to the relevant *Registered Participant*.

(f) *NEMMCO* and the *System Operators* are not required to consider whether any instruction has been given to a *Registered Participant Agent* by the relevant *Registered Participant* or the terms of those instructions.

4.12 Nomenclature Standards

(a) A *Network Service Provider* must use the *nomenclature standards* for *transmission* equipment and apparatus as agreed with *NEMMCO* or, failing agreement, as determined by *NEMMCO*.

(b) A *Registered Participant* must use reasonable endeavours to ensure that its *representatives* comply with the *nomenclature standards* in any *operational communications* with *NEMMCO*.

(c) A *Registered Participant* must ensure that nameplates on its equipment relevant to operations at any point within the *power system* conform to the requirements set out in the *nomenclature standards*.

(d) A *Registered Participant* must use reasonable endeavours to ensure that nameplates on its equipment relevant to operations at any point within the *power system* are maintained to ensure easy and accurate identification of equipment.

(e) A *Registered Participant* must ensure that technical drawings and documentation provided to *NEMMCO* comply with the *nomenclature standards*.

(f) *NEMMCO* may, by notice in writing, request a *Registered Participant* to change the existing numbering or nomenclature of *transmission* equipment and apparatus of the *Registered Participant* for purposes of uniformity, and the *Registered Participant* must comply with such a request provided that if the existing numbering or nomenclature conforms with the *nomenclature standards*, *NEMMCO* must pay all reasonable costs incurred in complying with the request.

4.13 [Deleted]~~Submission of Performance Standards~~

~~(a) A *Generator*, *Customer* or *Market Network Service Provider* who, at the date that Tasmania becomes a *participating jurisdiction*, engages in the activity of owning, operating or controlling a *facility* located in Tasmania must, within 30 *days* of the date that Tasmania becomes a *participating jurisdiction*, submit to *NEMMCO* proposed *performance standards* for that *plant*, such *performance standards* to be:~~

~~(1) in the case of a person who is registered as a *Generator* in relation to that *plant* – in accordance with schedule 5.2;~~

~~(2) in the case of a person who is registered as a *Customer* in relation to that *plant* – in accordance with schedule 5.3; or~~

~~(3) in the case of a person who is registered as a *Market Network Service Provider* in relation to that *plant* – in accordance with schedule 5.3a.~~

~~(b) A *Network Service Provider* who plans, owns, operates or controls a *facility* that is connected to a *facility* planned, owned, controlled or operated by a *Generator*, *Customer* or *Market Network Service Provider* must provide that *Generator*, *Customer* or *Market Network Service Provider* with all performance data and other information, other than *confidential information*, reasonably required by the *Generator*, *Customer* or *Market Network Service Provider* to enable the *Generator*, *Customer* or *Market Network Service Provider* to satisfy its obligations under rule 4.13(a).~~

4.14 Acceptance of Performance Standards

(a) [Deleted]~~*NEMMCO* must, following receipt of a proposed set of *performance standards* in accordance with rules 4.13(a) or 4.14(g), assess whether, in its reasonable opinion, each proposed *performance standard* satisfies the criteria set out in rule 4.14(b).~~

(b) [Deleted]~~Subject to rule 4.14(c), for the purposes of rule 4.14(a), the *performance standards* must comply with:~~

~~(1) the performance criteria set out in schedules 5.1, 5.2, 5.3 and 5.3a;~~

(2) any *derogation* applicable to the *plant* to which the *performance standards* apply;

(3) the *connection agreement* applicable to the *plant* to which the *performance standards* apply; and

(4) the design performance of the *plant* at the *performance standards commencement date*.

(c) **[Deleted]**To the extent of any inconsistency between:

(1) a *performance standard* determined in accordance with a *derogation* and a *performance standard* determined in accordance with:

(i) the performance criteria set out in schedules 5.1, 5.2, 5.3 and 5.3a;

(ii) the *connection agreement* applicable to the *plant* to which the *performance standard* applies; or

(iii) the design performance of the *plant* at the *performance standards commencement date*,

the *performance standard* determined in accordance with the *derogation* will prevail;

(2) a *performance standard* determined in accordance with an existing *connection agreement* and a *performance standard* determined in accordance with:

(i) the performance criteria set out in schedules 5.1, 5.2, 5.3 and 5.3a; or

(ii) the design performance of the *plant* at the *performance standards commencement date*,

the *performance standard* determined in accordance with the *connection agreement* will prevail; and

(3) a *performance standard* determined in accordance with the design performance of the *plant* at the *performance standards commencement date* and a *performance standard* determined in accordance with the performance criteria set out in schedules 5.1, 5.2, 5.3 and 5.3a, the *performance standard* determined in accordance with the design performance of the *plant* will prevail.

(d) **[Deleted]***NEMMCO* must:

(1) if it assesses that a proposed *performance standard* meets the criteria set out in rule 4.14(b), accept the proposed *performance standard*; or

(2) if it assesses that a proposed *performance standard* does not meet the criteria set out rule 4.14(b), reject the proposed *performance standard*.

(e) **[Deleted]** ~~*NEMMCO* must advise the person who submitted a proposed *performance standard*, in accordance with rule 4.13(a) or 4.14(g), of its decision to accept or reject the proposed *performance standard*, in accordance with rule 4.14(d), within 60 *business days* of submission of the proposed *performance standard* to *NEMMCO* in accordance with rule 4.13(a) or 4.14(g).~~

(f) **[Deleted]** ~~If *NEMMCO* rejects a proposed *performance standard*, in accordance with rule 4.14(d)(2), *NEMMCO* must, when advising the person in accordance with rule 4.14(e), also provide the person with detailed reasons for its decision to reject the proposed *performance standard*.~~

(g) **[Deleted]** ~~If *NEMMCO* rejects a proposed *performance standard* in accordance with rule 4.14(d)(2), the person who submitted the proposed *performance standard* to *NEMMCO* must, within 20 *business days* of the date upon which *NEMMCO* made its decision to reject the proposed *performance standard*, resubmit an amended proposed *performance standard* in accordance with rule 4.13(a), taking *NEMMCO's* comments into consideration.~~

(h) **[Deleted]** ~~If, 11 months from the date that a person is required, in accordance with rule 4.13(a), to submit a proposed *performance standard*, a *performance standard* has not been approved in accordance with rule 4.14(d)(1), the *performance standard* for the *plant* to which the proposed *performance standard* related is deemed to be (in order of priority):~~

~~(1) the technical characteristics set out in the relevant *connection agreement*;~~

~~(2) if a *derogation* is in place, the *connection agreement* subject to the technical characteristics set out in the relevant *derogation*; or~~

~~(3) the *connection* requirements of the *connection point* determined in accordance with clause 5.3.3.~~

(i) **[Deleted]** ~~For the purposes of this rule 4.14, *NEMMCO* must accept a *performance standard* proposed by a *Registered Participant* materially based upon and consistent with a *derogation* applicable to the plant to which the *performance standard* applies.~~

(j) **[Deleted]** ~~*NEMMCO* may request that a *Registered Participant*, who has submitted a proposed *performance standard* in accordance with rules 4.13(a) or 4.14(g), provide additional supporting information reasonably required by *NEMMCO* to facilitate its assessment of the *performance standard* submitted.~~

(k) **[Deleted]** ~~A *Registered Participant* who receives a request from *NEMMCO*, in accordance with rule 4.14(j), must comply with the request within 5 *business days*.~~

(l) **[Deleted]** ~~A *Registered Participant* whose proposed *performance standard* is rejected in accordance with rule 4.14(d)(2) may dispute the decision by *NEMMCO* to reject the proposed *performance standard*.~~

(m) **[Deleted]** ~~If a dispute arising under rule 4.14(l) is not resolved in accordance with clause 8.2.4 within 60 *business days* then, notwithstanding any other~~

~~provision in rule 8.2, the *Adviser* must refer the dispute to a *DRP* for determination in accordance with clauses 8.2.6A to 8.2.6D.~~

(n) *NEMMCO* must establish and maintain a register of the *performance standards* applicable to *plant* as advised by *Registered Participants* in accordance with clause 5.3.7(g)(1) or established in accordance with rule 4.14.

(o) *NEMMCO* or, in respect of a matter concerning the quality of *supply* to *Network Users*, *NEMMCO* in consultation with the relevant *Network Service Provider*, must, when determining the applicable *performance standard* for a particular requirement based on any provision of schedules 5.1, 5.2, 5.3 and 5.3a, require a *Registered Participant* to meet or exceed the *minimum access standard* but must not require the *Registered Participant* to exceed the relevant *automatic access standard* for that requirement.

(p) A *performance standard* may be amended at any time by agreement between *NEMMCO*, the relevant *Registered Participant* and the *Network Service Provider* provided that:

(1) where the *performance standard* was established under a transitional arrangement in rule 4.16 or 4.17, the amendment is consistent with the actual *plant* capability agreed between *NEMMCO*, the relevant *Registered Participant* and the *Network Service Provider*, notwithstanding that it may be less than the relevant *minimum access standard* that applied to applications to *connect* at the time of agreement; or

(2) the amendment satisfies all requirements for *negotiated access standards* under clause 5.3.4A(b).

(q) *NEMMCO* must not withhold agreement under rule 4.14(p) on a matter that is not a *NEMMCO advisory matter* under clause 5.3.4A(a), unless the proposed amendment would adversely affect *power system security*.

(r) The *Network Service Provider* may as a condition of considering a submission made under rule 4.14(p) require payment of a fee to meet the reasonable costs anticipated to be incurred by the provider, other *Network Service Providers* and *NEMMCO*, in the assessment of the submission.

(s) The *Network Service Provider* must require payment of a fee under rule 4.14(r) if so requested by *NEMMCO*.

(t) On payment of the required fee referred to in rule 4.14(r), the *Network Service Provider* must pay the costs anticipated to be incurred by the other *Network Service Providers* and *NEMMCO*, as appropriate.

4.15 Compliance with Performance Standards ~~Compliance~~

(a) A *Registered Participant* must:

(1) ensure that its *plant* meets or exceeds the *performance standard* applicable to its *plant*;

(2) ensure that its *plant* is not likely to cause a material adverse effect on *power system security* through its failure to comply with a *performance standard*; and

(3) immediately ensure that its *plant* ceases to be likely to cause a material adverse effect on *power system security* through its failure to comply with a *performance standard*, if:

(i) the *Registered Participant* reasonably believes that by failing to comply with a *performance standard*, its *plant* is likely to cause a material adverse effect on *power system security*; or

(ii) *NEMMCO* advises the *Registered Participant* that by failing to comply with a *performance standard*, the *Registered Participant's plant* is likely to cause a material adverse effect on *power system security*.

(b) A *Registered Participant* who engages in the activity of planning, owning, controlling or operating a *plant* to which a *performance standard* applies must~~, within 6 months of the later of the date of the establishment of the *performance standard* in accordance with rule 4.14 or clause 5.3.4A(i) (as the case may be, the registration of the *performance standard* under rule 4.16 or 4.17) or the commencement of operation of the *plant*,~~ institute and maintain a compliance program, which must comply with the conditions specified in ~~accordance with~~ rule 4.15(c), as soon as reasonably practicable, but no later than:~~.~~

(1) for a newly registered *plant*, six months after registration.

(2) for an existing *plant*, six months after the *performance standards* are accepted by *NEMMCO*.

(c) A compliance program instituted and maintained in accordance with rule 4.15(b) must:

(1) be consistent with the *template for generator compliance programs*;

(2) monitor the performance of the *plant* in a manner that is consistent with *good electricity industry practice*~~accordance with the provisions of the compliance program~~;

(3) be modified to reflect changes made to the *template for generator compliance programs*, by no later than six months after changes are made to that template; and

~~ensure that the *plant* complies with the relevant *performance standards*;~~

~~(3) be in accordance with *good electricity industry practice*; and~~

(4) provide reasonable assurance of ongoing compliance with each applicable *performance standard*.

(ca) The *Reliability Panel* must establish the *template for generator compliance programs* to be used for the development of compliance programs in accordance with rule 4.15(b). The *template for generator compliance programs* must:

(1) cover all *performance standards*;

(2) define suitable testing and monitoring regimes for each *performance standard* so that a *Registered Participant* can select a regime that can provide the assurances required by rules 4.15(a), 4.15(b) and 4.15(c) for their particular *plant*;

(3) be amended:

(i) after relevant *reviewable operating incidents*;

(ii) after changes to the *Rules*; or

(iii) as considered necessary by the *Reliability Panel*; and

(4) be reviewed in accordance with clause 8.8.3.

(d) The *AER* or any relevant *Network Service Provider* may request that a *Registered Participant*, who is required to institute and maintain a compliance program in accordance with rule 4.15(b) or clause 5.7.4(a1), deliver to the *AER*:

(1) the compliance program records setting out the written results of the performance monitoring conducted in accordance with rule 4.15(f) or clause 5.7.4(a2)(1); and

(2) any other records maintained in accordance with clause 5.7.3 or clause 5.7.4, if applicable.

(e) Each *Registered Participant* must maintain the compliance program records and any other records developed or maintained under clause 5.7.3 or clause 5.7.4 for 7 years and deliver such records to the *AER*, in accordance with rule 4.15(d), within 5~~2~~ *business days* of the date of the request or such further period as the *AER* requires.

(f) A *Registered Participant* who engages in the activity of planning, owning, controlling or operating a *plant* to which a *performance standard* applies must immediately notify *NEMMCO* if:

(1) the *Registered Participant* becomes aware that the *plant* is breaching a *performance standard* applicable to the *plant*; or

(2) the *Registered Participant* reasonably believes that the *plant* is likely to breach a *performance standard* applicable to the *plant*.~~:~~

and *NEMMCO* must forward a copy of that notice to the *AER* and the relevant *Network Service Provider* within 5 *business days* of receipt.

(g) A notice in accordance with rule 4.15(f) must detail:

(1) the reason for the actual or likely non-conformance of the *plant* with the *performance standard*;

(2) the actual or likely time of commencement of non-conformance of the *plant* with the *performance standard*;

(3) the expected duration of non-conformance of the *plant* with the *performance standard*; and

(4) the expected performance of the *plant* in comparison with the *performance standard*.

(h) A *Registered Participant* who has notified *NEMMCO*, in accordance with rule 4.15(f), must notify *NEMMCO* and the relevant *Network Service Provider* that its *plant* has returned to compliance with the *performance standard* immediately following the *Registered Participant* becoming aware of the return of the *plant* to compliance.

(i) If:

(1) a *Registered Participant* notifies *NEMMCO* in accordance with rule 4.15(f); or

(2) *NEMMCO* otherwise reasonably believes that the *plant* of a *Registered Participant*, in respect of which a *performance standard* applies, is in breach of that *performance standard*,

then:

(3) *NEMMCO* must, in accordance with rule 4.15(j), advise the *Registered Participant* and the relevant *Network Service Provider* of the period within which the *Registered Participant* must rectify the breach;

(4) subject to rule 4.15(i)(2), *NEMMCO* must notify the *AER* of the breach; and

(5) the *Registered Participant* must rectify the breach within that period, unless the *Registered Participant* seeks a review from the *AER* of the rectification period under rule 4.15(n).

(j) *NEMMCO* must, when determining the period within which a *Registered Participant* ~~may~~ must rectify a *performance standard* breach in accordance with rule 4.15(i), take into consideration:

(1) the time that *NEMMCO*~~necessary~~, in ~~NEMMCO's~~ its reasonable opinion, considers necessary to provide the *Registered Participant* with the opportunity to remedy the breach; ~~and~~

(2) the impact on the operation of the *NEM*, including on the power system and the *spot market*, resulting from the breach; and~~the need to act to remedy the breach given the nature of the breach.~~

(3) any actions required by *NEMMCO* in response to the breach.

(k) **[Deleted]**~~If the *plant* of a *Registered Participant* remains in breach of a *performance standard* for a period greater than that determined in accordance with rule 4.15(i), *NEMMCO* must notify the *AER* of the breach.~~

(l) **[Deleted]**~~The effectiveness of a compliance regime established in accordance with rule 4.15(b) must be taken into consideration in any proceeding against a *Registered Participant* for a breach of rule 4.15(a).~~

(m) **[Deleted]**~~Any obligation imposed on a *Generator* in accordance with clause 5.7.3(c) ceases to operate upon the commencement of a compliance program by the *Generator* in accordance with rule 4.15(b).~~

(n) If *NEMMCO* advises a *Registered Participant* of a rectification period and that *Registered Participant* considers that *NEMMCO* has not reasonably applied the criteria under rule 4.15(j) with respect to the rectification period, the *Registered Participant* may, within 20 *business days* of *NEMMCO's* advice on the rectification period, make an application to the *AER* requesting a review of *NEMMCO's* advice and the *Registered Participant's* reasons for a review.

(o) If the *AER* receives an application under rule 4.15(n), the *AER* must review the application, within 30 *business days*, and either:

(1) accept the rectification period imposed by *NEMMCO*; or

(2) impose a new rectification period on the *Registered Participant*,

and provide reasons for its decision to the *Registered Participant*, *NEMMCO* and the relevant *Network Service Provider*.

(p) The *Registered Participant* must comply with any decision made on the rectification period by the *AER* under rule 4.15(o) from the day of the *AER's* decision.

(q) If the *plant* of a *Registered Participant* remains operating in a manner that is in breach of a *performance standard* for a period greater than that determined in accordance with rule 4.15(i) or 4.15(o), *NEMMCO* must notify the *AER* and the relevant *Network Service Provider*.

4.16 Transitioning arrangements for establishment of performance standards

4.16.1 Definitions

In this rule 4.16 and in rule 4.17:

actual capability of an eligible plant in respect of a performance requirement means the capability of the eligible plant in relation to that performance requirement when it is being operated under normal conditions in accordance with *good electricity industry practice*.

agreed performance standard means a standard of performance that:

(a) is established as a result of that standard being accepted by *NEMMCO* in accordance with ~~:~~

~~(1) rule 4.14(d)(1); or~~

~~(2)~~ clause 4.14(d)(1) of the National Electricity Code; and

(b) is in respect of a performance requirement.

deemed performance standard means a standard of performance that:

(a) is established as a result of it being deemed to apply in accordance with~~:~~

~~(1) rule 4.14(h); or~~

~~(2)~~ clause 4.14(h) of the National Electricity Code; and

(b) is in respect of a performance requirement.

eligible plant means a *generating unit* (including a pumping generating unit) and *plant* associated with that *generating unit* in relation to which:

(a) a person was registered as a *Generator* as at the *performance standards commencement date*; or

(b) a *connection agreement* applied as at the *performance standards commencement date*.

Generator notice means a notice given by a *Generator* to *NEMMCO* in accordance with clause 4.16.3(c).

Generator reply notice means a notice given by a *Generator* to *NEMMCO* in accordance with clause 4.16.3(k).

initiating party has the meaning given to it in clause 4.17.2(a).

mandatory standard means a standard of performance in respect of a performance requirement that is not the subject of a *minimum access standard* or an *automatic access standard*.

National Electricity Code means the code of conduct called the National Electricity Code approved, in accordance with section 6(1) of the Old National Electricity Law, as the initial Code for the purposes of that Law, and as amended from time to time in accordance with its terms and the Old National Electricity Law.

NEMMCO notice means a notice given by *NEMMCO* to a *Generator* in accordance with clause 4.16.3(d).

NEMMCO reply notice means a notice given by *NEMMCO* to a *Generator* in accordance with clause 4.16.3(i).

Old National Electricity Law means the Schedule to the National Electricity (South Australia) Act 1996 (SA) as in force from time to time before the commencement of

section 12 of the National Electricity (South Australia) (New National Electricity Law) Amendment Act 2005 (SA).

performance requirement means in the case of:

(a) any *generating unit* (including a pumping generating unit) and *plant* associated with that *generating unit* – a requirement referred to in clause S5.2.5, S5.2.6, S5.2.8 or S5.2.9; and

(b) a pumping generating unit and *plant* associated with that pumping generating unit – a requirement referred to in clause S5.3.3, S5.3.5, S5.3.6, S5.3.7 or S5.3.8.

performance standard requirements means the requirements set out in clause 4.16.5(c).

performance standards committee means the committee established by *NEMMCO* under clauses 4.17.1.

performance standards expert means a person engaged by *NEMMCO* under clause 4.17.1(j).

pumping generating unit means a *generating unit* that can also operate as a hydro-electric pump.

receiving party has the meaning given to it in clause 4.17.2(a).

register means the register of *performance standards* established and maintained by *NEMMCO* under rule 4.14(n).

registered performance standard in respect of an eligible plant means a *performance standard* (including any agreed performance standard or deemed performance standard) that is included in the register as being applicable to that eligible plant and that is in respect of a performance requirement.

4.16.2 Exclusions

For the avoidance of doubt:

(a) this rule 4.16 does not apply in relation to any *performance standard* for an eligible plant where that *performance standard* applies to that eligible plant by virtue of clause 5.3.4A; and

(b) nothing in this rule 4.16 is to be taken to preclude a *performance standard* that applies to an eligible plant by virtue of those clauses being amended or replaced in accordance with the *Rules*, in which case the *performance standard* as so amended or replaced supersedes the *performance standard* that applies to that eligible plant by virtue of this rule 4.16 or rule 4.17 (as the case may be).

4.16.3 Notification and acceptance of performance standards

Agreement as to performance standards

(a) *NEMMCO* and a person who is registered as a *Generator* in relation to eligible plant may, at any time before 1 March 2007, agree to a performance standard in respect of a particular performance requirement that is to apply to that eligible plant without following the procedures set out in this clause 4.16.3, but that performance standard must be a standard which, based on the information available to *NEMMCO* at that time, is consistent with the performance standard requirements.

(b) A performance standard that is agreed under paragraph (a) is to be taken as the *performance standard* in respect of the relevant performance requirement for that eligible plant and *NEMMCO* must forthwith include that standard in the register as the *performance standard* in respect of that performance requirement for that eligible plant.

(c) If, as at 1 March 2007:

(1) *NEMMCO* is not required to include the performance standard in the register under paragraph (b); and

(2) *NEMMCO* and the *Generator* have not agreed that no performance standard in respect of the relevant performance requirement is to apply to that eligible plant,

NEMMCO must give a written notice to the *Generator* of its intention to refer the determination of the performance standard to a performance standards expert.

NEMMCO notice

(d) As soon as reasonably practicable but by no later than 29 December 2006, *NEMMCO* must give to each person who is registered as a *Generator* in relation to any eligible plant a written notice that specifies:

(1) the registered performance standards that apply to all eligible plants in relation to which that *Generator* is so registered;

(2) which of those registered performance standards *NEMMCO* requires the *Generator* to renegotiate under clause 4.16.5(i) and in which case *NEMMCO* must also specify:

(i) the *power system security* issue that *NEMMCO* is seeking to address; and

(ii) the actual capability of the eligible plant in respect of the performance requirement the subject of the registered performance standard that *NEMMCO* considers is required to address that *power system security* issue; and

(3) where:

(i) a *performance standard* in respect of a particular performance requirement is not included in the register as being applicable to an eligible plant in relation to which that *Generator* is registered; and

(ii) *NEMMCO* considers that a performance standard in respect of that performance requirement should apply to that eligible plant,

that performance requirement.

Generator notice

(e) As soon as reasonably practicable but by no later than 5 January 2007, each person who is registered as a *Generator* in relation to any eligible plant must give to *NEMMCO* a written notice that specifies:

(1) each deemed performance standard in respect of a performance requirement which the *Generator* proposes as being applicable to any of its eligible plants, where that performance requirement is not the subject of a registered performance standard that applies to that eligible plant;

(2) those registered performance standards that apply to any of its eligible plant which the *Generator* requires *NEMMCO* to renegotiate under clause 4.16.5(k) – in which case the *Generator* must also specify:

(i) its best assessment of the actual capability of the eligible plant in respect of the performance requirement the subject of the registered performance standard; and

(ii) the lower performance standard that it is proposing in respect of that performance requirement,

and must include with its notice information that supports its assessment of the actual capability of that eligible plant;

(3) where *NEMMCO* has given the *Generator* a *NEMMCO* notice that specifies the actual capability of an eligible plant in respect of a performance requirement that *NEMMCO* considers is required to address a power system security issue, the *Generator*'s best assessment of the actual capability of that eligible plant in respect of that performance requirement - in which case the *Generator* must also include with its notice information that supports its assessment of that actual capability; and

(4) where:

(i) *NEMMCO* has given the *Generator* a *NEMMCO* notice that specifies a performance requirement under subparagraph (d)(3); and

(ii) the *Generator* has not included in its notice a deemed performance standard in respect of that performance requirement that it considers applies to the eligible plant,

the performance standard (if any) that the *Generator* proposes in respect of that performance requirement.

(f) If:

(1) the *Generator* does not state in a *Generator* notice that it requires a registered performance standard that applies to an eligible plant to be renegotiated under clause 4.16.5(k), and *NEMMCO* has not specified that standard in a *NEMMCO* notice as a registered performance standard that is to be renegotiated under clause 4.16.5(i), that registered performance standard is to be taken as the *performance standard* in respect of the relevant performance requirement for that eligible plant; or

(2) the required actual capability of an eligible plant in respect of a performance requirement, as notified to the *Generator* under subparagraph (d)(2), is lower than or equal to the *Generator*'s best assessment of the actual capability of that eligible plant in respect of that performance requirement,

then:

(3) the required actual capability of the eligible plant in respect of that performance requirement, as notified to the *Generator* under subparagraph (d)(2), is to be taken as the *performance standard* in respect of that performance requirement for that eligible plant; and

(4) *NEMMCO* must forthwith include that standard in the register as the *performance standard* in respect of that performance requirement for that eligible plant.

Provision of connection agreements

(g) Where:

(1) *NEMMCO* has given the *Generator* a *NEMMCO* notice that specifies the actual capability of an eligible plant in respect of a performance requirement that *NEMMCO* considers is required to address a *power system security* issue and the *performance standard* in respect of that performance requirement is not determined under subparagraphs (f)(2)-(4);

(2) *NEMMCO* has given the *Generator* a *NEMMCO* notice that specifies a performance requirement under subparagraph (d)(3); or

(3) a *Generator* gives *NEMMCO* a *Generator* notice that specifies a deemed performance standard under subparagraph (e)(1) or a registered performance standard under subparagraph (e)(2),

and

(4) the *Generator* has not already provided to *NEMMCO* a copy of the current *connection agreement* that applies to the relevant eligible plant,

then the *Generator* must include with its *Generator* notice or if it does not give *NEMMCO* a *Generator* notice, provide to *NEMMCO* by no later than 5 January 2007, a copy of the current *connection agreement* that applies to the eligible plant.

(h) The copy of the *connection agreement* referred to in paragraph (g) may be altered in such a way as to mask any commercial arrangements and is *confidential information*.

NEMMCO reply notice

(i) As soon as reasonably practicable but by no later than the performance standards agreement date, *NEMMCO* must give to each person who is registered as a *Generator* in relation to any eligible plant a written notice that states:

(1) where the *Generator* has given *NEMMCO* a *Generator* notice that specifies a deemed performance standard under subparagraph (e)(1), whether *NEMMCO* accepts the deemed performance standard as proposed by the *Generator*;

(2) where the *Generator* has given *NEMMCO* a *Generator* notice that specifies a proposed lower performance standard under subparagraph (e)(2), whether *NEMMCO* accepts:

(i) the *Generator*'s assessment of the actual capability of the eligible plant in respect of the performance requirement the subject of the registered performance standard; and/or

(ii) the lower performance standard that has been proposed by the *Generator*;

(3) where:

(i) the *Generator* has given *NEMMCO* a *Generator* notice that, under subparagraph (e)(3), specifies the *Generator*'s best assessment of the actual capability of the eligible plant in respect of a performance requirement; and

(ii) the required actual capability of the eligible plant in respect of that performance requirement, as notified to the *Generator* under subparagraph (d)(2), is higher than the *Generator*'s assessment of the actual capability referred to in paragraph (l),

whether *NEMMCO* accepts the *Generator*'s assessment;

(4) where the *Generator* has given *NEMMCO* a *Generator* notice that specifies a proposed performance standard under subparagraph (e)(4), whether *NEMMCO* accepts that performance standard; and

(5) where *NEMMCO* has given to the *Generator* a *NEMMCO* notice that specifies a performance requirement under subparagraph (d)(3) and the *Generator* has either:

(i) not proposed a performance standard under subparagraph (e)(4); or

(ii) not given a *Generator* notice to *NEMMCO*,

the performance standard (if any) that *NEMMCO* proposes for that purpose.

(j) If *NEMMCO* states in a *NEMMCO* reply notice that:

(1) it accepts a standard referred to in subparagraph (i)(1), (2) or (4), that standard is to be taken as the *performance standard* in respect of the relevant performance requirement for the eligible plant and *NEMMCO* must forthwith include that standard in the register as the *performance standard* in respect of that performance requirement for that eligible plant; or

(2) it accepts the *Generator*'s assessment of the actual capability of an eligible plant in respect of a performance requirement as included in a *Generator* notice under subparagraph (e)(3),

and the *Generator*'s assessment of that actual capability is lower than the required actual capability of the eligible plant in respect of that performance requirement as notified to the *Generator* under subparagraph (d)(2), then:

(3) the *Generator*'s assessment of the actual capability of that eligible plant as referred to above is to be taken as the *performance standard* in respect of that performance requirement for that eligible plant; and

(4) *NEMMCO* must forthwith include that standard in the register as the *performance standard* in respect of that performance requirement for that eligible plant.

Generator reply notice

(k) Where *NEMMCO* has given a *Generator* a *NEMMCO* reply notice that specifies a proposed performance standard under subparagraph (i)(5), that *Generator* must, as soon as reasonably practicable but by no later than 15 January 2007, give written notice to *NEMMCO* which states whether it accepts that performance standard.

(l) If the *Generator* states in a *Generator* reply notice that it accepts a standard referred to in paragraph (k), that standard is to be taken as the *performance standard* in respect of the relevant performance requirement for the eligible plant and *NEMMCO* must forthwith include that standard in the register as the performance standard in respect of that performance requirement for that eligible plant.

4.16.4 Actual capability

(a) If *NEMMCO* notifies a *Generator* in a *NEMMCO* reply notice that it does not accept that the *Generator*'s assessment of the actual capability of an eligible plant in respect of a particular performance requirement, then:

(1) the *Generator* and *NEMMCO* must seek to agree the actual capability of that eligible plant in respect of that performance requirement, taking into account (among other things) the results of relevant tests, the records of the operation of the plant, engineering reports, information provided by *Network Service Providers*, manufacturers' reports and the specifications of the plant or of similar plant; and

(2) if, within 20 *business days* of the giving of the *NEMMCO* reply notice, the *Generator* and *NEMMCO* have not agreed the actual capability of that eligible plant in respect of that performance requirement:

(i) they must seek to agree to the tests or engineering assessments that are to be undertaken for the purpose of establishing that actual capability and the time by which such tests or engineering assessments are to be completed; and

(ii) if, within 30 *business days* of the giving of the *NEMMCO* reply notice, they have not agreed to the tests or engineering assessments that are to be undertaken, or the time by which they are to be undertaken, the tests or engineering assessments, and the time by which they are to be undertaken, must be as specified by the *AER* in writing to the *Generator* and *NEMMCO*, such specification to be made at the written request of either the *Generator* or *NEMMCO* within 40 *business days* of the giving of the *NEMMCO* reply notice.

(b) The *Generator* must use all reasonable endeavours, subject to complying with any other applicable provisions of the *Rules*, to have the tests or engineering assessments agreed or specified under subparagraph (a)(2) undertaken as agreed or specified and must promptly provide the results of such tests or engineering assessments to *NEMMCO*.

(c) The costs of undertaking the tests or engineering assessments and providing the results to *NEMMCO* as referred to in paragraph (b) must be borne by the *Generator*.

(d) This clause 4.16.4 does not apply where both the *Generator* and *NEMMCO* agree that there is no need to determine the actual capability of the eligible plant in respect of a particular performance requirement.

4.16.5 Criteria for, and negotiation of, performance standards

Restrictions on NEMMCO regarding performance standards

(a) *NEMMCO*:

(1) must, and must only, accept a deemed performance standard or a proposed performance standard under clause 4.16.3(i)(1), (2) or (4) if it is satisfied that, based on the information available to *NEMMCO* at that time, the standard is consistent with the performance standard requirements;

(2) must not propose a performance standard under clause 4.16.3(i)(5) unless it is satisfied that, based on the information available to *NEMMCO* at that time, the standard is consistent with the performance standard requirements,

and may only agree to a performance standard under clause 4.16.3(a)-(c) or as described in clause 4.17.3(f) if it is satisfied that, based on the information available to *NEMMCO* at that time, the standard is consistent with the performance standard requirements.

Preconditions to obligation to negotiate

(b) If:

(1) *NEMMCO* does not state in a *NEMMCO* reply notice that it accepts a *Generator*'s assessment of the actual capability of an eligible plant in respect of a performance requirement, as referred to in clause 4.16.3(i)(3), and the *Generator* is required to renegotiate the relevant registered performance standard pursuant to paragraph (i);

(2) *NEMMCO* does not state in a *NEMMCO* reply notice that it accepts a performance standard proposed by a *Generator*, as referred to in clause 4.16.3(i)(2), and *NEMMCO* is required to renegotiate the relevant registered performance standard pursuant to paragraph (k);

(3) *NEMMCO* does not state in a *NEMMCO* reply notice that it accepts a deemed performance standard or a proposed performance standard, as referred to in clause 4.16.3(i)(1) or (4); or

(4) a *Generator* does not state in a *Generator* reply notice that it accepts a proposed performance standard, as referred to in clause 4.16.3(k),

NEMMCO and the *Generator* must negotiate in good faith to agree the relevant performance standard in accordance with the performance standard requirements.

Criteria for performance standards

(c) Subject to paragraphs (e) and (f), a performance standard referred to in paragraph (a) or negotiated in accordance with paragraph (b) must be the least onerous of:

(1) in the case of a performance standard other than a performance standard referred to in subparagraph (b)(1), the technical characteristics set out in the relevant connection agreement, subject to the technical characteristics set out in any applicable derogation;

(2) the relevant *automatic access standard*;

(3) the relevant mandatory standard; and

(4) the actual capability of the eligible plant in respect of the performance requirement the subject of the performance standard as accepted by *NEMMCO* in a *NEMMCO* reply notice, agreed by *NEMMCO* and the *Generator*, established in accordance with tests or engineering assessments agreed or specified under clause 4.16.4(a)(2), or determined by a performance standards expert.

(d) As a result of the application of paragraph (c), and notwithstanding anything else to the contrary in the *Rules*, the relevant performance standard may be less than the relevant *minimum access standard* or mandatory standard.

(e) The performance standard may be such other standard of performance as is agreed by *NEMMCO* and the *Generator* and as is higher than that which complies with the requirements set out in paragraphs (c) and (d).

(f) *NEMMCO* and the *Generator* may agree that a performance requirement is not applicable to an eligible plant, with the result that no *performance standard* in respect of that performance requirement is required for that eligible plant.

Provision of information

(g) For the purpose of facilitating the negotiations referred to in paragraph (b), the *Generator* must provide to *NEMMCO* as soon as reasonably practicable but by no later than 22 January 2007, a copy of the current *connection agreement* that applies to the relevant eligible plant and details of the design performance of the eligible plant.

(h) The obligation in paragraph (g) does not apply to the extent the *Generator* has already provided such documents and information to *NEMMCO* and the copy of the *connection agreement* may be altered in such a way as to mask any commercial arrangements and is *confidential information.*

When NEMMCO may require renegotiation of registered performance standard

(i) *NEMMCO* may only require a *Generator* to renegotiate a registered performance standard pursuant to a *NEMMCO* notice if:

(1) the registered performance standard is lower than what *NEMMCO* considers, based on the information available to it, to be the actual capability of the eligible plant in respect of the performance requirement the subject of the registered performance standard; and

(2) *NEMMCO* is satisfied that a higher performance standard in respect of that performance requirement is required to address a *power system security* issue.

(j) Notwithstanding paragraph (i), a *Generator* is not required to (but may nevertheless agree to) renegotiate a registered performance standard pursuant to that clause if the actual capability of that eligible plant in respect of the performance requirement as agreed by *NEMMCO* and the *Generator*, or as established in accordance with tests or engineering assessments agreed or specified under clause 4.16.4(a)(2), is lower than the registered performance standard.

When Generator may require renegotiation of performance standard

(k) A *Generator* may only require *NEMMCO* to renegotiate a registered performance standard pursuant to a *Generator* notice if the registered performance standard is higher than the *Generator*'s best assessment of the actual capability of the eligible plant in respect of the performance requirement the subject of the registered performance standard.

(l) Notwithstanding paragraph (k), *NEMMCO* is not required to (but may nevertheless agree to) renegotiate a registered performance standard pursuant to that clause if the actual capability of that eligible plant in respect of the performance requirement as agreed by *NEMMCO* and the *Generator*, or as established in accordance with tests or engineering assessments agreed or specified under clause 4.16.4(a)(2), is higher than the registered performance standard.

Consequences of agreeing performance standard

(m) If *NEMMCO* and a *Generator* agree a performance standard in respect of a performance requirement for any eligible plant under this clause 4.16.5, that performance standard is to be taken as the *performance standard* in respect of that performance requirement for the eligible plant and *NEMMCO* must forthwith include that standard in the register as the performance standard in respect of that performance requirement for that eligible plant.

4.16.6 Consultation with and assistance by Network Service Providers

(a) Before *NEMMCO*:

(1) accepts or agrees to a performance standard under this rule 4.16 or as described in clause 4.17.3(d); or

(2) agrees that a performance requirement is not applicable to an eligible plant under clause 4.16.5(f),

NEMMCO must notify the *Network Service Provider* to whose network the relevant eligible plant is directly *connected* and give that *Network Service Provider* a reasonable opportunity to provide its views on that matter to *NEMMCO*.

(b) As soon as reasonably practicable after including a performance standard for an eligible plant in the register under this rule 4.16 or rule 4.17, *NEMMCO* must give written notice of that performance standard to the *Network Service Provider* to whose *network* that eligible plant is directly *connected*.

(c) If requested to do so by *NEMMCO* or a *Generator*, a *Network Service Provider* must use its reasonable endeavours to provide such assistance as is requested in connection with the proposal, negotiation, acceptance or agreement of a performance standard under this rule 4.16 or as described in clause 4.17.3(d).

4.16.7 Referral to expert determination

(a) If:

(1) in accordance with clause 4.16.5(b), *NEMMCO* and a *Generator* are required to negotiate to agree a performance standard in respect of a particular performance requirement for an eligible plant;

(2) *NEMMCO* and the *Generator* have not agreed under clause 4.16.5(f) that such a performance requirement is not applicable to that eligible plant; and

(3) as at 29 January 2007, *NEMMCO* is not required under clause 4.16.5(m) to include in the register a performance standard for that eligible plant that is in respect of that performance requirement,

the *Generator* may give a written notice to *NEMMCO* (or *NEMMCO* may give a written notice to the *Generator*) of its intention to refer the determination of the performance standard in respect of the performance requirement to a performance standards expert.

(b) If:

(1) in accordance with clause 4.16.5(b), *NEMMCO* and a *Generator* are required to negotiate to agree a performance standard in respect of a particular performance requirement for an eligible plant;

(2) *NEMMCO* and the *Generator* have not agreed under clause 4.16.5(f) that such a performance requirement is not applicable to that eligible plant; and

(3) as at 1 March 2007, *NEMMCO* is not required under clause 4.16.5(m) to include in the register a performance standard for that eligible plant that is in respect of that performance requirement,

NEMMCO must give a written notice to the *Generator* of its intention to refer the determination of the performance standard in respect of the performance requirement to a performance standards expert.

4.16.8 Prior actions

If the *AEMC*, the *AER*, *NEMMCO* or a *Registered Participant* takes any action to enable any entity to perform functions under, or obligations imposed by, this rule 4.16 or rule 4.17 before 7 December 2006 in anticipation of the relevant provision applying on the performance standards transition commencement date, and the action was taken so far as reasonably practicable in accordance with the provision (as though the provision applied at the time the relevant action was taken), then the

action is deemed to have been validly taken in accordance with that provision with effect on and from 7 December 2006.

4.16.9 Deemed performance standards

A deemed performance standard for any eligible plant:

(a) that is in respect of a particular performance requirement; and

(b) that is included in the register as at the performance standards transition commencement date,

is to be taken to be the performance standard in respect of that performance requirement for that eligible plant for the purposes of the *Rules* unless it is subsequently amended or replaced in accordance with the *Rules*.

4.16.10 Modification of connection agreements

(a) Notwithstanding clause 5.2.2(c) and subject to paragraph (b), a *connection agreement* that applies to any eligible plant is to be taken to include:

(1) such *performance standards* for that eligible plant as are included in the register under this rule 4.16 or rule 4.17; and

(2) except to the extent they have been superseded by a *performance standard* referred to in subparagraph (1), such *performance standards* for that eligible plant as are included in the register as at the performance standards transition commencement date,

and those *performance standards* prevail over any other standards of performance that are included in that *connection agreement* to the extent of any inconsistency between them.

(b) Clause 4.16.10(a) does not apply to the extent a *performance standard* that is taken to be included in a *connection agreement* under that clause is subsequently amended or replaced in accordance with the *Rules*.

4.17 Expert determination

4.17.1 Performance standards committee and appointment of performance standards experts

(a) As soon as reasonably practicable but by no later than 10 January 2007, *NEMMCO* must establish a committee comprising six members (the '**performance standards committee**').

(b) The six members must consist of:

(1) two persons appointed to represent *NEMMCO*, one of whom is appointed as the chairperson of the committee;

(2) two persons appointed to represent *Generator*s; and

(3) two persons appointed to represent *Network Service Providers*.

(c) A decision of the performance standards committee to nominate a person as a performance standards expert must be made:

(1) at a meeting of the performance standards committee; and

(2) by at least two thirds of the number of members who attend the meeting.

(d) A quorum for a meeting of the performance standards committee consists of one member from each of the categories referred to in subparagraph (b)(1) to (3).

(e) The chairperson of the performance standards committee:

(1) is responsible for all procedural matters; and

(2) without limiting subparagraph (1), may determine that a member or members may participate in, and form any part of the quorum for, a meeting of the performance standards committee by telephone, closed circuit television or other means, but only if the member who speaks on any matter at that meeting can be heard by the other members at that meeting.

(f) If a member of the performance standards committee resigns or otherwise ceases to be able or available to perform the functions of a member for more than 2 consecutive meetings of the committee, *NEMMCO* must, as soon as reasonably practicable, appoint another person to replace that member.

(g) As soon as reasonably practicable after it is established, the performance standards committee must nominate at least two persons as performance standards experts.

(h) The performance standards committee must:

(1) from time to time nominate such number of persons as performance standards experts as is necessary to ensure that the number of performance standards experts at any time is no less than two; and

(2) at the request of *NEMMCO*, nominate such additional number of persons as performance standards experts as *NEMMCO* requires.

(i) If the performance standards committee:

(1) fails to nominate at least two persons as performance standards experts within 30 *business days* of the committee being established; or

(2) where the number of performance standards experts is reduced to less than two – fails, within 30 *business days* of such reduction occurring, to nominate such number of persons as performance standards experts as is necessary to restore the number of performance standards experts to two,

NEMMCO must request the *AER* in writing to nominate the requisite number of persons as performance standards experts and the *AER* must nominate that number of performance standards experts as soon as reasonably practicable.

(j) *NEMMCO* must engage a performance standards expert nominated under this clause 4.17.1 for the purpose of performing the functions of a performance standards expert under this rule 4.17.

(k) *NEMMCO* must notify the *AER* in writing of each performance standards expert that it engages under paragraph (j).

(l) The performance standards committee will cease to exist one month after 1 June 2007.

4.17.2 Referral to performance standards expert

(a) Where *NEMMCO* or a *Generator* gives a notice under clause 4.16.3(c) or clause 4.16.7 of its intention to refer the determination of a performance standard to a performance standards expert, the party giving the notice (the '**initiating party**') and the party to whom the notice is given (the '**receiving party**') must seek to agree on a performance standards expert to determine the performance standard.

(b) If:

(1) 5 *business days* from the giving of the notice under clause 4.16.3(c) or clause 4.16.7 (as the case may be) have elapsed; and

(2) the initiating party and the receiving party have not agreed on a performance standards expert to determine the performance standard,

then the initiating party or the receiving party may request the *AER* in writing to nominate a performance standards expert to determine the performance standard, in which case:

(3) the *AER* must make such nomination by notice in writing given to both the initiating party and the receiving party within 5 *business days* of the *AER* receiving the request to do so; and

(4) the nominated performance standards expert will determine the performance standard.

(c) Within 5 *business days* of the selection of the performance standards expert who will determine the performance standard, or within such longer time as the performance standards expert may agree, the initiating party and the receiving party must each give to the performance standards expert a written submission as to the performance standard they contend should be adopted and the reasons (together with supporting evidence) for that contention.

4.17.3 Determinations of performance standards experts

(a) The initiating party, the receiving party and any *Network Service Provider* required to do so by the performance standards expert must promptly supply the performance standards expert with any information, assistance and cooperation requested in writing by the performance standards expert in connection with its determination of a performance standard.

(b) The performance standards expert must determine the performance standard in accordance with the performance standard requirements. For these purposes the performance standards expert may, without limitation:

(1) determine the actual capability of the eligible plant in respect of the performance requirement the subject of the performance standard; or

(2) determine that a performance requirement is not applicable to the relevant eligible plant, with the result that no performance standard in respect of that performance requirement is required for that eligible plant.

(c) The performance standards expert must, as soon as reasonably practicable but no later than 1 June 2007, determine the performance standard and provide *NEMMCO* and the *Generator* with its written determination (including reasons).

(d) The performance standards expert must not determine a performance standard in respect of a performance requirement for an eligible plant if, prior to making that determination, *NEMMCO* and the *Generator* notify the expert in writing that they have agreed to the relevant performance standard.

(e) A performance standard in respect of a particular performance requirement that is:

(1) agreed as described in paragraph (d); or

(2) determined by a performance standards expert,

is to be taken as the performance standard in respect of that performance requirement for the relevant eligible plant and *NEMMCO* must forthwith include that standard in the register as the *performance standard* in respect of that performance requirement for that eligible plant.

(f) Not later than 1 July 2007, a performance standards expert must provide a summary of each determination it makes under this rule 4.17 to *NEMMCO* and *NEMMCO* must *publish* that summary as soon as is reasonably practicable.

(g) A summary under paragraph (f) must only include the following information:

(1) the name of the relevant *Generator*;

(2) the name or a description of the eligible plant; and

(3) the performance requirement that is the subject of the performance standard that has been determined by the performance standards expert for that eligible plant.

4.17.4 Other matters

(a) To the extent permitted by law, a performance standards expert is not liable for any loss, damage or liability suffered or incurred by a *Registered Participant* or any other person as a consequence of any act or omission of the performance standards expert that was done in good faith in connection with the determination of a performance standard.

(b) Before proceeding to determine a performance standard, a performance standards expert may require the initiating party and the receiving party to execute a release and indemnity in relation to any loss, damage or liability that the performance standards expert might, but for the release and indemnity, suffer or incur as a consequence of any act or omission of the performance standards expert that was done in good faith in connection with the determination of the performance standard.

(c) As part of its engagement by *NEMMCO*, a performance standards expert must enter into a confidentiality deed with *NEMMCO*, for the benefit of *NEMMCO* and each *Generator* in respect of which the performance standards expert determines a performance standard, under which it undertakes to keep confidential all information provided to it for the purposes of determining any performance standard except to the extent that the disclosure of such information is necessary for the purposes of the summary referred to in clause 4.17.3(f).

(d) The costs of the performance standards expert must be borne equally as between *NEMMCO* and National Generators Forum Limited (ACN 113 331 623).

CHAPTER 5

5. Network Connection

5.1 Statement of Purpose

5.1.1 [Deleted]

5.1.2 Purpose

(a) This Chapter*:*

(1) provides the framework for *connection* to a *transmission network* or a *distribution network* and access to the *national grid*; and

(2) has the following aims:

(i) to detail the principles and guidelines governing *connection* and access to a *network*;

(ii) to establish the process to be followed by a *Registered Participant* or a person intending to become a *Registered Participant* for establishing or modifying a *connection* to a *network* or for altering *generating plant connected* to a *network*;

(iii) to address a *Connection Applicant's* reasonable expectations of the level and standard of *power transfer capability* that the relevant *network* should provide; and

(iv) to establish processes to ensure ongoing compliance with the technical requirements of this Chapter to facilitate management of the *national grid*.

(b) Any person who is not a *Registered Participant* may agree with a *Network Service Provider* to comply with this Chapter as part of a *connection agreement*.

(c) Nothing in the *Rules* is to be read or construed as preventing any person from constructing any *network* or *connection assets*.

5.1.3 Principles

This Chapter is based on the following principles relating to *connection* to the *national grid*:

(a) all *Registered Participants* should have the opportunity to form a *connection* to a *network* and have access to the *network services* provided by the *networks* forming part of the *national grid*;

(b) the terms and conditions on which *connection* to a *network* and provision of *network service* is to be granted are to be set out in commercial agreements on reasonable terms entered into between a *Network Service Provider* and other *Registered Participants*;

(c) the technical terms and conditions of *connection agreements* regarding standards of performance must be established at levels at or above the *minimum access standards* set out in schedules 5.1, 5.2, 5.3 and 5.3a, with the objective of ensuring that the *power system* operates securely and reliably and in accordance with the *system standards* set out in schedule 5.1a;

(d) a *Registered Participant* or person intending to become a *Registered Participant* may request *connection* of a facility, modification of a *connection*, or alteration of *connected plant* at a standard below an *automatic access standard* if the *connection*, modification to the *connection*, or alteration of *connected plant* does not adversely affect:

(1) *power system security*; and

(2) the quality of *supply* to other *Network Users*;

(e) in some jurisdictions separate agreements may be required for *connection services* and *use of system services*; and

(f) the operation of the *Rules* should result in the achievement of:

(1) long term benefits to *Registered Participants* in terms of cost and *reliability* of the *national grid*; and

(2) open communication and information flows relating to *connections* between *Registered Participants* themselves, and between *Registered Participants* and *NEMMCO*, while ensuring the security of *confidential information* belonging to competitors in the *market*.

5.2 Obligations

5.2.1 Obligations of Registered Participants

(a) All *Registered Participants* must maintain and operate (or ensure their authorised *representatives* maintain and operate) all equipment that is part of their *facilities* in accordance with:

(1) relevant laws;

(2) the requirements of the Rules; and

(3) *good electricity industry practice* and applicable *Australian Standards*.

(b) All *Registered Participants* must ensure that the *connection agreements* to which they are a party require the provision and maintenance of all required *facilities* consistent with *good electricity industry practice* and must operate their equipment in a manner:

(1) to assist in preventing or controlling instability within the *power system*;

(2) comply with the minimum standards *published* pursuant to clause 3.11.4(c);

(3) to assist in the maintenance of, or restoration to, a *satisfactory operating state* of the *power system*; and

(4) to prevent uncontrolled separation of the *power system* into isolated *regions* or partly combined *regions, intra-regional transmission* break-up, or *cascading outages*, following any *power system* incident.

5.2.2 Connection agreements

(a) If requested to do so by a *Transmission Network User*, *Distribution Network User*, *NEMMCO* or the *AER*, a *Network Service Provider* and a *Transmission Network User* or *Distribution Network User* (as the case may be) must document the terms of any *network connection* arrangements made prior to 13 December 1998 and the resulting document will then be deemed to be a *connection agreement* for the purposes of the *Rules*.

(b) The *Rules* apply to:

(1) *connection agreements* made after 13 December 1998;

(2) deemed *connection agreements* under paragraph (a); and

(3) requests to establish *connection* after 13 December 1998.

(c) This Chapter 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 a *connection agreement*; or

(2) altering the contractual rights or obligations of any of the parties under the *connection agreement* as between those parties; or

(3) relieving the parties under any such *connection agreement* of their contractual obligations under such an *agreement*.

(d) Notwithstanding the provisions of clause 5.2.2(c), if any obligation imposed or right conferred on a *Registered Participant* by this Chapter is inconsistent with the terms of a *connection agreement* to which the *Rules* apply and the application of the inconsistent terms of the *connection agreement* would adversely affect the quality or security of *network service* to other *Network Users*, the parties to the *connection agreement* must observe the provisions of this Chapter as if they prevail over the *connection agreement* to the extent of the inconsistency.

5.2.3 Obligations of network service providers

(a) To be registered by *NEMMCO* as a *Network Service Provider*, a person must satisfy the relevant requirements specified in Chapter 2 and submit an application to *NEMMCO* in such form as *NEMMCO* may require.

(b) A *Network Service Provider* must comply with the *power system* performance and quality of *supply* standards:

(1) described in schedule 5.1;

(2) in accordance with any *connection agreement* with a *Registered Participant*,

and if there is an inconsistency between schedule 5.1 and such a *connection agreement*:

(3) if compliance with the relevant provision of the *connection agreement* would adversely affect the quality or security of *network service* to other *Network Users*, schedule 5.1 is to prevail;

(4) otherwise the *connection agreement* is to prevail.

(c) Where the provisions of the *connection agreement* vary the technical requirements set out in the schedules to this Chapter, the relevant *Network Service Provider* must report on such variations to *NEMMCO* on an annual basis. *NEMMCO* must allow access to such information to all other *Network Service Providers* and the *Network Service Providers* must keep such information confidential.

(d) A *Network Service Provider* must:

(1) review and process *applications to connect* or modify a *connection* which are submitted to it and must enter into a *connection agreement* with each *Registered Participant* and any other person to which it has provided a *connection* in accordance with rule 5.3 to the extent that the *connection point* relates to its part of the *national grid*;

(1A) co-operate with any other *Network Service Provider* who is processing a *connection* enquiry or *application to connect* to allow that *connection* enquiry or *application to connect* to be processed expeditiously and in accordance with rule 5.3;

(2) ensure that, to the extent that a *connection point* relates to its part of the *national grid*, every arrangement for *connection* with a *Registered Participant* or any other arrangement involving a *connection agreement* with that *Network Service Provider* complies with all relevant provisions of the *Rules*;

(3) co-ordinate the design aspects of equipment proposed to be *connected* to its *networks* with those of other *Network Service Providers* in accordance with rule 5.4 in order to seek to achieve *power system* performance requirements in accordance with schedule 5.1;

(4) together with other *Network Service Providers*, arrange for and participate in planning and development of their *networks* and *connection points* on or with those *networks* in accordance with rule 5.6;

(5) permit and participate in inspection and testing of *facilities* and equipment in accordance with rule 5.7;

(6) permit and participate in commissioning of *facilities* and equipment which are to be *connected* to its *network* in accordance with rule 5.8;

(7) advise a *Registered Participant* or other person with whom there is a *connection agreement* upon request of any expected interruption characteristics at a *connection point* on or with its *network* so that the *Registered Participant* or other person may make alternative arrangements for *supply* during such interruptions, including negotiating for an alternative or backup *connection*;

(8) use its reasonable endeavours to ensure that modelling data used for planning, design and operational purposes is complete and accurate and order tests in accordance with rule 5.7 where there are reasonable grounds to question the validity of data;

(9) provide to *NEMMCO* and other *Network Service Providers* all data available to it and reasonably required for modelling the static and *dynamic performance* of the *power system*;

(10) forward to *NEMMCO* and other *Network Service Providers* subsequent updates of the data referred to in clause 5.2.3(d)(9) and, to the best of its ability and knowledge, ensure that all data used for the purposes referred to in rule 5.3 is consistent with data used for such purposes by other *Network Service Providers*;

(11) provide to *NEMMCO* the information required from *Generators* under schedule 5.2 and from *Customers* under schedule 5.3 and from *Market Network Service Providers* under schedule 5.3a in relation to a *connection agreement* and details of any *connection points* with other *Network Service Providers*; and

(12) where *network augmentations*, setting changes or other technical issues arise which could impact across *regional* boundaries, provide *NEMMCO* with a written report on the impact and its effects.

(e) A *Network Service Provider* must arrange for operation of that part of the *national grid* over which it has control in accordance with instructions given by *NEMMCO*.

(e1) A *Network Service Provider* must, except in so far as its *market network services* and parts of its *network* which are used solely for the provision of *market network services* are concerned, arrange for:

(1) management, maintenance and operation of its part of the *national grid* such that, in the *satisfactory operating state*, electricity may be transferred continuously at a *connection point* on or with its *network* up to the *agreed capability*;

(2) operation of its *network* such that the fault level at any *connection point* on or with that *network* does not exceed the limits that have been specified in a *connection agreement*;

(3) management, maintenance and operation of its *network* to minimise the number of interruptions to *agreed capability* at a *connection point* on or with that *network* by using *good electricity industry practice*; and

(4) restoration of the *agreed capability* at a *connection point* on or with that *network* as soon as reasonably practicable following any interruption at that *connection point*.

(f) A *Network Service Provider* must comply with *applicable regulatory instruments*.

(g) Each *Network Service Provider* must in respect of new or altered equipment owned, operated or controlled by it for the purpose of providing a *market network service*:

(1) submit an *application to connect* and enter into a *connection agreement* with a *Network Service Provider* in accordance with rule 5.3 prior to that equipment being connected to the *network* of that *Network Service Provider* or altered (as the case may be);

(2) comply with the reasonable requirements of *NEMMCO* and the relevant *Network Service Provider* in respect of design requirements of equipment proposed to be *connected* to the *network* of that *Network Service Provider* in accordance with rule 5.4 and schedule 5.3a;

(3) provide forecast information to the relevant *Network Service Provider* in accordance with rule 5.6;

(4) permit and participate in inspection and testing of *facilities* and equipment in accordance with rule 5.7;

(5) permit and participate in commissioning of *facilities* and equipment which are to be *connected* to a *network* for the first time in accordance with rule 5.8; and

(6) **[Deleted]**

(7) give notice of intended voluntary permanent *disconnection* in accordance with rule 5.9.

(h) **[Deleted]**

(h1) On receipt of a written request from Basslink Pty Ltd or another party nominated in writing to *NEMMCO* by the Basslink Development Board (collectively 'Basslink') together with a copy of the *application to connect* lodged by Basslink with the relevant *Transmission Network Service Provider*, including all necessary supporting information and data required under clause 5.3.3(c), the *Inter-regional Planning Committee* must in accordance with clause 5.6.3 advise *NEMMCO* of the requirements that should be imposed on Basslink as the intending *Market Network Service Provider* for the purposes of clause 5.2.3(g)(2).

(h2) The *Inter-regional Planning Committee* must, in preparing its advice to *NEMMCO* under 5.2.3(h1), conduct a review of the technical impacts of the proposed interconnector to be constructed by Basslink covering those matters in clause 5.6.6(c)(1), (2) and (4) and *publish* a report of its review.

(h3) *NEMMCO* must, following receipt of advice from the *Inter-regional Planning Committee* in accordance with clause 5.2.3(h1), advise the relevant *Transmission Network Service Provider* and Basslink of its reasonable design requirements in respect of the equipment proposed to be *connected* to the *network* as set out in rule 5.4 and schedule 5.3a, in addition to those reasonable design requirements of the relevant *Transmission Network Service Provider*, for the purposes of clause 5.2.3(g)(2).

(i) This Chapter is neither intended to require, nor is it to be read or construed as having the effect of requiring, a *Network Service Provider* to permit

connection to or to *augment* any part of its *network* which is solely used for the provision of *market network services.*

5.2.4 Obligations of customers

(a) Each *Customer* must plan and design its *facilities* and ensure that its *facilities* are operated to comply with:

(1) its *connection agreement* with a *Network Service Provider*;

(2) subject to clause 5.2.4(a)(1), all applicable *performance standards*; and

(3) subject to clause 5.2.4(a)(2), the *system standards.*

(b) A *Customer* must:

(1) submit an *application to connect* in respect of new or altered equipment owned, operated or controlled by the *Customer* and enter into a *connection agreement* with a *Network Service Provider* in accordance with rule 5.3 prior to that equipment being *connected* to the *network* of that *Network Service Provider* or altered (as the case may be);

(2) comply with the reasonable requirements of the relevant *Network Service Provider* in respect of design requirements of equipment proposed to be *connected* to the *network* of that *Network Service Provider* in accordance with rule 5.4 and schedule 5.3;

(3) provide *load* forecast information to the relevant *Network Service Provider* in accordance with rule 5.6;

(4) permit and participate in inspection and testing of *facilities* and equipment in accordance with rule 5.7;

(5) permit and participate in commissioning of *facilities* and equipment which are to be *connected* to a *network* for the first time in accordance with rule 5.8; and

(6) **[Deleted]**

(7) give notice of any intended voluntary permanent *disconnection* in accordance with rule 5.9.

5.2.5 Obligations of Generators

(a) A *Generator* must plan and design its *facilities* and ensure that they are operated to comply with:

(1) the *performance standards* applicable to those *facilities*;

(2) subject to subparagraph (1), its *connection agreement* applicable to those *facilities*; and

(3) subject to subparagraph (2), the *system standards*.

(b) A *Generator* must:

(1) submit an *application to connect* in respect of new *generating plant* owned, operated or controlled by the *Generator*, or to be owned, operated or controlled by the *Generator*, and enter into a *connection agreement* with a *Network Service Provider* in accordance with rule 5.3 prior to that *generating plant* being *connected* to the *network* of that provider;

(2) comply with the reasonable requirements of the relevant *Network Service Provider* in respect of design requirements of *generating plant* proposed to be *connected* to the *network* of that provider in accordance with rule 5.4 and schedule 5.2;

(3) provide *generation* forecast information to the relevant *Network Service Provider* in accordance with rule 5.6;

(4) permit and participate in inspection and testing of *facilities* and equipment in accordance with rule 5.7;

(5) permit and participate in commissioning of *facilities* and equipment which are to be *connected* to a *network* for the first time in accordance with rule 5.8; and

(6) give notice of intended voluntary permanent *disconnection* in accordance with rule 5.9.

5.3 Establishing or Modifying Connection

5.3.1 Process and procedures

(a) For the purposes of this rule 5.3:

establish a connection includes 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.

(b) A *Registered Participant* or person intending to become a *Registered Participant* who wishes to establish a *connection* to a *network* must follow the procedures in this rule 5.3.

(c) Any person wishing to establish a *connection* to a *network* may elect to follow the procedures in this rule 5.3.

(d) A *Generator* wishing to alter *connected generating plant* must comply with clause 5.3.9.

5.3.2 Connection enquiry

(a) A person referred to in clause 5.3.1(b) or (c) who wishes to make an *application to connect* must first make a *connection* enquiry by advising the *Local Network Service Provider* of the type, magnitude and timing of the proposed *connection* to that provider's *network.*

(b) If the information submitted with a *connection* enquiry is inadequate to enable the *Local Network Service Provider* to process the enquiry the provider must within 5 *business days*, advise the *Connection Applicant* what other relevant preliminary information of the kind listed in schedule 5.4 is required before the *connection* enquiry can be further processed.

(c) The *Local Network Service Provider* must advise the *Connection Applicant* within 10 *business days* of receipt of the *connection* enquiry and the further information required in accordance with paragraph (b) if the enquiry would be more appropriately directed to another *Network Service Provider*.

(d) The *Connection Applicant*, notwithstanding the advice received under paragraph (c), may if it is reasonable in all the circumstances, request the *Local Network Service Provider* to process the *connection* enquiry and the provider must meet this request.

(e) Where the *Local Network Service Provider* considers that the *connection* enquiry should be jointly examined by more than one *Network Service Provider*, with the agreement of the *Connection Applicant,* one of those *Network Service Providers* may be allocated the task of liaising with the *Connection Applicant* and the other *Network Service Providers* to process and respond to the enquiry.

(f) A *Network Service Provider* must to the extent that it holds technical information necessary to facilitate the processing of a *connection* enquiry made in accordance with paragraph (a) or an *application to connect* in accordance with clause 5.3.4(a), provide that information to the *Connection Applicant* in accordance with the relevant requirements of schedule 5.1, 5.2, 5.3 or 5.3a.

5.3.3 Response to connection enquiry

(a) In preparing a response to a *connection* enquiry, the *Network Service Provider* must liaise with other *Network Service Providers* with whom it has *connection agreements*, if the *Network Service Provider* believes, in its

reasonable opinion, that compliance with the terms and conditions of those *connection agreements* will be affected. The *Network Service Provider* responding to the *connection* enquiry may include in that response the reasonable requirements of any such other *Network Service Providers* for information to be provided by the *Connection Applicant*.

(b) The *Network Service Provider* must:

(1) within 10 *business days* after receipt of the *connection* enquiry and all such additional information (if any) advised under clause 5.3.2(b); or

(2) within 10 *business days* after receipt of a request from the *Connection Applicant* to the *Local Network Service Provider* to process the *connection* enquiry under clause 5.3.2(d),

provide the following information in writing to the *Connection Applicant*:

(3) the identity of other parties that the *Network Service Provider* considers:

(i) will need to be involved in planning to make the *connection* or must be involved under clause 5.3.5(e); and

(ii) must be paid for *transmission services* or *distribution services* in the appropriate jurisdiction;

(4) whether it will be necessary for any of the parties identified in subparagraph (3) to enter into an agreement with the *Connection Applicant* in respect of the provision of *connection* or other *transmission services* or *distribution services* or both, to the *Connection Applicant*;

(5) whether any service the *Network Service Provider* proposes to provide is *contestable* in the relevant *participating jurisdiction*; and

(6) a *preliminary program* showing proposed milestones for *connection* and access activities which may be modified from time to time by agreement of the parties, where such agreement must not be unreasonably withheld.

(b1) The *Network Service Provider* must:

(1) within 20 *business days* after receipt of the *connection* enquiry and all such additional information (if any) advised under clause 5.3.2(b); or

(2) within 20 *business days* after receipt of a request from the *Connection Applicant* to the *Local Network Service Provider* to process the *connection* enquiry under clause 5.3.2(d),

provide the *Connection Applicant* with the following written details of each technical requirement relevant to the proposed *plant*:

(3) the *automatic access standards*;

(4) the *minimum access standards*;

(5) the applicable *plant standards*;

(6) the *negotiated access standards* that will require *NEMMCO's* involvement in accordance with clause 5.3.4A(c); and

(7) the *normal voltage* level, if that is to change from the *nominal voltage* level.

(b2) A *Registered Participant*, *NEMMCO* or *interested party* may request the *Reliability Panel* to determine whether, in respect of one or more technical requirements for access, an existing Australian or international standard, or a part thereof, may be adopted as a *plant standard* for a particular class of *plant*.

(b3) Where, in respect of a technical requirement for access, the *Reliability Panel* determines a *plant standard* for a particular class of *plant* in accordance with clause 8.8.1(a)(8) as an acceptable alternative to a particular *minimum access standard* or *automatic access standard*, a *plant* which meets that *plant standard* is deemed to meet the applicable *automatic access standard* or *minimum access standard* for that technical requirement.

(b4) In making a determination in accordance with clause 5.3.3(b2) the *Reliability Panel* must consult *Registered Participants* and *NEMMCO* using the *Rules consultation procedures*.

(c) Within 20 *business days* after receipt of the *connection* enquiry and all such additional information (if any) advised under clause 5.3.2(b) or, if the *Connection Applicant* has requested the *Local Network Service Provider* to process the *connection* enquiry under clause 5.3.2(d), within 20 *business days* after receipt of that request, the *Network Service Provider* must provide to the *Connection Applicant* written advice of all further information which the *Connection Applicant* must prepare and obtain in conjunction with the *Network Service Provider* to enable the *Network Service Provider* to assess an *application to connect* including:

(1) details of the *Connection Applicant's connection* requirements, and the *Connection Applicant's* specifications of the *facility* to be connected, consistent with the requirements advised in accordance with clause 5.3.3(b1);

(2) details of the *Connection Applicant's* reasonable expectations of the level and standard of service of *power transfer capability* that the *network* should provide;

(3) a list of the technical data to be included with the *application to connect*, which may vary depending on the *connection* requirements and the type, rating and location of the *facility* to be *connected* and will generally be in the nature of the information set out in schedule 5.5 but may be varied by the *Network Service Provider* as appropriate to suit the size and complexity of the proposed *facility* to be *connected*;

(4) commercial information to be supplied by the *Connection Applicant* to allow the *Network Service Provider* to make an assessment of the ability of the *Connection Applicant* to satisfy the prudential requirements set out in rules 6.6 and 6.7;

(5) the amount of the application fee which is payable on lodgement of an *application to connect*, such amount not being more than necessary to:

(i) cover the reasonable costs of all work anticipated to arise from investigating the *application to connect* and preparing the associated offer to *connect*; and

(ii) meet the reasonable costs anticipated to be incurred by *NEMMCO* and other *Network Service Providers* whose participation in the assessment of the *application to connect* will be required; and

(6) any other information relevant to the submission of an *application to connect*.

5.3.4 Application for connection

(a) A person who has made a *connection* enquiry under clause 5.3.2 may, following receipt of the responses under clause 5.3.3, make an *application to connect* in accordance with this clause 5.3.4 and clause 5.3.4A.

(b) To be eligible for *connection*, the *Connection Applicant* must submit an *application to connect* containing the information specified in clause 5.3.3(c) and the relevant application fee to the relevant *Network Service Provider*.

(c) The *Connection Applicant* may submit *applications to connect* to more than one *Network Service Provider* in order to receive additional offers to *connect* in respect of *facilities* to be provided that are *contestable*.

(d) To the extent that an application fee includes amounts to meet the reasonable costs anticipated to be incurred by any other *Network Service Providers* or *NEMMCO* in the assessment of the *application to connect*, a *Network Service Provider* who receives the *application to connect* and associated fee must pay such amounts to the other *Network Service Providers* or *NEMMCO*, as appropriate.

(e) For each technical requirement where the proposed arrangement will not meet the *automatic access standards* nominated by the *Network Service Provider* pursuant to clause 5.3.3(b1), the *Connection Applicant* must submit with the *application to connect* a proposal for a *negotiated access standard* for each such requirement to be determined in accordance with clause 5.3.4A.

(f) The *Connection Applicant* may:

(1) lodge separate *applications to connect* and separately liaise with the other *Network Service Providers* identified in clause 5.3.3(b) who may require a form of agreement; or

(2) lodge one *application to connect* with the *Network Service Provider* who processed the *connection* enquiry and require it to liaise with those other *Network Service Providers* and obtain and present all necessary draft agreements to the *Connection Applicant*.

5.3.4A Negotiated access standards

(a) For the purposes of this clause 5.3.4A:

NEMMCO advisory matter means a matter that relates to *NEMMCO's* functions under the *National Electricity Law* and a matter in which *NEMMCO* has a role in schedules 5.1a, 5.1, 5.2, 5.3 and 5.3a.

(b) A *negotiated access standard* must:

(1) be no less onerous than the corresponding *minimum access standard* provided by the *Network Service Provider* under clause 5.3.3(b1)(4);

(2) be set at a level that will not adversely affect *power system security*;

(3) be set at a level that will not adversely affect the quality of *supply* for other *Network Users*; and

(4) in respect of *generating plant*, meet the requirements applicable to a *negotiated access standard* in clauses S5.2.5, S5.2.6, S5.2.7 and S5.2.8.

(c) A *Network Service Provider* must following the receipt of a proposed *negotiated access standard* under clause 5.3.4(e) or paragraph (h), consult

with *NEMMCO* as soon as practicable in relation to *NEMMCO* advisory matters for that proposed standard.

(d) *NEMMCO* must within 20 *business day*s following the submission of a proposed *negotiated access standard* under clause 5.3.4(e) or paragraph (h)(3), respond to the *Network Service Provider* in writing in respect of any *NEMMCO* advisory matters.

(e) A *Network Service Provider* must within 30 *business days* following the receipt of a proposed *negotiated access standard* in accordance with clause 5.3.4(e) or paragraph (h)(3), accept or reject a proposed *negotiated access standard*.

(f) The *Network Service Provider* must reject the proposed *negotiated access standard* if that *connection*, or alteration of the *generating plant* (as the case may be), at the *negotiated access standard* proposed by the *Connection Applicant* would:

(1) on *NEMMCO's* reasonable advice, adversely affect *power system security*;

(2) in the *Network Service Provider's* reasonable opinion, adversely affect quality of *supply* for other *Network Users*;

(3) in the reasonable opinion of *NEMMCO* or the *Network Service Provider*, in respect of a *NEMMCO* advisory matter or a matter allocated to the *Network Service Provider*, respectively, be lower than the corresponding *minimum access standard*; or

(4) in respect of *generating plant*, in *NEMMCO's* reasonable opinion, not satisfy paragraph (b)(4).

(g) If a *Network Service Provider* rejects a proposed *negotiated access standard*, the *Network Service Provider* must when rejecting the proposed *negotiated access standard*, advise the *Connection Applicant* of a *negotiated access standard* that the *Network Service Provider* will accept.

(h) The *Connection Applicant* may in relation to a proposed *negotiated access standard* advised by a *Network Service Provide*r in accordance with paragraph (g):

(1) accept the proposed *negotiated access standard*;

(2) reject the proposed *negotiated access standard*;

(3) propose an alternative *negotiated access standard* to be further evaluated in accordance with the criteria in paragraph (b); or

(4) elect to adopt the relevant *automatic access standard* or a corresponding *plant standard*.

(i) An *automatic access standard* or if the procedures in this clause 5.3.4A have been followed a *negotiated access standard*, that forms part of the terms and conditions of a *connection agreement*, is taken to be the *performance standard* applicable to the *connected plant* for the relevant technical requirement.

5.3.5 Preparation of offer to connect

(a) The *Network Service Provider* to whom the *application to connect* is submitted:

(1) at the *automatic access standard* under clause 5.3.4; or

(2) at a *negotiated access standard* that the provider has accepted under clause 5.3.4A(e),

must proceed to prepare an offer to *connect* in response.

(b) The *Network Service Provider* must use its reasonable endeavours to advise the *Connection Applicant* of all risks and obligations in respect of the proposed *connection* associated with planning and environmental laws not contained in the *Rules.*

(c) The *Connection Applicant* must provide such other additional information in relation to the *application to connect* as the *Network Service Provider* reasonably requires to assess the technical performance and costs of the required *connection* and to enable the *Network Service Provider* to prepare an offer to *connect*.

(d) So as to maintain levels of service and quality of *supply* to existing *Registered Participants* in accordance with the *Rules*, the *Network Service Provider* in preparing the offer to *connect* must consult with *NEMMCO* and other *Registered Participants* with whom it has *connection agreements*, if the *Network Service Provider* believes in its reasonable opinion, that compliance with the terms and conditions of those *connection agreements* will be affected, in order to assess the *application to connect* and determine:

(1) the technical requirements for the equipment to be *connected*;

(2) the extent and cost of *augmentations* and changes to all affected *networks*;

(3) any consequent change in *network service* charges; and

(4) any possible material effect of this new *connection* on the *network power transfer capability* including that of other *networks*.

(e) If the *application to connect* involves the *connection* of *generating units* having a *nameplate rating* of 10 MW or greater to a *distribution network*, the *Distribution Network Service Provider* must consult the relevant *Transmission Network Service Provider* regarding the impact of the *connection* contemplated by the *application to connect* on fault levels, line reclosure protocols, and stability aspects.

(f) The *Transmission Network Service Provider* consulted under paragraph (e) must determine the reasonable costs of addressing those matters for inclusion in the offer to *connect* and the *Distribution Network Service Provider* must make it a condition of the offer to *connect* that the *Connection Applicant* pay these costs.

(g) The *Network Service Provider* preparing the offer to *connect* must include provision for payment of the reasonable costs associated with *remote control equipment* and *remote monitoring equipment* as required by *NEMMCO* and it may be a condition of the offer to *connect* that the *Connection Applicant* pay such costs.

5.3.6 Offer to connect

(a) Subject to clause 5.3.3(b)(6), the *Network Service Provider* processing the *application to connect* must make an offer to *connect* the *Connection Applicant's facilities* to the *network* within the time period specified in the *preliminary program*.

(a1) The *Network Service Provider* may amend the time period referred to in clause 5.3.6(a) to allow for any additional time taken in excess of the period allowed in the *preliminary program* for the negotiation of *negotiated access standards* in accordance with clause 5.3.4A.

(b) The offer to *connect* must contain the proposed terms and conditions for *connection* to the *network* including:

(1) for each technical requirement identified by the *Network Service Provider* under clause 5.3.3(b1), the *automatic access standard* or the *negotiated access standard* as determined in accordance with clauses 5.3.4 and 5.3.4A; and

(2) the terms and conditions of the kind set out in schedule 5.6,

and must be capable of acceptance by the *Connection Applicant* so as to constitute a *connection agreement.*

(b1) The proposed terms and conditions detailed in the offer to *connect* must be no lower than the applicable *minimum access standards*.

(c) The offer to *connect* must be fair and reasonable and must be consistent with the safe and *reliable* operation of the *power system* in accordance with the *Rules*. Without limitation, unless the parties otherwise agree, to be fair and reasonable an offer to *connect* must offer *connection* and *network services* consistent with schedule 5.1 and (as applicable) schedules 5.2, 5.3 and 5.3a and must not impose conditions on the *Connection Applicant* which are more onerous than those contemplated in schedules 5.1, 5.2, 5.3 or 5.3a.

(c1) An offer to *connect* and the resulting *connection agreement* must be consistent with any minimum standards set by *NEMMCO* under clause 3.11.4(b)(1).

(d) The *Network Service Provider* must use its reasonable endeavours to provide the *Connection Applicant* with an offer to *connect* in accordance with the reasonable requirements of the *Connection Applicant*, including without limitation, the location of the proposed *connection point* and the level and standard of *power transfer capability* that the *network* will provide.

(e) An offer to *connect* may contain options for *connection* to a *network* at more than one point in a *network* and/or at different levels of service and with different terms and conditions applicable to each *connection point* according to the different characteristics of *supply* at each *connection point*.

(f) Both the *Network Service Provider* and the *Connection Applicant* are entitled to negotiate with each other in respect of the provision of *connection* and any other matters relevant to the provision of *connection* and, if negotiations occur, the *Network Service Provider* and the *Connection Applicant* must conduct such negotiations in good faith.

(g) An offer to *connect* must define the basis for determining *transmission service* charges in accordance with Chapter 6A, including the prudential requirements set out in that Chapter.

(h) An offer to *connect* must define the basis for determining *distribution service* charges in accordance with Chapter 6, including the prudential requirements set out in Part K of Chapter 6.

(i) An offer to *connect* in respect of a *transmission network* must conform with the access arrangements set out in rule 5.4A.

(j) An offer to *connect* in respect of a *distribution network* made to an *Embedded Generator* or a *Market Network Service Provider*, must conform with the relevant access arrangements set out in rule 5.5.

(k) Nothing in the *Rules* is to be read or construed as imposing an obligation on a *Network Service Provider* to effect an extension of a *network* unless that

extension is required to effect or facilitate the *connection* of a *Connection Applicant* and the *connection* is the subject of a *connection agreement.*

5.3.7 Finalisation of connection agreements

(a) If a *Connection Applicant* wishes to accept an offer to *connect*, the *Connection Applicant* must negotiate and enter into a *connection agreement* with each relevant *Network Service Provider* identified in accordance with clauses 5.3.3(b)(3) and (4) and in doing so must use its reasonable endeavours to negotiate in good faith with all parties with which the *Connection Applicant* must negotiate such a *connection agreement*.

(b) The *connection agreement* must include proposed *performance standards* with respect to each of the technical requirements identified in schedules 5.2, 5.3 and 5.3a and each proposed *performance standard* must have been established in accordance with the relevant technical requirement.

(c) The proposed *performance standards* must be based on the *automatic access standard* or, if the procedures in clause 5.3.4A have been followed, the *negotiated access standard*.

(d) The provision of *connection* by any *Network Service Provider* may be made subject to gaining environmental and planning approvals for any necessary *augmentation* or *extension* works to a *network*.

(e) Where permitted by the applicable law in the relevant *participating jurisdiction*, the *connection agreement* may assign responsibility to the *Connection Applicant* for obtaining the approvals referred to in paragraph (d) as part of the project proposal and the *Network Service Provider* must provide all reasonable information and may provide reasonable assistance for a reasonable fee to enable preparation of applications for such approvals.

(f) Subject to paragraph (e), each *connection agreement* must be based on the offer to *connect* as varied by agreement between the parties.

(g) The *Network Service Provider* responsible for the *connection point* and the *Registered Participant* must jointly notify *NEMMCO* that a *connection agreement* has been entered into between them and forward to *NEMMCO* relevant technical details of the proposed *plant* and *connection*, including as applicable:

(1) details of all *performance standards* that form part of the terms and conditions of the *connection agreement*;

(2) if a *Generator*, the arrangements for updating the information required under clause S5.2.4(b);

(3) the proposed *metering installation*;

(4) arrangements for the *Metering Provider* to obtain physical access to the *metering installation*; and

(5) the terms upon which a *Registered Participant* is to supply any *ancillary services* under the *connection agreement*.

(h) *NEMMCO* must, within 20 *business days* of receipt of the notice under paragraph (g), advise the relevant *Network Service Provider* and the *Registered Participant* of whether the proposed *metering installation* is acceptable for those *metering installations* associated with those *connection points* which are classified as *metering installation* types 1, 2, 3 and 4 as specified in schedule 7.2.

5.3.8 Provision and use of information

(a) The data and information provided under this rule 5.3 is *confidential information* and must:

(1) be prepared, given and used in good faith; and

(2) not be disclosed or made available by the recipient to a third party except in the circumstances set out in this clause 5.3.8.

(b) The data and information to be provided under this rule 5.3 may be shared between a *Network Service Provider* and *NEMMCO* for the purpose of enabling:

(1) the *Network Service Provider* to advise *NEMMCO* of *ancillary services* or similar services described in clause 3.11.3(j); and

(2) either party to:

(i) assess the effect of a proposed *facility* or proposed alteration to *generating plant* (as the case may be) on:

(A) the performance of the *power system*; or

(B) another proposed *facility* or another proposed alteration;

(ii) assess proposed *negotiated access standards*; or

(iii) determine the extent of any required *augmentation* or *extension*.

(c) A *Network Service Provider* may disclose the data and information to be provided under this rule 5.3 to another *Network Service Provider* if the *Network Service Provider* considers the information or data is materially relevant to that provider for *connection*.

(d) A person intending to disclose information under paragraphs (b) and (c) must first advise the relevant *Connection Applicant* of the extent of the disclosure.

(e) If a *Connection Applicant* or *Network Service Provider* becomes aware of any material change to any information contained in or relevant to an *application to connect*, it must promptly notify the other party in writing of that change.

(f) A *Registered Participant* must, within 5 *business days* of becoming aware that any information provided to *NEMMCO* in relation to a *performance standard* or other information of a kind required to be provided to *NEMMCO* under clause 5.3.7 is incorrect, advise *NEMMCO* of the correct information.

5.3.9 Procedure to be followed by a Generator proposing to alter a generating system

(a) This clause 5.3.9 applies where a *Generator* proposes to alter:

(1) a *connected generating system*; or

(2) a *generating system* for which *performance standards* have been previously accepted by *NEMMCO*,

in a manner that will affect the performance of the *generating system* relative to any of the technical requirements set out in clauses S5.2.5, S5.2.6, S5.2.7 and S5.2.8.

(b) A *Generator* to which this clause applies, must submit to the *Network Service Provider* with a copy to *NEMMCO*:

(1) a description of the nature of the alteration and the timetable for implementation;

(2) in respect of the proposed alteration to the *generating system*, details of the *generating unit* design data and *generating unit* setting data in accordance with the *Generating System Model Guidelines, Generating System Design Data Sheet*, or *Generating System Setting Data Sheet*; and

(3) in relation to each relevant technical requirement for which the proposed alteration to the equipment will affect the performance of the *generating system*, the proposed amendments to:

(i) the applicable *automatic access standard*; or

(ii) a proposed *negotiated access standard*.

(c) Clause 5.3.4A applies to a submission by a *Generator* under paragraph (b)(3)(ii).

(d) Without limiting subparagraph (b)(3), for the purposes of that subparagraph (unless *NEMMCO* and the *Network Service Provider* otherwise agree), a proposed alteration to the equipment specified in column 1 of the table set out below is taken to affect the performance of the *generating system* relative to technical requirements specified in column 2, thereby necessitating a submission under subparagraph (b)(3).

Column 1 **(altered equipment)**	**Column 2** **(clause)**
machine windings	S5.2.5.1, S5.2.5.2, S5.2.8
power converter	S5.2.5.1, S5.2.5.2, S5.2.5.5, S5.2.5.12, S5.2.5.13, S5.2.8
reactive compensation plant	S5.2.5.1, S5.2.5.2, S5.2.5.5, S5.2.5.12, S5.2.5.13
excitation control system	S5.2.5.5, S5.2.5.7, S5.2.5.12, S5.2.5.13
voltage control system	S5.2.5.5, S5.2.5.12, S5.2.5.13
governor *control system*	S5.2.5.7, S5.2.5.11, S5.2.5.14
power *control system*	S5.2.5.11, S5.2.5.14
protection system	S5.2.5.3, S5.2.5.4, S5.2.5.5, S5.2.5.7, S5.2.5.8, S5.2.5.9
auxiliary supplies	S5.2.5.1, S5.2.5.2, S5.2.8
remote control and monitoring system	S5.2.5.14, S5.2.6.1, S5.2.6.2

(e) The *Network Service Provider* may as a condition of considering a submission made under paragraph (b), require payment of a fee to meet the reasonable costs anticipated to be incurred by the provider, other *Network Service Providers* and *NEMMCO*, in the assessment of the submission.

(f) The *Network Service Provider* must require payment of a fee under paragraph (e) if so requested by *NEMMCO*.

(g) On payment of the required fee referred to in paragraph (e), the *Network Service Provider* must pay such amounts as are on account of the costs anticipated to be incurred by the other *Network Service Providers* and *NEMMCO*, as appropriate.

(h) If the application of this clause 5.3.9 leads to a variation to an existing *connection agreement* the *Network Service Provider* and the *Generator* must immediately jointly advise *NEMMCO*.

5.3.10 Acceptance of performance standards for generating plant that is altered

(a) A *Generator* must not commission altered *generating plant* until the *Network Service Provider* has advised the *Generator* that the provider and *NEMMCO* are satisfied in accordance with paragraph (b).

(b) In relation to altered *generating plant*, the *Network Service Provider* and *NEMMCO*, to the extent of *NEMMCO's* advisory role under clause 5.3.4A, must be satisfied that:

(1) the *Generator* has complied with clause 5.3.9; and

(2) each amended *performance standard* submitted by the *Generator* either meets:

(i) the *automatic access standard* applicable to the relevant technical requirement; or

(ii) the *negotiated access standard* under clause 5.3.4A as applied in accordance with clause 5.3.9(c).

(c) For the purposes of paragraph (a), *NEMMCO* must advise the *Network Service Provider* as to whether it is satisfied with the matters referred to paragraph (b).

5.4 Design of Connected Equipment

5.4.1 Application

This rule 5.4 applies to new installations and modifications to existing installations that include alterations to existing *generating plant*, after:

(a) 13 December 1998, in the case of installations located in *participating jurisdictions* other than Tasmania; and

(b) 29 May 2005, in the case of installations located in Tasmania.

5.4.2 Advice of inconsistencies

(a) At any stage prior to commissioning the *facility* in respect of a *connection* if there is an inconsistency between the proposed equipment and the *connection agreement* including the *performance standards*, the *Registered Participant* or the person intending to be registered as a *Generator* must:

(1) advise the relevant *Network Service Provider* and, if the inconsistency relates to *performance standards*, *NEMMCO*, in writing of the inconsistency; and

(2) if necessary, negotiate in good faith with the *Network Service Provider* any necessary changes to the *connection agreement*.

(b) If an inconsistency in a *connection agreement* including a *performance standard* is identified under paragraph (a), the *Registered Participant* or the person intending to be registered as a *Generator* and the *Network Service Provider* must not commission the *facility* in respect of a *connection* unless the *facility* or the *connection agreement* or *performance standard* has been varied to remove the inconsistency.

(c) Nothing in this clause 5.4.2 affects the operation of clause 5.3.6(c1).

5.4.3 Additional information

A *Registered Participant* must provide any additional information in relation to its *plant* or associated equipment as the relevant *Network Service Provider* reasonably requests.

5.4.4 Advice on possible non-compliance

(a) If the relevant *Network Service Provider* reasonably believes that the design of a proposed *facility* has potential to adversely and materially affect the performance of the *power system*, the *Network Service Provider* may require the *Registered Participant* to submit to it specified design information and drawings to enable the *Network Service Provider* to assess the performance of the *facility* in respect of its interaction with the *power system*:

(1) after the *Registered Participant* has entered into an agreement for the supply of *plant* or associated equipment to be connected; and

(2) when the relevant contractor's designs have progressed to a point where preliminary designs are available but prior to manufacture of equipment.

(b) The *Network Service Provider* must, within 40 *business days* of receipt of such information, use its reasonable endeavours to advise the *Registered Participant* in writing of any design deficiencies which the *Network Service Provider* believes would cause the design to be inconsistent with the *connection agreement* or the *Rules*.

(c) Notwithstanding clause 5.4.4(b), it is the *Registered Participant's* sole responsibility to ensure that all *plant* and equipment associated with the *connection* complies with the *connection agreement* and the *Rules*.

5.4A Access arrangements relating to Transmission Networks

(a) The *Transmission Network Service Provider* referred to in this rule 5.4A is the *Transmission Network Service Provider* required under clause 5.3.3 to process and respond to a *connection* enquiry or required under clause 5.3.5 to prepare an offer to *connect* for the establishment or modification of a *connection* to the *transmission network* owned, controlled or operated by that *Transmission Network Service Provider* or for the provision of *network service*.

(b) If requested by a *Connection Applicant*, whether as part of a *connection* enquiry, application to *connect* or the subsequent negotiation of a *connection* agreement, the *Transmission Network Service Provider* must negotiate in good faith with the *Connection Applicant* to reach agreement in respect of the *transmission network user access* arrangements sought by the *Connection Applicant*.

(c) As a basis for negotiations under paragraph (b):

(1) the *Connection Applicant* must provide to the *Transmission Network Service Provider* such information as is reasonably requested relating to the expected operation of:

(i) its *generating units* (in the case of a *Generator*);

(ii) its *network elements* used in the provision of *network service* (in the case of a *Network Service Provider*); or

(iii) its *plant* (in the case of any other kind of *Connection Applicant*); and

(2) the *Transmission Network Service Provider* must provide to the *Connection Applicant* such information as is reasonably requested to allow the *Connection Applicant* to fully assess the commercial significance of the *transmission network user access* arrangements sought by the *Connection Applicant* and offered by the *Transmission Network Service Provider*.

(d) A *Connection Applicant* may seek *transmission network user access* arrangements at any level of *power transfer capability* between zero and:

(1) in the case of a *Generator*, the *maximum power input* of the relevant *generating units* or group of *generating units*;

(2) in the case of a *Network Service Provider*, the *power transfer capability* of the relevant *network elements*; and

(3) in the case of any other kind of *Connection Applicant*, the *maximum demand* at the *connection point* for the relevant *plant*.

(e) The *Transmission Network Service Provider* must use reasonable endeavours to provide the *transmission network user access* arrangements being sought by the *Connection Applicant* subject to those arrangements being consistent with *good electricity industry practice* considering:

(1) the *connection assets* to be provided by the *Transmission Network Service Provider* or otherwise at the *connection point*; and

(2) the potential *augmentations* or *extensions* required to be undertaken on all affected *transmission networks* or *distribution networks* to provide that level of *power transfer capability* over the period of the *connection agreement* taking into account the amount of *power transfer capability* provided to other *Registered Participants* under *transmission network user access* or *distribution network user access* arrangements in respect of all affected *transmission networks* and *distribution networks*.

(f) The *Transmission Network Service Provider* and the *Connection Applicant* must negotiate in good faith to reach agreement as appropriate on:

(1) the *connection service* charge to be paid by the *Connection Applicant* in relation to *connection assets* to be provided by the *Transmission Network Service Provider*;

(2) in the case of a *Market Network Service Provider*, the service level standards to which the *Market Network Service Provider* requires the *Transmission Network Service Provider* to adhere in providing it services;

(3) the *use of system services* charge to be paid:

(i) by the *Connection Applicant* in relation to any augmentations or extensions required to be undertaken on all affected transmission networks and distribution networks; and

(ii) where the *Connection Applicant* is a *Market Network Service Provider*, to the *Market Network Service Provider* in respect of any reduction in the long run marginal cost of *augmenting* the *transmission network* as a result of it being *connected* to the *transmission network*;

(‘*negotiated use of system charges*’); and

(4) the amounts (‘*access charges*’) referred to in paragraphs (g)-(j).

(g) The amount to be paid by the *Connection Applicant* to the *Transmission Network Service Provider* in relation to the costs reasonably incurred by the provider in providing *transmission network user access*.

(h) Where the *Connection Applicant* is a *Generator*:

(1) the compensation to be provided by the *Transmission Network Service Provider* to the *Generator* in the event that the *generating units* or group of *generating units* of the *Generator* are *constrained off* or *constrained on* during a *trading interval*; and

(2) the compensation to be provided by the *Generator* to the *Transmission Network Service Provider* in the event that *dispatch* of the *Generator's generating units* or group of *generating units* causes another *Generator's generating units* or group of *generating units* to be *constrained off* or *constrained on* during a *trading interval*.

(i) Where the *Connection Applicant* is a *Market Network Service Provider:*

(1) the compensation to be provided by the *Transmission Network Service Provider* to the *Market Network Service Provider* in the event that the *transmission network user access* is not provided; and

(2) the compensation to be provided by the *Market Network Service Provider* to the *Transmission Network Service Provider* in the event that *dispatch* of the relevant *market network service* causes a *Generator's generating units* or group of *generating units* to be *constrained off* or *constrained on* during a *trading interval* or causes the *dispatch* of another *market network service* to be *constrained*.

(j) In the case of any other kind of *Connection Applicant*, the compensation to be provided by the *Transmission Network Service Provider* to the *Connection Applicant* in the event that the *transmission network user access* is not provided.

(k) The maximum charge that can be applied by the *Transmission Network Service Provider* in respect of *negotiated use of system charges* for the *transmission network* is a charge that is determined in accordance with Part J of Chapter 6A.

5.5 Access arrangements relating to Distribution Networks

(a) In this rule 5.5:

(1) the *Distribution Network Service Provider* is the *Distribution Network Service Provider* required under clause 5.3.3 to process and respond to a *connection* enquiry or required under clause 5.3.5 to prepare an offer to *connect* for the establishment or modification of a *connection* to the *distribution network* owned, controlled or operated by that *Distribution Network Service Provider* or for the provision of *network service*; and

(2) the references to a *Connection Applicant* are to an *Embedded Generator* or *Market Network Service Provider* who makes a *connection* enquiry under clause 5.3.2 or an application to *connect* under clause 5.3.4 in relation to any *generating units* or group of *generating units*, or any *network elements* used in the provision of *network service*, as the case may be.

(b) If requested by a *Connection Applicant*, whether as part of a *connection* enquiry, application to *connect* or the subsequent negotiation of a *connection agreement*, the *Distribution Network Service Provider* must negotiate in good faith with the *Connection Applicant* to reach agreement in respect of the *distribution network user access* arrangements sought by the *Connection Applicant*.

(c) As a basis for negotiations under paragraph (b):

(1) the *Connection Applicant* must provide to the *Distribution Network Service Provider* such information as is reasonably requested relating to the expected operation of:

(i) its *generating units* (in the case of an *Embedded Generator*); or

(ii) its *network elements* used in the provision of *network service* (in the case of a *Market Network Service Provider*); and

(2) the *Distribution Network Service Provider* must provide to the *Connection Applicant* such information as is reasonably requested to allow the *Connection Applicant* to fully assess the commercial significance of the *distribution network user access* arrangements sought by the *Connection Applicant* and offered by the *Distribution Network Service Provider*.

(d) A *Connection Applicant* may seek *distribution network user access* arrangements at any level of *power transfer capability* between zero and:

(1) in the case of an *Embedded Generator*, the *maximum power input* of the relevant *generating units* or group of *generating units*; and

(2) in the case of a *Market Network Service Provider*, the *power transfer capability* of the relevant *network elements*.

(e) The *Distribution Network Service Provider* must use reasonable endeavours to provide the *distribution network user access* arrangements being sought by the *Connection Applicant* subject to those arrangements being consistent with *good electricity industry practice* considering:

(1) the *connection assets* to be provided by the *Distribution Network Service Provider* or otherwise at the *connection point*; and

(2) the potential *augmentations* or *extensions* required to be undertaken on all affected *transmission networks* or *distribution networks* to provide that level of *power transfer capability* over the period of the *connection agreement* taking into account the amount of *power transfer capability* provided to other *Registered Participants* under *transmission network* user access or *distribution network user access* arrangements in respect of all affected *transmission networks* and *distribution networks*.

(f) The *Distribution Network Service Provider* and the *Connection Applicant* must negotiate in good faith to reach agreement as appropriate on:

(1) the *connection service charge* to be paid by the *Connection Applicant* in relation to *connection assets* to be provided by the *Distribution Network Service Provider*;

(2) in the case of a *Market Network Service Provider*, the service level standards to which the *Market Network Service Provider* requires the *Distribution Network Service Provider* to adhere in providing it services;

(3) the *use of system services* charge to be paid:

(i) by the *Connection Applicant* in relation to any *augmentations* or *extensions* required to be undertaken on all affected *transmission networks* and *distribution networks*; and

(ii) where the *Connection Applicant* is a *Market Network Service Provider*, to the *Market Network Service Provider* in respect of any reduction in the long run marginal cost of *augmenting* the *distribution network* as a result of it being *connected* to the *distribution network*,

(‘*negotiated use of system charges’*); and

(4) the following amounts:

(i) the amount to be paid by the *Connection Applicant* to the *Distribution Network Service Provider* in relation to the costs reasonably incurred by the *Distribution Network Service Provider* in providing *distribution network user access*;

(ii) where the *Connection Applicant* is an *Embedded Generator*:

(A) the compensation to be provided by the *Distribution Network Service Provider* to the *Embedded Generator* in the event that the *generating units* or group of *generating units* of the *Embedded Generator* are *constrained off* or *constrained on* during a *trading interval*; and

(B) the compensation to be provided by the *Embedded Generator* to the *Distribution Network Service Provider* in the event that dispatch of the *Embedded Generator's generating units* or group of *generating units* causes another *Generator's generating units* or group of *generating units* to be *constrained off* or *constrained on* during a *trading interval*; and

(iii) where the *Connection Applicant* is a *Market Network Service Provider*:

(A) the compensation to be provided by the *Distribution Network Service Provider* to the *Market Network Service Provider* in the event that the *distribution network user access* is not provided; and

(B) the compensation to be provided by the *Market Network Service Provider* to the *Distribution Network Service Provider* in the event that *dispatch* of the relevant *market network service* causes a *Generator's generating units* or group of *generating units* to be *constrained off* or *constrained on* during a *trading interval* or causes the *dispatch* of another *market network service* to be *constrained*.

(g) The maximum negotiated *use of system* charges applied by a *Distribution Network Service Provider* must be in accordance with the applicable requirements of Chapter 6 and the *Negotiated Distribution Service Criteria* applicable to the *Distribution Network Service Provider*.

(h) A *Distribution Network Service Provider* must pass through to a *Connection Applicant* the amount calculated in accordance with paragraph (i) for the locational component of *prescribed TUOS services* that would have been payable by the *Distribution Network Service Provider* to a *Transmission Network Service Provider* had the *Connection Applicant* not been *connected* to its *distribution network (*'avoided charges for the locational component of *prescribed TUOS services*').

(i) To calculate the amount to be passed through to a *Connection Applicant* in accordance with paragraph (h), a *Distribution Network Service Provider* must, if prices for the locational component of *prescribed TUOS services* were in force at the relevant *transmission network connection point* throughout the relevant *financial year*:

(1) determine the charges for the locational component of *prescribed TUOS services* that would have been payable by the *Distribution Network Service Provider* for the relevant *financial year*:

(i) where the *Connection Applicant* is an *Embedded Generator*, if that *Embedded Generator* had not injected any *energy* at its *connection point* during that *financial year*;

(ii) where the *Connection Applicant* is a *Market Network Service Provider*, if the *Market Network Service Provider* had not been *connected* to the *Distribution Network Service Provider's distribution network* during that *financial year*; and

(2) determine the amount by which the charges calculated in subparagraph (1) exceed the amount for the locational component of *prescribed TUOS services* actually payable by the *Distribution Network Service Provider*, which amount will be the relevant amount for the purposes of paragraph (h).

(j) Where prices for the locational component of *prescribed TUOS services* were not in force at the relevant *distribution network connection point* throughout the relevant *financial year*, as referred to in paragraph (i), the *Distribution Network Service Provider* must apply an equivalent procedure to that referred to in paragraph (i) in relation to that component of its *transmission use of system service* charges which is deemed by the relevant *Transmission Network Service Provider* to represent the marginal cost of *transmission*, less an allowance for locational signals present in the *spot market*, to determine the relevant amount for the purposes of paragraph (h).

5.6 Planning and Development of Network

5.6.1 Forecasts for connection points to transmission network

(a) The relevant *Network Service Provider* must give at least 40 *business days* written notice to each relevant *Registered Participant* of the annual date by which the *Registered Participant* must provide the relevant *Network Service Provider* with the short and long term electricity *generation, market network service* and *load* forecast information listed in schedule 5.7 in relation to each *connection point* which *connects* the *Registered Participant* to a *transmission network* of that *Network Service Provider* and any other relevant information as reasonably required by the *Network Service Provider*.

(b) Details of planned future *generating units, market network services* and *loads*, being details regarding the proposed commencing date, *active power capability* and *reactive power capability, power transfer capability,* operating times/seasons and special operating requirements, must be given by each relevant *Registered Participant* to the relevant *Network Service Provider* on reasonable request.

(c) Each relevant *Registered Participant* must use reasonable endeavours to provide accurate information under clause 5.6.1(a) which must include

details of any factors which may impact on *load* forecasts or proposed *facilities* for *generation* or *market network services*.

(d) If the *Network Service Provider* reasonably believes any forecast information to be inaccurate, the *Network Service Provider* may modify that forecast information and must advise the relevant *Registered Participant* and *NEMMCO* in writing of this action and the reason for the modification. The *Network Service Provider* is not responsible for any adverse consequences of this action or for failing to modify forecast information under this clause 5.6.1(d).

5.6.2 Network Development

(a1) The terms *Network Service Provider, Transmission Network Service Provider* and *Distribution Network Service Provider* when used in this clause 5.6.2 are not intended to refer to, and are not to be read or construed as referring to, any *Network Service Provider* in its capacity as a *Market Network Service Provider*.

(a) Each *Transmission Network Service Provider* and *Distribution Network Service Provider* must analyse the expected future operation of its *transmission networks* or *distribution networks* over an appropriate planning period, taking into account the relevant forecast *loads*, any future *generation*, *market network service*, demand side and *transmission* developments and any other relevant data.

(b) Each *Transmission Network Service Provider* must conduct an annual planning review with each *Distribution Network Service Provider connected* to its *transmission network* within each *region.* The annual planning review must incorporate the forecast *loads* submitted by the *Distribution Network Service Provider* in accordance with clause 5.6.1 or as modified in accordance with clause 5.6.1(d) and must include a review of the adequacy of existing *connection points* and relevant parts of the *transmission system* and planning proposals for future *connection points*.

(c) Where the necessity for *augmentation* or a non-network alternative is identified by the annual planning review conducted under clause 5.6.2(b), the relevant *Network Service Providers* must undertake joint planning in order to determine plans that can be considered by relevant *Registered Participants*, *NEMMCO* and *interested parties.*

(d) The minimum planning period for the purposes of the annual planning review is 5 years for *distribution networks* and 10 years for *transmission networks.*

(e) Each *Network Service Provider* must extrapolate the forecasts provided to it by *Registered Participants* for the purpose of planning and, where this analysis indicates that any relevant technical limits of the *transmission or*

distribution systems will be exceeded, either in normal conditions or following the contingencies specified in schedule 5.1, the *Network Service Provider* must notify any affected *Registered Participants* and *NEMMCO* of these limitations and advise those *Registered Participants* and *NEMMCO* of the expected time required to allow the appropriate corrective network *augmentation* or non-*network* alternatives, or modifications to *connection facilities* to be undertaken.

(f) Within the time for corrective action notified in clause 5.6.2(e) the relevant *Distribution Network Service Provider* must consult with affected *Registered Participants*, *NEMMCO* and *interested parties* on the possible options, including but not limited to demand side options, *generation* options and *market network service* options to address the projected limitations of the relevant *distribution system* except that a *Distribution Network Service Provider* does not need to consult on a *network* option which would be a *new small distribution network asset*.

(g) Each *Distribution Network Service Provider* must carry out an economic cost effectiveness analysis of possible options to identify options that satisfy the *regulatory test*, while meeting the technical requirements of schedule 5.1, and where the *Network Service Provider* is required by clause 5.6.2(f) to consult on the option this analysis and allocation must form part of the consultation on that option.

(h) Following conclusion of the process outlined in clauses 5.6.2(f) and (g), the *Distribution Network Service Provider* must prepare a report that is to be made available to affected *Registered Participants*, *NEMMCO* and *interested parties* which:

(1) includes assessment of all identified options;

(2) includes details of the *Distribution Network Service Provider's* preferred proposal and details of:

(A) its economic cost effectiveness analysis in accordance with clause 5.6.2(g); and

(B) its consultations conducted for the purposes of clause 5.6.2(g);

(3) summarises the submissions from the consultations; and

(4) recommends the action to be taken.

(i) *Registered Participants* may dispute the recommendation of the report prepared under clause 5.6.2(h) within 40 *business days* after the report is made available in respect of any proposal that is a *new large distribution network asset* or is reasonably likely to change the *distribution use of system service* charges applicable to that *Registered Participant* by more than 2% at

the date of the next price review, based on the assumption that the same approach to *distribution network* pricing is taken for the next review period as that taken for the current review period.

(j) Where any *Registered Participant* disputes a recommendation under clause 5.6.2(i), the *Distribution Network Service Provider* and the affected *Registered Participants* must negotiate in good faith with a view to reaching agreement on the action to be taken.

(k) Following:

(1) completion of the 40 *business day* period referred to in clause 5.6.2(i) or on resolution of any dispute in accordance with rule 8.2, in relation to proposals to which clause 5.6.2(j) applies; or

(2) completion of the report referred to in clause 5.6.2(h), in relation to any other *network* option recommended by the report,

the relevant *Distribution Network Service Provider* must arrange for the *network* options (if any) recommended by its report made in accordance with clause 5.6.2(h) to be available for service by the agreed time.

(k1) The *Distribution Network Service Provider* must include the cost of the relevant assets of the *network options* referred to in clause 5.6.2(k) in the calculation of *distribution service* prices determined in accordance with Chapter 6.

(l) If a *use of system service* or the provision of a service at a *connection point* is directly affected by a *transmission network* or *distribution network augmentation*, appropriate amendments to relevant *connection agreements* must be negotiated in good faith between the parties to them.

(m) Where the relevant *Transmission Network Service Provider* or *Distribution Network Service Provider* decides to implement a *generation* option as an alternative to *network augmentation*, the *Network Service Provider* must:

(1) register the *generating unit* with *NEMMCO* and specify that the *generating unit* may be periodically used to provide a *network* support function and will not be eligible to set *spot prices* when *constrained on* in accordance with clause 3.9.7; and

(2) include the cost of this *network* support service in the calculation of *transmission service* and *distribution service* prices determined in accordance with Chapter 6 or Chapter 6A, as the case may be.

(n) *NEMMCO* must provide to the *Inter-Regional Planning Committee*, and to other *Network Service Providers* on request, a copy of any report provided to *NEMMCO* by a *Network Service Provider* under clause 5.2.3(d)(12). If a *Registered Participant* reasonably considers that it is or may be adversely

affected by a development or change in another *region*, the *Registered Participant* may request the preparation of a report by the relevant *Network Service Provider* as to the technical impacts of the development or change. If so requested, the *Network Service Provider* must prepare such a report and provide a copy of it to *NEMMCO*, the *Registered Participant* requesting the report and, on request, any other *Registered Participant*.

5.6.2A Annual Planning Report

(a) By 30 June each year all *Transmission Network Service Providers* must *publish* an *Annual Planning Report* setting out the results of the annual planning review conducted in accordance with clause 5.6.2(a) and (b).

(b) The *Annual Planning Report* must set out:

(1) the forecast *loads* submitted by a *Distribution Network Service Provider* in accordance with clause 5.6.1 or as modified in accordance with clause 5.6.1(d);

(2) planning proposals for future *connection points*;

(3) a forecast of *constraints* and inability to meet the *network* performance requirements set out in schedule 5.1 or relevant legislation or regulations of a *participating jurisdiction* over 1, 3 and 5 years;

(4) for all proposed *augmentations* to the *network* the following information, in sufficient detail relative to the size or significance of the project and the proposed operational date of the project:

(i) project/asset name and the month and year in which it is proposed that the asset will become operational;

(ii) the reason for the actual or potential *constraint*, if any, or inability, if any, to meet the *network* performance requirements set out in schedule 5.1 or relevant legislation or regulations of a *participating jurisdiction*, including *load* forecasts and all assumptions used;

(iii) the proposed solution to the *constraint* or inability to meet the *network* performance requirements identified in clause 5.6.2A(b)(4)(ii), if any;

(iv) total cost of the proposed solution;

(v) whether the proposed solution will have a *material inter-network impact*. In assessing whether an *augmentation* to the *network* will have a *material inter-network impact* a

Transmission Network Service Provider must have regard to the objective set of criteria *published* by the *Inter-regional Planning Committee* in accordance with clause 5.6.3(i) (if any such criteria have been *published* by the *Inter-regional Planning Committee*); and

(vi) other reasonable *network* and non-*network* options considered to address the actual or potential *constraint* or inability to meet the *network* performance requirements identified in clause 5.6.2A(b)(4)(ii), if any. Other reasonable *network* and non-*network* options include, but are not limited to, *interconnectors*, *generation* options, demand side options, *market network service* options and options involving other *transmission* and *distribution networks*;

(5) for all proposed *new small transmission network assets*:

(i) an explanation of the ranking of reasonable alternatives to the project including non-*network* alternatives. This ranking must be undertaken by the *Transmission Network Service Provider* in accordance with the principles contained in the *regulatory test*;

(ii) an *augmentation technical report* prepared by the *Inter-regional Planning Committee* in accordance with clause 5.6.3(j) if, and only if, the asset is reasonably likely to have a *material inter-network impact* and the *Transmission Network Service Provider* has not received the consent to proceed with the proposed solution from all *Transmission Network Service* Providers whose *transmission networks* are materially affected by the *new small transmission network asset*. In assessing whether a *new small transmission network asset* is reasonably likely to have a *material inter-network impact*, a *Transmission Network Service Provider* must have regard to the objective set of criteria *published* by the *Inter-regional Planning Committee* in accordance with clause 5.6.3(i) (if any such criteria have been *published* by the *Inter-regional Planning Committee*); and

(iii) analysis of why the *Transmission Network Service Provider* considers that the *new small transmission network asset* satisfies the *regulatory test* and, where the *Transmission Network Service Provider* considers that the *new small transmission network asset* satisfies the *regulatory test* as the *new small transmission network asset* is a *reliability augmentation*, analysis of why the *Transmission Network Service Provider* considers that the *new small transmission network asset* is a *reliability augmentation*. In assessing whether a *new small transmission network asset* is a *reliability augmentation*, a *Transmission Network Service Provider* must consider whether the *new small transmission*

network asset satisfies the criteria for a *reliability augmentation published* by the *Inter-regional Planning Committee* in accordance with clause 5.6.3(l) (if any such criteria have been *published* by the *Inter-regional Planning Committee*).

5.6.3 Inter-regional planning committee

(a) *NEMMCO* must establish an *Inter-regional Planning Committee*. The functions of the *Inter-regional Planning Committee* include to:

(1) provide such assistance as *NEMMCO* reasonably requests in connection with the preparation of the *statement of opportunities*;

(2) provide such assistance as *NEMMCO* reasonably requests in connection with the carrying out of the *ANTS review*;

(3) *publish* an objective set of criteria for assessing whether a proposed *transmission network augmentation* is reasonably likely to have a *material inter-network impact* in accordance with clause 5.6.3(i);

(4) *publish augmentation technical reports* in accordance with clause 5.6.3(j);

(5) *publish* an objective set of criteria for assessing whether a proposed *new small transmission network asset* or *new large transmission network asset* is a *reliability augmentation*, in accordance with clause 5.6.3(l);

(6) *publish* guidelines to assist *Registered Participants* to determine when an *inter-network test* may be required, in accordance with clause 5.7.7(k);

(7) make recommendations to *NEMMCO* in relation to draft *test programs* in accordance with clause 5.7.7(o) and (q); and

(8) provide advice to the *AEMC* as requested in relation to the exercise of the *last resort planning power*.

(b) The *Inter-regional Planning Committee* is to consist of:

(1) a *NEMMCO representative* as *Convener* of the *Inter-regional Planning Committee*;

(2) a *representative* from any entity that has been nominated by the relevant *Minister* of a *participating jurisdiction* as having *transmission system* planning responsibility in that *participating jurisdiction*; and

(3) such other persons appointed by *NEMMCO* that *NEMMCO* considers have the appropriate expertise to be members of the *Inter-regional Planning Committee*,

(4) for the purpose only of providing advice to the *AEMC* in relation to the exercise of the *last resort planning power*, persons appointed by *NEMMCO* at the request of the *AEMC* under clause 5.6.4(f),

provided that:

(5) a person appointed under clause 5.6.3(b)(2) must not take part in any decision or determination of the *Inter-regional Planning Committee* where the entity the person represents has a material financial interest in the matter to be decided or determined by the *Inter-regional Planning Committee*; and

(6) a member of the *Inter-regional Planning Committee* must not take part in providing advice to the *AEMC* for the purposes of the exercise of the *last resort planning power* under clause 5.6.4 where that member has a material financial interest in the advice to be provided to the *AEMC.*

(c) A person appointed under clause 5.6.3(b)(2) will serve on the *Inter-regional Planning Committee* until such time as the relevant entity nominates a different person or the *Minister* of the *participating jurisdiction* who nominated the relevant entity notifies *NEMMCO* that another entity is to replace the previous entity as having *transmission system* planning responsibility in that *participating jurisdiction*.

(d) The term of office of members appointed under clause 5.6.3(b)(3) may be terminated at any time by *NEMMCO*.

(e) The *Inter-regional Planning Committee* must meet during the year at a frequency to be determined by the *Inter-regional Planning Committee*.

(f) The *Convener* of the *Inter-regional Planning Committee* must convene a meeting of the *Inter-regional Planning Committee* within a reasonable time after a reasonable request from a member of the *Inter-regional Planning Committee* is received setting out the business to be considered.

(g) *NEMMCO* and each entity from which a member of the *Inter-regional Planning Committee* has been appointed under clause 5.6.3(b)(2) must procure the availability of reasonable resources to enable the *Inter-regional Planning Committee* to carry out its responsibilities.

(h) *NEMMCO* and each entity from which a member of the *Inter-regional Planning Committee* has been appointed under clause 5.6.3(b)(2) must share the costs involved in conducting studies and analysis required to be

undertaken by the *Inter-regional Planning Committee* under the *Rules* on a basis to be agreed between them.

(i) The *Inter-regional Planning Committee* must develop and *publish*, and may vary from time to time, an objective set of criteria for assessing whether or not a proposed *transmission network augmentation* is reasonably likely to have a *material inter-network impact*, in accordance with the *Rules consultation procedures*. In developing the objective set of criteria referred to in this clause, the *Inter-regional Planning Committee* must have regard to the relevant guiding objectives and principles provided by the *AEMC* in accordance with clause 5.6.3(n).

(j) Immediately upon receipt of a written request for an *augmentation technical report*, which must include sufficient information to enable the *Inter-regional Planning Committee* to carry out a review pursuant to this clause 5.6.3(j), together with payment of any reasonable fees to recover the *Inter-regional Planning Committee's* direct costs and expenses of the preparation of the *augmentation technical report*, the *Inter-regional Planning Committee* must:

(1) undertake a review of all matters referred to it by the *Transmission Network Service Provider* in order to assess the *augmentation* proposal and determine:

(i) the performance requirements for the equipment to be *connected*;

(ii) the extent and cost of *augmentations* and changes to all affected *transmission networks*; and

(iii) the possible material effect of the *new connection* on the *network power transfer capability* including that of other *transmission networks*;

(2) within 90 *business days*, or such other period as may be agreed by the *Transmission Network Service Provider* and the *Inter-Regional Planning Committee*, of receipt of such written request *publish* an *augmentation technical report*. The *Inter-Regional Planning Committee* must use reasonable endeavours to *publish* an *augmentation technical report* in as short a period as is reasonably practicable. The *augmentation technical report* must set out:

(i) the determinations of the *Inter-Regional Planning Committee* referred to in clause 5.6.3 (j)(1);

(ii) the information considered; and

(iii) the assumptions used.

(k) For the purposes of clause 5.6.3(j), the period in which the *Inter-regional Planning Committee* must *publish* an *augmentation technical report* will be automatically extended by the period of time taken by the *Transmission Network Service Provider* to provide additional information requested by the *Inter-regional Planning Committee*.

(l) The *Inter-regional Planning Committee* must develop and *publish*, and may vary from time to time, an objective set of criteria for assessing whether a proposed *new small transmission network asset* or *new large transmission network asset* is a *reliability augmentation*, in accordance with the *Rules consultation procedures*. In developing the objective set of criteria referred to in this clause, the *Inter-regional Planning Committee* must have regard to the relevant guiding objectives and principles provided by the *AEMC* in accordance with clause 5.6.3(n).

(m) Should the objective set of criteria referred to in clauses 5.6.3(i) or (l) be changed after an application notice (referred to in clause 5.6.6(c)) has been made available to *Registered Participants* and *NEMMCO*, in the case of a *new large transmission network asset*, or after the *publication* of the *Annual Planning Report*, in the case of a *new small transmission network asset*, then the relevant *Network Service Provider* is entitled to choose whether the new criteria, or the criteria that existed at the time the application notice was made available to *Registered Participants* and *NEMMCO* or the *Annual Planning Report* was *published*, is to be applied.

(n) The *AEMC* must, in consultation with *NEMMCO*, provide the *Inter-regional Planning Committee* with guiding objectives and principles for the development by the *Inter-regional Planning Committee* of the criteria for assessing whether a proposed *transmission network augmentation* is reasonably likely to have a *material inter-network impact* and/or whether a proposed *new small transmission network asset* or *new large transmission network asset* is a *reliability augmentation* under clauses 5.6.3(i) and 5.6.3(l), respectively.

5.6.4 Last Resort Planning Power

(a) In this clause 5.6.4:

directed party means one or more *Registered Participants* directed by the *AEMC* in accordance with this clause 5.6.4 and may include:

(1) a single Registered Participant;

(2) two or more *Registered Participants* who are directed by the *AEMC* to jointly and co-operatively comply with a direction under paragraph (c).

direction notice is a notice issued under paragraph (i).

Purpose

(b) The purpose of a *last resort planning power* is to ensure timely and efficient *inter-regional transmission* investment for the long term interests of consumers of electricity.

AEMC last resort planning power

(c) The *AEMC* may, in accordance with this clause 5.6.4, direct one or more *Registered Participants*:

(1) to identify a *potential transmission project* and apply the *regulatory test* to that project; or

(2) to apply the *regulatory test* to a *potential transmission project* identified by the *AEMC*.

(d) The *AEMC* must exercise a *last resort planning power*:

(1) consistently with the purpose referred to in paragraph (b); and

(2) in accordance with the *last resort planning power guidelines.*

Advice from the Inter-regional Planning Committee

(e) The *AEMC* may request advice from the *Inter-regional Planning Committee* in relation to the exercise of the *last resort planning power*, in accordance with the *last resort planning power guidelines*.

(f) For the purpose only of providing advice to the *AEMC* in relation to the exercise of the *last resort planning power*, the *AEMC* may, in accordance with the *last resort planning power guidelines*, request *NEMMCO* to appoint up to 4 additional persons to the *Inter-regional Planning Committee* to:

(1) provide expertise and advice in relation to *generation* and *distribution* issues; and

(2) present the views of *Market Customers* and end user consumers of electricity.

Relevant considerations

(g) In deciding whether or not to exercise a *last resort planning power* the *AEMC* must take into account:

(1) advice provided by the *Inter-regional Planning Committee*;

(2) the two most recent *Annual National Transmission Statements*;

(3) *Annual Planning Reports* published by *Transmission Network Service Providers* under clause 5.6.2A; and

(4) other matters that are relevant in all the circumstances.

(h) In deciding whether or not to exercise the *last resort planning power* the *AEMC* must:

(1) identify a problem relating to *constraints* in respect of *national transmission flow paths* between *regional reference nodes* or a *potential transmission project* (**the problem** or **the project**);

(2) make reasonable inquiries to satisfy itself that there are no current processes underway for the application of the *regulatory test* in relation to the problem or the project;

(3) consider whether there are other options, strategies or solutions to address the problem or the project, and must be satisfied that all such other options are unlikely to address the problem or the project in a timely manner;

(4) be satisfied that the problem or the project may have a significant impact on the efficient operation of the *market*; and

(5) be satisfied that but for the *AEMC* exercising the *last resort planning power*, the problem or the project is unlikely to be addressed.

Direction notice

(i) The *AEMC* must exercise a *last resort planning power* by giving a direction notice in writing to a directed party that states:

(1) the relevant action under paragraph (c) that the directed party is required to undertake; and

(2) the *AEMC's* reasons for exercising the *last resort planning power*.

(j) A direction notice given by the *AEMC* under paragraph (i) may specify one or more of the following:

(1) one or more alternative projects which a directed party must consider when applying the *regulatory test* to *potential transmission projects*;

(2) the time period within which the application of the *regulatory test* must be carried out by a directed party; or

(3) consultation and publication requirements that are in addition to those required by the *regulatory test*.

(k) The *AEMC* must *publish* the direction notice referred to in paragraph (i) on its website.

(l) A directed party must comply with:

(1) a direction notice;

(2) the requirements of the *last resort planning power guidelines*; and

(3) the requirements for the application of the *regulatory test*.

(m) If a directed party (an **earlier directed party**) fails to comply with a direction notice, the *AEMC* may:

(1) in accordance with this clause 5.6.4, give a direction notice to a *Registered Participant* other than the earlier directed party; and

(2) inform the *AER* of the earlier directed party's failure to comply with the direction notice.

Annual reporting for last resort planning power

(n) The *AEMC* must report annually on the matters which the *AEMC* has considered during that year in deciding whether or not to exercise the *last resort planning power*, and may include the information in its Annual Report published under s.27 of the Australian Energy Market Commission Establishment Act 2004 (South Australia).

Last resort planning power guidelines

(o) The *AEMC* must develop and *publish* guidelines ('the *last resort planning power guidelines*') for or with respect to:

(1) the processes to be followed by the *AEMC* in exercising the *last resort planning power*;

(2) a request to *NEMMCO* to appoint a person as an additional member of the *Inter-regional Planning Committee* as referred to in paragraph (f);

(3) the advice to be provided to the *AEMC* by the *Inter-regional Planning Committee*, including the terms of reference for any such advice;

(4) the matters that the *Inter-regional Planning Committee* and the *AEMC* may consider in recommending or nominating a person as an appropriate directed party; and

(5) the provision of information to the *AEMC* in relation to the exercise of the *last resort planning power*.

(p) The *AEMC* must develop and *publish* the *last resort planning power guidelines* in accordance with the *transmission consultation procedures*.

(q) The *AEMC* must develop and *publish* the first *last resort planning power guidelines* by 1 January 2008 and there must be such guidelines available at all times after that date.

(r) The *AEMC* may from time to time and in accordance with the *transmission consultation procedures*, amend or replace the *last resort planning power guidelines*.

5.6.5 Annual National Transmission Statement

(a) *NEMMCO* must each year conduct a review of:

(1) *national transmission flow paths*;

(2) forecast *constraints* in respect of *national transmission flow paths*;

(3) those options which, in *NEMMCO's* reasonable opinion, have the technical capability of relieving forecast *constraints* in respect of *national transmission flow paths*,

and prepare and *publish* an *Annual National Transmission Statement* by 31 October each year setting out the results of that review.

(b) *NEMMCO* must, in the course of conducting the *ANTS review*, consult with *Registered Participants* and *interested parties* in relation to:

(1) the data and assumptions to be used as part of the *ANTS review*; and

(2) the content of the *Annual National Transmission Statement*.

(c) In carrying out the *ANTS review*, *NEMMCO* must consider the following:

(1) the location of the current *national transmission flow paths* and the current capacities, *constraints* and congestion points on those flow paths;

(2) the location of the potential *national transmission flow paths* over the next 10 years, and the likely capacities, *constraints* and congestion points on those flow paths;

(3) the quantity of electricity which flowed, the periods in which the electricity flowed, and *constraints*, on the *national transmission flow paths* over the previous *financial year* or such other period as determined by *NEMMCO* having regard to data which is available to *NEMMCO*;

(4) the forecast quantity of electricity which is expected to flow, and the periods in which the electricity is expected to flow, the magnitude and significance of future *network losses* and *constraints* on the current and potential *national transmission flow paths* over the current *financial year* or such other period as determined by *NEMMCO* having regard to data which is available to *NEMMCO*;

(5) the projected capabilities of the existing *transmission network* and the *network control ancillary services* required to support existing and future *transmission network* capabilities;

(6) demand forecasts for the next 10 *financial years*;

(7) possible scenarios for additional *generation* and demand side options to meet demand forecasts;

(8) relevant intra-jurisdictional developments and any incremental works which may be needed to co-ordinate *national transmission flow path* planning with intra-jurisdictional planning;

(9) those *transmission network* options for relieving forecast *constraints* on the *national transmission flow paths*, which in *NEMMCO's* opinion, deliver technically feasible solutions that meet the projected capabilities, demands, congestion and capacity for the *generation* expansion scenarios, taking into account committed projects; and

(10) such other matters as *NEMMCO*, in consultation with the *participating jurisdictions*, considers are appropriate.

(d) In considering the matters described in clause 5.6.5(c), *NEMMCO* must have regard to:

(1) the *Annual Planning Reports published* in the year in which the *ANTS review* is being conducted; and

(2) information obtained for the purposes of preparing the *statement of opportunities* to be *published* in the year in which the *ANTS review* is being conducted,

and may include information from the *Annual Planning Reports* and the *statement of opportunities* in the *Annual National Transmission Statement*.

(e) In carrying out the *ANTS review*, *NEMMCO* may seek the assistance of the *Inter-regional Planning Committee*.

(f) *NEMMCO* may by written notice request an entity nominated under clause 5.6.3(b)(2) to provide *NEMMCO* with any additional information or documents reasonably available to it that *NEMMCO* reasonably requires for the purpose of the *ANTS review*.

(g) An entity nominated under clause 5.6.3(b)(2) must comply with a written notice from *NEMMCO* issued pursuant to clause 5.6.5(f).

(h) *NEMMCO* may only use information or documents provided in accordance with clauses 5.6.5(f) and 5.6.5(g) for the purpose of preparing the *Annual National Transmission Statement* or, where relevant, the *statement of opportunities*.

5.6.5A Regulatory Test

(a) The *AER* must develop and *publish* the *regulatory test* in accordance with this clause 5.6.5A.

(b) The purpose of the *regulatory test* is to identify *new network investments* or non-*network* alternative options that:

(1) maximise the net economic benefit to all those who produce, consume and transport electricity in the *market*; or

(2) in the event the option is necessitated to meet the service standards linked to the technical requirements of schedule 5.1 or in *applicable regulatory instruments*, minimise the present value of the costs of meeting those requirements.

(c) In so far as it relates to paragraph (b)(1), the *regulatory test* must:

(1) be based on a cost-benefit analysis of the future (which includes assessment of reasonable scenarios of future supply and demand conditions):

(i) were the *new network investment* to take place,

compared to the likely alternative option or options,

(ii) were the *new network investment* not to take place;

(2) as a minimum, list or provide for:

(i) the classes of possible benefits that may be included as benefits, and classes of possible benefits that may not be included as benefits;

(ii) the method or methods permitted for estimating the magnitude of the different classes of benefits;

(iii) the classes of possible costs that may be counted as costs, and classes of possible costs that may not be included as costs;

(iv) the method or methods permitted for estimating the magnitude of the different classes of costs; and

(v) the appropriate method and value for specific inputs, where relevant, for determining the discount rate to be applied;

(3) ensure that the identification of the likely alternative option referred to in subparagraph (1) is informed by a consideration of all genuine and practicable alternative options to the proposed *new network investment* without bias regarding:

(i) energy source;

(ii) technology;

(iii) ownership;

(iv) the extent to which the *new network investment* or the non-*network* alternative enables *intra-regional* or *inter-regional* trading of electricity;

(v) whether it is a *network* or non-*network* alternative;

(vi) whether the *new network investment* or non-*network* alternative is intended to be regulated; or

(vii) any other factor;

(4) require, for a potential *new large transmission network asset*, that the *Network Service Provider publish*:

(i) a request for information as to the identity and detail of alternative options to the potential *new large transmission network asset*; and

(ii) details of the proposed *new large transmission network asset*;

(5) contain a requirement that where there is more than one likely alternative option to the *new network investment*, and no single alternative option is significantly more likely to occur than the other, then the cost-benefit analysis referred to in subparagraph (1) must be undertaken in relation to each such likely alternative option;

(6) not require the level of analysis to be disproportionate to the scale and size of the *new network investment*;

(7) be capable of predictable, transparent and consistent application; and

(8) provide that alternative options may include (without limitation) *generation*, demand side management, other *network* options, or the substitution of demand for electricity by the provision of alternative forms of energy.

Preparation, publication and amendment of regulatory test and regulatory test application guidelines

(d) At the same time as the *AER publishes* a proposed *regulatory test* under the *transmission consultation procedure*, the *AER* must also *publish* guidelines for the operation and application of the *regulatory test* ('the ***regulatory test* application guidelines**') in accordance with the requirements of this clause 5.6.5A.

(e) The *regulatory test* application guidelines must give effect to and be consistent with this clause 5.6.5A and provide guidance on the operation and application of the *regulatory test*.

(f) The *AER* must develop and *publish* the first *regulatory test* and *regulatory test* application guidelines under this clause 5.6.5A by 31 December 2007 and there must be a *regulatory test* and *regulatory test* application guidelines in force at all times after that date.

(g) The *AER* may, from time to time and in accordance with the *transmission consultation procedure*, amend or replace the *regulatory test* and *regulatory test* application guidelines developed and *published* under this clause, provided that such amendments must be *published* at the same time.

(h) An amendment as referred to in paragraph (g) does not apply to a current application of the *regulatory test* and the *regulatory test* application guidelines under the *Rules* (however described) by a *Network Service Provider*.

5.6.6 Applications to establish new large transmission network assets

(a) In addition to the procedures to establish a connection to a *network* in rule 5.3, applications to establish a *new large transmission network asset* must comply with the access arrangements and procedures set out in this clause 5.6.6.

(b) A person who proposes to establish a *new large transmission network asset* (the **applicant**) must consult all *Registered Participants*, *NEMMCO* and *interested parties* about the proposed *new large transmission network asset* in accordance with this clause 5.6.6.

(c) The applicant must make available to all *Registered Participants* and *NEMMCO* a notice (the **application notice**) which sets out, in relation to a proposed *new large transmission network asset*:

(1) a detailed description of:

(i) the proposed asset;

(ii) the reasons for proposing to establish the asset (including, where applicable, the actual or potential *constraint* or inability to meet the *network* performance requirements set out in schedule 5.1 or relevant legislation or regulations of a *participating jurisdiction*, including *load* forecasts and all assumptions used); and

(iii) all other reasonable *network* and non-*network* alternatives to address the identified *constraint* or inability to meet the *network* performance requirements identified in clause 5.6.6(c)(1)(ii). These alternatives include, but are not limited to, *interconnectors*, *generation* options, demand side options, *market network service* options and options involving other *transmission* and *distribution networks*;

(2) all relevant technical details concerning the proposed asset;

(3) the construction timetable and commissioning date for the asset;

(4) an analysis of the ranking of the proposed asset and all reasonable alternatives as referred to in clause 5.6.6(c)(1)(iii). This ranking must be undertaken by the applicant in accordance with the principles contained in the *regulatory test*;

(5) an *augmentation technical report* prepared by the *Inter-regional Planning Committee* in accordance with clause 5.6.3(j) but only if:

(i) the asset is reasonably likely to have a *material inter-network impact*; and

(ii) the applicant has not received consent to proceed with such construction from all *Transmission Network Service Providers* whose *transmission networks* are materially affected by the asset; and

(6) a detailed analysis of why the applicant considers that the asset satisfies the *regulatory test* and, where the applicant considers that the asset satisfies the *regulatory test* as a *reliability augmentation*, analysis of why the applicant considers that the asset is a *reliability augmentation*.

(d) In assessing whether a *new large transmission network asset*:

(1) is reasonably likely to have a *material inter-network impact* for the purposes of clause 5.6.6(c)(5); or

(2) is a *reliability augmentation* for the purposes of clause 5.6.6(c)(6),

an applicant must have regard to the objective set of criteria *published* by the *Inter-regional Planning Committee* in accordance with clause 5.6.3(i) or clause 5.6.3(l) (whichever is relevant), but only if any such criteria have been *published*.

(e) The applicant must provide a summary of the application notice to *NEMMCO*. Within 3 *business days* of receipt of the summary, *NEMMCO* must *publish* the summary on its website. The applicant must, upon request by an *interested party*, provide a copy of the application notice to that person within 3 *business days* of the request.

(f) Within 30 *business days* of *publication* of the summary of the application notice on *NEMMCO's* website, *interested parties* may make written submissions to the applicant on any matter in the application notice, and may request a meeting.

(g) The applicant must consider all submissions received in accordance with the requirements of clause 5.6.6(f) within a further 30 *business days*. The applicant must use its best endeavours to hold a meeting with *interested parties* who have requested such meeting, within a further 21 *business days* if:

(1) after having considered all submissions received in accordance with the requirements of clause 5.6.6(f), the applicant considers that it is necessary or desirable to hold a meetings; or

(2) a meeting is requested by 2 or more *interested parties*.

(h) The applicant must prepare a final report (**final report**) to be made available to all *Registered Participants*, *NEMMCO* and *interested parties* who responded to the application notice. The final report must set out the matters detailed in clause 5.6.6(c) and summarise the submissions received from *interested parties* and the applicant's response to each such submission.

(i) The applicant must provide to *NEMMCO* a summary of the final report, and *NEMMCO* must *publish* the summary on its website within 3 *business days* of its receipt.

Disputes in relation to certain matters

(j) *Registered Participants*, the *AEMC*, *Connection Applicants*, *Intending Participants*, *NEMMCO* and *interested parties* may, by a referral to the *AER*, dispute the final report but only in relation to the contents, assumptions, findings or recommendations of the final report with respect to:

(1) possible alternatives considered and their ranking under clause 5.6.6(c)(4);

(2) whether the *new large transmission network asset*:

(i) will have a *material inter-network impact*; and

(ii) will satisfy any criteria for a *material inter-network impact published* by the *Inter-regional Planning Committee* in accordance with clause 5.6.3(i) that are in force at the time of preparation of the final report;

(3) the basis on which the applicant has assessed that the *new large transmission network asset* satisfies the *regulatory test* but only where that asset is not a *reliability augmentation*;

(4) whether the *new large transmission network asset* is a *reliability augmentation* and whether the asset satisfies the criteria for a *reliability augmentation published* by the *Inter-regional Planning Committee* in accordance with clause 5.6.3(l) provided any such criteria had been *published* by the *Inter-regional Planning Committee* at the time of preparation of the final report; and

(5) the finding in the final report that the *new large transmission network asset* satisfies the *regulatory test* provided the asset is not a *reliability augmentation*,

and a dispute under this clause 5.6.6(j) may not be in relation to any matters set out in the final report which are treated as externalities by the *regulatory test*, or relate to an individual's personal detriment or property rights.

(k) A person disputing the final report under clause 5.6.6(j) (the **disputing party**) must:

(1) lodge notice of the dispute in writing (the **dispute notice**) with the *AER*;

(2) give a copy of the dispute notice to the applicant within 30 *business days* after publication of the summary of the final report on *NEMMCO's* website;

(3) specify in the dispute notice the grounds for the dispute in accordance with clause 5.6.6(j).

(l) The *AER* must resolve disputes referred under clause 5.6.6(j) by making a determination.

(m) In making a determination referred to in clause 5.6.6(l), the *AER*:

(1) must, subject to clauses 5.6.6(n) and (p), *publish* its determination in relation to disputes raised under clauses 5.6.6(j)(1)-(4) within 30 *business days* of receiving the dispute notice and in relation to a dispute raised in relation to clause 5.6.6(j)(5), within 120 *business days* of receiving notice of the dispute;

(2) must *publish* its reasons for making a determination;

(3) may disregard any matter raised by a party in the dispute that is misconceived or lacking in substance; and

(4) may request further information from a party bringing a dispute, or from the applicant, if the *AER* is not able to make a determination based on the information provided to it under clause 5.6.6(m).

(n) The *AER* may, with the written consent of the disputing parties, extend the period of time in which the *AER* must make a determination under paragraph (m), if the *AER* considers there are issues of sufficient complexity or difficulty involved.

Determination that new large transmission asset satisfies regulatory test

(o) Where a *new large transmission network asset* is not a *reliability augmentation* and the finding in the final report is not in dispute, the applicant may request in writing the *AER* to make a determination whether the *new large transmission network asset* satisfies the *regulatory test* and the *AER*:

(1) must, within 120 *business days* of receipt of the request from the applicant, subject to clause 5.6.6(p), make and *publish* a determination, including reasons;

(2) must use the findings and recommendations in the final report;

(3) may request further information from the applicant; and

(4) may have regard to any other matter the *AER* considers relevant.

(p) The relevant period of time in which the *AER* must make a determination under paragraphs (l) and (o) is automatically extended by the period of time taken by an applicant or a disputing party to provide any additional information requested by the *AER* under this clause 5.6.6, provided:

(1) the *AER* makes the request for the additional information at least 7 *business days* prior to the expiry of the relevant period; and

(2) the applicant or the disputing party provides the additional information within 14 *business days* of receipt of the request.

Costs determinations

(q) Where the *AER* engages a consultant to assist in making a determination under this clause 5.6.6, the *AER* may include a costs determination.

(r) Where a costs determination is made, the *AER* may:

(1) render the applicant an invoice for the costs; or

(2) determine that the costs should:

(i) be shared by all the parties to the dispute, whether in the same proportion or differing proportions; or

(ii) borne by a party or parties to the dispute other than the applicant whether in the same proportion or differing proportions; and

the *AER* may render invoices accordingly.

(s) If an invoice is rendered, the *AER* must specify a time period for the payment of the invoice that is no later than 30 *business days* from the date the *AER* makes a determination under clause 5.6.6.

5.6.6A Construction of new small transmission network assets

(a) Each *Transmission Network Service Provider* must consult with any *interested parties* on any matter relating to a proposed *new small transmission network asset* set out in the *Annual Planning Report*. *Interested parties* may make written submissions to the *Transmission Network Service Provider*. To be valid, a submission must be received within 20 *business days* of *publication* of the *Annual Planning Report*.

(b) At the conclusion of the consultation process in clause 5.6.6A(a):

(1) if there is any material change in the matters referred to in clauses 5.6.2A(b)(4) and (5) with respect to the *new small transmission network asset* as a result of the consultation process, the *Transmission Network Service Provider* must *publish* again the matters set out in clauses 5.6.2A(b)(4) and (5) in relation to such *new small transmission network asset*, incorporating the agreed or amended matters; and

(2) the *AER* must take into account the report *published* by the *Transmission Network Service Provider* in accordance with clause 5.6.6A(b)(1) and all material submitted to the *Transmission Network Service Provider* in the consultation process in the process of its determination of the *total revenue cap* for the *Transmission Network Service Provider* and whether the *new small transmission*

network asset the subject of the consultation satisfies the *regulatory test*.

(c) In relation to a *new small transmission network asset* which was not identified in an *Annual Planning Report* or if a matter set out in the *Annual Planning Report* pursuant to clause 5.6.2A(b) has materially changed since the *publication* of the *Annual Planning Report* the *Transmission Network Service Provider* must prepare a report that is to be *published* to all *Registered Participants*, *NEMMCO* and *interested parties* which sets out the matters referred to in clauses 5.6.2A(b)(4) and (5) in relation to that *new small transmission network asset*.

(d) Each *Transmission Network Service Provider* must consult with any *interested parties* on any matter relating to a proposed *new small transmission network asset* set out in a report prepared pursuant to clause 5.6.6A(c). *Interested parties* may make written submissions to the *Transmission Network Service Provider*. To be valid, a submission must be received within 20 *business days* of publication of the report prepared pursuant to clause 5.6.6A(c).

(e) At the conclusion of the consultation process in clause 5.6.6A(d):

(1) if there is any material change in the matters referred to in clauses 5.6.2A(b)(4) and (5) with respect to the *new small transmission network asset* as a result of the consultation process the *Transmission Network Service Provider* must *publish* again the matters set out in clauses 5.6.2A(b)(4) and (5) in relation to such *new small transmission network asset*, incorporating the agreed or amended matters; and

(2) the *AER* must take into account the matters raised in the consultation process in its determination of the *total revenue cap* for the *Transmission Network Service Provider* and its determination of whether the *new small transmission network asset* the subject of the consultation satisfies the *regulatory test.*

5.6.6B Construction of Funded Augmentations

(a) The term *Transmission Network Service Provider* when used in this clause 5.6.6B is not intended to refer to, and is not to be read or construed as referring to, any *Transmission Network Service Provider* in its capacity as a *Market Network Service Provider*.

(b) A *Transmission Network Service Provider* who proposes to construct a *funded augmentation* must make available to all *Registered Participants* and *NEMMCO* a notice which must set out:

(1) a detailed description of the proposed *funded augmentation*;

(2) all relevant technical details concerning the proposed *funded augmentation*, the impact of the *funded augmentation* on the relevant *transmission network's Transmission Network Users* and the construction timetable and commissioning date for the *funded augmentation*;

(3) an *augmentation technical report* prepared by the *Inter-regional Planning Committee* in accordance with clause 5.6.3(j) if, and only if, the *funded augmentation* is reasonably likely to have a *material inter-network impact* and the *Transmission Network Service Provider* has not received consent to proceed with construction from all *Transmission Network Service Providers* whose *transmission networks* are materially affected by the *funded augmentation*. In assessing whether a *funded augmentation* is reasonably likely to have a *material inter-network impact*, the *Transmission Network Service Provider* must have regard to the objective set of criteria *published* by the *Inter-regional Planning Committee* in accordance with clause 5.6.3(i) (if any such criteria have been *published* by the *Inter-regional Planning Committee*).

(c) The *Transmission Network Service Provider* must provide a summary of the notice prepared in accordance with clause 5.6.6B(b) to *NEMMCO*. Within 3 *business days* of receipt of the summary, *NEMMCO* must *publish* the summary on its website.

(d) The *Transmission Network Service Provider* must consult with any *interested parties*, in accordance with the *Rules consultation procedures*, on any matter set out in the notice prepared in accordance with clause 5.6.6B(b).

5.7 Inspection and Testing

5.7.1 Right of entry and inspection

(a) If a *Registered Participant* who is party to a *connection agreement* reasonably believes that the other party to the *connection agreement* (being a party who is also a *Registered Participant*) is not complying with a technical provision of the *Rules* and that, as a consequence, the first *Registered Participant* is suffering, or is likely to suffer, a material adverse effect, then the first *Registered Participant* may enter the relevant *facility* at the *connection point* of the other *Registered Participant* in order to assess compliance by the other *Registered Participant* with its technical obligations under the *Rules*.

(b) A *Registered Participant* who wishes to inspect the *facilities* of another *Registered Participant* under clause 5.7.1(a) must give that other *Registered Participant* at least 2 *business days* notice of its intention to carry out an inspection.

(c) A notice given under clause 5.7.1(b) must include the following information:

(1) the name of the *representative* who will be conducting the inspection on behalf of the *Registered Participant*;

(2) the time when the inspection will commence and the expected time when the inspection will conclude; and

(3) the nature of the suspected non-compliance with the *Rules*.

(d) Neither a *Registered Participant* nor *NEMMCO* may carry out an inspection under this rule 5.7 within 6 *months* of any previous inspection except for the purpose of verifying the performance of corrective action claimed to have been carried out in respect of a non-conformance observed and documented on the previous inspection or (in the case of *NEMMCO*) for the purpose of reviewing an operating incident in accordance with clause 4.8.15.

(e) At any time when the *representative* of a *Registered Participant* is in another *Registered Participant's facility*, that *representative* must:

(1) cause no damage to the *facility;*

(2) only interfere with the operation of the *facility* to the extent reasonably necessary and approved by the relevant *Registered Participant* (such approval not to be unreasonably withheld or delayed); and

(3) observe "permit to test" access to sites and clearance protocols of the operator of the *facility*, provided that these are not used by the operator of the *facility* solely to delay the granting of access to site and inspection.

(f) Any *representative* of a *Registered Participant* conducting an inspection under this clause 5.7.1 must be appropriately qualified to perform the relevant inspection.

(g) The costs of inspections under this clause 5.7.1 must be borne by the *Registered Participant* requesting the inspection.

(h) *NEMMCO* or any of its *representatives* may, in accordance with this rule 5.7, inspect a *facility* of a *Registered Participant* and the operation and maintenance of that *facility* in order to:

(1) assess compliance by the relevant *Registered Participant* with its operational obligations under Chapter 3 or 4, or an *ancillary services agreement*;

(2) investigate any possible past or potential threat to *power system security*; or

(3) conduct any periodic familiarisation or training associated with the operational requirements of the *facility*.

(i) Any inspection under clause 5.7.1(a) or (h) must only be for so long as is reasonably necessary.

(j) Any equipment or goods installed or left on land or in premises of a *Registered Participant* after an inspection conducted under clause 5.7.1 do not become the property of the relevant *Registered Participant* (notwithstanding that they may be annexed or affixed to the relevant land or premises).

(k) In respect of any equipment or goods left on land or premises of a *Registered Participant* during or after an inspection, a *Registered Participant*:

(1) must not use any such equipment or goods for a purpose other than as contemplated in the *Rules* without the prior written approval of the owner of the equipment or goods;

(2) must allow the owner of any such equipment or goods to remove any such equipment or goods in whole or in part at a time agreed with the relevant *Registered Participant*, such agreement not to be unreasonably withheld or delayed; and

(3) must not create or cause to be created any mortgage, charge or lien over any such equipment or goods.

(l) A *Registered Participant* (in the case of an inspection carried out under clause 5.7.1(a)) or *NEMMCO* (in the case of an inspection carried out under clause 5.7.1(h)) must provide the results of that inspection to the *Registered Participant* whose *facilities* have been inspected, any other *Registered Participant* which is likely to be materially affected by the results of the test or inspection and *NEMMCO* (in the case of an inspection carried out under clause 5.7.1(a)).

5.7.2 Right of testing

(a) A *Registered Participant*, who has reasonable grounds to believe that equipment owned or operated by a *Registered Participant* with whom it has a *connection agreement* (which equipment is associated with the *connection agreement)* may not comply with the *Rules* or the *connection agreement*, may request testing of the relevant equipment by giving notice in writing to the other *Registered Participant*.

(b) If a notice is given under clause 5.7.2(a) the relevant test is to be conducted at a time agreed by *NEMMCO*.

(c) The *Registered Participant* who receives a notice under clause 5.7.2(a) must co-operate in relation to conducting tests requested under clause 5.7.2(a).

(d) The cost of tests requested under clause 5.7.2(a) must be borne by the *Registered Participant* requesting the test, unless the equipment is determined by the tests not to comply with the relevant *connection agreement* and the *Rules*, in which case all reasonable costs of such tests must be borne by the owner of that equipment.

(e) Tests conducted in respect of a *connection point* under clause 5.7.2 must be conducted using test procedures agreed between the relevant *Registered Participants*, which agreement is not to be unreasonably withheld or delayed.

(f) Tests under clause 5.7.2 must be conducted only by persons with the relevant skills and experience.

(g) A *Transmission Network Service Provider* must give *NEMMCO* adequate prior notice of intention to conduct a test in respect of a *connection point* to that *Network Service Provider's network*.

(h) The *Registered Participant* who requests a test under this clause 5.7.2 may appoint a *representative* to witness a test and the relevant *Registered Participant* must permit a *representative* appointed under this clause 5.7.2(h) to be present while the test is being conducted.

(i) A *Registered Participant* who conducts a test must submit a report to the *Registered Participant* who requested the relevant test, *NEMMCO* and to any other *Registered Participant* which is likely to be materially affected by the results of the test, within a reasonable period after the completion of the test and the report is to outline relevant details of the tests conducted, including but not limited to the results of those tests.

(j) A *Network Service Provider* may attach test equipment or *monitoring equipment* to *plant* owned by a *Registered Participant* or require a *Registered Participant* to attach such test equipment or *monitoring equipment*, subject to the provisions of clause 5.7.1 regarding entry and inspection.

(k) In carrying out monitoring under clause 5.7.2(j) the *Network Service Provider* must not cause the performance of the monitored *plant* to be *constrained* in any way.

5.7.3 Tests to demonstrate compliance with connection requirements for generators

(a) Each *Generator* must, within the time frames specified in rule 4.15~~prior to implementing a compliance program in accordance with rule 4.15(b)~~,

provide evidence to any relevant *Network Service Provider* with which that *Generator* has a *connection agreement* and to *NEMMCO*, that its *generating system* complies with:

(1) the applicable technical requirements of clause S5.2.5; and

(2) the relevant *connection agreement* including the *performance standards*.

(b) **[Deleted]**~~Each *Generator* must negotiate in good faith with the relevant *Network Service Provider* and *NEMMCO* to agree on a compliance monitoring program, including an agreed method for its *generating system* to confirm ongoing compliance consistent with the evidence provided in paragraph (a).~~

(c) If a test required by clause 5.7.3(a) ~~prior to the *Generator* implementing a compliance program in accordance with the requirements of rule 4.15(b), a performance test or monitoring of in-service performance~~ demonstrates that a *generating system* is not complying with one or more technical requirements of clause S5.2.5 or ~~and~~ the relevant *connection agreement* or one or more of the ~~-~~*performance standards* then the *Generator* must:

(1) promptly notify the relevant *Network Service Provider* and *NEMMCO* of that fact;

(2) promptly advise the *Network Service Provider* and *NEMMCO* of the remedial steps it proposes to take and the timetable for such remedial work;

(3) diligently undertake such remedial work and report at monthly intervals to the *Network Service Provider* on progress in implementing the remedial action; and

(4) conduct further tests or monitoring on completion of the remedial work to confirm compliance with the relevant technical requirements or *performance standards* (as the case may be).

(d) If *NEMMCO* reasonably believes that a *generating system* is not complying with one or more applicable *performance standards* or one or more applicable technical requirements of clause S5.2.5 ~~and~~ or the relevant *connection agreement*, *NEMMCO* may instruct the *Generator* to conduct tests within 25 *business days* to demonstrate that the relevant *generating system* complies with those *performance standards* or technical requirements.

(e) If the tests undertaken in accordance with paragraph (d) provide evidence that the *generating system* continues to comply with those requirements

NEMMCO must reimburse the *Generator* for the reasonable expenses incurred as a direct result of conducting the tests.

(f) If *NEMMCO*:

(1) is satisfied that:

(i) a *generating system* is not complying with the relevant *performance standards* for that system in respect of one or more of the technical requirements contained in S5.2.5, S5.2.6, S5.2.7 or S5.2.8 and the relevant *connection agreement*; or

(ii) a *generating system's* performance is not adequately represented by the applicable analytical model provided under clause 5.7.6(h) or clause S5.2.4; and

(2) holds the reasonable opinion that the performance of the *generating system*, or inadequacy of the applicable analytical model of the *generating system* is or will impede *NEMMCO's* ability to carry out its role in relation to *power system security*,

NEMMCO may direct the relevant *Generator* to operate the *generating system* at a particular *generated* output or in a particular mode until the relevant *Generator* submits evidence reasonably satisfactory to *NEMMCO* that the *generating system* is complying with the relevant *performance standard* and performing substantially in accordance with the applicable analytical model.

(g) Each *Generator* must maintain records for 7 years for each of its *generating systems* and *power stations* setting out details of the results of all technical performance and monitoring conducted under this clause 5.7.3 and make these records available to *NEMMCO* on request.

5.7.4 Routine testing of protection equipment

(a) A *Registered Participant* must co-operate with any relevant *Network Service Provider* to test the operation of equipment forming part of a *protection system* relating to a *connection point* at which that *Registered Participant* is *connected* to a *network* and the *Registered Participant* must conduct these tests:

(1) prior to the *plant* at the relevant *connection point* being placed in service; and

(2) at intervals specified in the *connection agreement* or in accordance with an asset management plan agreed between the *Network Service Provider* and the *Registered Participant*.

(a1) A *Network Service Provider* must institute and maintain a compliance program to ensure that its *facilities* of the following types, to the extent that the proper operation of a *facility* listed in this clause may affect *power system security*, operate reliably and in accordance with their performance requirements under schedule 5.1:

(1) *protection systems*;

(2) *control systems* for maintaining or enhancing *power system* stability;

(3) *control systems* for controlling *voltage* or *reactive power*; and

(4) *control systems* for *load shedding.*

(a2) A compliance program under clause 5.7.4(a1) must:

(1) include monitoring of the performance of the *facilities*;

(2) to the extent reasonably necessary, include provision for periodic testing of the performance of those *facilities* upon which *power system security* depends;

(3) provide reasonable assurance of ongoing compliance of the *facilities* with the relevant performance requirements of schedule 5.1; and

(4) be in accordance with *good electricity industry practice*.

(a3) A *Network Service Provider* must immediately notify *NEMMCO* if it reasonably believes that a *facility* of a type listed in clause 5.7.4(a1) does not comply with, or is likely not to comply with, its performance requirements.

(a4) A notice issued under clause 5.7.4(a3) must:

(1) identify the *facility* and the requirement with which the *facility* does not comply;

(2) give an explanation of the reason why the *facility* failed to comply with its performance requirement;

(3) give the date and time when the *facility* failed to comply with its performance requirement;

(4) give the date and time when the *facility* is expected to again comply with its performance requirement; and

(5) describe the expected impact of the failure on the performance of the *Network Service Provider's transmission system* or *distribution system.*

(b) Each *Registered Participant* must bear its own costs of conducting tests under this clause 5.7.4.

5.7.5 Testing by Registered Participants of their own plant requiring changes to normal operation

(a) A *Registered Participant* proposing to conduct a test on equipment related to a *connection point*, which requires a change to the normal operation of that equipment, must give notice in writing to the relevant *Network Service Provider* of at least 15 *business days* except in an emergency.

(b) The notice to be provided under clause 5.7.5(a) must include:

(1) the nature of the proposed test;

(2) the estimated start and finish time for the proposed test;

(3) the identity of the equipment to be tested;

(4) the *power system* conditions required for the conduct of the proposed test;

(5) details of any potential adverse consequences of the proposed test on the equipment to be tested;

(6) details of any potential adverse consequences of the proposed test on the *power system*; and

(7) the name of the person responsible for the co-ordination of the proposed test on behalf of the *Registered Participant*.

(c) The *Network Service Provider* must review the proposed test described in a notice provided under clause 5.7.5(a) to determine whether the test:

(1) could adversely affect the normal operation of the *power system*;

(2) could cause a threat to *power system security*;

(3) requires the *power system* to be operated in a particular way which differs from the way in which the *power system* is normally operated; or

(4) could affect the normal *metering* of *energy* at a *connection point*.

(d) If the *Network Service Provider* determines that the proposed test does fulfil one of the conditions specified in clause 5.7.5(c), then the *Registered Participant* and *Network Service Provider* must seek *NEMMCO's* approval prior to undertaking the test, which approval must not be unreasonably withheld or delayed.

(e) If, in *NEMMCO's* reasonable opinion, a test could threaten public safety, damage or threaten to damage equipment or adversely affect the operation of the *power system*, *NEMMCO* may direct that the proposed test procedure be modified or that the test not be conducted at the time proposed.

(f) *NEMMCO* must advise *Network Service Providers* of any test which may have a possible effect on normal *metering* of *energy* at a *connection point.*

(g) *NEMMCO* must advise any other *Registered Participants* who might be adversely affected by a proposed test and consider any reasonable requirements of those *Registered Participants* when approving the proposed test.

(h) The *Registered Participant* who conducts a test under this clause 5.7.5 must ensure that the person responsible for the co-ordination of a test promptly advises *NEMMCO* when the test is complete.

(i) If *NEMMCO* approves a proposed test, *NEMMCO* must use its reasonable endeavours to ensure that *power system* conditions reasonably required for that test are provided as close as is reasonably practicable to the proposed start time of the test and continue for the proposed duration of the test.

(j) Within a reasonable period after any such test has been conducted, the *Registered Participant* who has conducted a test under this clause 5.7.5 must provide the *Network Service Provider* with a report in relation to that test including test results where appropriate.

5.7.6 Tests of generating units requiring changes to normal operation

(a) A *Network Service Provider* may, at intervals of not less than 12 months per *generating system*, require the testing by a *Generator* of any *generating unit connected* to the *network* of that provider in order to determine analytic parameters for modelling purposes or to assess the performance of the relevant *generating unit* or *generating system* for the purposes of a *connection agreement*, and that provider is entitled to witness such tests.

(b) If *NEMMCO* reasonably considers that:

(1) the analytic parameters for modelling of a *generating unit* or *generating system* are inadequate; or

(2) available information, including results from a previous test of a *generating unit* or *generating system*, are inadequate to determine parameters for an applicable model developed in accordance with the *Generating System Model Guidelines*, or otherwise agreed with *NEMMCO* under clause S5.2.4(c)(2),

NEMMCO may direct a *Network Service Provider* to require a *Generator* to conduct a test under paragraph (a), and *NEMMCO* may witness such a test.

(c) Adequate notice of not less than 15 *business days* must be given by the *Network Service Provider* to the *Generator* before the proposed date of a test under paragraph (a).

(d) The *Network Service Provider* must use its best endeavours to ensure that tests permitted under this clause 5.7.6 are conducted at a time which will minimise the departure from the *commitment* and *dispatch* that are due to take place at that time.

(e) If not possible beforehand, a *Generator* must conduct a test under this clause 5.7.6 at the next scheduled *outage* of the relevant *generating unit* and in any event within 9 months of the request.

(f) A *Generator* must provide any reasonable assistance requested by the *Network Service Provider* in relation to the conduct of tests.

(g) Tests conducted under this clause 5.7.6 must be conducted in accordance with test procedures agreed between the *Network Service Provider* and the relevant *Generator* and a *Generator* must not unreasonably withhold its agreement to test procedures proposed for this purpose by the *Network Service Provider*.

(h) A *Generator* must provide the test records obtained from a test under paragraph (a) to the *Network Service Provider*, who must derive the analytical parameters for the applicable model developed in accordance with the *Generating System Model Guidelines*, or otherwise agreed with *NEMMCO* under clause S5.2.4(c)(2) and provide them to *NEMMCO* and the relevant *Generator*.

(i) The *Generator*, the *Network Service Provider* and *NEMMCO* must each bear its own costs associated with tests conducted under this clause 5.7.6 and no compensation is to be payable for financial losses incurred as a result of these tests or associated activities.

5.7.7 Inter-network power system tests

(a) For each kind of development or activity described in the first column of chart 1 below, the *Proponent* is as set out in the second column and the *Relevant Transmission Network Service Provider* ("*Relevant TNSP*") is as set out in the third column, respectively, opposite the description of the development or activity.

Chart 1

No.	**Kind of development or activity**	***Proponent***	***Relevant TNSP***
	column 1	**column 2**	**column 3**
1.	A new *transmission line* between two *networks*, or within a *transmission network*, that is anticipated to have a *material inter-network impact* is commissioned.	*Network Service Provider* in respect of the new *transmission line*.	*Proponent* and the *Transmission Network Service Provider* in respect of any *network* to which the *transmission line* is *connected*.
2.	An existing *transmission line* between two *networks*, or within a *transmission network*, that is anticipated to have a *material inter-network impact* is *augmented* or substantially modified.	*Network Service Provider* in respect of the *augmentation* or modification of the *transmission line*.	*Proponent* and the *Transmission Network Service Provider* in respect of any *network* to which the *transmission line* is *connected*.
3.	A new *generating unit* or *facility* of a *Customer* or a *network* development is commissioned that is anticipated to have a *material inter-network impact*.	*Generator* in respect of the *generating unit* and associated *connection assets*. *Customer* in respect of the *facility* and associated *connection assets*. *Network Service Provider* in respect of the relevant *network*.	*Transmission Network Service Provider* in respect of any *network* to which the *generating unit*, *facility* or *network* development is *connected* and, if a *network* development, then also the *Proponent*.
4.	Setting changes are made to any *power system* stabilisers as a result of a *generating unit*, *facility* of a *Customer* or *network* development being commissioned, modified or replaced.	*Generator* in respect of the *generating unit*. *Customer* in respect of the *facility*. *Network Service Provider* in respect of the relevant *network*.	*Transmission Network Service Provider* in respect of any *transmission network* to which the *generating unit*, *facility* or *network* development is *connected*.

No.	Kind of development or activity	*Proponent*	*Relevant TNSP*
	column 1	**column 2**	**column 3**
5.	Setting changes are made to any *power system* stabilisers as a result of a decision by the *Inter-regional Planning Committee* or *NEMMCO*, which are not covered by item 4 in this chart.	*NEMMCO*.	None.
6.	*NEMMCO* determines that a test is required to verify the performance of the *power system* in light of the results of planning studies or simulations or one or more system incidents.	*NEMMCO*.	None.

(b) A *Registered Participant*, not being a *Transmission Network Service Provider*, determined in accordance with clause 5.7.7(a) to be a *Proponent* for a development or activity detailed in chart 1, may require the *Relevant TNSP* corresponding to that development or activity to undertake on their behalf their obligations as the *Proponent* and, where the *Relevant TNSP* receives a written request to undertake those obligations, the *Relevant TNSP* must do so.

(c) Where, in this clause 5.7.7, there is a reference to a *Proponent* that reference includes a *Relevant TNSP* required in accordance with clause 5.7.7(b) to undertake the obligations of another *Registered Participant*.

(d) If a *Relevant TNSP* is required by a *Registered Participant* in respect of a *scheduled generating unit*, a *semi-scheduled generating unit*, a *scheduled load* or a *market network service*, any of which have a *nameplate rating* in excess of 30 MW, to act as a *Proponent* in accordance with clause 5.7.7(b), that *Relevant TNSP* is entitled to recover all reasonable costs incurred from the *Registered Participant* that required the *Relevant TNSP* to act as the *Proponent*.

(e) A *Registered Participant* wishing to undertake a development or conduct an activity listed in item 1, 2, 3 or 4 of chart 1 must notify *NEMMCO* not less than 80 *business days* before the *transmission line*, *generating unit*, *facility*

or *network* development is planned to be commissioned, modified or replaced, giving details of the development or activity.

(f) If *NEMMCO* receives a notice under clause 5.7.7(e), then it must provide a copy of the notice to each member of the *Inter-regional Planning Committee* and consult with the *Inter-regional Planning Committee* about the potential impact of the development or activity.

(g) *NEMMCO* or the *Relevant TNSP* in respect of a development or activity may notify the *Proponent* of the development or activity that *NEMMCO* or the *Relevant-TNSP* believes that an *inter-network test* is required in relation to that development or activity.

(h) *NEMMCO* or the *Relevant TNSP* may only give a notice under clause 5.7.7(g) if *NEMMCO* or the *Relevant TNSP* considers that:

(1) the development or activity may have a material impact on the magnitude of the *power transfer capability* of more than one *transmission network* and, in the circumstances, an *inter-network test* is required; or

(2) if the *Inter-regional Planning Committee* has *published* guidelines under clause 5.7.7(k), an *inter-network test* is required having regard to those guidelines and the surrounding circumstances.

(i) If *NEMMCO* or the *Relevant TNSP* gives a notice under clause 5.7.7(g), then they must also promptly give a copy of the notice to each member of the *Inter-regional Planning Committee*.

(j) A *Registered Participant* undertaking a development or activity listed in chart 1 must provide such information to *NEMMCO* or the *Relevant TNSP* in respect of the development or activity as *NEMMCO* or the *Relevant TNSP* reasonably requests in order to make an assessment under this clause 5.7.7.

(k) The *Inter-regional Planning Committee* may develop, *publish* and amend from time to time, in accordance with the *Rules consultation procedures*, a set of guidelines to assist *Registered Participants* to determine when an *inter-network test* may be required.

(l) If the *Inter-regional Planning Committee* has *published* guidelines in accordance with clause 5.7.7(k), then *NEMMCO* and the *Relevant TNSP* must consider those guidelines in determining whether an *inter-network test* is required under clause 5.7.7(g) or 5.7.7(n).

(m) If *NEMMCO* or the *Relevant TNSP* gives notice under clause 5.7.7(g), then the *Proponent* must, in consultation with *NEMMCO*, prepare a draft *test program* for the *inter-network test* and submit it to each member of the

Inter-regional Planning Committee and the *Relevant TNSP* (if the *Relevant TNSP* gave the notice given under clause 5.7.7(g)).

(n) If *NEMMCO* determines that an *inter-network test* is required for a reason contemplated in item 5 or 6 of chart 1, then it must prepare a draft *test program* for the *inter-network test* and submit it to each member of the *Inter-regional Planning Committee* at least 40 *business days* prior to the proposed test.

(o) The *Inter-regional Planning Committee* must:

(1) meet within 15 *business days* of the members receiving a draft *test program* under clauses 5.7.7(m) or (n); and

(2) within a period of not more than 10 *business days* make a recommendation to *NEMMCO* on the draft *test program* that identifies changes the *Inter-regional Planning Committee* proposes to the *test program*.

(p) *NEMMCO* must:

(1) *publish* a copy of the draft *test program* and any relevant changes recommended by the *Inter-regional Planning Committee* and invite interested *Registered Participants* to make written submissions;

(2) only accept as valid submissions received not later than the date specified in the notice *publishing* the copy of the draft *test program* (not to be less than 14 *days* after the date of *publication*); and

(3) provide the *Inter-regional Planning Committee* with copies of all valid submissions and seek its final recommendation.

(q) The *Inter-regional Planning Committee* must consider and take into account all valid submissions received and may amend its recommendation.

(r) *NEMMCO* must determine and *publish* in accordance with clause 3.13.13 the *test program* for an *inter-network test* after taking into account the draft *test program* submitted to the *Inter-regional Planning Committee*, the *Inter-regional Planning Committee's* recommendation and any valid submissions received from *Registered Participants*.

(s) In making a recommendation under clause 5.7.7(o) and in determining the *test program*, the *Inter-regional Planning Committee* and *NEMMCO* must so far as practicable have regard to the following principles:

(1) *power system security* must be maintained in accordance with Chapter 4;

(2) the variation from the *central dispatch* outcomes that would otherwise occur if there was no *inter-network test* should be minimised;

(3) the duration of the tests should be as short as possible consistent with test requirements and *power system security*; and

(4) subject to clauses 5.7.7(s)(1), (2) and (3), the test facilitation costs borne or payable under clause 5.7.7 (aa) by the *Proponent* should be minimised.

(t) An *inter-regional test* must not be conducted within 20 *business days* after *NEMMCO publishes* the *test program* for the *inter-network test* determined by *NEMMCO* under clause 5.7.7(r).

(u) The *Proponent* in respect of an *inter-network test* must seek to enter into agreements with other *Registered Participants* to provide the test facilitation services identified in the *test program* in order to ensure that the *power system* conditions required by the *test program* are achieved.

(v) If the *Proponent* approaches another *Registered Participant* seeking to enter into an agreement under clause 5.7.7(u) then the *Proponent* and the *Registered Participant* must negotiate in good faith concerning the provision of the relevant test facilitation service.

(w) If:

(1) a *Proponent* approaches another *Registered Participant* as described in clause 5.7.7(v); and

(2) the *Proponent* and the other *Registered Participant* have not agreed the terms and conditions to be included in the agreement under which the *Registered Participant* will provide the test facilitation service requested within 15 *business days* of the approach,

then those terms and conditions must be determined in accordance with rule 8.2 and a dispute of this type is deemed to fall within clause 8.2.5(c)(2).

(x) If the dispute concerns the price which the *Proponent* is to pay for a test facilitation service, then it must be resolved applying the following principles:

(1) the other *Registered Participant* is entitled to recover the costs it incurs, and a reasonable rate of return on the capital it employs, in providing the test facilitation service, determined taking into account the additional costs associated with:

(i) maintaining the equipment necessary to provide the test facilitation service;

(ii) any labour required to operate and maintain the equipment used to provide the test facilitation service; and

(iii) any materials consumed when the test facilitation service is utilised; and

(2) the other *Registered Participant* is entitled to be compensated for any commercial opportunities foregone by providing the test facilitation service.

(y) When the terms and conditions are determined in accordance with rule 8.2 under this clause 5.7.7, then the *Proponent* and the other *Registered Participant* must enter into an agreement setting out those terms and conditions.

(z) If *NEMMCO* is not the *Proponent* in respect of an *inter-network test*, the *Proponent* must:

(1) prior to the scheduled date of the *inter-network test*, confirm to *NEMMCO* that the test facilitation services identified in the *test program* will be available to be utilised, who will be providing them and the operational arrangements for utilising them;

(2) provide sufficient information to enable *NEMMCO* to utilise the test facilitation services in conducting the *inter-network test*; and

(3) respond promptly to any queries *NEMMCO* raises with the *Proponent* concerning the availability of the test facilitation services and *NEMMCO's* ability to utilise those services in conducting the *inter-network tests*.

(aa) The *Proponent* in respect of an *inter-network test* must bear all of the following costs associated with that *inter-network test*:

(1) any amounts payable under an agreement under which test facilitation services are provided;

(2) the *Proponent's* own costs associated with the *inter-network test* and in negotiating and administering the agreements referred to in clause 5.7.7(u); and

(3) if the *Proponent* is not *NEMMCO* and the amount of *settlements residue* on any *directional interconnector* for a *trading interval* during which there is an impact on *central dispatch* outcomes as a result of the *inter-network test* is negative, then the *Proponent* must enter into an agreement with *NEMMCO* to pay that amount to *NEMMCO*.

(ab) If the *Proponent* is *NEMMCO* and the amount of *settlements residue* on any *directional interconnector* for a *trading interval* during which there is an

impact on *central dispatch* outcomes as a result of the *inter-network test* is negative, then *NEMMCO* must adjust that residue to be zero and must recover the amount as provided for in clause 2.11.3(b)(2A).

(ac) *NEMMCO* must establish operational conditions to achieve the particular *power transfer* levels for each stage of the *inter-network test* as contemplated by the *test program*:

(1) utilizing where practicable and economic to do so the test facilitation services identified in the *test program*; and

(2) otherwise, by applying to the minimum extent necessary to fulfil the test requirements, *inter-network testing constraints*.

(ad) An *inter-network test* must be coordinated by an officer nominated by the *Inter-regional Planning Committee* who has authority to stop the test or any part of it or vary the procedure within pre-approved guidelines determined by the *Inter-regional Planning Committee* if that officer considers any of these actions to be reasonably necessary.

(ae) Each *Registered Participant* must:

(1) cooperate with *NEMMCO* in planning, preparing for and conducting *inter-regional tests*;

(2) act in good faith in respect of, and not unreasonably delay, an *inter-network test*; and

(3) comply with any instructions given to it by *NEMMCO* under clause 5.7.7(af).

(af) *NEMMCO* may utilise test facilitation services under agreements entered into by the *Proponent* under this clause 5.7.7 during an *inter-network test* in order to achieve operational conditions on the *power system* which are reasonably required to achieve valid test results.

5.8 Commissioning

5.8.1 Requirement to inspect and test equipment

(a) A *Registered Participant* must ensure that any of its new or replacement equipment is inspected and tested to demonstrate that it complies with relevant *Australian Standards*, the *Rules* and any relevant *connection agreement* prior to or within an agreed time after being *connected* to a *transmission network* or *distribution network*, and the relevant *Network Service Provider* is entitled to witness such inspections and tests.

(b) The *Registered Participant* must produce test certificates on demand by the relevant *Network Service Provider* showing that the equipment has passed the tests and complies with the standards set out in clause 5.8.1(a) before *connection* to a *network*, or within an agreed time thereafter.

5.8.2 Co-ordination during commissioning

A *Registered Participant* seeking to *connect* to a *network* must co-operate with the relevant *Network Service Provider*(s) and *NEMMCO* to develop procedures to ensure that the commissioning of the *connection* and *connected facility* is carried out in a manner that:

(a) does not adversely affect other *Registered Participants* or affect *power system security* or quality of *supply* of the *power system*; and

(b) minimises the threat of damage to any other *Registered Participant's* equipment.

5.8.3 Control and protection settings for equipment

(a) Not less than 3 months prior to the proposed commencement of commissioning by a *Registered Participant* of any new or replacement equipment that could reasonably be expected to alter performance of the *power system* (other than replacement by identical equipment), the *Registered Participant* must submit to the relevant *Network Service Provider* sufficient design information including proposed parameter settings to allow critical assessment including analytical modelling of the effect of the new or replacement equipment on the performance of the *power system*.

(b) The *Network Service Provider* must*:*

(1) consult with other *Registered Participants* and *NEMMCO* as appropriate; and

(2) within 20 *business days* of receipt of the design information under clause 5.8.3(a), notify the *Registered Participant* and *NEMMCO* of any comments on the proposed parameter settings for the new or replacement equipment.

(c) If the *Network Service Provider's* comments include alternative parameter settings for the new or replacement equipment, then the *Registered Participant* must notify the *Network Service Provider* that it either accepts or disagrees with the alternative parameter settings suggested by the *Network Service Provider*.

(d) The *Network Service Provider* and the *Registered Participant* must negotiate parameter settings that are acceptable to them both and if there is

any unresolved disagreement between them, the matter must be referred to the *Inter-regional Planning Committee* whose majority decision must be given within 20 *business days* of referral of the dispute and, once a decision is given, it is to be final.

(e) The *Registered Participant* and the *Network Service Provider* must co-operate with each other to ensure that adequate grading of protection is achieved so that faults within the *Registered Participant's facility* are cleared without adverse effects on the *power system*.

5.8.4 Commissioning program

(a) Prior to the proposed commencement of commissioning by a *Registered Participant* of any new or replacement equipment that could reasonably be expected to alter performance of the *power system*, the *Registered Participant* must advise the relevant *Network Service Provider* and *NEMMCO* in writing of the commissioning program including test procedures and proposed test equipment to be used in the commissioning.

(b) Notice under clause 5.8.4(a) must be given not less than 3 months prior to commencement of commissioning for a *connection* to a *transmission network* and not less than 1 month prior to commencement of commissioning for a *connection* to a *distribution network*.

(c) The relevant *Network Service Provider* and *NEMMCO* must, within 15 *business days* of receipt of such advice under clause 5.8.4(a), notify the *Registered Participant* either that they:

(1) agree with the proposed commissioning program; or

(2) require changes to it in the interest of maintaining *power system security*, safety or quality of *supply*.

(d) If the relevant *Network Service Provider* or *NEMMCO* require changes to the proposed commissioning program, then the parties must co-operate to reach agreement and finalise the commissioning program within a reasonable period.

(e) A *Registered Participant* must not commence the commissioning until the commissioning program has been finalised and the relevant *Network Service Provider* and *NEMMCO* must not unreasonably delay finalising a commissioning program.

5.8.5 Commissioning tests

(a) The relevant *Network Service Provider* and/or *NEMMCO* has the right to witness commissioning tests relating to new or replacement equipment that

could reasonably be expected to alter performance of the *power system* or the accurate *metering* of *energy*.

(b) The relevant *Network Service Provider* must, within a reasonable period of receiving advice of commissioning tests, notify the *Registered Participant* whose new or replacement equipment is to be tested under this clause 5.8.5 whether or not it:

(1) wishes to witness the commissioning tests; and

(2) agrees with the proposed commissioning times.

(c) A *Registered Participant* whose new or replacement equipment is tested under this clause 5.8.5 must submit to the relevant *Network Service Provider* the commissioning test results demonstrating that a new or replacement item of equipment complies with the *Rules* or the relevant *connection agreement* or both to the satisfaction of the relevant *Network Service Provider*.

(d) If the commissioning tests conducted in relation to a new or replacement item of equipment demonstrates non-compliance with one or more requirements of the *Rules* or the relevant *connection agreement* then the *Registered Participant* whose new or replacement equipment was tested under this clause 5.8.5 must promptly meet with the *Network Service Provider* to agree on a process aimed at achievement of compliance of the relevant item with the *Rules*.

(e) On request by a *Network Service Provider*, *NEMMCO* may direct that the commissioning and subsequent *connection* of the *Registered Participant's* equipment must not proceed if the relevant equipment does not comply with the requirements described in clause 5.8.1(a).

5.9 Disconnection and Reconnection

5.9.1 Voluntary disconnection

(a) Unless agreed otherwise and specified in a *connection agreement*, a *Registered Participant* must give to the relevant *Network Service Provider* notice in writing of its intention to permanently *disconnect* a *facility* from a *connection point*.

(b) A *Registered Participant* is entitled, subject to the terms of the relevant *connection agreement*, to require voluntary permanent *disconnection* of its equipment from a *network* in which case appropriate operating procedures necessary to ensure that the *disconnection* will not threaten *power system security* must be implemented in accordance with clause 5.9.2.

(c) The *Registered Participant* must pay all costs directly attributable to the voluntary *disconnection* and *decommissioning*.

5.9.2 Decommissioning procedures

(a) In the event that a *Registered Participant's facility* is to be permanently *disconnected* from a *network*, whether in accordance with clause 5.9.1 or otherwise, the *Network Service Provider* and the *Registered Participant* must, prior to such *disconnection* occurring, follow agreed procedures for *disconnection*.

(b) The *Network Service Provider* must notify *NEMMCO* and any *Registered Participants* with whom it has a *connection agreement* if it believes, in its reasonable opinion, the terms and conditions of such a *connection agreement* will be affected by procedures for *disconnection* or proposed procedures agreed with any other *Registered Participant.* The parties must negotiate any amendments to the procedures for *disconnection* or the *connection agreement* that may be required.

(c) Any *disconnection* procedures agreed to or determined under clause 5.9.2(a) must be followed by all relevant *Network Service Providers* and *Registered Participants*.

5.9.3 Involuntary disconnection

(a) *NEMMCO* may direct a *Network Service Provider* to, or a *Network Service Provider* may (either on its own initiative or in accordance with a direction from *NEMMCO*), *disconnect* a *Registered Participant's facilities* from a *network*, or a *Registered Participant's market loads*, in the following circumstances:

(1) pursuant to a direction for a *disconnection* made by a court under section 62 or 63 of the *National Electricity Law* or pursuant to regulations made under section 44AAG of the Trade Practices Act 1974 (Cth);

(2) during an emergency in accordance with clause 5.9.5;

(3) in accordance with the *National Electricity Law*; or

(4) in accordance with the provisions of the *Registered Participant's connection agreement.*

(b) In all cases of *disconnection* by a *Network Service Provider* at *NEMMCO's* direction during an emergency in accordance with clause 5.9.5, *NEMMCO* must undertake a review under clause 4.8.15 and *NEMMCO* must then provide a report to the *Registered Participant*, the *AEMC* and the *AER* advising of the circumstances requiring such action.

(c) A *Network Service Provider* that has received a direction from *NEMMCO* under this clause 5.9.3 must comply with that direction promptly.

5.9.4 Direction to disconnect

(a) Where a *disconnection* is made pursuant to clause 5.9.3(a)(1), neither *NEMMCO* nor the relevant *Network Service Provider* is liable in any way for any loss or damage suffered or incurred by the *Registered Participant* by reason of the *disconnection* and neither *NEMMCO* nor the relevant *Network Service Provider* is obliged for the duration of the *disconnection* to fulfil any agreement to convey electricity to or from the *Registered Participant's facility.*

(b) A *Registered Participant* must not bring proceedings against *NEMMCO* or a *Network Service Provider* to seek to recover any amount for any loss or damage described in clause 5.9.4(a).

(c) *Transmission service* charges and *distribution service* charges must be paid by a *Registered Participant* whose *facilities* have been *disconnected* under this clause 5.9.4 as if any *disconnection* had not occurred.

(d) A *Network Service Provider* that has received a direction from *NEMMCO* to *disconnect* a *Registered Participant's facilities* in the circumstances described in clause 5.9.3(a)(1) must comply with that direction promptly.

5.9.4A Notification of disconnection

If the *AER* applies to a court for a direction, under section 62 or 63 of the *National Electricity Law* or pursuant to regulations made under section 44AAG of the Trade Practices Act 1974 (Cth), that a *Registered Participant's market loads* be *disconnected*, the *AER* must promptly notify *NEMMCO* and the *participating jurisdictions* which the *AER* considers may be affected.

5.9.5 Disconnection during an emergency

(a) Where *NEMMCO* may direct a *Network Service Provider* to *disconnect* a *Registered Participant's facilities* during an emergency under the *Rules* or otherwise, then *NEMMCO* may:

(1) require the relevant *Registered Participant* to reduce the *power transfer* at the proposed point of *disconnection* to zero in an orderly manner and then direct a *Network Service Provider* to *disconnect* the *Registered Participant's facility* by automatic or manual means; or

(2) direct a *Network Service Provider* to immediately *disconnect* the *Registered Participant's facilities* by automatic or manual means where, in *NEMMCO's* reasonable opinion, it is not appropriate to follow the procedure set out in clause 5.9.5(a)(1) because action is

urgently required as a result of a threat to safety of persons, hazard to equipment or a threat to *power system security*.

(b) A *Network Service Provider* that has received a direction from *NEMMCO* under this clause 5.9.5 must comply with that direction promptly.

5.9.6 Obligation to reconnect

(a) Either *NEMMCO* (by directing the *Network Service Provider*) or the relevant *Network Service Provider* (either on its own initiative or in accordance with a direction from *NEMMCO*) must reconnect a *Registered Participant's facilities* to a *transmission network* or *distribution network* at a reasonable cost to the *Registered Participant* as soon as practicable if:

(1) *NEMMCO* is reasonably satisfied that there no longer exists an emergency due to which the *Registered Participant's facilities* were *disconnected* under clause 5.9.5;

(2) *NEMMCO* is reasonably satisfied that there no longer exists a reason for the *disconnection* under the *National Electricity Law* or the *Registered Participant's connection agreement*;

(3) one of the following occurs:

(i) a breach of the *Rules* giving rise to the *disconnection* has been remedied;

(ii) where the breach is not capable of remedy, compensation has been agreed and paid by the *Registered Participant* to the affected parties or, failing agreement, the amount of compensation payable has been determined in accordance with the dispute resolution procedure in rule 8.2 and that amount has been paid;

(iii) where the breach is not capable of remedy and the amount of compensation has not been agreed or determined, assurances for the payment of reasonable compensation have been given to the satisfaction of *NEMMCO*, the *Network Service Provider* and the parties affected; or

(iv) the *Registered Participant* has taken all necessary steps to prevent the re-occurrence of the breach and has delivered binding undertakings to *NEMMCO* or the *Network Service Provider* that the breach will not re-occur.

(b) In carrying out its obligations under clause 5.9.6(a), *NEMMCO* must, to the extent practicable, arrange for the implementation of an equitable sharing of the reconnection of *facilities* across *interconnected regions* up to the *power*

transfer capability of the *network* and, in performing these obligations within a *region*, both *NEMMCO* and the relevant *Network Service Provider* must, to the extent practicable, give priority to reconnection of a *region's sensitive loads.*

(c) A *Network Service Provider* that has received a direction from *NEMMCO* under this clause 5.9.6 must comply with that direction promptly.

Schedule 5.1a - System standards

S5.1a.1 Purpose

The purpose of this schedule is to establish *system standards* that:

(a) are necessary or desirable for the safe and reliable operation of the *facilities* of *Registered Participants*;

(b) are necessary or desirable for the safe and reliable operation of equipment;

(c) could be reasonably considered *good electricity industry practice*; and

(d) seek to avoid the imposition of undue costs on the industry or *Registered Participants*.

A *Registered Participant* should not, by virtue of this schedule, rely on *system standards* being fully complied with at a *connection point* under all circumstances. However, a *Registered Participant* should expect to be reasonably informed of circumstances where the standard of *supply* at its *connection points* will not conform to the *system standards*.

Except for standards of *frequency* and system stability, a *Registered Participant* should have the opportunity to negotiate or renegotiate relevant terms of a *connection agreement* (including relevant charges), to improve the standard of *supply* to the level of the *system standard*.

The *system standards* are set out below.

S5.1a.2 Frequency

The *frequency operating standards* are *system standards* and are as determined by the *Reliability Panel* and *published* by the *AEMC*.

S5.1a.3 System stability

The *power system* should remain in synchronism and be stable:

(a) **Transient stability:** following any *credible contingency event*; and

(b) **Oscillatory stability:** in the absence of any *contingency event*, for any level of *inter-regional* or *intra-regional* power transfer up to the applicable operational limit; and

(c) **Voltage stability:** stable *voltage* control must be maintained following the most severe *credible contingency event*.

For the purposes of clause S5.1a.3 a *credible contingency event* includes the application of a fault (other than a three-phase fault) to any part of the *power system* and de-energisation of the faulted element within the allowable clearance time applicable to that element according to clause S5.1a.8.

The halving time of any *inter-regional* or *intra-regional* oscillation, being the time for the amplitude of an oscillation to reduce by half, should be less than 10 seconds. To allow for planning and operational uncertainties, the *power system* should be planned and operated to achieve a halving time of 5 seconds.

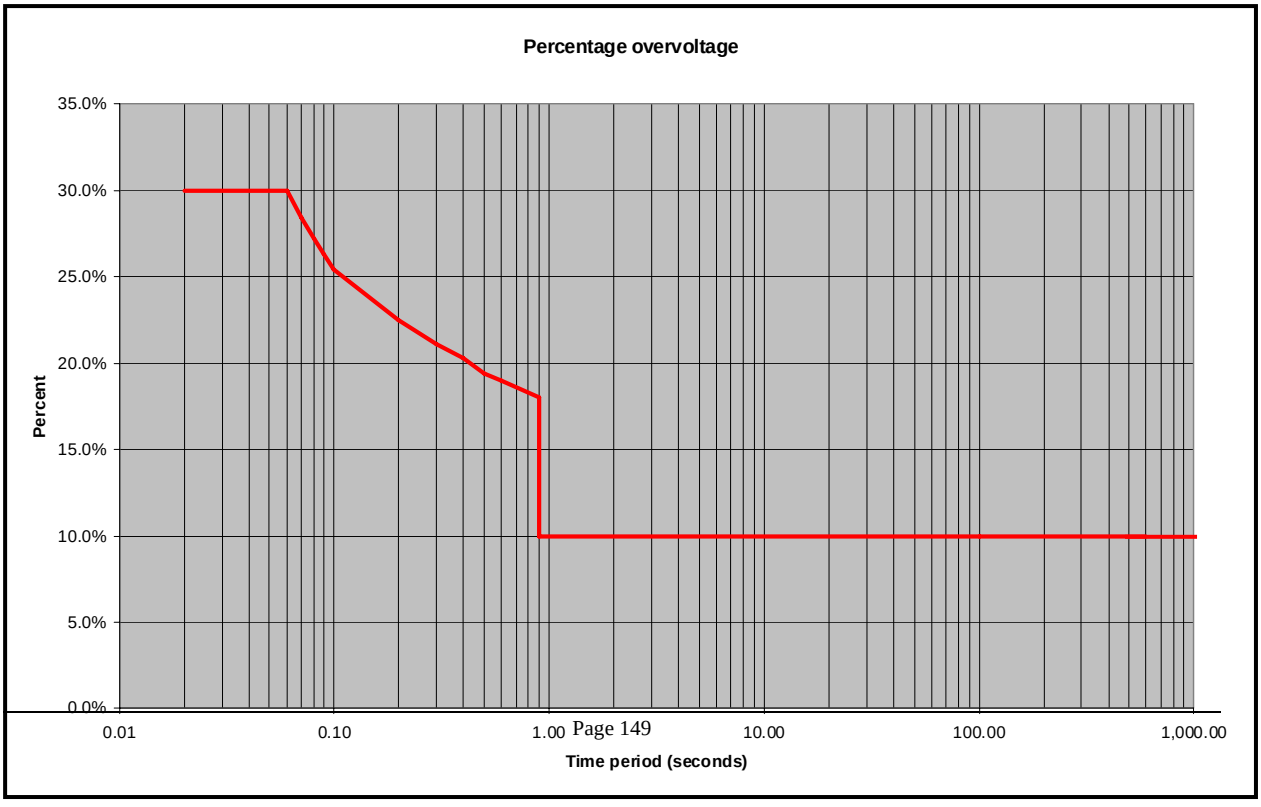
S5.1a.4 Power frequency voltage

Except as a consequence of a *contingency event*, the *voltage* of *supply* at a *connection point* should not vary by more than 10 percent above or below its *normal voltage*, provided that the *reactive power* flow and the *power factor* at the *connection point* is within the corresponding limits set out in the *connection agreement*.

As a consequence of a *credible contingency event*, the *voltage* of *supply* at a *connection point* should not rise above its *normal voltage* by more than a given percentage of *normal voltage* for longer than the corresponding period shown in Figure S5.1a.1 for that percentage.

As a consequence of a *contingency event*, the *voltage* of *supply* at a *connection point* could fall to zero for any period.

Figure S5.1a.1



S5.1a.5 Voltage fluctuations

The *voltage* fluctuation level of *supply* should be less than the "compatibility levels" set out in 1 of *Australian Standard* AS/NZS 61000.3.7:2001. To facilitate the application of this standard *Network Service Providers* must establish "planning levels" for their *networks* as provided for in the *Australian Standard.*

The following principles apply to the use of the shared network:

(a) the sharing between *Network Users* of the capability of *connection assets* to withstand *voltage* fluctuations is to be managed by *Network Service Providers* in accordance with the provisions of clause S5.1.5 of schedule 5.1; and

(b) to the extent practicable, the costs of managing or abating the impact of *voltage* fluctuations in excess of the costs which would result from the application of an *automatic access standard* are to be borne by those *Network Users* whose *facilities* cause the *voltage* fluctuations.

S5.1a.6 Voltage waveform distortion

Harmonic *voltage* distortion level of *supply* should be less than the "compatibility levels" defined in Table 1 of *Australian Standard* AS/NZS 61000.3.6:2001. To facilitate the application of this standard *Network Service Providers* must establish "planning levels" for their *networks* as provided for in the *Australian Standard.*

The following principles apply to the use of the shared network:

(a) the sharing between *Network Users* of the capability of *connection assets* to absorb or mitigate harmonic *voltage* distortion is to be managed by *Network Service Providers* in accordance with the provisions of clause S5.1.6 of schedule 5.1; and

(b) to the extent practicable, the costs of managing or abating the impact of harmonic distortion in excess of the costs which would result from the application of an *automatic access standard* are to be borne by those *Network Users* whose *facilities* cause the harmonic *voltage* distortion.

S5.1a.7 Voltage unbalance

Except as a consequence of a *contingency event*, the average *voltage* unbalance, measured at a *connection point*, should not vary by more than the amount set out

in column 2 of Table S5.1a.1, when determined over a 30-minute averaging period.

As a consequence of a *credible contingency event*, the average *voltage* unbalance, measured at a *connection point*, should not vary by more than the amount set out in column 3 of Table S5.1a.1, when determined over a 30-minute averaging period.

The average *voltage* unbalance, measured at a *connection point*, should not vary by more than the amount set out in column 4 of Table S5.1a.1 for the relevant nominal *supply voltage*, when determined over a 10-minute averaging period.

The average *voltage* unbalance, measured at a *connection point*, should not vary more often than once per hour by more than the amount set out in column 5 of Table S5.1a.1 for the relevant nominal *supply voltage*, when determined over a 1-minute averaging period.

For the purpose of this clause, *voltage* unbalance is measured as negative sequence voltage.

Table S5.1a.1

Nominal supply voltage (kV)	**Maximum negative sequence voltage (% of nominal voltage)**			
Column 1	**Column 2**	**Column 3**	**Column 4**	**Column 5**
	no contingency event	**credible contingency event**	**general**	**once per hour**
	30 minute average	**30 minute average**	**10 minute average**	**1 minute average**
more than 100	0.5	0.7	1.0	2.0
more than 10 but not more than 100	1.3	1.3	2.0	2.5
10 or less	2.0	2.0	2.5	3.0

S5.1a.8 Fault clearance times

(a) Faults anywhere within the *power system* should be cleared sufficiently rapidly that:

(1) the *power system* does not become unstable as a result of faults that are *credible contingency events*;

(2) *inter-regional* or *intra-regional power transfers* are not unduly *constrained*; and

(3) consequential equipment damage is minimised.

(b) The *fault clearance time* of a primary *protection system* for a *short circuit fault* of any *fault type* anywhere:

(1) within a *substation*;

(2) within *connected plant*; or

(3) on at least the half of a power line nearer to the *protection system*,

should not exceed the relevant time in column 2 of Table S5.1a.2 for the nominal *voltage* that applies at the fault location.

(c) The *fault clearance time* of a primary *protection system* for a *short circuit fault* of any *fault type* anywhere on the remote portion of a power line for which the near portion is protected by a primary *protection system* under clause S5.1a8(b) should not exceed the relevant time in column 3 of Table S5.1a.2 for the nominal *voltage* that applies at the fault location.

(d) The *fault clearance time* of a *breaker fail protection system* or similar back-up *protection system* for a *short circuit fault* of any *fault type* should not exceed the relevant time in column 4 of Table S5.1a.2 for the nominal *voltage* that applies at the fault location.

(e) The owner of the faulted element may require shorter *fault clearance times* to minimise *plant* damage.

(f) The allowable *fault clearance times* specified in Table S5.1a.2 apply in accordance with the provisions of clause S5.1.9 to *facilities* constructed or modified on or after the *performance standards commencement date.*

(g) For *facilities* other than those referred to in clause S5.1a.8(f), the applicable allowable *fault clearance times* must be derived by the relevant *Network Service Provider* from the existing capability of each *facility* on the *performance standards commencement date*.

Table S5.1a.2

Nominal voltage at fault location(kV)	**Time(milliseconds)**		
Column 1	**Column 2**	**Column 3**	**Column 4**

400kV and above	80	100	175
at least 250kV but less than 400kV	100	120	250
more than 100kV but less than 250kV	120	220	430
less than or equal 100 kV	As necessary to prevent *plant* damage and meet stability requirements		

Schedule 5.1 - Network Performance Requirements to be Provided or Co-ordinated by Network Service Providers

S5.1.1 Introduction

This schedule describes the planning, design and operating criteria that must be applied by *Network Service Providers* to the *transmission networks* and *distribution networks* which they own, operate or control. It also describes the requirements on *Network Service Providers* to institute consistent processes to determine the appropriate technical requirements to apply for each *connection* enquiry or *application to connect* processed by the *Network Service Provider* with the objective that all *connections* satisfy the requirements of this schedule.

The criteria and the obligations of *Registered Participants* to implement them, fall into two categories, namely:

(a) those required to achieve adequate levels of *network power transfer capability* or quality of *supply* for the common good of all, or a significant number of, *Registered Participants*; and

(b) those required to achieve a specific level of *network service* at an individual *connection point.*

A *Network Service Provider* must:

(1) fully describe the quantity and quality of *network services* which it agrees to provide to a person under a *connection agreement* in terms that apply to the *connection point* as well as to the *transmission or distribution system* as a whole;

(2) ensure that the quantity and quality of those *network services* are not less than could be provided to the relevant person if the *national grid* were planned, designed and operated in accordance with the criteria set out in this clause S5.1.1 and recognising that levels of service will vary depending on location of the *connection point* in the *network*; and

(3) observe and apply the relevant provisions of the *system standards* in accordance with this schedule 5.1.

To the extent that this schedule 5.1 does not contain criteria which are relevant to the description of a particular *network service*, the *Network Service Provider* must describe the *network service* in terms which are fair and reasonable.

This schedule includes provisions for *Network Service Providers* and *Registered Participants* to negotiate the criteria to apply to a *connection* within defined ranges between a lower bound (*minimum access standard*) and an upper bound (*automatic access standard*). All criteria which are intended to apply to a

connection must be recorded in a *connection agreement*. Where it is intended to apply a *negotiated access standard* in accordance with clause 5.3.4A of the *Rules*, the *Network Service Provider* must first be satisfied that the application of the *negotiated access standard* will not adversely affect other *Registered Participants*.

S5.1.2 Network reliability

S5.1.2.1 Credible contingency events

Network Service Providers must plan, design, maintain and operate their *transmission networks* and *distribution networks* to allow the transfer of power from *generating units* to *Customers* with all *facilities* or equipment associated with the *power system* in service and may be required by a *Registered Participant* under a *connection agreement* to continue to allow the transfer of power with certain facilities or *plant* associated with the *power system* out of service, whether or not accompanied by the occurrence of certain faults (called "*credible contingency events*").

The following *credible contingency events* and practices must be used by *Network Service Providers* for planning and operation of *transmission networks* and *distribution networks* unless otherwise agreed by each *Registered Participant* who would be affected by the selection of *credible contingency events*:

(a) The *credible contingency events* must include the *disconnection* of any single *generating unit* or *transmission line*, with or without the application of a single circuit two-phase-to-ground solid fault on lines operating at or above 220 kV, and a single circuit three-phase solid fault on lines operating below 220 kV. The *Network Service Provider* must assume that the fault will be cleared in primary protection time by the faster of the duplicate protections with installed intertrips available. For existing *transmission lines* operating below 220 kV but above 66 kV a two-phase to earth fault criterion may be used if the modes of operation are such as to minimise the probability of three-phase faults occurring and operational experience shows this to be adequate, and provided that the *Network Service Provider* upgrades performance when the opportunity arises.

(b) For lines at any *voltage* above 66 kV which are not protected by an overhead earth wire and/or lines with tower footing resistances in excess of 10 ohms, the *Network Service Provider* may extend the criterion to include a single circuit three-phase solid fault to cover the increased risk of such a fault occurring. Such lines must be examined individually on their merits by the relevant *Network Service Provider*.

(c) For lines at any *voltage* above 66 kV a *Network Service Provider* must adopt operational practices to minimise the risk of slow fault clearance in

case of inadvertent closing on to earths applied to equipment for maintenance purposes. These practices must include but not be limited to:

(1) Not leaving lines equipped with intertrips alive from one end during maintenance; and

(2) *Off-loading* a three terminal (tee connected) line prior to restoration, to ensure switch on to fault *facilities* are operative.

(d) The *Network Service Provider* must ensure that all *protection systems* for lines at a *voltage* above 66 kV, including associated intertripping, are well maintained so as to be available at all times other than for short periods (not greater than eight hours) while the maintenance of a *protection system* is being carried out.

S5.1.2.2 Network service within a region

The following paragraphs of this section set out minimum standards for certain *network services* to be provided to *Registered Participants* by *Network Service Providers* within a *region*. The amount of *network* redundancy provided must be determined by the process set out in clause 5.6.2 of the *Rules* and is expected to reflect the grouping of *generating units*, their expected capacity factors and availability and the size and importance of *Customer* groups.

The standard of service to be provided at each *connection point* must be included in the relevant *connection agreement*, and must include a *power transfer capability* such as that which follows:

(a) In the *satisfactory operating state*, the *power system* must be capable of providing the highest reasonably expected requirement for *power transfer* (with appropriate recognition of diversity between individual peak requirements and the necessity to withstand *credible contingency events*) at any time.

(b) During the most critical single element *outage* the *power transfer* available through the *power system* may be:

(1) zero (single element *supply*);

(2) the defined capacity of a backup *supply*, which, in some cases, may be provided by another *Network Service Provider*;

(3) a nominated proportion of the normal *power transfer capability* (eg 70 percent); or

(4) the normal *power transfer capability* of the *power system* (when required by a *Registered Participant*).

In the case of clauses S5.1.2.2(b)(2) and (3) the available capacity would be exceeded sufficiently infrequently to allow maintenance to be carried out on each *network* element by the *Network Service Provider*. A *connection agreement* may state the expected proportion of time that the normal capability will not be available, and the capability at those times, taking account of specific design, locational and seasonal influences which may affect performance, and the random nature of element *outages*.

A *connection agreement* may also state a conditional *power transfer capability* that allows for both circuits of a double circuit line or two closely parallel circuits to be out of service.

S5.1.2.3 Network service between regions

The *power transfer capability* between *regions* must be determined by the process set out in clauses 5.6.5 and 5.6.6 of the *Rules*.

The following paragraphs of this section set out a framework within which *Network Service Providers* must describe to *NEMMCO* the levels of *network service* that apply for *power transfer* between *regions*. In cases where *power transfer capability* is determined by stability considerations on the *power system* (refer to clause S5.1.8 of this schedule) it is expected that line *outages* within *transmission networks* within a region will weaken the *network* so as to result in reduced *power transfer capability* even in the absence of *outages* of the lines between *regions*.

(a) In the *satisfactory operating state* the *power transfer capability* between *regions* is defined by a multi-term equation for each *connection* between *regions* which takes account of all *power system* operating conditions which can significantly impact on performance. The majority of these operating conditions are the result of *market* operation and are outside the control of the *Network Service Provider*. In the *satisfactory operating state* the *network* must be planned by the *Network Service Provider* and operated by *NEMMCO* to withstand the impact of any *single contingency* with severity less than the *credible contingency events* stated in clause S5.1.2.1.

(b) During critical single element *outages* reduced *power transfer capabilities* will apply. In those cases where *outage* of the remaining element will result in breaking of the *connection* between the *regions NEMMCO* must provide for the effect on *power system frequency* in the separate *transmission systems* following this event when determining the maximum *power transfer*.

S5.1.3 Frequency variations

A *Network Service Provider* must ensure that within the *extreme frequency excursion tolerance limits* all of its *power system* equipment will remain in service unless that equipment is required to be switched to give effect to *load shedding* in

accordance with clause S5.1.10, or is required by *NEMMCO* to be switched for operational purposes.

Sustained operation outside the *extreme frequency excursion tolerance limits* need not be taken into account by *Network Service Providers* in the design of *plant* which may be *disconnected* if this is necessary for the protection of that *plant*.

S5.1.4 Magnitude of power frequency voltage

A *Transmission Network Service Provider* must plan and design its *transmission system* and equipment for control of *voltage* such that the minimum steady state *voltage* magnitude, the maximum steady state *voltage* magnitude and variations in *voltage* magnitude are consistent with the levels stipulated in clause S5.1a.4 of the *system standards*.

(a) The *Network Service Provider* must determine the *automatic access standard* for the *voltage* of *supply* at the *connection point* such that the *voltage* may vary in accordance with clause S5.1a.4 of the *system standards*.

(b) The *Network Service Provider* must determine the *minimum access standard* for the *voltage of supply* at the *connection point* such that the *voltage* may vary:

(1) as a consequence of a *credible contingency event* in accordance with clause S5.1a.4; and

(2) otherwise, between 95 percent and 105 percent of the target *voltage*.

(c) For the purposes of clause S5.1.4(b) the target *voltage* must be determined as follows:

(1) if the *connection point* is connected to a *transmission line* (but not through a *transformer*), the *Network Service Provider* must determine the target *voltage* in consultation with *NEMMCO* taking into account the capability of existing *facilities* that are subject to that *supply voltage*; and

(2) otherwise, *Network Users* that share the same *supply voltage* must jointly determine the target *voltage* which may be specified to vary with aggregate *loading level*;

provided that at all times the *supply voltage* remains between 90 percent and 110 percent of the normal voltage determined in accordance with clause S5.1a.4 except as a consequence of a *contingency event.*

(d) For the purposes of this clause, the *voltage* of *supply* is measured as the *RMS phase voltage.*

Where the independent control of *voltage* at the *connection point* is possible without adverse impact on *voltage* control at another *connection point*, the *Network Service Provider* must make reasonable endeavors to meet the request. The target *voltage* and any agreement to a target range of *voltage* magnitude must be specified in the relevant *connection agreement*. The agreement may include a different target range in the *satisfactory operating state* and after a *credible contingency event* (and how these target ranges may be required to vary with *loading*).

A *Network Service Provider* must ensure that each *facility* that is part of its *transmission network* or *distribution network* is capable of continuous uninterrupted operation in the event that variations in *voltage* magnitude occur due to faults external to the *facility*. The design of a *facility* should anticipate the likely time duration and magnitude of variations in the power-*frequency* phase *voltages* which may arise dependent on the nature and location of the fault.

S5.1.5 Voltage fluctuations

A *Network Service Provider* must use reasonable endeavours to design and operate its *transmission system* or *distribution system* and include conditions in *connection agreements* in relation to the permissible variation with time of the power *generated* or *load* taken by a *Network User* to ensure that other *Network Users* are supplied with a power-*frequency voltage* which fluctuates to an extent that is less than the levels stipulated in accordance with the provisions of clause S5.1a.5 of the *system standards* and this clause S5.1.5.

In accordance with AS/NZS 61000.3.7:2001 and guidelines published by *Standards Australia* and applying the assumption that *Customers* will comply with their obligations under schedule 5.3, a *Network Service Provider* must determine "Planning Levels" for *connection points* on their *network* in order to maintain *voltage* fluctuation levels for all supply points to customers supplied from their *network* below the "Compatibility Levels" defined in Table 1 of AS/NZS 61000.3.7:2001.

The *Network Service Provider* must allocate emission limits in response to a *connection* enquiry or an *application to connect* and evaluate the acceptability for *connection* of fluctuating sources as follows:

(a) *Automatic access standard:* the *Network Service Provider* must allocate emission limits no more onerous than the lesser of the acceptance levels determined in accordance with either of the stage 1 or the stage 2 evaluation procedures defined in AS/NZS 61000.3.7:2001.

(b) *Minimum access standard:* subject to clause S5.1.5(c), the determination by the *Network Service Provider* of acceptable emission limits must be undertaken in consultation with the party seeking *connection* using the stage 3 evaluation procedure defined in AS/NZS61000.3.7:2001.

(c) In respect of each new *connection* at a level of performance below the *automatic access standard* the *Network Service Provider* must include provisions in the relevant *connection agreement* requiring the *Network User* if necessary to meet the *system standards* or allow connection of other *Network Users* to either upgrade to the *automatic access standard* or fund the reasonable cost of the works necessary to mitigate their effect of connecting at a standard below the *automatic access standard*.

(d) If for existing customer *connections* the level of *voltage* fluctuation is, or may be, exceeded as a result of a proposed new *connection*, the *Network Service Provider* must, if the cause of that excessive level cannot be remedied by enforcing the provisions of existing *connection agreements*, undertake all reasonable works necessary to meet the technical standards in this schedule or to permit the proposed new *connection* within the requirements stated in this clause.

For other than a new *connection* in accordance with the preceding paragraph, the responsibility of a *Network Service Provider* for excursions in *voltage* fluctuations above the levels defined above is limited to *voltage* fluctuations caused by *network plant* and the pursuit of all reasonable measures available under the *Rules* and its *connection agreements*.

S5.1.6 Voltage harmonic or voltage notching distortion

A *Network Service Provider* must use reasonable endeavours to design and operate its *network* and include conditions in *connection agreements* to ensure that the effective harmonic *voltage* distortion at any point in the *network* will be limited to less than the levels stipulated in accordance with the provisions of clause S5.1a.6 of the *system standards* and this clause S5.1.6.

In accordance with AS/NZS 61000.3.6:2001 and guidelines published by *Standards Australia* and applying the assumption that *Customers* will comply with their obligations under schedule 5.3 *Network Service Providers* must determine "Planning Levels" for *connection points* on their *network* in order to maintain harmonic *voltage* distortion for all supply points to customers supplied from their *network* below the "Compatibility Levels" defined in Table 1 of AS/NZS 61000.3.6:2001.

The *Network Service Provider* must allocate emission limits to a connection enquiry or an *application to connect* and must evaluate the acceptability for *connection* of distorting sources as follows:

(a) *Automatic access standard*: the *Network Service Provider* must allocate emission limits no more onerous than the lesser of the acceptance levels determined in accordance with either of the stage 1 or the stage 2 evaluation procedures defined in AS/NZS 61000.3.6:2001.

(b) *Minimum access standard*: subject to clause S5.1.6(c), the determination by the *Network Service Provider* of acceptable emission limits must be undertaken in consultation with the party seeking *connection* using the Stage 3 evaluation procedure defined in AS/NZS61000.3.6:2001.

(c) In respect of each new *connection* at a level of performance below the *automatic access standard* the *Network Service Provider* must include provisions in the relevant *connection agreement* requiring the *Network User* if necessary to meet the *system standards* or allow connection of other *Network Users* to either upgrade to the *automatic access standard* or fund the reasonable cost of the works necessary to mitigate their effect of connecting at a standard below the *automatic access standard*.

(d) If for existing customer *connections* the level of harmonic *voltage* distortion is, or may be, exceeded as a result of a proposed new *connection*, the *Network Service Provider* must, if the cause of that excessive level cannot be remedied by enforcing the provisions of existing *connection agreements*, undertake all works necessary to meet the technical standards in this schedule or to permit a proposed new *connection* within the *automatic access standard* defined in clause S5.3.8 and the requirements stated in this clause.

For other than a new *connection* in accordance with the preceding paragraph, the responsibility of a *Network Service Provider* for harmonic *voltage* distortion outside the range defined above is limited to harmonic *voltage* distortion caused by *network plant* and the pursuit of all measures available under the *Rules* and its *connection agreements*.

S5.1.7 Voltage unbalance

(a) A *Transmission Network Service Provider* must balance the effective impedance of the phases of its *network*, and a *Distribution Network Service Provider* must balance the current drawn in each phase at each of its *connection points*, so as to achieve average levels of negative sequence *voltage* at all *connection point*s that are equal to or less than the values set out in Table S5.1a.1 as determined in accordance with the accompanying provisions of clause S5.1a.7 of the *system standards.*

(b) A *Network Service Provider* must include conditions in *connection agreements* to ensure that a *Connection Applicant* will balance the current drawn in each phase at each of its *connection points* so as to achieve:

(1) for those *Network Users* listed in clause S5.3(a): the levels permitted in accordance with clause S5.3.6 of schedule 5.3;

(2) for *Market Network Service Providers*: the levels permitted in accordance with clause S5.3a.9 of schedule 5.3a;

(3) otherwise: the average levels of negative sequence *voltage* at each of its *connection points* that are equal to or less than the values set out in Table S5.1a.1 and the accompanying provisions of clause S5.1a.7 of the *system standards.*

The responsibility of the *Network Service Provider* for *voltage* unbalance outside the ranges defined above is limited to *voltage* unbalance caused by the *network* and the pursuit of all measures available under the *Rules* and its *connection agreements.*

(c) A *Network Service Provider* must include conditions in *connection agreements* to ensure that each *Generator* will balance:

(1) the *voltage generated* in each phase of its *generating system*; and

(2) when not generating, the current drawn in each phase,

in order to achieve average levels of negative sequence *voltage* at each of the *generating system connection points* due to phase imbalances within the *generating plant* that are not more than the values determined by the *Network Service Provider* to achieve average levels of negative sequence *voltage* at the *connection points* of other *Network Users* in accordance with clause S5.1a.7.

(d) When including conditions under paragraph (c), the *Network Service Provider* must have regard to the capabilities of the relevant *generating plant* technology.

S5.1.8 Stability

In conforming with the requirements of the *system standards*, the following criteria must be used by *Network Service Providers* for both planning and operation:

For stable operation of the *national grid*, both in a *satisfactory operating state* and following any *credible contingency events* described in clause S5.1.2.1:

(a) the *power system* will remain in synchronism;

(b) damping of *power system* oscillations will be adequate; and

(c) *voltage* stability criteria will be satisfied.

Damping of *power system* oscillations must be assessed for planning purposes according to the design criteria which states that *power system damping* is considered adequate if after the most critical *credible contingency event*, simulations calibrated against past performance indicate that the halving time of the least damped electromechanical mode of oscillation is not more than five seconds.

To assess the damping of *power system* oscillations during operation, or when analysing results of tests such as those carried out under clause 5.7.7 of the *Rules*, the *Network Service Provider* must take into account statistical effects. Therefore, the *power system damping* operational performance criterion is that at a given operating point, real-time monitoring or available test results show that there is less than a 10 percent probability that the halving time of the least damped mode of oscillation will exceed ten seconds, and that the average halving time of the least damped mode of oscillation is not more than five seconds.

The *voltage* control criterion is that stable *voltage* control must be maintained following the most severe *credible contingency event*. This requires that an adequate *reactive power* margin must be maintained at every *connection point* in a *network* with respect to the *voltage* stability limit as determined from the *voltage*/reactive *load* characteristic at that *connection point*. Selection of the appropriate margin at each *connection point* is at the discretion of the relevant *Network Service Provider*, subject only to the requirement that the margin (expressed as a capacitive *reactive power* (in MVAr)) must not be less than one percent of the maximum fault level (in MVA) at the *connection point*.

In planning a *network* a *Network Service Provider* must consider *non-credible contingency events* such as *busbar* faults which result in tripping of several circuits, uncleared faults, double circuit faults and multiple contingencies which could potentially endanger the stability of the *power system*. In those cases where the consequences to any *network* or to any *Registered Participant* of such events are likely to be severe disruption a *Network Service Provider* and/or a *Registered Participant* must install emergency controls within the *Network Service Provider's* or *Registered Participant's* system or in both, as necessary, to minimise disruption to any *transmission* or *distribution network* and to significantly reduce the probability of cascading failure.

A *Registered Participant* must co-operate with a *Network Service Provider* to achieve stable operation of the *national grid* and must use all reasonable endeavours to negotiate with the *Network Service Provider* regarding the installation of emergency controls as described in the previous paragraph. The cost of installation, maintenance and operation of the emergency controls must be borne by the *Network Service Provider* who is entitled to include this cost when calculating the *Transmission Customer use of system* price.

S5.1.9 Protection systems and fault clearance times

Network Users

(a) A *Network Service Provider* must determine the *automatic access standard* and *minimum access standard* that applies to the protection zone of each *protection system* in relation to the *connection point* and the *plant* to be *connected*, as follows:

(1) The *automatic access standard* for *fault clearance time* for any *fault type* is the lesser of the *system standard* set out in clause S5.1a.8 that applies to the highest nominal *voltage* within the *protection system's* protection zone and the corresponding *minimum access standard* determined under clause S5.1.9(a)(2) or clause S5.1.9(a)(3) as applicable.

(2) The *minimum access standard* for *fault clearance time* of a primary *protection system* is:

(i) for a *fault type* that constitutes a *credible contingency event* in the relevant protection zone, the longest time such that a *short circuit fault* of that *fault type* that is cleared in that time would not cause the *power system* to become unstable when operating at any level of *inter-regional* or *intra-regional power transfer* that would be permissible (taking into account all other limiting criteria) if the *fault clearance time* for such a *fault* at the *connection point* were the *system standard* set out in clause S5.1a.8 that applies to the nominal *voltage* at the *connection point*; and

(ii) for a *fault type* that does not constitute a *credible contingency event* in the relevant protection zone:

(A) if a two phase to ground fault in that protection zone constitutes a *credible contingency event*, the corresponding *fault clearance time* for a two phase to ground *short circuit fault* in that protection zone as determined under clause S5.1.9(a)(2)(i); and

(B) otherwise, the shortest of the *fault clearance times* for a two phase to ground *short circuit fault* in each adjoining protection zone (excluding *transformer* protection zones and dead zones) as determined under clause S5.1.9(a)(2)(i) or clause S5.1.9(e).

(3) The *minimum access standard* for *fault clearance time* of a *breaker fail protection system* or similar back-up *protection system* is the longest time such that a *short circuit fault* of any *fault type* that is cleared in that time would not damage any part of the *power system* (other than the faulted element) while the fault current is flowing or being interrupted.

(b) The negotiation of access standards in relation to paragraph (a) must involve *NEMMCO* under clause 5.3.4A(c) of the *Rules*.

Transmission systems and distribution systems

(c) Subject to clauses S5.1.9(k) and S5.1.9(l), a *Network Service Provider* must provide sufficient primary *protection systems* and back-up *protection systems* (including *breaker fail protection systems*) to ensure that a fault of any *fault type* anywhere on its *transmission system* or *distribution system* is automatically *disconnected* in accordance with clause S5.1.9(e) or clause S5.1.9(f).

(d) If the *fault clearance time* determined under clause S5.1.9(e) of a primary *protection system* for a two phase to ground *short circuit fault* is less than 10 seconds, the primary *protection system* must have sufficient redundancy to ensure that it can clear *short circuit faults* of any *fault type* within the relevant *fault clearance time* with any single protection element (including any communications facility upon which the *protection system* depends) out of service.

(e) The *fault clearance time* of a primary *protection system* of a *Network Service Provider* must not exceed:

(1) for any *fault type* that constitutes a *credible contingency event* in the relevant protection zone, the longest time such that a *short circuit fault* of that *fault type* that is cleared in that time would not cause the *power system* to become unstable when operating at any level of *inter-regional* or *intra-regional power transfer* that would be permissible (taking into account all other limiting criteria) if the *fault clearance time* for such a fault in that protection zone were the relevant *system standard* set out in clause S5.1a.8; and

(2) for any *fault type* that does not constitute a *credible contingency event* in the relevant protection zone:

(i) if a two phase to ground fault in that protection zone is a *credible contingency event*, the corresponding *fault clearance time* for a two phase to ground fault in that protection zone as determined under clause S5.1.9(e)(1); and

(ii) otherwise, the shortest of the *fault clearance times* for a two phase to ground fault in each adjoining protection zone (excluding *transformer* protection zones and dead zones) as determined under clauses S5.1.9(a)(2)(i), S5.1.9(e)(1)or S5.1.9(e)(2)(i).

(f) The *fault clearance time* of each *breaker fail protection system* or similar back-up *protection system* of a *Network Service Provider* must be such that a *short circuit fault* of any *fault type* that is cleared in that time would not damage any part of the *power system* (other than the faulted element) while the fault current is flowing or being interrupted.

(g) A *Network Service Provider* must demonstrate to *NEMMCO* that each *fault clearance time* for a primary *protection system* that is longer than the relevant *system standard* set out in clause S5.1a.8 and is less than 10 seconds would not cause or require an *inter-regional* or *intra-regional power transfer capability* to be reduced.

(h) A *Network Service Provider* must include in each *connection agreement* entered into after the *performance standards commencement date*:

(1) the *fault clearance times* for each *fault type* of each of its *protection systems* that could reasonably be expected to interrupt *supply* to or from the relevant *connection point*; and

(2) an agreement to not increase those *fault clearance times* without the prior written agreement of the other party.

(i) *Network Service Providers* must coordinate and cooperate with *Network Users* to implement *breaker fail* protection for circuit breakers provided to isolate the *Network User's facility* from the *Network Service Provider's facilities*.

(j) Where practicable and economic to achieve, new network investment should meet the *system standard* for *fault clearance times* as specified in clause S5.1a.8 for two phase to ground *short circuit faults*.

(k) A primary *protection system* may clear faults other than *short circuit faults* slower than the relevant *fault clearance time*, provided that such faults would be cleared sufficiently promptly to not adversely impact on *power system security* compared with its operation for the corresponding *short circuit fault*. In the case of a fault within equipment at a station, the corresponding *short circuit fault* is to be taken as a two phase to ground *short circuit fault* at the external connections of the equipment.

(l) *Protection systems* may rely on *breaker fail protection systems* or other back-up *protection systems* to completely clear faults of any *fault type* that:

(1) occur within a *substation* between a protection zone and a circuit breaker adjacent to that protection zone that is required to open to clear the fault (a "dead zone"); and

(2) remain connected through a power line or *transformer* after operation of a primary *protection system*,

provided that the relevant *Network Service Provider* assesses that the likelihood of a fault occurring within the dead zone is not greater than the likelihood of a fault occurring on *busbars*.

(m) For the purposes of this clause S5.1.9, a *credible contingency event* includes any event that clause S5.1.2.1 requires a *Network Service Provider* to consider as a *credible contingency event*.

(n) The provisions of clause S5.1.9(d) apply to *facilities* constructed or modified on or after the *performance standards commencement date*.

(o) For *facilities* other than those referred to in clause S5.1.9(n), the requirement for primary *protection system* redundancy must be derived by the *Network Service Provider* from the existing capability of each *facility* on the *performance standards commencement date*.

S5.1.10 Load and network control facilities

S5.1.10.1 General

Each *Network Service Provider* in consultation with *NEMMCO* must ensure that:

(a) sufficient *load* is under the control of underfrequency relays where required to ensure that in the event of the sudden, unplanned simultaneous occurrence of multiple *contingency events*, the *power system frequency* does not move outside the *extreme frequency excursion tolerance limits*;

(b) where determined to be necessary, sufficient *load* is under the control of undervoltage relays to minimize or reduce the risk of voltage collapse on the occurrence of multiple *contingency events*; and

(c) there is sufficient *load* under manual or automatic control either locally or from remotely located *control centres* to allow the *load shedding procedures* to be implemented on instruction from *NEMMCO* to enable *NEMMCO* to maintain *power system security*.

A *Network Service Provider* may require *load shedding* arrangements to be installed to cater for abnormal operating conditions.

Arrangements for *load shedding* must be agreed between *Transmission Network Service Providers* and *connected Distribution Network Service Providers* and may include the opening of circuits in either a *transmission* or *distribution network*.

The *Transmission Network Service Provider* must specify, in the *connection agreement*, control and monitoring requirements to be provided by a *Distribution Network Service Provider* for *load shedding facilities*.

S5.1.10.2 Distribution Network Service Providers

A *Distribution Network Service Provider* must:

(a) provide, install, operate and maintain *facilities* for *load shedding* in respect of any *connection point* at which the maximum *load* exceeds 10MW in accordance with clause 4.3.5 of the *Rules*;

(b) in accordance with the provisions of the relevant *connection agreement*, co-operate with the *Transmission Network Service Provider*s in conducting periodic functional testing of the *facilities*, which must not require *load* to be *disconnected*;

(c) apply underfrequency settings to relays as determined by *NEMMCO* in consultation with the *Network Service Provider*; and

(d) apply undervoltage settings to relays as notified by the *Transmission Network Service Provider* in accordance with clause S5.1.10.3(b).

S5.1.10.3 Transmission Network Service Providers

Transmission Network Service Providers must:

(a) conduct periodic functional tests of the *load shedding facilities*; and

(b) notify *Distribution Network Service Providers* regarding the settings of undervoltage *load* shed relays as determined by *NEMMCO* in consultation with the *Transmission Network Service Provider*.

S5.1.11 Automatic reclosure of transmission or distribution lines

Where *automatic reclose equipment* is provided on *transmission lines* or *distribution lines*, check or blocking *facilities* must be applied to the *automatic reclose equipment* in those circumstances where there is any possibility of the two ends of the *transmission line* or *distribution line* being *energised* from sources that are not in synchronism.

S5.1.12 Rating of transmission lines and equipment

For operational purposes each *Network Service Provider* must, on reasonable request, advise *NEMMCO* of the maximum current that may be permitted to flow (under conditions nominated by *NEMMCO*) through each *transmission line*, *distribution line* or other item of equipment that forms part of its *transmission system* or *distribution system*.

This maximum current is called a "*current rating*" of the *transmission line*, *distribution line* or item of equipment notwithstanding that it may be determined by equipment associated with its *connection* to the *power system* (including switchgear, droppers, current *transformers* and *protection systems*).

NEMMCO may request for a *transmission line*, *distribution line* or other item of equipment:

(a) a continuous *current rating*, being the level of current that is permitted to flow in that item of equipment for an indefinite period; and

(b) one or more short term *current ratings* for a period of time nominated by *NEMMCO* after consultation with the *Network Service Provider*, being the level of current that is permitted to flow in that item of equipment for that period of time if the current had been less than the corresponding continuous *current rating* for a reasonable prior period taking into account the thermal properties of the item of equipment.

The *Network Service Provider* may be required by *NEMMCO* to advise different *current ratings* to be applied under nominated conditions including, without limitation:

(a) ambient weather conditions;

(b) seasons and/or times of *day*;

(c) ratios of the current during an emergency to the current prior to the emergency (taking into account pre-contingent loading history where applicable); and

(d) period of loading at the nominated level.

A *Transmission Network Service Provider* is entitled to advise *NEMMCO* of short term *current ratings* which may apply for nominated periods of time to the relevant *transmission line* or item of equipment provided that these ratings do not materially affect the safety of the *transmission line* or item of equipment, or the safety of persons. Short-term ratings for *transmission lines* or items of equipment may be implemented by a methodology or algorithm in a format agreed with *NEMMCO*.

S5.1.13 Information to be provided

A *Network Service Provider* must, in response to a *connection* enquiry or an *application to connect* made in accordance with clause 5.3.2 of the *Rules*, provide the *connection applicant* electrical design information relevant to the nominal point of *connection* in accordance with a relevant requirement of schedules 5.2, 5.3 or 5.3a.

Schedule 5.2 - Conditions for Connection of Generators

S5.2.1 Outline of requirements

(a) This schedule sets out details of additional requirements and conditions that *Generators* must satisfy as a condition of *connection* of a *generating system* to the *power system.*

(b) This schedule does not apply to any *generating system* that is:

(1) subject to an exemption from registration under clause 2.2.1(c); or

(2) eligible for exemption under any guidelines issued under clause 2.2.1(c),

and which is *connected* or intended for use in a manner the *Network Service Provider* considers is unlikely to cause a material degradation in the quality of *supply* to other *Network Users.*

(c) This schedule also sets out the requirements and conditions which subject to clause 5.2.5 of the *Rules*, are obligations on *Generators*:

(1) to co-operate with the relevant *Network Service Provider* on technical matters when making a new *connection*; and

(2) to provide information to the *Network Service Provider* or *NEMMCO.*

(d) The equipment associated with each *generating system* must be designed to withstand without damage the range of operating conditions which may arise consistent with the *system standards*.

(e) *Generators* must comply with the *performance standards* and any attached terms or conditions of agreement agreed with the *Network Service Provider* or *NEMMCO* in accordance with a relevant provision of schedules 5.1a or 5.1.

(f) This schedule does not set out arrangements by which a *Generator* may enter into an agreement or contract with *NEMMCO* to:

(1) provide additional services that are necessary to maintain *power system security*; or

(2) provide additional services to facilitate management of the *market.*

(g) This schedule provides for *automatic access standards* and the determination of *negotiated access standards* derived from *minimum access standards* which once determined, must be recorded together with the

automatic access standards in a *connection agreement* and registered with *NEMMCO* as *performance standards*.

S5.2.2 Application of Settings

A *Generator* must only apply settings to a *control system* or a *protection system* that are necessary to comply with performance requirements of this schedule 5.2 if the settings have been approved in writing by the relevant *Network Service Provider* and, if the requirement is one that would involve *NEMMCO* under clause 5.3.4A(c) of the *Rules*, also by *NEMMCO*. A *Generator* must not allow its *generating unit* to *supply* electricity to the *power system* without such prior approval.

If a *Generator* seeks approval from the *Network Service Provider* to apply or change a setting, approval must not be withheld unless the *Network Service Provider* or, if the requirement is one that would involve *NEMMCO* under clause 5.3.4A(c) of the *Rules*, *NEMMCO*, reasonably determines that the changed setting would cause the *generating unit* to not comply with the relevant *performance standard* or cause an *inter-regional* or *intra-regional power transfer capability* to be reduced.

If the *Network Service Provider* or, if the requirement is one that would involve *NEMMCO* under clause 5.3.4A(c) of the *Rules*, *NEMMCO*, reasonably determines that a setting of a *generating unit's control system* or *protection system* needs to change to comply with the relevant *performance standard* or to maintain or restore an *inter-regional* or *intra-regional power transfer capability*, the *Network Service Provider* or *NEMMCO* (as applicable) must consult with the relevant *Generator*, and the *Network Service Provider* may request in writing that a setting be applied in accordance with the determination.

The *Network Service Provider* may also request a test to verify the performance of the relevant *plant* with the new setting. The *Network Service Provider* must provide *NEMMCO* with a copy of its request to a *Generator* to apply a setting or to conduct a test.

A *Generator* who receives such a request must arrange for the notified setting to be applied as requested and for a test to be conducted as requested. After the test, the *Generator* must, on request, provide both *NEMMCO* and the *Network Service Provider* with a report of a requested test, including evidence of its success or failure. Such a report of a test is *confidential information*.

A *Generator* must not change a setting requested by the *Network Service Provider* without its prior written agreement. If the *Network Service Provider* requires a *Generator* to change a setting within 18 months of a previous request, the *Network Service Provider* must pay the *Generator* its reasonable costs of changing the setting and conducting the tests as requested.

S5.2.3 Technical matters to be coordinated

(a) A *Generator* and the relevant *Network Service Provider* must use all reasonable endeavours to agree upon relevant technical matters in respect of each new or altered *connection* of a *generating system* to a *network* including:

(1) design at the *connection point*;

(2) physical layout adjacent to the *connection point*;

(3) primary protection and backup protection (clause S5.2.5);

(4) control characteristics (clause S5.2.5);

(5) communications *facilities* (clause S5.2.6);

(6) insulation co-ordination and lightning protection (paragraph (b));

(7) fault levels and fault clearance (clause S5.2.8);

(8) switching and *isolation* facilities (clause S5.2.8*)*;

(9) interlocking and *synchronising* arrangements; and

(10) *metering installation*s.

(b) A *Generator* must ensure that in designing a *generating system's* electrical *plant*, including any *substation* for the *connection* of the *generating system* to the *network*, to operate at the same *nominal voltage* as at the *connection point*:

(1) the *plant* complies with the relevant *Australian Standards* unless a provision of these *Rules* allows or requires otherwise;

(2) the earthing of the *plant* complies with the ENA EG1-2006: Substation Earthing Guide to reduce step and touch potentials to safe levels;

(3) the *plant* is capable of withstanding, without damage the *voltage* impulse levels specified in the *connection agreement*;

(4) the insulation levels of the *plant* are co-ordinated with the insulation levels of the *network* to which the *generating system* is *connected* as specified in the *connection agreement*; and

(5) safety provisions in respect of the *plant* comply with requirements applicable to the *participating jurisdiction* in which the *generating system* is located, as notified by the *Network Service Provider*.

(c) If no relevant *Australian Standard* exists for the purposes of paragraph (b)(1), the *Generator* must agree with the *Network Service Provider* for the *Generator* to comply with another relevant standard.

S5.2.4 Provision of information

(a) A *Generator* or person who is negotiating a *connection agreement* with a *Network Service Provider* must promptly on request by *NEMMCO* or the *Network Service Provider* provide all data in relation to that *generating system* specified in schedule 5.5.

(b) A *Generator*, or person required under the *Rules* to register as the *Generator* in respect of a *generating system* comprised of *generating units* with a combined *nameplate rating* of 30 MW or more, by the earlier of:

(1) the day on which an *application to connect* is made under clause 5.3.4(a);

(2) the day on which amendments to *performance standards* are submitted under rule 4.14(p) or clause 5.3.9(b);

(3) three months before commissioning of a *generating system* or planned alteration to a *generating system*; or

(4) 5 *business days* before commissioning of a *generating system* alteration that is repairing *plant* after a *plant* failure, if *plant* performance after the alteration will differ from performance prior to the *plant* failure,

must provide:

(5) to *NEMMCO* and the relevant *Network Service Providers* (including the relevant *Transmission Network Service Provider* in respect of an *embedded generating unit*) the following information about the *control systems* of the *generating system*:

(i) a set of functional block diagrams, including all functions between feedback signals and *generating system* output;

(ii) the parameters of each functional block, including all settings, gains, time constants, delays, deadbands and limits; and

(iii) the characteristics of non-linear elements,

with sufficient detail for *NEMMCO* and *Network Service Providers* to perform load flow and dynamic simulation studies; and

(6) to *NEMMCO*, model source code associated with the model in subparagraph (5) in an unencrypted form suitable for at least one of

the software simulation products nominated by *NEMMCO* and in a form that would allow conversion for use with other software simulation products by *NEMMCO*.

(c) The information provided under paragraph (b) must:

(1) encompass all *control systems* that respond to *voltage* or *frequency* disturbances on the *power system*, and which are either integral to the *generating units* or otherwise part of the *generating system*, including those applying to *reactive power* equipment that forms part of the *generating system;* and

(2) conform with the applicable models developed in accordance with the *Generating System Model Guidelines*, or an alternative model agreed with *NEMMCO* to be necessary to adequately represent the *generating plant* to carry out load flow and dynamic simulations.

(d) The *Generator* must update the information provided under paragraph (b) within 3 months after commissioning tests or other tests undertaken in accordance with clause 5.7.3 are completed.

(e) For the purposes of clause 5.3.2(f), the technical information that a *Network Service Provider* must if requested provide to a *Connection Applicant* in respect of a proposed *connection* for a *generating system* includes:

(1) the highest expected single phase and three phase fault levels at the *connection point* with the *generating system* not *connected*;

(2) the clearing times of the existing *protection systems* that would clear a fault at the location at which the new *connection* would be *connected* into the existing *transmission system* or *distribution system*;

(3) the expected limits of *voltage* fluctuation, harmonic *voltage* distortion and *voltage* unbalance at the *connection point* with the *generating system* not *connected*;

(4) technical information relevant to the *connection point* with the *generating system* not *synchronised* including equivalent source impedance information, sufficient to estimate fault levels, *voltage* fluctuations, harmonic *voltage* distortion (for harmonics relevant to the *generating system*) and *voltage* unbalance; and

(5) information relating to the performance of the *national grid* that is reasonably necessary for the *Connection Applicant* to prepare an application to *connect*, including:

(i) a model of the *power system*, including relevant *considered projects* and the range of expected operating conditions, sufficient to carry out load flow and dynamic simulations; and

(ii) information on *inter-regional* and *intra-regional power transfer capabilities* and relevant *plant* ratings.

(f) All information provided under this clause S5.2.4 is *confidential information*.

S5.2.5 Technical requirements

S5.2.5.1 Reactive power capability

Automatic access standard

(a) The *automatic access standard* is a *generating system* operating at:

(1) any level of *active power* output; and

(2) any *voltage* at the *connection point* within the limits established under clause S5.1a.4 without a *contingency event*,

must be capable of supplying and absorbing continuously at its *connection point* an amount of *reactive power* of at least the amount equal to the product of the *rated active power* of the *generating system* and 0.395.

Minimum access standard

(b) The *minimum access standard* is no capability is required to supply or absorb *reactive power* at the *connection point*.

Negotiated access standard

(c) When negotiating a *negotiated access standard*, the *Generator* and the *Network Service Provider*:

(1) must subject to any agreement under paragraph (d)(4), ensure that the *reactive power capability* of the *generating system* is sufficient to ensure that all relevant *system standards* are met before and after *credible contingency events* under normal and planned *outage* operating conditions of the *power system*, taking into account at least existing projects and *considered projects*;

(2) may negotiate either a range of *reactive power* absorption and supply, or a range of *power factor*, at the *connection point*, within which the *plant* must be operated; and

(3) may negotiate a limit that describes how the *reactive power capability* varies as a function of *active power* output due to a design characteristic of the *plant*.

(d) If the *generating system* is not capable of the level of performance established under paragraph (c)(1) the *Generator*, depending on what is reasonable in the circumstances, must:

(1) pay compensation to the *Network Service Provider* for the provision of the deficit of *reactive power* (supply and absorption) from within the *network*;

(2) install additional equipment *connecting* at the *generating system's connection point* or another location, to provide the deficit of *reactive power* (supply and absorption), and such equipment is deemed to be part of the *generating system*;

(3) reach a commercial arrangement with a *Registered Participant* to provide the deficit of *reactive power* (supply and absorption); or

(4) if the inability to meet the performance level only occurs for particular operating conditions, agree to and document as part of the proposed *negotiated access standard*, operational arrangements by which the *plant* can achieve an agreed level of performance for those operating conditions.

(e) The *Generator* may select one or more options referred to in paragraph (d).

General requirements

(f) An *access standard* must record the agreed value for *rated active power* and where relevant the method of determining the value.

(g) An *access standard* for consumption of *energy* by a *generating system* when not supplying or absorbing *reactive power* under an *ancillary services agreement* is to be established under clause S5.3.5 as if the *Generator* were a *Market Customer*.

S5.2.5.2 Quality of electricity generated

(a) For the purpose of this clause S5.2.5.2 in respect of a *synchronous generating unit*, AS 1359.101 and IEC 60034-1 are *plant standards* for harmonic *voltage* distortion.

Automatic access standard

(b) The *automatic access standard* is a *generating system* when generating and when not generating must not produce at any of its *connection points* for *generation*:

(1) *voltage* fluctuation greater than the limits allocated by the *Network Service Provider* under clause S5.1.5(a);

(2) harmonic *voltage* distortion greater than the emission limits specified by a *plant standard* under paragraph (a) or allocated by the *Network Service Provider* under clause S5.1.6(a); and

(3) *voltage* unbalance greater than the limits allocated by the *Network Service Provider* in accordance with clause S5.1.7(c).

Minimum access standard

(c) The *minimum access standard* is a *generating system* when generating and when not generating must not produce at any of its *connection points* for *generation*:

(1) *voltage* fluctuations greater than limits determined under clause S5.1.5(b);

(2) harmonic *voltage* distortion more than the lesser of the emission limits determined by the relevant *Network Service Provider* under clause S5.1.6(b) and specified by a *plant standard* under paragraph (a); and

(3) *voltage* unbalance more than limits determined under clause S5.1.7(c).

Negotiated access standard

(d) A *negotiated access standard* negotiated under this clause S5.2.5.2 must not prevent the *Network Service Provider* meeting the *system standards* or contractual obligations to existing *Network Users*.

S5.2.5.3 Generating unit response to frequency disturbances

(a) For the purposes of this clause S5.2.5.3:

normal operating frequency band, **operational frequency tolerance band**, or **extreme frequency excursion tolerance limits** are references to the widest range specified for those terms for any condition (including an "island" condition) in the *frequency operating standards* that apply to the *region* in which the *generating unit* is located.

stabilisation time and **recovery time** mean the longest times allowable for *system frequency* to remain outside the operational frequency tolerance band and the normal operating frequency band, respectively, for any condition (including an "island" condition) in the *frequency operating standards* that apply to the region in which the *generating unit* is located.

transient frequency limit and **transient frequency time** mean the values of 47.5 Hz and 9 seconds respectively, or such other values determined by the *Reliability Panel*.

Automatic access standard

(b) The *automatic access standard* is a *generating system* and each of its *generating units* must be capable of *continuous uninterrupted operation* for *frequencies* in the following ranges:

(1) the lower bound of the extreme frequency excursion tolerance limits to the lower bound of the operational frequency tolerance band for at least the stabilisation time;

(2) the lower bound of the operational frequency tolerance band to the lower bound of the normal operating frequency band, for at least the recovery time including any time spent in the range under subparagraph (1);

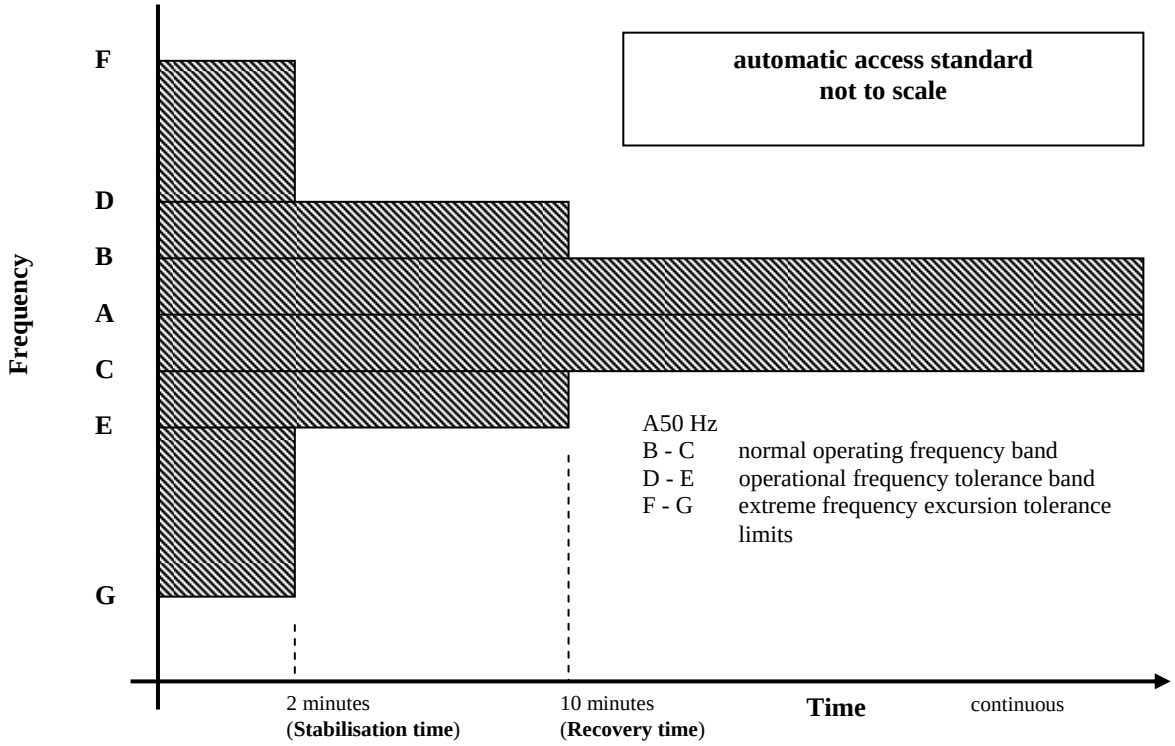
(3) the normal operating frequency band for an indefinite period;

(4) the upper bound of the normal operating frequency band to the upper bound of the operational frequency tolerance band, for at least the recovery time including any time spent in the range under subparagraph (5); and

(5) the upper bound of the operational frequency tolerance band to the upper bound of the extreme frequency excursion tolerance limits for at least the stabilisation time,

unless the rate of change of *frequency* is outside the range of –4 Hz to 4 Hz per second for more than 0.25 seconds or such other range as determined by the *Reliability Panel* from time to time.

N**ote:** The automatic access standard is illustrated in the following diagram. To the extent of any inconsistency between the diagram and paragraph (b), paragraph (b) prevails.



Minimum access standard

(c) The *minimum access standard* is a *generating system* and each of its *generating units* must be capable of *continuous uninterrupted operation* for *frequencies* in the following ranges:

(1) the lower bound of the extreme frequency excursion tolerance limits to the transient frequency limit for at least the transient frequency time;

(2) the transient frequency limit to the lower bound of the operational frequency tolerance band for at least the stabilisation time;

(3) the lower bound of the operational frequency tolerance band to the lower bound of the normal operating frequency band for at least the recovery time including any time spent in the ranges under subparagraphs (1) and (2);

(4) the normal operating frequency band for an indefinite period;

(5) the upper bound of the normal operating frequency band to the upper bound of the operational frequency tolerance band for at least the recovery time including any time spent in the ranges under subparagraph (6) unless the *generating system* has a *protection system*

to trip a *generating unit* if the *frequency* exceeds a level agreed with *NEMMCO*; and

(6) in respect a *generating system*:

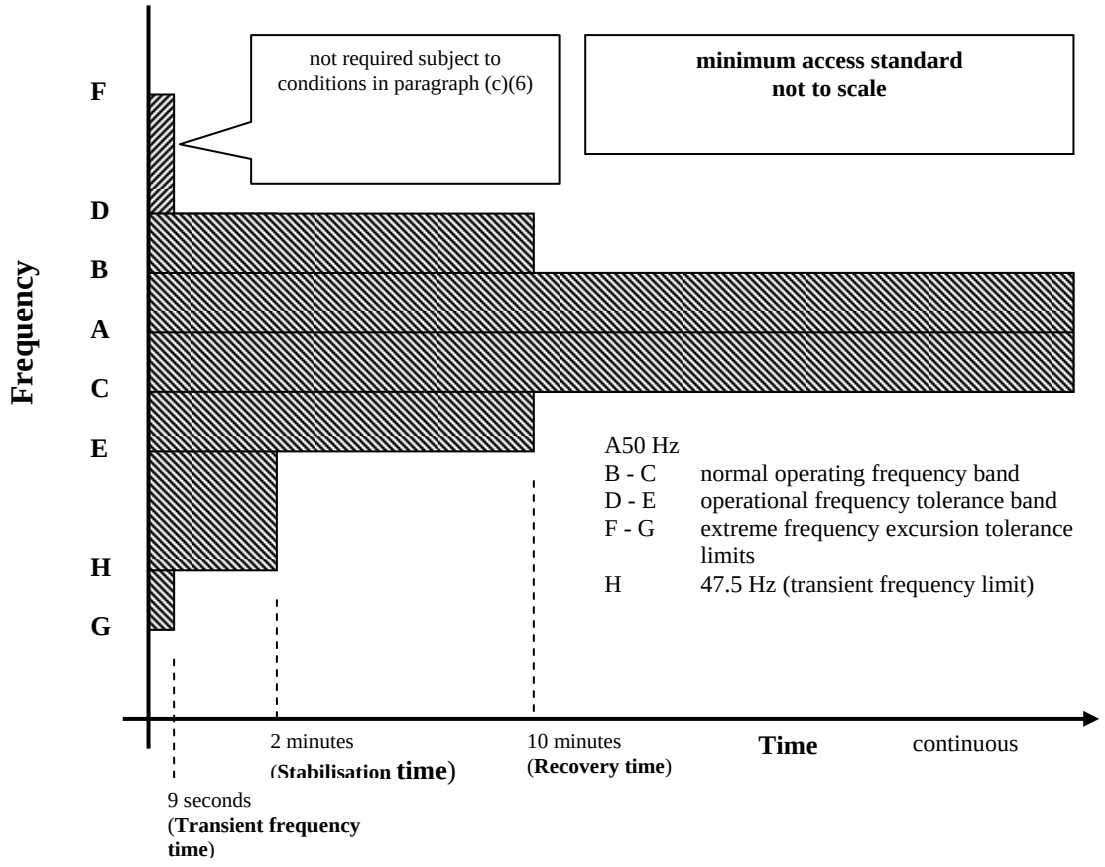
(i) of 30 MW or more; or

(ii) that does not have a *protection system* to trip the *generating unit* if the *frequency* exceeds a level agreed with *NEMMCO*,

the upper bound of the operational frequency tolerance band to the upper bound of the extreme frequency excursion tolerance limits (including an "island" condition) for at least the transient frequency time,

unless the rate of change of *frequency* is outside the range of -1 Hz to 1 Hz per second for more than one second or such other range as determined by the *Reliability Panel* from time to time.

Note: The minimum access standard is illustrated in the following diagram. To the extent of any inconsistency between the diagram and paragraph (c), paragraph (c) prevails.



Negotiated access standard

(d) A *negotiated access standard* can be accepted by the *Network Service Provider* provided that *NEMMCO* and the *Network Service Provider* agree that:

(1) the *negotiated access standard* is as close as practicable to the *automatic access standard* while respecting the need to protect the *plant* from damage;

(2) the *frequency* would be unlikely to fall below the lower bound of the operational frequency tolerance band as a result of over-frequency tripping of *generating units*; and

(3) there would be no material adverse impact on quality of *supply* to other *Network Users* or *power system security*.

(e) *NEMMCO* must advise on matters relating to *negotiated access standards* under this clause S5.2.5.3.

S5.2.5.4 Generating system response to voltage disturbances

Automatic access standard

(a) The *automatic access standard* is a *generating system* and each of its *generating units* must be capable of *continuous uninterrupted operation* where a *power system* disturbance causes the *voltage* at the *connection point* to vary within the following ranges:

(1) *voltages* over 110% for the durations permitted under clause S5.1a.4;

(2) 90% to 110% of *normal voltage* continuously;

(3) 80% to 90% of *normal voltage* for a period of at least 10 seconds; and

(4) 70% to 80% of *normal voltage* for a period of at least 2 seconds.

Minimum access standard

(b) The *minimum access standard* is a *generating system* including all operating *generating units* must be capable of *continuous uninterrupted operation* where a *power system* disturbance causes the *voltage* at the *connection point* to vary in the range of 90% to 110% of *normal voltage*, provided that the ratio of *voltage* to *frequency* (as measured at the *connection point* and expressed as percentage of *normal voltage* and a percentage of 50 Hz) does not exceed:

(1) a value of 1.15 for more than two minutes; or

(2) a value of 1.10 for more than 10 minutes.

Negotiated access standard

(c) In negotiating a *negotiated access standard*, a *generating system* and each of its operating *generating units* must be capable of *continuous uninterrupted operation* for the range of *voltages* specified in the *automatic access standard* except where *NEMMCO* and the *Network Service Provider* agree that:

(1) the *negotiated access standard* is as close as practicable to the *automatic access standard* while respecting the need to protect the *plant* from damage;

(2) the *generating plant* that would be tripped as a result of any *voltage* excursion within levels specified by the *automatic access standard*, is not more than 100 MW or a greater limit based on what *NEMMCO* and the *Network Service Provider* both consider to be reasonable in the circumstances; and

(3) there would be no material adverse impact on the quality of *supply* to other *Network Users* or *power system security*.

(d) In carrying out assessments of proposed *negotiated access standards* under this clause S5.2.5.4, *NEMMCO* and the *Network Service Provider* must at a minimum, take into account:

(1) the expected performance of existing *networks* and *considered projects*;

(2) the expected performance of existing *generating plant* and other relevant projects; and

(3) any corresponding *performance standard* (or where no *performance standard* has been registered, the *access standard*) that allows *generating plant* to trip for *voltage* excursions in ranges specified under the *automatic access standards*.

(e) *NEMMCO* must advise on matters relating to *negotiated access standards* under this clause S5.2.5.4.

General requirement

(f) The *access standard* must include any operational arrangements necessary to ensure the *generating system* and each of its *generating units* will meet its agreed performance levels under abnormal *network* or *generating system* conditions.

S5.2.5.5 Generating system response to disturbances following contingency events

(a) In this clause S5.2.5.5 a fault includes:

(1) a fault of the relevant type having a metallic conducting path; and

(2) a fault of the relevant type resulting from reclosure onto a fault by the operation of *automatic reclose equipment*.

Automatic access standard

(b) The *automatic access standard* is:

(1) a *generating system* and each of its *generating units* must remain in *continuous uninterrupted operation* for a disturbance caused by an event that is:

(i) a *credible contingency event* other than a fault referred to in subparagraph (iv);

(ii) a three phase fault in a *transmission system* cleared by all relevant primary *protection systems*;

(iii) a two phase to ground, phase to phase or phase to ground fault in a *transmission system* cleared in:

(A) the longest time expected to be taken for a relevant *breaker fail protection system* to clear the fault; or

(B) if a *protection system* referred to in subparagraph (A) is not installed, the greater of the time specified in column 4 of Table S5.1a.2 (or if none is specified, 430 milliseconds) and the longest time expected to be taken for all relevant primary *protection systems* to clear the fault; and

(iv) a three phase, two phase to ground, phase to phase or phase to ground fault in a *distribution network* cleared in:

(A) the longest time expected to be taken for the *breaker fail protection system* to clear the fault; or

(B) if a *protection system* referred to in subparagraph (A) is not installed, the greater of 430 milliseconds and the longest time expected to be taken for all relevant primary *protection systems* to clear the fault,

provided that the event is not one that would *disconnect* the *generating unit* from the *power system* by removing *network elements* from service; and

(2) subject to any changed *power system* conditions or energy source availability beyond the *Generator's* reasonable control, a *generating system* and each of its *generating units*, in respect of the types of fault described in subparagraphs (1)(ii) to (iv), must supply to or absorb from the *network*:

(i) to assist the maintenance of *power system voltages* during the application of the fault, capacitive reactive current of at least the greater of its pre-disturbance reactive current and 4% of the maximum continuous current of the *generating system* including all operating *generating units* (in the absence of a disturbance) for each 1% reduction (from its pre-fault level) of *connection point voltage* during the fault;

(ii) after *disconnection* of the faulted element, *reactive power* sufficient to ensure that the *connection point voltage* is within the range for *continuous uninterrupted operation* under clause S5.2.5.4; and

(iii) from 100 milliseconds after *disconnection* of the faulted element, *active power* of at least 95% of the level existing just prior to the fault.

Minimum access standard

(c) The *minimum access standard* is:

(1) a *generating system* and each of its *generating units* must remain in *continuous uninterrupted operation* for the disturbance caused by an event that is:

(i) a *credible contingency event* other than a fault referred to in subparagraph (iii);

(ii) a single phase to ground, phase to phase or two phase to ground fault in a *transmission system* cleared in the longest time expected to be taken for all relevant primary *protection systems* to clear the fault unless *NEMMCO* and the *Network Service Provider* agree that:

(A) the total reduction of *generation* in the *power system* due to that fault would not exceed 100 MW;

(B) there is unlikely to be an adverse impact on quality of *supply* to other *Network Users*; and

(C) there is unlikely to be a material adverse impact on *power system security*; and

(iii) a single phase to ground, phase to phase or two phase to ground fault in a *distribution network*, cleared in the longest time expected to be taken for all relevant primary *protection systems* to clear the fault, unless *NEMMCO* and the *Network Service Provid*er agree that:

(A) the total reduction of *generation* in the *power system* due to that fault would not exceed 100 MW;

(B) there is unlikely to be a material adverse impact on quality of *supply* to other *Network Users*; and

(C) there is unlikely to be a material adverse impact on *power system security*,

provided that the event is not one that would *disconnect* the *generating unit* from the *power system* by removing *network elements* from service; and

(2) subject to any changed *power system* conditions or energy source availability beyond the *Generator's* reasonable control after *disconnection* of the faulted *element*, each *generating system* must, in respect of the types of fault described in subparagraphs (1)(ii) and (iii), deliver to the *network*, *active power* and supply or absorb leading or lagging *reactive power*, sufficient to ensure that the *connection point voltage* is within the range for *continuous uninterrupted operation* agreed under clause S5.2.5.4.

Negotiated access standard

(d) In carrying out assessments of proposed *negotiated access standards* under this clause S5.2.5.5, the *Network Service Provider* and *NEMMCO* must take into account, without limitation:

(1) the expected performance of:

(i) existing *networks* and *considered projects*;

(ii) existing *generating plant* and other relevant projects; and

(iii) *control systems* and *protection systems*, including auxiliary systems and *automatic reclose equipment*; and

(2) the expected range of *power system* operating conditions.

(e) A proposed *negotiated access standard* may be accepted if the *connection* of the *plant* at the proposed access level would not cause other generating *plant* or *loads* to trip as a result of an event, when they would otherwise not have tripped for the same event.

(f) *NEMMCO* must advise on matters relating to *negotiated access standards* under this clause S5.2.5.5.

General requirement

(g) The *access standard* must include any operational arrangements to ensure the *generating system* including all operating *generating units* will meet its agreed performance levels under abnormal *network* or *generating system* conditions.

S5.2.5.6 Quality of electricity generated and continuous uninterrupted operation

Minimum access standard

The *minimum access standard* is a *generating system* including each of its operating *generating units* and *reactive plant*, must not *disconnect* from the *power system* as a result of *voltage* fluctuation, harmonic *voltage* distortion and *voltage* unbalance conditions at the *connection point* within the levels specified in clauses S5.1a.5, S5.1a.6 and S5.1a.7.

S5.2.5.7 Partial load rejection

(a) For the purposes of this clause S5.2.5.7 **minimum load** means minimum *sent out generation* for continuous stable operation.

(b) This clause S5.2.5.7 does not apply to an *asynchronous generating unit*.

Automatic access standard

(c) The *automatic access standard* is a *generating unit* must be capable of *continuous uninterrupted operation* during and following a *power system load* reduction of 30% from its predisturbance level or equivalent impact from separation of part of the *power system* in less than 10 seconds, provided that the *loading level* remains above minimum load.

Minimum access standard

(d) The *minimum access standard* is a *generating unit* must be capable of *continuous uninterrupted operation* during and following a *power system load* reduction of 5% or equivalent impact from separation of part of the *power system* in less than 10 seconds provided that the *loading level* remains above minimum load.

Negotiated access standard

(e) If in accordance with clause 5.3.4A the *Generator* and the *Network Service Provider* determine a *negotiated access standard* is to apply, the *Network Service Provider* must consult *NEMMCO* to ensure that the *negotiated access standard* does not materially adversely affect *power system security*.

(f) *NEMMCO* must advise on matters relating to *negotiated access standards* under this clause S5.2.5.7.

General requirements

(g) The actual partial load rejection performance must be recorded in the *access standards*.

S5.2.5.8 Protection of generating systems from power system disturbances

Minimum access standard

(a) The *minimum access standard* is:

(1) subject to subparagraph (2) and paragraph (e), for a *generating system* or any of its *generating units* that is required by a *Generator* or *Network Service Provider* to be automatically *disconnected* from the *power system* in response to abnormal conditions arising from the *power system*, the relevant *protection system* or *control system* must not *disconnect* the *generating system* for:

(i) conditions for which it must remain in *continuous uninterrupted operation*; or

(ii) conditions it must withstand under the *Rules*; and

(2) a *generating system* with a *nameplate rating* of 30MW or more, or *generating system* comprised of *generating units* with a combined *nameplate rating* of 30 MW or more, *connected* to a *transmission system* must have *facilities* to automatically and rapidly reduce its *generation*:

(i) by at least half, if the *frequency* at the *connection point* exceeds a level nominated by *NEMMCO* (not less than the upper limit of the *operational frequency tolerance band*) and the duration above this *frequency* exceeds a value nominated by *NEMMCO* where the reduction may be achieved:

(A) by reducing the output of the *generating system* within 3 seconds, and holding the output at the reduced level until

the *frequency* returns to within the *normal operating frequency band*; or

(B) by disconnecting the *generating system* from the *power system* within 1 second; or

(ii) in proportion to the difference between the *frequency* at the *connection point* and a level nominated by *NEMMCO* (not less than the upper limit of the *operational frequency tolerance band*), such that the *generation* is reduced by at least half, within 3 seconds of the *frequency* reaching the upper limit of the *extreme frequency excursion tolerance limits*.

Negotiated access standard

(b) *NEMMCO* must advise on matters relating to *negotiated access standards* under this clause S5.2.5.8.

General requirements

(c) *NEMMCO* or the *Network Service Provider* may require that an *access standard* include a requirement for the *generating system* to be automatically *disconnected* by a local or remote control scheme whenever the part of the *network* to which it is *connected* has been *disconnected* from the *national grid*, forming an island that *supplies* a *Customer*.

(d) The *access standard* must include specification of conditions for which the *generating unit* or *generating system* must trip and must not trip.

(e) Notwithstanding clauses S5.2.5.3, S5.2.5.4, S5.2.5.5, S5.2.5.6 and S5.2.5.7, a *generating system* may be automatically *disconnected* from the *power system* under any of the following conditions:

(1) in accordance with an *ancillary services agreement* between the *Generator* and *NEMMCO*;

(2) where a *load* that is not part of the *generating system* has the same *connection point* as the *generating system* and *NEMMCO* and the *Network Service Provider* agree that the *disconnection* would in effect be under-frequency *load shedding*;

(3) where the *generating system* is automatically *disconnected* under paragraph (a) or clause S5.2.5.9;

(4) where the *generating system* is automatically *disconnected* under clause S5.2.5.10 due to a failure of the *generating plant*; or

(5) in accordance with an agreement between the *Generator* and a *Network Service Provider* (including an agreement in relation to an

emergency control scheme under clause S5.1.8) to provide a service that *NEMMCO* agrees is necessary to maintain or restore *power system security* in the event of a specified *contingency event*.

(f) The *Network Service Provider* is not liable for any loss or damage incurred by the *Generator* or any other person as a consequence of a fault on either the *power system*, or within the *Generator*'s *facility*.

S5.2.5.9 Protection systems that impact on power system security

Automatic access standard

(a) The *automatic access standard* is:

(1) subject to clauses S5.1.9(k) and S5.1.9(l), primary *protection systems* must be provided to *disconnect* from the *power system* any faulted element in a *generating system* and in protection zones that include the *connection point* within the applicable *fault clearance time* determined under clause S5.1.9(a)(1);

(2) each primary *protection system* must have sufficient redundancy to ensure that a faulted element within its protection zone is *disconnected* from the *power system* within the applicable *fault clearance time* with any single protection element (including any communications *facility* upon which that *protection system* depends) out of service; and

(3) *breaker fail protection systems* must be provided to clear faults that are not cleared by the circuit breakers controlled by the primary *protection system* within the applicable *fault clearance time* determined under clause S5.1.9(a)(1).

(b) In relation to an *automatic access standard* under this clause S5.2.5.9, the *Generator* must provide redundancy in the primary *protection systems* under paragraph (a)(2) and provide *breaker fail protection systems* under paragraph (a)(3) if *NEMMCO* or the *Network Service Provider* consider that a lack of these *facilities* could result in:

(1) a material adverse impact on *power system security* or quality of *supply* to other *Network Users*; or

(2) a reduction in *inter-regional* or *intra-regional power transfer capability*,

through any mechanism including:

(3) consequential tripping of, or damage to, other *network* equipment or *facilities* of other *Network Users*, that would have a *power system security* impact; or

(4) instability that would not be detected by other *protection systems* in the *network*.

Minimum access standard

(c) The *minimum access standard* is:

(1) subject to clauses S5.1.9(k) and S5.1.9(l), *protection systems* must be provided to *disconnect* from the *power system* any faulted element within a *generating system* and in protection zones that include the *connection point* within the applicable *fault clearance time* determined under clause S5.1.9(a)(2); and

(2) if a *fault clearance time* determined under clause S5.1.9(a)(2) for a protection zone is less than 10 seconds, a *breaker fail protection system* must be provided to clear from the *power system* any fault within that protection zone that is not cleared by the circuit breakers controlled by the primary *protection system* within the applicable *fault clearance time* determined under clause S5.1.9(a)(3).

Negotiated access standard

(d) *NEMMCO* must advise on matters relating to *negotiated access standards* under this clause S5.2.5.9.

General requirements

(e) The *Network Service Provider* and the *Generator* must cooperate in the design and implementation of *protection systems* to comply with this clause S5.2.5.9, including cooperation on:

(1) the use of *current transformer* and *voltage transformer* secondary circuits (or equivalent) of one party by the *protection system* of the other;

(2) tripping of one party's circuit breakers by a *protection system* of the other party; and

(3) co-ordination of *protection system* settings to ensure inter-operation.

(f) The *protection system* design referred to in paragraphs (a) and (c) must:

(1) be coordinated with other *protection systems*;

(2) avoid consequential *disconnection* of other *Network Users' facilities*; and

(3) take into account existing obligations of the *Network Service Provider* under *connection agreements* with other *Network Users*.

S5.2.5.10 Protection to trip plant for unstable operation

Automatic access standard

(a) The *automatic access standard* is:

(1) a *synchronous generating unit* must have a *protection system* to *disconnect* it promptly when a condition that would lead to pole slipping is detected in order to prevent pole slipping or other conditions where a *generating unit* causes *active power*, *reactive power* or *voltage* at the *connection point* to become unstable as assessed in accordance with the *power system* stability guidelines established under clause 4.3.4(h); and

(2) an *asynchronous generating unit* must have a *protection system* to *disconnect* it promptly for conditions where the *active power*, *reactive power* or *voltage* at the *connection point* becomes unstable as assessed in accordance with the guidelines for *power system* stability established under clause 4.3.4(h).

Minimum access standard

(b) The *minimum access standard* is a *generating unit* must not cause a *voltage* disturbance at the *connection point* due to sustained unstable behaviour of more than the maximum level specified in Table 7 of *Australian Standard* AS/NZS 61000.3.7:2001.

Negotiated access standard

(c) If the *Network Service Provider* and the *Generator* agree, a *protection system* may also trip any other part of the *generating system* in order to cease the instability.

(d) Notwithstanding paragraph (c), a *protection system* must be provided in the *access standard* to trip the affected *generating unit* where:

(1) the *Network Service Provider* considers it necessary to prevent consequential tripping of, or damage to, other *generating units*, *network* equipment or other *Network Users' facilities*, or

(2) *NEMMCO* considers it necessary to prevent unstable operation having an adverse impact on *power system security*.

(e) *NEMMCO* must advise on matters relating to *negotiated access standards* under this clause S5.2.5.10

S5.2.5.11 Frequency control

(a) For the purpose of this clause S5.2.5.11:

maximum operating level means in relation to:

(1) a *non-scheduled generating unit*, the maximum *sent out generation* consistent with its *nameplate rating*;

(2) a *scheduled generating unit* or *semi-scheduled generating unit*, the maximum *sent out generation* (but not emergency *generation)* consistent with its *registered bid and offer data*;

(3) a *non-scheduled generating system*, the combined maximum *sent out generation* consistent with the *nameplate ratings* of its in-service *generating units*; and

(4) a *scheduled generating system* or *semi-scheduled generating system*, the combined maximum *sent out generation* (but not emergency *generation*) of its in-service *generating units*, consistent with its *registered bid and offer data*.

minimum operating level means in relation to:

(1) a *non-scheduled generating unit*, its minimum *sent out generation* for continuous stable operation;

(2) a *scheduled generating unit* or *semi-scheduled generating unit*, its minimum *sent out generation* for continuous stable operation consistent with its *registered bid and offer data*;

(3) a *non-scheduled generating system*, the combined *minimum operating level* of its in-service *generating units*; and

(4) a *scheduled generating system* or *semi-scheduled generating system*, the combined minimum *sent out generation* of its in-service *generating units*, consistent with its *registered bid and offer data*.

pre-disturbance level means in relation to a *generating unit* and a *frequency* disturbance, the *generating unit's* level of output just before the *system frequency* first exceeds the upper or lower limit of the *normal operating frequency band* during the *frequency* disturbance.

system frequency means the *frequency* of the *transmission system* or *distribution system* to which the *generating unit* or *generating system* is *connected*.

Automatic access standard

(b) The *automatic access standard* is:

(1) a *generating system's active power* transfer to the *power system* must not:

(i) increase in response to a rise in system frequency; or

(ii) decrease in response to a fall in system frequency;

(2) a *generating system* must be capable of automatically reducing its *active power* transfer to the *power system*:

(i) whenever the system frequency exceeds the upper limit of the *normal operating frequency band*;

(ii) by an amount that equals or exceeds the least of:

(A) 20% of its maximum operating level times the *frequency* difference between system frequency and the upper limit of the *normal operating frequency band*;

(B) 10% of its maximum operating level; and

(C) the difference between the *generating unit's* pre-disturbance level and minimum operating level, but zero if the difference is negative; and

(iii) sufficiently rapidly for the *Generator* to be in a position to offer measurable amounts of lower services to the *spot market* for *market ancillary services*; and

(3) a *generating system* must be capable of automatically increasing its *active power* transfer to the *power system*:

(i) whenever the system frequency falls below the lower limit of the *normal operating frequency band*;

(ii) by the amount that equals or exceeds the least of:

(A) 20% of its maximum operating level times the percentage *frequency* difference between the lower limit of the *normal operating frequency band* and system frequency;

(B) 5% of its maximum operating level; and

(C) one third of the difference between the *generating unit's* maximum operating level and pre-disturbance level, but zero if the difference is negative; and

(iii) sufficiently rapidly for the *Generator* to be in a position to offer measurable amounts of raise services to the *spot market* for *market ancillary services*.

Minimum access standard

(c) The *minimum access standard* is a *generating system* under relatively stable input energy, *active power* transfer to the *power system* must not:

(1) increase in response to a rise in system frequency; and

(2) decrease more than 2% per Hz in response to a fall in system frequency.

Negotiated access standard

(d) A *Generator* proposing a *negotiated access standard* in respect of paragraph (c)(2) must demonstrate to *NEMMCO* that the proposed increase and decrease in *active power* transfer to the *power system* are as close as practicable to the *automatic access standard* for that *plant*.

(e) The *negotiated access standard* must record the agreed values for maximum operating level and minimum operating level, and where relevant the method of determining the values and the values for a *generating system* must take into account its in-service *generating units*.

(f) *NEMMCO* must advise on matters relating to *negotiated access standards* under this clause S5.2.5.11.

General requirements

(g) Each *control system* used to satisfy this clause S5.2.5.11 must be *adequately damped*.

(h) The amount of a relevant *market ancillary service* for which the *plant* may be registered must not exceed the amount that would be consistent with the *performance standard* registered in respect of this requirement.

S5.2.5.12 Impact on network capability

Automatic access standard

(a) The *automatic access standard* is a *generating system* must have *plant* capabilities and *control systems* that are sufficient so that when *connected* it does not reduce any *inter-regional* or *intra-regional power transfer capability* below the level that would apply if the *generating system* were not *connected*.

Minimum access standard

(b) The *minimum access standard* is a *generating system* must have *plant* capabilities, *control systems* and operational arrangements sufficient to ensure there is no reduction in:

(1) the ability to *supply Customer load* as a result of a reduction in *power transfer capability*; and

(2) *power transfer capabilities* into a region by more than the combined *sent out generation* of its *generating units*.

Negotiated access standard

(c) In carrying out assessments of proposed *negotiated access standards* under this clause S5.2.5.12, the *Network Service Provider* and *NEMMCO* must take into account:

(1) the expected performance of:

(i) existing *networks* and *considered projects*;

(ii) existing *generating plant* and other relevant projects; and

(iii) *control systems* and *protection systems*, including *automatic reclose equipment*; and

(2) the expected range of *power system* operating conditions.

(d) The *negotiated access standard* must include:

(1) *control systems* to minimise any reduction in *power transfer capabilities*; and

(2) operational arrangements, including curtailment of the *generating system's* output if necessary to ensure that the *generating plant* is operated in a way that meets at least the *minimum access standard* under abnormal *network* and *generating system* conditions, so that *power system security* can be maintained.

(e) A *negotiated access standard* under this clause S5.2.5.12 must detail the *plant* capabilities, *control systems* and operational arrangements that will be maintained by the *Generator*, notwithstanding that change to the *power system*, but not changes to the *generating system*, may reduce the efficacy of the *plant* capabilities, *control systems* and operational arrangements over time.

(f) *NEMMCO* must advise on matters relating to *negotiated access standards* under this clause S5.2.5.12.

General requirement

(g) If a *Network Service Provider* considers that *power transfer capabilities* of its *network* would be increased through provision of additional *control system facilities* to a *generating system* (such as a *power system* stabiliser),

the *Network Service Provider* and the *Generator* may negotiate for the provision of such additional *control system facilities* as a commercial arrangement.

S5.2.5.13 Voltage and reactive power control

(a) For the purpose of this clause S5.2.5.13:

rise time means in relation to a step response test or simulation of a *control system*, the time taken for an output quantity to rise from 10% to 90% of the maximum change induced in that quantity by a step change of an input quantity.

settling time means in relation to a step response test or simulation of a *control system*, the time measured from initiation of a step change in an input quantity to the time when the magnitude of error between the output quantity and its final settling value remains less than 10% of:

(1) if the sustained change in the quantity is less than half of the maximum change in that output quantity, the maximum change induced in that output quantity; or

(2) the sustained change induced in that output quantity.

static excitation system means in relation to a *synchronous generating unit*, an *excitation control system* that does not use rotating machinery to produce the field current.

Automatic access standard

(b) The *automatic access standard* is:

(1) a *generating system* must have *plant* capabilities and *control systems* sufficient to ensure that:

(i) *power system* oscillations, for the frequencies of oscillation of the *generating unit* against any other *generating unit*, are *adequately damped*;

(ii) operation of the *generating system* does not degrade the damping of any critical mode of oscillation of the *power system*; and

(iii) operation of the *generating system* does not cause instability (including hunting of *tap-changing transformer control systems*) that would adversely impact other *Registered Participants*;

(2) a *control system* must have:

(i) for the purposes of disturbance monitoring and testing, permanently installed and operational, monitoring and recording *facilities* for key variables including each input and output; and

(ii) *facilities* for testing the *control system* sufficient to establish its dynamic operational characteristics;

(3) a *synchronous generating system* must have an *excitation control system* that:

(i) regulates *voltage* at the *connection point* or another agreed location in the *power system* (including within the *generating system*) to within 0.5% of the setpoint;

(ii) is able to operate the stator continuously at 105% of *nominal voltage* with *rated active power* output;

(iii) regulates *voltage* in a manner that helps to support *network voltages* during faults and does not prevent the *Network Service Provider* from achieving the requirements of clause S5.1a.3 and S5.1a.4;

(iv) allows the *voltage* setpoint to be continuously controllable in the range of at least 95% to 105% of *normal voltage* at the *connection point* or the agreed location, without reliance on a *tap-changing transformer*;

(v) has limiting devices to ensure that a *voltage* disturbance does not cause the *generating unit* to trip at the limits of its operating capability;

(vi) has an excitation ceiling *voltage* of at least:

(A) for a static excitation system, 2.3 times; or

(B) for other *excitation control systems*, 1.5 times,

the excitation required to achieve *generation* at the *nameplate rating* for rated *power factor*, rated speed and *nominal voltage*;

(vii) has *settling times* for a step change of *voltage* setpoint or *voltage* at the location agreed under subparagraph (i) of:

(A) generated *voltage* less than 2.5 seconds for a 5% *voltage* disturbance with the *generating unit* not *synchronised*;

(B) *active power*, *reactive power* and *voltage* less than 5.0 seconds for a 5% *voltage* disturbance with the *generating unit synchronised*, from an operating point where the

voltage disturbance would not cause any limiting device to operate; and

(C) in respect of each limiting device, *active power*, *reactive power* and *voltage* less than 7.5 seconds for a 5% *voltage* disturbance with the *generating unit synchronised*, when operating into a limiting device from an operating point where a *voltage* disturbance of 2.5% would just cause the limiting device to operate;

(viii) is able to increase field *voltage* from rated field *voltage* to the excitation ceiling *voltage* in less than:

(A) 0.05 second for a static excitation system; or

(B) 0.5 second for other *excitation control systems*;

(ix) has a *power system* stabiliser with sufficient flexibility to enable damping performance to be maximised, with characteristics as described in paragraph (c); and

(x) has reactive current compensation settable for boost or droop; and

(4) a *generating system*, other than one comprised of *synchronous generating units*, must have a *voltage control system* that:

(i) regulates *voltage* at the *connection point* or an agreed location in the *power system* (including within the *generating system*) to within 0.5% of its setpoint;

(ii) regulates *voltage* in a manner that helps to support *network voltages* during faults and does not prevent the *Network Service Provider* from achieving the requirements of clauses S5.1a.3 and S5.1a.4;

(iii) allows the *voltage* setpoint to be continuously controllable in the range of at least 95% to 105% of *normal voltage* at the *connection point* or agreed location in the *power system*, without reliance on a *tap changing transformer*;

(iv) has limiting devices to ensure that a *voltage* disturbance does not cause the *generating unit* to trip at the limits of its operating capability;

(v) with the *generating system connected* to the *power system*, has *settling times* for *active power*, *reactive power* and *voltage* due to a step change of *voltage* setpoint or *voltage* at the location agreed under clause subparagraph (i), of less than:

(A) 5.0 seconds for a 5% *voltage* disturbance with the *generating system connected* to the *power system*, from an operating point where the *voltage* disturbance would not cause any limiting device to operate; and

(B) 7.5 seconds for a 5% *voltage* disturbance with the *generating system connected* to the *power system*, when operating into any limiting device from an operating point where a *voltage* disturbance of 2.5% would just cause the limiting device to operate;

(vi) has *reactive power* rise time, for a 5% step change in the *voltage* setpoint, of less than 2 seconds;

(vii) has a *power system* stabiliser with sufficient flexibility to enable damping performance to be maximised, with characteristics as described in paragraph (c); and

(viii) has reactive current compensation.

(c) A *power system* stabiliser provided under paragraph (b) must have:

(1) for a *synchronous generating unit*, measurements of rotor speed and *active power* output of the *generating unit* as inputs, and otherwise, measurements of *power system frequency* and *active power* output of the *generating unit* as inputs;

(2) two washout filters for each input, with ability to bypass one of them if necessary;

(3) sufficient (and not less than two) lead-lag transfer function blocks (or equivalent number of complex poles and zeros) with adjustable gain and time-constants, to compensate fully for the phase lags due to the *generating plant*;

(4) an output limiter, which for a *synchronous generating unit* is continually adjustable over the range of –10% to +10% of stator *voltage*;

(5) monitoring and recording *facilities* for key variables including inputs, output and the inputs to the lead-lag transfer function blocks; and

(6) *facilities* to permit testing of the *power system* stabiliser in isolation from the *power system* by injection of test signals, sufficient to establish the transfer function of the *power system* stabiliser.

Minimum access standard

(d) The *minimum access standard* is:

(1) a *generating system* must have *plant* capabilities and *control systems*, including, if appropriate, a *power system* stabiliser, sufficient to ensure that:

(i) *power system* oscillations, for the frequencies of oscillation of the *generating unit* against any other *generating unit*, are *adequately damped*;

(ii) operation of the *generating unit* does not degrade:

(A) any mode of oscillation that is within 0.3 nepers per second of being unstable, by more than 0.01 nepers per second; and

(B) any other mode of oscillation to within 0.29 nepers per second of being unstable; and

(iii) operation of the *generating unit* does not cause instability (including hunting of *tap-changing transformer control systems*) that would adversely impact other *Registered Participants*;

(2) a *generating system* comprised of *generating units* with a combined *nameplate rating* of 30 MW or more must have *facilities* for testing its *control systems* sufficient to establish their dynamic operational characteristics;

(3) a *generating unit* or *generating system* must have *facilities*:

(i) where the *connection point nominal voltage* is 100 kV or more, to regulate *voltage* in a manner that does not prevent the *Network Service Provider* from achieving the requirements of clauses S5.1a.3 and S5.1a.4; or

(ii) where the *connection point nominal voltage* is less than 100 kV, to regulate *voltage* or *reactive power* or *power factor* in a manner that does not prevent the *Network Service Provider* from achieving the requirements of clauses S5.1a.3 and S5.1a.4,

and sufficient to achieve the performance agreed in respect of clauses S5.2.5.1, S5.2.5.2, S5.2.5.3, S5.2.5.4, S5.2.5.5, S5.2.5.6 and S5.2.5.12;

(4) a *synchronous generating unit*, that is part of a *generating system* comprised of *generating units* with a combined *nameplate rating* of 30 MW or more, must have an *excitation control system* that:

(i) regulates *voltage*, *power factor* or *reactive power* as agreed with the *Network Service Provider* and *NEMMCO*;

(ii) has excitation ceiling *voltage* of at least 1.5 times the excitation required to achieve *generation* at the *nameplate rating* for rated *power factor*, rated speed and *nominal voltage*;

(iii) subject to co-ordination under paragraph (i), has a *settling time* of less than 5.0 seconds for a 5% *voltage* disturbance with the *generating unit* synchronised, from an operating point where such a *voltage* disturbance would not cause any limiting device to operate; and

(iv) has over and under excitation limiting devices sufficient to ensure that a *voltage* disturbance does not cause the *generating unit* to trip at the limits of its operating capability; and

(5) a *generating system* comprised of *generating units* with a combined *nameplate rating* of 30 MW or more and which are *asynchronous generating units*, must have a *control system* that:

(i) regulates *voltage*, *power factor* or *reactive power* as agreed with the *Network Service Provider* and *NEMMCO*;

(ii) subject to co-ordination under subparagraph (i), has a settling time less than 7.5 seconds for a 5% *voltage* disturbance with the *generating unit* electrically connected to the *power system* from an operating point where such a *voltage* disturbance would not cause any limiting device to operate; and

(iii) has limiting devices to ensure that a *voltage* disturbance would not cause the *generating unit* to trip at the limits of its operating capability.

Negotiated access standard

(e) If a *generating system* cannot meet the *automatic access standard*, the *Generator* must demonstrate to the *Network Service Provider* why that standard could not be reasonably achieved and propose a *negotiated access standard*.

(f) The *negotiated access standard* proposed by the *Generator* under paragraph (e) must be the highest level that the *generating system* can reasonably achieve, including by installation of additional dynamic *reactive power* equipment, and through optimising its *control systems*.

(g) *NEMMCO* must advise on matters relating to *negotiated access standards* under this clause S5.2.5.13.

General requirements

(h) A limiting device provided under paragraphs (b) and (c) must:

(1) not detract from the performance of any *power system* stabiliser; and

(2) be co-ordinated with all *protection systems*.

(i) The *Network Service Provider* may require that the design and operation of the *control systems* of a *generating unit* or *generating system* be coordinated with the existing *voltage control systems* of the *Network Service Provider* and of other *Network Users*, in order to avoid or manage interactions that would adversely impact on the *Network Service Provider* and other *Network Users*.

(j) Any requirements imposed by the *Network Service Provider* under paragraph (i) must be recorded in the *access standard*.

(k) The assessment of impact of the *generating units* on *power system* stability and damping of *power system* oscillations shall be in accordance with the guidelines for *power system* stability established under clause 4.3.4(h).

S5.2.5.14 Active power control

(a) The *automatic access standard* is a *generating system* comprised of *generating units* with a combined *nameplate rating* of 30 MW or more must have an *active power control system* capable of:

(1) for a *scheduled generating unit* or a *scheduled generating system*:

(i) maintaining and changing its *active power* output in accordance with its *dispatch instructions*; and

(ii) ramping its *active power* output linearly from one level of *dispatch* to another;

(2) subject to energy source availability, for a *non-scheduled generating unit* or *non-scheduled generating system*:

(i) automatically reducing or increasing its *active power* output within 5 minutes, at a constant rate, to or below the level specified in an instruction electronically issued by a *control centre*, subject to subparagraph (iii);

(ii) automatically limiting its *active power* output, to below the level specified in subparagraph (i); and

(iii) not changing its *active power* output within 5 minutes by more than the raise and lower amounts specified in an instruction electronically issued by a *control centre*; and

(3) subject to energy source availability, for a *semi-scheduled generating unit* or a *semi-scheduled generating system*:

(i) automatically reducing or increasing its *active power* output within 5 minutes at a constant rate, to or below the level specified in an instruction electronically issued by a *control centre*;

(ii) automatically limiting its *active power* output, to or below the level specified in subparagraph (i);

(iii) not changing its *active power* output within 5 minutes by more than the raise and lower amounts specified in an instruction electronically issued by a *control centre*; and

(iv) ramping its *active power* output linearly from one level of *dispatch* to another.

Minimum access standard

(b) The *minimum access standard* is a *generating system* comprised of *generating unit*s with a combined *nameplate rating* of 30 MW or more must have an *active power control system* capable of:

(1) for a *scheduled generating unit* or a *scheduled generating system*, maintaining and changing its *active power* output in accordance with its *dispatch instructions*;

(2) for a *non-scheduled generating system*:

(i) reducing its *active power* output, within 5 minutes, to or below the level required to manage *network* flows that is specified in a verbal instruction issued by the *control centre*;

(ii) limiting its *active power* output, to or below the level specified in subparagraph (i);

(iii) subject to energy source availability, ensuring that the change of *active power* output in a 5 minute period does not exceed a value specified in a verbal instruction issued by the *control centre*; and

(iv) being upgraded to receive electronic instructions from the *control centre* and fully implement them within 5 minutes; and

(3) for a *semi-scheduled generating unit* or a *semi-scheduled generating system*, maintaining and changing its *active power* output in accordance with its *dispatch instructions*.

Negotiated access standard

(c) A *negotiated access standard* may provide that if the number or frequency of verbal instructions becomes difficult for a *control centre* to manage, *NEMMCO* may require the *Generator* to upgrade its *facilities* to receive electronic instructions and fully implement them within 5 minutes.

(d) The *negotiated access standard* must document to *NEMMCO's* satisfaction any operational arrangements necessary to manage *network* flows that may include a requirement for the *generating system* to be operated in a manner that prevents its output changing within 5 minutes by more than an amount specified by a *control centre*.

(e) *NEMMCO* must advise on matters relating to *negotiated access standards* under this clause S5.2.5.14.

General requirements

(f) Each *control system* used to satisfy the requirements of paragraphs (a) and (b) must be *adequately damped*.

S5.2.6 Monitoring and control requirements

S5.2.6.1 Remote Monitoring

Automatic access standard

(a) The *automatic access standard* is a:

(1) *scheduled generating unit;*

(2) *scheduled generating system*;

(3) *non-scheduled generating unit* with a *nameplate rating* of 30 MW or more;

(4) *non-scheduled generating system* with a combined *nameplate rating* of 30 MW or more;

(5) *semi-scheduled generating unit*; or

(6) *semi-scheduled generating system*,

must have *remote monitoring equipment* to transmit to *NEMMCO's control centres* in real time in accordance with rule 4.11 the quantities that *NEMMCO* reasonably requires to discharge its *market* and *power system security* functions set out in Chapters 3 and 4.

(b) The quantities referred to under paragraph (a) that *NEMMCO* may request include:

(1) in respect of a *generating unit* with a *nameplate rating* of 30 MW or more:

(i) current, *voltage*, *active power* and *reactive power* in respect of *generating unit* stators or power conversion systems (as applicable);

(ii) the status of all switching devices that carry the *generation*; and

(iii) *tap-changing transformer* tap position;

(2) in respect of a *generating system* that includes a *generating unit* with a *nameplate rating* of less than 30 MW:

(i) its connected status, *tap-changing transformer* tap position and *voltages*;

(ii) *active power* and *reactive power* aggregated for groups of identical *generating units*;

(iii) either the number of identical *generating units* operating or the operating status of each non-identical *generating unit*; and

(iv) *active power* and *reactive power* for the *generating system;*

(3) in respect of an auxiliary supply system with a capacity of 30 MW or more associated with a *generating unit* or *generating system*, *active power* and *reactive power*;

(4) in respect of *reactive power* equipment that is part of a *generating system* but not part of a particular *generating unit*, its *reactive power*;

(5) in respect of a wind farm type of *generating system*:

(i) wind speed;

(ii) wind direction;

(iii) ambient temperature; and

(6) any other quantity that *NEMMCO* reasonably requires to discharge its *market* and *power system security* functions as set out in Chapters 3 and 4.

Minimum access standard

(c) The *minimum access standard* is a:

(1) *scheduled generating unit*;

(2) *scheduled generating system*;

(3) *non-scheduled generating system* with a combined *nameplate rating* of 30 MW or more;

(4) *semi-scheduled generating unit*; or

(5) *semi-scheduled generating system*,

must have *remote monitoring equipment* to transmit to *NEMMCO's control centres* in real time:

(6) the *active power* output of the *generating unit* or *generating system* (as applicable);

(7) if *connected* to a *transmission system*, the *reactive power* output of the *generating unit* or *generating system* (as applicable); and

(8) if a wind farm type of *generating system*:

(i) number of units operating;

(ii) wind speed; and

(iii) wind direction,

in accordance with rule 4.11.

Negotiated access standard

(d) *NEMMCO* may advise on matters relating to *negotiated access standards* under this clause S5.2.6.1.

S5.2.6.2 Communications equipment

Automatic access standard

(a) The *automatic access standard* is a *Generator* must:

(1) provide and maintain two separate telephone *facilities* using independent telecommunications service providers, for the purposes of operational communications between the *Generator's* responsible operator under clause 4.11.3(a) and *NEMMCO's control centre*; and

(2) provide electricity supplies for *remote monitoring equipment* and *remote control equipment* installed in relation to its *generating system* capable of keeping such equipment available for at least 3 hours following total loss of *supply* at the *connection point* for the relevant *generating unit*.

Minimum access standard

(b) The *minimum access standard* is a *Generator* must:

(1) provide and maintain a telephone facility for the purposes of operational communications between the *Generator's* responsible operator under clause 4.11.3(a) and *NEMMCO's control centre*; and

(2) provide electricity supplies for *remote monitoring equipment* and *remote control equipment* installed in relation to its *generating system* capable of keeping such equipment available for at least 1 hour following total loss of *supply* at the *connection point* for the relevant *generating unit.*

Negotiated access standard

(c) A *negotiated access standard* must include, where the *Network Service Provider* or *NEMMCO* reasonably require, a back-up telephone facility be independent of commercial telephone service providers, and the *Network Service Provider* must provide and maintain the separate facility on a cost-recovery basis only through the charge for *connection*.

(d) A *negotiated access standard* must include that a *Generator* must provide communications paths (with appropriate redundancy) from the *remote monitoring equipment* or *remote control equipment* installed for each of its *generating systems* as appropriate, to a communications interface in a location reasonably acceptable to the *Network Service Provider* at the relevant *generation* facility.

(e) Communications systems between the communications interface under paragraph (d) and the *control centre* must be the responsibility of the *Network Service Provider* unless otherwise agreed by the *Generator* and the *Network Service Provider*.

(f) A *negotiated access standard* must include that the *Generator* provide accommodation and secure power supplies for communications *facilities* provided by the *Network Service Provider* under this clause S5.2.6.2.

(g) *NEMMCO* may advise on matters relating to *negotiated access standards* under this clause S5.2.6.2.

S5.2.7 Power station auxiliary supplies

In cases where a *generating system* takes its auxiliary supplies via a *connection point* through which its *generation* is not transferred to the *network*, the *access standards* must be established under clause S5.3.5 as if the *Generator* were a *Market Customer*.

S5.2.8 Fault current

Automatic access standard

(a) The *automatic access standard* is:

(1) the contribution of the *generating system* to the fault current on the *connecting network* through its *connection point* must not exceed the contribution level that will ensure that the total fault current can be safely interrupted by the circuit breakers of the *connecting network* and safely carried by the *connecting network* for the duration of the applicable *breaker fail protection system fault clearance times*, as specified for the relevant *connection point* by the *Network Service Provider*;

(2) a *generating system's connected plant* must be capable of withstanding fault current through the *connection point* up to the higher of:

(i) the level specified in clause S5.2.4(e)(1); and

(ii) the highest level of current at the *connection point* that can be safely interrupted by the circuit breakers of the *connecting network* and safely carried by the *connecting network* for the duration of the applicable *breaker fail protection system fault clearance times*, as specified by the *Network Service Provider*; and

(3) a circuit breaker provided to isolate a *generating unit* or *generating system* from the *network* must be capable of breaking, without damage or restrike, the maximum fault currents that could reasonably be expected to flow through the circuit breaker for any fault in the *network* or in the *generating unit* or *generating system*, as specified in the *connection agreement*.

Minimum access standard

(b) The *minimum access standard* is:

(1) the *generating system* does not need to limit fault current contribution;

(2) a *generating system's connected plant* must be capable of withstanding fault current through the *connection point* up to the level specified in clause S5.2.4(e)(1); and

(3) a circuit breaker provided to isolate a *generating unit* or *generating system* from the *network* must be capable of breaking, without damage or restrike, the maximum fault currents that could reasonably be expected to flow through the circuit breaker for any fault in the

network or in the *generating unit* or *generating system*, as specified in the *connection agreement*.

Negotiated access standard

(c) In negotiating a *negotiated access standard*, the *Network Service Provider* must consider alternative *network* configurations in the determination of the applicable fault current level and must prefer those options that maintain an equivalent level of service to other *Network Users* and which, in the opinion of the *Generator*, impose the least obligation on the *Generator*.

(d) In carrying out assessments of proposed *negotiated access standards* under this clause S5.2.8, the *Network Service Provider* must take into account, without limitation:

(1) the expected performance of existing *networks* and *considered projects*;

(2) the expected performance of existing *generating plant* and other relevant projects; and

(3) the expected range of *power system* operating conditions.

Schedule 5.3 - Conditions for Connection of Customers

(a) This schedule applies to the following classes of *Network User*:

(1) a *First-Tier Customer* in respect of its *first-tier load*;

(2) a *Second-Tier Customer* in respect of its *second-tier load*;

(3) a *Market Customer* in respect of its *market load*;

(4) a *Non-Registered Customer* in respect of *supply* it takes from a *network*; and

(5) a *Distribution Network Service Provider* in respect of its *distribution network.*

(b) For the purposes of this schedule 5.3 the term "*Network Service Provider"* must be interpreted to mean the *Network Service Provider* with whom the *Connection Applicant* has sought, or is seeking, a *connection* in accordance with clause 5.3.2 of the *Rules*.

(c) All *Network Users* must comply with the requirements for the establishment of *performance standards* in accordance with provisions contained in schedule 5.1a for *system standards* or schedule 5.1 for *Network Service Providers* and this schedule 5.3 for *Customers*.

(d) If the *Connection Applicant* is a *Registered Participant* in relation to the proposed *connection*, the *Network Service Provider* may include as terms and conditions of the *connection agreement* any provision of this schedule that is expressed as an obligation on a *Network User*. If the *Connection Applicant* is not a *Registered Participant* in relation to the proposed *connection*, the *Network Service Provider* must include as terms and conditions of the *connection agreement*:

(1) each provision of this schedule that is expressed as an obligation on a *Network User*; and

(2) each agreed *performance standard* and an obligation to comply with it.

(e) The purpose of this schedule is to:

(1) describe the information that must be exchanged for the *connection* enquiry and *application to connect* processes described in rule 5.3 of the *Rules*;

(2) establish the *automatic access standards* and *minimum access standards* that will apply to the process of negotiating access standards under clause 5.3.4A of the *Rules*; and

(3) establish obligations to apply prudent design standards for the *plant* to be *connected.*

S5.3.1 Information

(a) Before a *Network User connects* any new or additional equipment to a *network*, the *Network User* must submit the following kinds of information to the *Network Service Provider*:

(1) a single line diagram with the protection details;

(2) *metering system* design details for any metering equipment being provided by the *Network User*;

(3) a general arrangement locating all the equipment on the site;

(4) a general arrangement for each new or altered *substation* showing all exits and the position of all electrical equipment;

(5) type test certificates for all new switchgear and *transformers*, including measurement *transformers* to be used for *metering* purposes in accordance with Chapter 7 of the *Rules*;

(6) earthing details;

(7) the proposed methods of earthing cables and other equipment to comply with the regulations of the relevant *participating jurisdiction*;

(8) *plant* and earth grid test certificates from approved test authorities;

(9) a secondary injection and trip test certificate on all circuit breakers;

(10) certification that all new equipment has been inspected before being *connected* to the *supply*; and

(11) operational arrangements.

(b) For the purposes of clause 5.3.2(f) of the *Rules*, the technical information that a *Network Service Provider* must, if requested, provide to a *Connection Applicant* in respect of the proposed *connection* includes:

(1) the highest expected single phase and three phase fault levels at the *connection point* without the proposed *connection*;

(2) the clearing times of the existing *protection systems* that would clear a fault at the location at which the new *connection* would be connected into the existing *transmission system* or *distribution system*;

(3) the expected limits of *voltage* fluctuation, harmonic *voltage* distortion and *voltage* unbalance at the *connection point* without the proposed *connection*;

(4) technical information relevant to the *connection point* without the proposed *connection* including equivalent source impedance information, sufficient to estimate fault levels, *voltage* fluctuations, harmonic *voltage* distortion and *voltage* unbalance; and

(5) any other information or data not being *confidential information* relating to the performance of the *Network Service Provider's facilities* that is reasonably necessary for the *Connection Applicant* to prepare an *application to connect*;

except where the *Connection Applicant* agrees the *Network Service Provider* may provide alternative or less detailed technical information in satisfaction of this clause S5.3.1.(b).

S5.3.2 Design standards

A *Network User* must ensure that:

(a) the electrical *plant* in its *facility* complies with the relevant *Australian Standards* as applicable at the time of first installation of that electrical *plant* in the *facility*;

(b) circuit breakers provided to isolate the *Network User's facilities* from the *Network Service Provider's facilities* are capable of breaking, without damage or restrike, fault currents nominated by the *Network Service Provider* in the relevant *connection agreement*; and

(c) new equipment including circuit breakers provided to isolate the *Network User's facilities* from the *Network Service Provider's facilities* is capable of withstanding, without damage, power *frequency voltage*s and impulse levels nominated by the *Network Service Provider* to apply at the *connection point* in accordance with the relevant provisions of the *system standards* and recorded in the relevant *connection agreement*.

S5.3.3 Protection systems and settings

A *Network User* must ensure that all *connections* to the *network* are protected by protection devices which effectively and safely *disconnect* any faulty circuit automatically within a time period specified by the *Network Service Provider* in accordance with the following provisions:

(a) The *automatic access standard* is:

(1) Primary *protection systems* must be provided to *disconnect* any faulted element from the *power system* within the applicable *fault clearance time* determined under clause S5.1.9(a)(1), but subject to clauses S5.1.9(k) and S5.1.9(l).

(2) Each primary *protection system* must have sufficient redundancy to ensure that a faulted element within its protection zone is *disconnected* from the *power system* within the applicable *fault clearance time* with any single protection element (including any communications facility upon which that *protection system* depends) out of service.

(3) *Breaker fail protection systems* must be provided to clear faults that are not cleared by the circuit breakers controlled by the primary *protection system*, within the applicable *fault clearance time* determined under clause S5.1.9(a)(1).

(b) The *minimum access standard* is:

(1) Primary *protection systems* must be provided to *disconnect* from the *power system* any faulted element within their respective protection zones within the applicable *fault clearance time* determined under clause S5.1.9(a)(2), but subject to clauses S5.1.9(k) and S5.1.9(l).

(2) If a *fault clearance time* determined under clause S5.1.9(a)(2) for a protection zone is less than 10 seconds, a *breaker fail protection system* must be provided to clear from the *power system* any fault within that protection zone that is not cleared by the circuit breakers controlled by the primary *protection system*, within the applicable *fault clearance time* determined under clause S5.1.9(a)(3).

(c) The *Network Service Provider* and the *Network User* must cooperate in the design and implementation of *protection systems* to comply with this clause, including cooperation with regard to:

(1) the use of *current transformer* and *voltage transformer* secondary circuits (or equivalent) of one party by the *protection system* of the other;

(2) tripping of one party's circuit breakers by a *protection system* of the other party; and

(3) co-ordination of *protection system* settings to ensure inter-operation.

Before the *Network User's* installation is *connected* to the *Network Service Provider's transmission or distribution system* the *Network User's protection system* must be tested and the *Network User* must submit the appropriate test certificate to the *Network Service Provider*.

The application of settings of the protection scheme must be undertaken in accordance with clause S5.3.4.

S5.3.4 Settings of protection and control systems

A *Network User* must only apply settings to a *control system* or a *protection system* that are necessary to comply with performance requirements of this schedule 5.3 if the settings have been approved in writing by the *Network Service Provider* and, if the requirement is one that would involve *NEMMCO* under clause 5.3.4A(c) of the *Rules*, also by *NEMMCO*. A *Network User* must not allow its *plant* to take *supply* of electricity from the *power system* without such prior approval.

If a *Network User* seeks approval from the *Network Service Provider* to apply or change a setting, approval must not be withheld unless the *Network Service Provider* or, if the requirement is one that would involve *NEMMCO* under clause 5.3.4A(c) of the *Rules*, *NEMMCO*, reasonably determines that the changed setting would cause the *plant* to not comply with the relevant *performance standard* or cause an *inter-regional* or *intra-regional power transfer capability* to be reduced.

If the *Network Service Provider* or, if the requirement is one that would involve *NEMMCO* under clause 5.3.4A(c) of the *Rules*, *NEMMCO*, reasonably determines that a setting of a *control system* or *protection system* of the *plant* needs to change to comply with the relevant *performance standard* or to maintain or restore an *inter-regional* or *intra-regional power transfer capability*, the *Network Service Provider* or *NEMMCO* (as applicable) must consult with the *Network User*, and the *Network Service Provider* may request in writing that a setting be applied in accordance with the determination.

The *Network Service Provider* may also request a test to verify the performance of the relevant *plant* with the new setting.

A *Network User* who receives such a request must arrange for the notified setting to be applied as requested and for a test to be conducted as requested. After the test, the *Network User* must, on request, provide both *NEMMCO* and the *Network Service Provider* with a report of a requested test, including evidence of its success or failure. Such a report of a test is *confidential information*.

A *Network User* must not change a setting requested by the *Network Service Provider* without its prior written agreement. If the *Network Service Provider* requires a *Network User* to change a setting within 18 months of a previous request, the *Network Service Provider* must pay the *Network User* its reasonable costs of changing the setting and conducting the tests as requested.

S5.3.5 Power factor requirements

Automatic access standard: For *loads* equal to or greater than 30 percent of the *maximum demand* at the *connection point* the *power factor*s for *Network Users* and for *distribution networks connected* to another *transmission network* or *distribution network* are shown in Table S5.3.1:

Table S5.3.1

Permissible Range	
Supply Voltage (nominal)	**Power Factor Range**
> 400 kV	0.98 lagging to unity
250 kV - 400 kV	0.96 lagging to unity
50 kV - 250 kV	0.95 lagging to unity
1 kV < 50 kV	0.90 lagging to 0.90 leading

For *load* less than 30 percent of the *maximum demand* at the *connection point* a *Network Service Provider* may accept a *power factor* outside the range stipulated in Table S5.3.1 provided this does not cause the *system standards* to be violated.

Minimum access standard: A *Network Service Provider* may permit a lower lagging or leading *power factor* where the *Network Service Provider* is advised by *NEMMCO* that this will not detrimentally affect *power system security* or reduce *intra-regional* or *inter-regional power transfer capability.*

General:

If the *power factor* falls outside the relevant *performance standard* over any critical *loading* period nominated by the *Network Service Provider*, the *Network User* must, where required by the *Network Service Provider* in order to maintain satisfactory *voltage* levels at the *connection point* or to restore *intra-regional* or *inter-regional power transfer capability*, take action to ensure that the *power factor* falls within range as soon as reasonably practicable. This may be achieved by installing additional *reactive plant* or reaching a commercial agreement with the *Network Service Provider* to install, operate and maintain equivalent *reactive plant* as part of the *connection assets* or by alternative commercial arrangements with another party.

A *Registered Participant* who installs *shunt capacitors* to comply with *power factor* requirements must comply with the *Network Service Provider's* reasonable requirements to ensure that the design does not severely attenuate audio *frequency* signals used for *load* control or operations, or adversely impact on harmonic *voltage* levels at the *connection point.*

S5.3.6 Balancing of load currents

A *Network Service Provider* may require a *connected Registered Participant's load* to be balanced across all phases in order to maintain the negative sequence *voltage* at each *connection point* at less than or equal to the limits set out in Table S5.1a.1 of the *system standards* for the applicable nominal *supply voltage* level.

Automatic access standard: A *Network User* must ensure that:

(a) for *connections* at 30 kV or higher *voltage*, the current in any phase is not greater than 102 percent or less than 98 percent of the average of the currents in the three phases; and

(b) for *connections* at *voltages* less than 30 kV, that the current in any phase is not greater than 105 percent or less than 95 percent of the average of the currents in the three phases.

Minimum access standard: Where agreed with the relevant *Network Service Provider* and subject to any specific conditions imposed, a *Network User* may cause current unbalance greater than that specified in the *automatic access standard* provided the *Network User* does not cause the limits specified in clause S5.1a.7 to be exceeded at any point in the *network*.

General:

The limit to *load* current unbalance must be included in the *connection agreement* and is subject to verification of compliance by the *Network Service Provider*.

Where these requirements cannot be met the *Registered Participant* may enter into a commercial arrangement with the *Network Service Provider* for the installation of equipment to correct the phase unbalance. Such equipment must be considered as part of the *connection assets* for the *Registered Participant*.

The limit to *load* current unbalance must be included in the *connection agreement* and is subject to verification of compliance by the *Network Service Provider*.

S5.3.7 Voltage fluctuations

(a) *Automatic access standard*: The *voltage* fluctuations caused by variations in *loading level* at the *connection point*, including those arising from *energisation*, de-energisation or other operation of *plant*, must not exceed the limits determined under clause S5.1.5(a).

(b) *Minimum access standard*: The *voltage* fluctuations caused by variations in *loading level* at the *connection point*, including those arising from *energisation*, de-energisation or other operation of *plant*, must not exceed the limits determined under clause S5.1.5(b).

The *voltage* fluctuation emission limits and any specified conditions must be included in the *connection agreement*, and are subject to verification of compliance by the *Network Service Provider*.

S5.3.8 Harmonics and voltage notching

(a) *Automatic access standard*: The harmonic *voltage* distortion caused by non-linearity, commutation of power electronic equipment, harmonic resonance and other effects within the *plant*, must not exceed the limits determined under clause S5.1.6(a).

(b) *Minimum access standard*: The harmonic *voltage* distortion caused by non-linearity, commutation of power electronic equipment, harmonic resonance and other effects within the *plant*, must not exceed the limits determined under clause S5.1.6(b).

The harmonic *voltage* distortion emission limits and any special conditions must be included in the *connection agreement*, and is subject to verification of compliance by the *Network Service Provider*.

S5.3.9 Design requirements for Network Users' substations

A *Network User* must comply with the following requirements applicable to the design, station layout and choice of equipment for a *substation*:

(a) safety provisions must comply with requirements applicable to the *participating jurisdiction* notified by the *Network Service Provider*;

(b) where required by the *Network Service Provider*, appropriate interfaces and accommodation must be incorporated for communication *facilities*, remote monitoring and control and protection of *plant* which is to be installed in the *substation*;

(c) a *substation* must be capable of continuous uninterrupted operation with the levels of *voltage*, harmonics, unbalance and *voltage* fluctuation specified in the *system standards* as modified in accordance with the relevant provisions of schedule 5.1;

(d) earthing of primary *plant* in the *substation* must be in accordance with the Electricity Supply Association of Australia Safe Earthing Guide and must reduce step and touch potentials to safe levels;

(e) *synchronisation facilities* or reclose blocking must be provided if a *generating unit* is *connected* through the *substation*;

(f) secure electricity supplies of adequate capacity must be provided for *plant* performing communication, monitoring, control and protection functions;

(g) *plant* must be tested to ensure that the *substation* complies with the approved design and specifications as included in a *connection agreement*;

(h) the protection equipment required would normally include protection schemes for individual items of *plant*, back-up arrangements, auxiliary DC supplies and instrumentation *transformers*; and

(i) insulation levels of *plant* in the *substation* must co-ordinate with the insulation levels of the *network* to which the *substation* is *connected* as nominated in the *connection agreement*.

S5.3.10 Load shedding facilities

Network Users who are *Market Customers* and who have expected peak demands in excess of 10MW must provide automatic *interruptible load* in accordance with clause 4.3.5 of the *Rules*.

Load shedding procedures may be applied by *NEMMCO* in accordance with the provisions of clause 4.3.2 of the *Rules* for the shedding of all *loads* including *sensitive loads.*

Schedule 5.3a - Conditions for connection of Market Network Services

This schedule sets out obligations of *Market Network Service Providers* who *connect* to either a *transmission network* or a *distribution network*. It represents the requirements to be met for access to a *network*. Particular provisions may be varied by the *Network Service Provider* under the provisions of the *Rules* for the application of *minimum access standards* and *automatic access standards.*

This schedule includes specific provisions for the determination of *automatic access standards* and *negotiated access standards* derived from *minimum access standards* which, once determined, must be recorded together with the *automatic access standards* in a *connection agreement* and registered with *NEMMCO* as *performance standards.*

In this schedule, the term "*Network Service Provider*" applies only to the *Network Service Provider* with whom the *Market Network Service Provider* has lodged, or is considering lodging, an *application to connect*.

(a) The schedule includes, in respect of each *market network service*, provisions regarding the capability to:

(1) automatically control the transfer of real power at the *connection point* for any given set of *system* conditions within the limits permitted under the *Rules*;

(2) respond to control requirements under expected normal and abnormal conditions;

(3) comply with general requirements to meet quality of *supply* obligations in accordance with clauses S5.3a.9, S5.3a.10 and S5.3a.11 and to maintain security of *supply* to other *Registered Participants*; and

(4) automatically *disconnect* itself when necessary to prevent any damage to the *market network service facilities* or threat to *power system security*.

(b) This schedule also sets out the requirements and conditions, which (subject to clause 5.2.3 of the *Rules*) are obligations of *Market Network Service Providers* to:

(1) co-operate with the relevant *Network Service Provider* on technical matters when making a new *connection*;

(2) provide information to the *Network Service Provider* or *NEMMCO;* and

(3) observe and apply the relevant provisions of the *system standards* contained in schedule 5.1a in relation to the planning, design and operation of its *market network service facilities*.

(c) This schedule does not set out arrangements by which a *Market Network Service Provider* may enter into an agreement or contract with *NEMMCO* to:

(1) provide additional services that are necessary to maintain *power system security*; or

(2) provide additional service to facilitate management of the *market*.

S5.3a.1 Provision of Information

(a) Before a *Market Network Service Provider connects* any new or additional equipment to a *network*, the *Market Network Service Provider* must submit the following kinds of information to the *Network Service Provider*:

(1) a single line diagram with the protection details;

(2) *metering system* design details for any metering equipment being provided by the *Market Network Service Provider*;

(3) a general arrangement locating all relevant equipment on the site;

(4) a general arrangement for each new or altered *substation* showing all exits and the position of all electrical equipment;

(5) type test certificates for all new switchgear and *transformers*, including measurement *transformers* to be used for *metering* purposes in accordance with Chapter 7 of the *Rules*;

(6) earthing details;

(7) the proposed methods of earthing cables and other equipment to comply with the regulations of the relevant *participating jurisdiction*;

(8) *plant* and earth grid test certificates from approved test authorities;

(9) a secondary injection and trip test certificate on all circuit breakers;

(10) certification that all new equipment has been inspected before being *connected* to the *supply*; and

(11) operational arrangements.

(b) For the purposes of clause 5.3.2(f) of the *Rules*, the technical information that a *Network Service Provider* must, if requested, provide to a *Connection*

Applicant in respect of the proposed *connection* of a *market network service facility* includes:

(1) the highest expected single phase and three phase fault levels at the *connection point* without the proposed *connection*;

(2) the clearing times of the existing *protection systems* that would clear a fault at the location at which the new *connection* would be connected into the existing *transmission system* or *distribution system*;

(3) the expected limits of *voltage* fluctuation, harmonic *voltage* distortion and *voltage* unbalance at the *connection point* without the proposed *connection*;

(4) technical information relevant to the *connection point* without the proposed *connection* including equivalent source impedance information, sufficient to estimate fault levels, *voltage* fluctuations, harmonic *voltage* distortion and *voltage* unbalance; and

(5) any other information or data not being *confidential information* relating to the performance of the *Network Service Provider's facilities* that is reasonably necessary for the *Connection Applicant* to prepare an *application to connect*;

except where the *Connection Applicant* agrees the *Network Service Provider* may provide alternative or less detailed technical information in satisfaction of this clause S5.3a.1(b).

S5.3a.2 Application of settings

A *Market Network Service Provider* must only apply settings to a *control system* or a *protection system* that are necessary to comply with performance requirements of this schedule 5.3a if the settings have been approved in writing by the *Network Service Provider* and, if the requirement is one that would involve *NEMMCO* under clause 5.3.4A(c) of the *Rules*, also by *NEMMCO*. A *Market Network Service Provider* must not allow its *market network service facilities* to take electricity from the *power system* without such prior approval.

If a *Market Network Service Provider* seeks approval from the *Network Service Provider* to apply or change a setting, approval must not be withheld unless the *Network Service Provider* or, if the requirement is one that would involve *NEMMCO* under clause 5.3.4A(c) of the *Rules*, *NEMMCO*, reasonably determines that the changed setting would cause the *market network service facilities* to not comply with the relevant *performance standard* or cause an *inter-regional* or *intra-regional power transfer capability* to be reduced.

If the *Network Service Provider* or, if the requirement is one that would involve *NEMMCO* under clause 5.3.4A(c) of the *Rules*, *NEMMCO*, reasonably determines

that a setting of a *market network service facility's control system* or *protection system* needs to change to comply with the relevant *performance standard* or to maintain or restore an *inter-regional* or *intra-regional power transfer capability*, the *Network Service Provider* or *NEMMCO* (as applicable) must consult with the *Market Network Service Provider*, and may request in writing that a setting be applied in accordance with the determination.

The *Network Service Provider* may also request a test to verify the performance of the relevant *plant* with the new setting. The *Network Service Provider* must provide *NEMMCO* with a copy of its request to a *Market Network Service Provider* to apply a setting or to conduct a test.

A *Market Network Service Provider* who receives such a request must arrange for the notified setting to be applied as requested and for a test to be conducted as requested. After the test, the *Market Network Service Provider* must, on request, provide both *NEMMCO* and the *Network Service Provider* with a report of a requested test, including evidence of its success or failure. Such a report of a test is *confidential information*.

A *Market Network Service Provider* must not change a setting requested by the *Network Service Provider* without its prior written agreement. If the *Network Service Provider* requires a *Market Network Service Provider* to change a setting within 18 months of a previous request, the *Network Service Provider* must pay the *Market Network Service Provider* its reasonable costs of changing the setting and conducting the tests as requested.

S5.3a.3 Technical matters to be co-ordinated

A *Market Network Service Provider* and the relevant *Network Service Provider* must use all reasonable endeavours to agree upon the following matters in respect of each new or altered *connection* of a *market network service facility* to a *network*:

(a) design at the *connection point*;

(b) physical layout adjacent to the *connection point*;

(c) primary protection and backup protection (clause S5.3a.6);

(d) control characteristics (clause S5.3a.4);

(e) communications and alarms (clause S5.3a.4);

(f) insulation co-ordination and lightning protection;

(g) fault levels and *fault clearance times*;

(h) switching and *isolation facilities*;

(i) interlocking arrangements; and

(j) *metering installations* as described in Chapter 7 of the *Rules*.

S5.3a.4 Monitoring and control requirements

S5.3a.4.1 Remote Monitoring

(a) *Automatic access standard*:

(1) Each *market network service facility* must have *remote monitoring equipment* to transmit to *NEMMCO's control centres* in real time, the quantities that *NEMMCO* reasonably requires to discharge its *market* and *power system security* functions as set out in Chapters 3 and 4 of the *Rules* respectively.

(2) The quantities may include such data as current, *voltage*, *active power*, *reactive power*, operational limits and critical temperatures in respect of *connection points* and power conversion systems.

(b) *Minimum access standard*:

(1) Each *market network service facility* must have *remote monitoring equipment* to transmit to *NEMMCO's control centres* in real time:

(A) *connection point active power* flow, *reactive power* flow and *voltage*;

(B) *active power*, *reactive power* and *voltage* for AC power lines, *transformers* and *busbars*, and power and *voltage* (or alternatively current) for DC power lines; and

(C) the status of circuit breakers.

(c) The negotiation of access standards in relation to this clause S5.3a.4.1 must involve *NEMMCO* under clause 5.3.4A(c) of the *Rules*.

S5.3a.4.2 [Deleted]

S5.3a.4.3 Communications equipment

A *Market Network Service Provider* must provide electricity *supplies* for *remote monitoring equipment* and *remote control equipment* installed in relation to its *market network service facilities* capable of keeping such equipment available for at least three hours following total loss of *supply* at the *connection point* for the relevant *market network service facility*.

A *Market Network Service Provider* must provide communications paths (with appropriate redundancy) from the *remote monitoring equipment* or *remote control equipment* installed at any of its *market network service facilities* to a communications interface in a location reasonably acceptable to the *Network Service Provider* at the relevant *connection point.* Communications systems between this communications interface and the *control centre* are the responsibility of the *Network Service Provider* unless otherwise agreed by the *Market Network Service Provider* and the *Network Service Provider*.

Telecommunications between *Network Service Providers* and *Market Network Service Providers* for *operational communications* must be established in accordance with the requirements set down below.

(a) Primary Speech Facility

The relevant *Network Service Provider* must provide and maintain equipment by means of which routine and emergency control telephone calls may be established between the *Market Network Service Provider's* responsible Engineer/Operator and *NEMMCO*.

The *facilities* to be provided, including the interface requirement between the *Network Service Provider's* equipment and the *Market Network Service Provider's* equipment, must be specified by the *Network Service Provider*.

The costs of the equipment must be recovered by the *Network Service Provider* only through the charge for *connection.*

(b) Back-up Speech Facility

Where the *Network Service Provider* or *NEMMCO* reasonably determines that a back-up speech *facility* to the primary *facility* is required, the *Network Service Provider* must provide and maintain a separate telephone link or radio installation on a cost-recovery basis only through the charge for *connection.*

The *Network Service Provider* is responsible for radio system planning and for obtaining all necessary radio licences.

S5.3a.5 Design standards

A *Market Network Service Provider* must ensure that:

(a) the electrical *plant* in its *facility* complies with the relevant *Australian Standards* as applicable at the time of first installation of that electrical *plant* in the *facility*;

(b) circuit breakers provided to isolate the *Market Network Service Provider's facilities* from the *Network Service Provider's facilities* are capable of breaking, without damage or restrike, fault currents nominated by the *Network Service Provider* in the relevant *connection agreement*; and

(c) all new equipment including circuit breakers provided to isolate the *Market Network Service Provider's facilities* from the *Network Service Provider's facilities* is capable of withstanding, without damage, power *frequency voltages* and impulse levels nominated by the *Network Service Provider* in accordance with the relevant provisions of the *system standards* and recorded in the relevant *connection agreement*.

S5.3a.6 Protection systems and settings

A *Market Network Service Provider* must ensure that all *connections* to the *network* are protected by protection devices which effectively and safely *disconnect* any faulty circuit automatically within a time period specified by the *Network Service Provider* in accordance with the following provisions:

(a) The *automatic access standard* is:

(1) Primary *protection systems* must be provided to *disconnect* any faulted element from the *power system* within the applicable *fault clearance time* determined under clause S5.1.9(a)(1), but subject to clauses S5.1.9(k) and S5.1.9(l).

(2) Each primary *protection system* must have sufficient redundancy to ensure that a faulted element within its protection zone is *disconnected* from the *power system* within the applicable *fault clearance time* with any single protection element (including any communications facility upon which that *protection system* depends) out of service.

(3) *Breaker fail protection systems* must be provided to clear faults that are not cleared by the circuit breakers controlled by the primary *protection system*, within the applicable *fault clearance time* determined under clause S5.1.9(a)(1).

(b) The *minimum access standard* is:

(1) Primary *protection systems* must be provided to *disconnect* from the *power system* any faulted element within their respective protection zones within the applicable *fault clearance time* determined under clause S5.1.9(a)(2), but subject to clauses S5.1.9(k) and S5.1.9(l).

(2) If a *fault clearance time* determined under clause S5.1.9(a)(2) for a protection zone is less than 10 seconds, a *breaker fail protection system* must be provided to clear from the *power system* any fault within that protection zone that is not cleared by the circuit breakers

controlled by the primary *protection system*, within the applicable *fault clearance time* determined under clause S5.1.9(a)(3).

(c) The *Network Service Provider* and the *Market Network Service Provider* must cooperate in the design and implementation of *protection systems* to comply with this clause, including cooperation with regard to:

(1) the use of *current transformer* and *voltage transformer* secondary circuits (or equivalent) of one party by the *protection system* of the other;

(2) tripping of one party's circuit breakers by a *protection system* of the other party; and

(3) co-ordination of *protection system* settings to ensure inter-operation.

The *Market Network Service Provider* must ensure that the protection settings of its protective equipment grade with the *Network Service Provider's transmission system* or *distribution system* protection settings. Similarly the grading requirements of fuses must be co-ordinated with the *Network Service Provider*. The *Market Network Service Provider* must provide details of the protection scheme implemented by the *Market Network Service Provider* to the *Network Service Provider* and must liaise with the *Network Service Provider* when determining gradings and settings.

The application of settings of the protection scheme must be undertaken in accordance with clause S5.3a.2.

Before the *Market Network Service Provider's* installation is *connected* to the *Network Service Provider's transmission or distribution system* the *Market Network Service Provider's protection system* must be tested and the *Market Network Service Provider* must submit the appropriate test certificate to the *Network Service Provider*.

S5.3a.7 [Deleted]

S5.3a.8 Reactive power capability

Subject to the access standards stated in this clause S5.3a.8, if additional *reactive support* is required as a result of the *connection* or operation of the *network elements* which provide a *market network service* then the requisite *reactive support* must be supplied or paid for by the *Market Network Service Provider*.

Additional reactive support is required if, at rated power output as measured at the *connection point* of the *market network service* the *market network service* has a lagging power factor of less than 0.9 or a leading power factor of less than 0.95.

Automatic access standard: For power export, at rated power output and target *network voltage* as determined in accordance with clause S5.1a.4 of the *system standards* when measured at the *connection point* of the *market network service*, the *market network service* must be capable of operation in the range from a lagging power factor of 0.9 to a leading power factor of 0.95. For power import, the power factor must satisfy the requirements of clause S5.3.5 of schedule 5.3.

Minimum access standard: With the agreement of *NEMMCO* and the *Network Service Provider*, a power factor capability less than that defined by the *automatic access standard* may be provided if the requirements of the *system standards* are satisfied under all operating conditions of the *market network service*.

S5.3a.9 Balancing of load currents

A *Network Service Provider* may require a *Market Network Service Provider's power transfer* to be balanced at a *connection point* in order to maintain the negative sequence *voltage* at each connection point at less than or equal to the limits set out in Table S5.1a.1 of the *system standards* for the applicable nominal *supply voltage* level.

Automatic access standard: A *Market Network Service Provider* must ensure that for *connections* at 11kV or higher *voltage*, the current in any phase drawn by its equipment from the *Network Service Provider's network* is not greater than 102 percent or less than 98 percent of the average of the currents in the three phases.

Minimum access standard: Where agreed with the relevant *Network Service Provider* and subject to any specific conditions imposed, a *Market Network Service Provider* may cause current unbalance greater than that specified in the *automatic access standard* provided the *Market Network Service Provider* does not cause the limits specified in clause S5.1a.7 of the *system standards* to be exceeded at any point in the *network*.

Where these requirements cannot be met the *Market Network Service Provider* may enter into a commercial arrangement with the *Network Service Provider* for the installation of equipment to correct the phase unbalance. Such equipment must be considered as part of the *connection assets* for the *Market Network Service Provider*.

The limit to *power transfer* current unbalance must be included in the *connection agreement* and is subject to verification of compliance by the *Network Service Provider*.

S5.3a.10 Voltage fluctuations

(a) *Automatic access standard*: The *voltage* fluctuations caused by variations in *loading level* at the *connection point*, including those arising from

energisation, de-energisation or other operation of *plant*, must not exceed the limits determined under clause S5.1.5(a).

(b) *Minimum access standard*: The *voltage* fluctuations caused by variations in *loading level* at the *connection point*, including those arising from *energisation*, de-energisation or other operation of *plant*, must not exceed the limits determined under clause S5.1.5(b).

The *voltage* fluctuation emission limits and any specified conditions must be included in the *connection agreement*, and are subject to verification of compliance by the *Network Service Provider*.

S5.3a.11 Harmonics and voltage notching

(a) *Automatic access standard*: The harmonic *voltage* distortion caused by non-linearity, commutation of power electronic equipment, harmonic resonance and other effects within the *plant*, must not exceed the limits determined under clause S5.1.6(a).

(b) *Minimum access standard*: The harmonic *voltage* distortion caused by non-linearity, commutation of power electronic equipment, harmonic resonance and other effects within the *plant*, must not exceed the limits determined under clause S5.1.6(b).

A *Market Network Service Provider* must ensure that all of its *plant connected* to a *transmission network* or *distribution network* is capable of withstanding the effects of harmonic levels produced by that *plant* plus those imposed from the *network*.

The harmonic *voltage* distortion emission limits and any special conditions must be included in the *connection agreement*, and are subject to verification of compliance by the *Network Service Provider*.

S5.3a.12 Design requirements for Market Network Service Providers' substations

A *Market Network Service Provider* must comply with the following requirements applicable to the design, station layout and choice of equipment for a *substation*:

(a) safety provisions must comply with requirements applicable to the *participating jurisdiction* notified by the *Network Service Provider*;

(b) where required by the *Network Service Provider*, appropriate interfaces and accommodation must be incorporated for communication *facilities*, remote monitoring and control and protection of *plant* which is to be installed in the *substation*;

(c) a *substation* must be capable of continuous uninterrupted operation with the levels of *voltage*, harmonics, unbalance and *voltage* fluctuation specified in the *system standards* as modified in accordance with the relevant provisions of schedule 5.1;

(d) earthing of primary *plant* in the *substation* must be in accordance with the Electricity Supply Association of Australia Safe Earthing Guide and must reduce step and touch potentials to safe levels;

(e) *synchronisation facilities* or reclose blocking must be provided if necessary;

(f) secure electricity supplies of adequate capacity must be provided for *plant* performing communication, monitoring, control and protection functions;

(g) *plant* must be tested to ensure that the *substation* complies with the approved design and specifications as included in a *connection agreement*;

(h) the protection equipment required would normally include protection schemes for individual items of *plant*, back-up arrangements, auxiliary DC supplies and instrumentation *transformers*; and

(i) insulation levels of *plant* in the *substation* must co-ordinate with the insulation levels of the *network* to which the *substation* is *connected* as nominated in the *connection agreement*.

S5.3a.13 Market network service response to disturbances in the power system

(a) Each *market network service* must be capable of continuous uninterrupted operation during the occurrence of:

(1) *power system frequency* within the *frequency operating standards*; or

(2) the range of *voltage* variation conditions permitted by the *system standards*.

(b) The equipment associated with each *market network service* must be designed to withstand without damage or reduction in life expectancy the harmonic distortion and *voltage* unbalance conditions determined to apply in accordance with the provisions of schedule 5.1, clauses S5.1.6 and S5.1.7, respectively, at the *connection point*.

S5.3a.14 Protection of market network services from power system disturbances

(a) *Minimum access standard*: If a *Connection Applicant* requires that its *market network service facility* be automatically *disconnected* from the *power system* in response to abnormal conditions arising from the *power*

system, the relevant *protection system* or *control system* must not *disconnect* the *facility* for conditions under which it must continuously operate or must withstand under a provision of the *Rules*.

(b) There is no *automatic access standard* for this technical requirement.

(c) For the purposes of this clause S5.3a.14, the abnormal conditions include:

(1) *frequency* outside the *extreme frequency excursion tolerance limits*;

(2) sustained and uncontrollable DC current beyond a short term current rating for the period assigned to that rating;

(3) DC *voltage* above the *voltage* maximum rating or sustained below any lower limit for stable operation;

(4) *voltage* to *frequency* ratio beyond *a transformer* magnetic flux based *voltage* to *frequency* rating;

(5) sustained *voltage* fluctuations at the *connection point* beyond the level determined under clause S5.1.5(a);

(6) sustained harmonic *voltage* distortion at the *connection point* beyond the level determined under clause S5.1.6(a);

(7) sustained negative phase sequence *voltage* at the *connection point* beyond the level determined under clause S5.1.7(a); and

(8) any similar condition agreed between the *Market Network Service Provider* and *NEMMCO* after consultation with each relevant *Network Service Provider*.

(d) The negotiation of access standards in relation to this clause S5.3a.14 must involve *NEMMCO* under clause 5.3.4A(c) of the *Rules*.

(e) The *Network Service Provider* is not liable for any loss or damage incurred by the *Market Network Service Provider* or any other person as a consequence of a fault on either the *power system*, or within the *Market Network Service Provider's facility*.

Schedule 5.4 - Information to be Provided with Preliminary Enquiry

The following items of information are required to be submitted with a preliminary enquiry for *connection* or modification of an existing *connection*:

(a) Type of *plant* - (eg. gas turbine *generating unit*; rolling mill, etc.).

(b) Preferred site location - (listing any alternatives in order of preference as well).

(c) Maximum power *generation* or demand of whole *plant* - (maximum MW and/or MVA, or average over 15 minutes or similar).

(d) Expected *energy* production or consumption (MWh per month).

(e) *Plant* type and configuration - (eg. number and type of *generating units* or number of separate production lines).

(f) Nature of any disturbing *load* (size of disturbing component MW/MVAr, duty cycle, nature of power electronic *plant* which may produce harmonic distortion).

(g) Technology of proposed *generating unit* (e.g. *synchronous generating unit*, induction generator, photovoltaic array, etc).

(h) When *plant* is to be in service - (eg. estimated date for each *generating unit*).

(i) Name and address of enquirer, and, if relevant, of the party for whom the enquirer is acting.

(j) Other information may be requested by the *Network Service Provider*, such as amount and timing of power required during construction or any auxiliary power requirements.

Schedule 5.5 - Technical Details to Support Application for Connection and Connection Agreement

S5.5.1 Various sections of the *Rules* require that *Registered Participants* submit technical data to the *Network Service Provider*. This schedule lists the range of data which may be required. The actual data required will be advised by the *Network Service Provider*, and will form part of the technical specification in the *connection agreement*. These data will also be made available to *NEMMCO* and to other *Network Service Provider*s by the *Network Service Provider* at the appropriate time.

S5.5.2 Data is coded in categories, according to the stage at which it is available in the build-up of data during the process of forming a *connection* or obtaining access to a *network*, with data acquired at each stage being carried forward, or enhanced in subsequent stages, eg. by testing.

Preliminary system planning data

This data is required for submission with the *application to connect*, to allow the *Network Service Provider* to prepare an offer of terms and conditions for a *connection agreement* and to assess the requirement for, and effect of, *network augmentation* or *extension* options. Such data is normally limited to the items denoted as Standard Planning Data (S) in the *Generating System Model Guidelines*, *Generating System Design Data Sheet*, *Generating System Setting Data Sheet* and in schedules 5.5.3 to 5.5.5.

The *Network Service Provider* may, in cases where there is reasonable doubt as to the viability of a proposal, require the submission of other data before making an offer to *connect* or to amend a *connection agreement*.

Registered system planning data

This is the class of data which will be included in the *connection agreement* signed by both parties. It consists of the preliminary system planning data plus those items denoted in the attached schedules as Detailed Planning Data (D). The latter must be submitted by the *Registered Participant* in time for inclusion in the *connection agreement*.

Registered data

Registered Data consists of data validated and agreed between the *Network Service Provider* and the *Registered Participant*, such data being:

(a) prior to actual *connection* and provision of access, data derived from manufacturers' data, detailed design calculations, works or site tests etc. (R1); and

(b) after connection, data derived from on-system testing (R2).

All of the data will, from this stage, be categorised and referred to as Registered Data; but for convenience the schedules omit placing a higher ranked code next to items which are expected to already be valid at an earlier stage.

S5.5.3 Data will be subject to review at reasonable intervals to ensure its continued accuracy and relevance. The *Network Service Provider* must initiate this review. A *Registered Participant* may *change* any data item at a time other than when that item would normally be reviewed or updated by submission to the *Network Service Provider* of the revised data, together with authentication documents, eg. test reports.

The *Network Service Provider* must supply data relating to its system to other *Network Service Provider*s for planning purposes and to other *Registered Participants* and *NEMMCO* as specified in the various sections of the *Rules*, including through the *statement of opportunities*.

S5.5.4 Schedules 5.5.3 to 5.5.5 cover the following data areas:

(a) schedule 5.5.3 - Network Plant Technical Data. This comprises fixed electrical parameters.

(b) schedule 5.5.4 - Plant and Apparatus Setting Data. This comprises settings which can be varied by agreement or by direction of the *Network Service Provider* or *NEMMCO*.

(c) schedule 5.5.5 - *Load* Characteristics. This comprises the estimated design parameters of *loads*.

The documents and schedules applicable to each class of *Registered Participant* are as follows:

(a) *Generators*: the *Generating System Model Guidelines*, *Generating System Design Data Sheet* and *Generating System Setting Data Sheet*;

(b) *Customers* and *Network Service Providers*: schedules 5.5.3 and 5.5.4; and

(c) *Customers:* schedule 5.5.5.

S5.5.5 A *Generator* that *connects* a *generating system*, that is an *asynchronous generating unit*, must be given exemption from complying with those parts of the *Generating System Model Guidelines*, *Generating System Design Data Sheet* and *Generating System Setting Data Sheet* that are determined by the *Network Service Provider* to be not relevant to such *generating systems*, but must comply with those parts of schedules 5.5.3, 5.5.4, and 5.5.5 that are relevant to such *generating systems*, as determined by the *Network Service Provider*.

S5.5.6 A *Generator* that *connects* a *generating unit* equal to or smaller than 30 MW or a number of *generating units* totalling less than 30 MW to a *connection point* to a *distribution network* will usually be required to submit less registered system planning data and less registered data than is indicated in the *Generating System Model Guidelines*, *Generating System Design Data Sheet* and *Generating System Setting Data Sheet*. In general these data will be limited to confirmation of the preliminary system planning data, marked (S), but other data must be supplied if reasonably required by the *Network Service Provider* or *NEMMCO*.

Codes:

S = Standard Planning Data

D = Detailed Planning Data

R = Registered Data (R1 pre-*connection*, R2 post-*connection*)

S5.5.7

(a) *NEMMCO* must, subject to paragraph (b), develop and *publish* by 1 March 2008, in accordance with the *Rules consultation procedures:*

(1) a *Generating System Design Data Sheet* describing, for relevant technologies, the *generating system* design parameters of *generating units* and *generating systems* including *plant* configurations, impedances, time constants, non-linearities, ratings and capabilities, to be provided under clauses S5.2.4 and this schedule 5.5;

(2) a *Generating System Setting Data Sheet* describing, for relevant *generation* and *control system* technologies, the *protection system* and *control system* settings of *generating units* and *generating systems* including configurations, gains, time constants, delays, deadbands, non-linearities and limits, to be provided under clauses S5.2.4 and this schedule 5.5; and

(3) *Generating System Model Guidelines* describing, for relevant *generation* and *control system* technologies, *NEMMCO's* requirements when developing mathematical models for *generating units* and *generating systems*, including the impact of their *control systems* and *protection systems* on *power system security*,

and there must be a *Generating System Design Data Sheet*, *Generating System Setting Data Sheet* and *Generating System Model Guidelines* in place at all times after that date.

(b) When developing and *publishing* the *Generating System Design Data Sheet*, *Generating System Setting Data Sheet* and *Generating System Model Guidelines* under paragraph (a), *NEMMCO* must have regard to the purpose of developing and *publishing* the sheets and guidelines which is to:

(1) allow *generating units* and *generating systems* to be mathematically modelled by *NEMMCO* in load flow and dynamic stability assessments with sufficient accuracy to permit:

(i) the *power system* operating limits for ensuring *power system security* to be quantified with the lowest practical safety margins;

(ii) proposed *access standards* and *performance standards* of *generating units* and *generating systems* to be assessed; and

(iii) settings of *control systems* and *protection systems* of *generating units*, *generating systems* and *networks* to be assessed and quantified for maximum practical performance of the *power system;* and

(2) identify for each type of data its category in terms of clause S5.5.2.

(c) Any person may submit a request (with written reasons) to *NEMMCO* to amend the *Generating System Design Data Sheet*, *Generating System Setting Data Sheet* or the *Generating System Model Guidelines* and *NEMMCO* must conduct the *Rules consultation procedures* in relation to the request.

(d) *NEMMCO* can make amendments requested under paragraph (c) or otherwise to the *Generating System Design Data Sheet*, *Generating System Setting Data Sheet* or the *Generating System Model Guidelines* without conducting the *Rules consultation procedures* if the amendment is minor or administrative in nature.

(e) *NEMMCO* may at the conclusion of the *Rules consultation procedures* under paragraph (c) or otherwise under paragraph (d), amend the relevant data sheet or guidelines (if necessary).

Schedule 5.5.1 - [Deleted]

Schedule 5.5.2 - [Deleted]

Schedule 5.5.3 - Network and plant technical data of equipment at or near connection point

Data Description	Units	Data Category
Voltage Rating		
Nominal v*oltage*	kV	S, D
Highest *voltage*	kV	D

Data Description	Units	Data Category
Insulation Co-ordination		
Rated lightning impulse withstand *voltage*	kVp	D
Rated short duration power *frequency* withstand *voltage*	kV	D
Rated Currents		
Circuit maximum current	kA	S, D
Rated Short Time Withstand Current	kA for seconds	D
Ambient conditions under which above current applies	Text	S,D
Earthing		
System Earthing Method	Text	S, D
Earth grid rated current	kA for seconds	D
Insulation Pollution Performance		
Minimum total creepage	mm	D
Pollution level	Level of *IEC* 815	D
Controls		
Remote control and data transmission arrangements	Text	D
Metering Provided by Customer		
Measurement *transformer* ratios:		D
Current transformers	A/A	D
Voltage transformers	V/kV	D
Measurement *Transformer* Test Certification details	Text	R1

Data Description	Units	Data Category
Network Configuration		
Operation Diagrams showing the electrical circuits of the existing and proposed main *facilities* within the *Registered Participant's* ownership including *busbar* arrangements, phasing arrangements, earthing arrangements, switching *facilities* and operating *voltage*s.	Single line Diagrams	S, D, R1
Network Impedance		
For each item of *plant*: details of the positive, negative and zero sequence series and shunt impedance, including mutual coupling between physically adjacent elements.	% on 100 MVA base	S, D, R1
Short Circuit Infeed to the Network		
Maximum generator 3-phase short circuit infeed including infeeds from *generating units connected* to the *Registered Participant's system*, calculated by method of AS 3851 (1991).	kA symmetrical	S, D, R1
The total infeed at the instant of fault (including contribution of induction motors).	kA	D, R1
Minimum zero sequence impedance of *Registered Participant's network* at *connection point*.	% on 100 MVA base	D, R1
Minimum negative sequence impedance of *Registered Participant's network* at *connection point*.	% on 100 MVA base	D, R1
Load Transfer Capability:		
Where a *load*, or group of *loads*, may be fed from alternative *connection points*:		
Load normally taken from *connection point* X	MW	D, R1
Load normally taken from *connection point* Y	MW	D, R1
Arrangements for transfer under planned or fault *outage* conditions	Text	D
Circuits Connecting Embedded Generating		

Data Description	Units	Data Category
Units to the Network:		
For all g*enerating units*, all connecting lines/cables, *transformers* etc.		
Series Resistance	% on 100 MVA base	D, R
Series Reactance	% on 100 MVA base	D, R
Shunt Susceptance	% on 100 MVA base	D, R
Normal and short-time emergency ratings	MVA	D,R
Technical Details of *generating units* and *generating systems* as per the *Generating System Design Data Sheet*, *Generating System Setting Data Sheet* and the *Generating System Model Guidelines* where such details are not *confidential information*		
Transformers* at *connection points:		
Saturation curve	Diagram	R
Equipment associated with DC Links		
Number of poles	MVA	D,R
Converters per station	Quantity	D,R
Reactive Power consumption of converters	MCAr	D,R
Location and Rating of A.C. Filters	MVAr	D,R
Location and Rating of Shunt Capacitors	MVAr	D,R
Location and Rating of Smoothing *Reactor*	MVAr	D,R
Location and Rating of DC Filter	MVAr	D,R

Schedule 5.5.4 - Network Plant and Apparatus Setting Data

Data Description	Units	Data Category
Protection Data for Protection relevant to Connection Point:		
Reach of all protections on *transmission lines*, or	ohms or %	S, D

Data Description	Units	Data Category
cables	on 100 MVA base	
Number of protections on each item	Text	S, D
Total fault clearing times for near and remote faults	ms	S, D, R1
Line reclosure sequence details	Text	S, D, R1
Tap Change Control Data:		
Time delay settings of all *transformer* tap changers.	Seconds	D, R1
Reactive Compensation:		
Location and Rating of individual *shunt reactors*	MVAr	D, R1
Location and Rating of individual *shunt capacitor* banks	MVAr	D, R1
Capacitor bank capacitance	microfarads	D
Inductance of switching *reactor* (if fitted)	millihenries	D
Resistance of capacitor plus *reactor*	Ohms	D
Details of special controls (e.g. Point-on-wave switching)	Text	D
For each shunt reactor or capacitor bank:		
Method of switching	Text	S
Details of automatic control logic such that operating characteristics can be determined	Text	D, R1
FACTS Installation:		
Data sufficient to enable static and dynamic performance of the installation to be modelled	Text, diagrams control settings	S, D, R1
Transmission line flow control device	Text,	D
Details of the operation of the control device under normal operation conditions (including startup and shutdown of the line) and during a fault (close up	diagrams	

Data Description	Units	Data Category
and remote)		
Models for the control device and transmission line appropriate for load flow, small signal stability and transient stability analysis	Text, diagrams	D
Capability of the line flow control device	KA, MVA, MW	D
Details of the rate of change of flow capability of the control device	Text	D
Details of the capability of the control device to provide frequency and voltage control	Text	D
Description of possible failure modes of control device	Text	D
Details of performance of the control device under disturbance conditions including changes in AC frequency, variations in AC system voltages and Ac system waveform distortion.	Text	D
For DC control devices, contribution to the AC system short circuit level	KA, MVA	D

Schedule 5.5.5 - Load Characteristics at Connection Point

Data Description	Units	Data Category
For all Types of Load		
Type of *Load* eg controlled rectifiers or large motor drives	Text	S
For Fluctuating Loads		
Cyclic variation of *active power* over period	Graph MW/time	S
Cyclic variation of *reactive power* over period	Graph MVAr/time	S
Maximum rate of change of *active power*	MW/s	S
Maximum rate of change of *reactive power*	MVAr/s	S

Data Description	Units	Data Category
Shortest Repetitive time interval between fluctuations in active and *reactive power* reviewed annually	s	S
Largest Step Change:		
In *active power*	MW	S
In *reactive power*	MVAr	S

Schedule 5.6 - Terms and Conditions of Connection agreements

The *connection agreements* must contain the specific conditions that have been agreed to for *connection* and access to the *transmission* or *distribution network*, including but not limited to:

(a) details of the *connection point* including the *distribution network coupling points* where appropriate;

(b) *metering* arrangements and adjustments for losses where the point of *metering* is significantly different to the *connection point*;

(c) authorised demand which may be taken or supplied at the *connection point* (under specified conditions);

(c1) details of each *access standard* agreed between the *Network Service Provider* and the *Registered Participant* and all related conditions of agreement resulting from the application of any access provisions contained in schedule 5.1 for *Network Service Providers*, or schedule 5.2 for *Generators*, or schedule 5.3 for *Customers*, or schedule 5.3a for *Market Network Service Providers*;

(d) *connection service* charges;

(e) payment conditions;

(f) duration and termination conditions of the *connection agreement*;

(g) terms, conditions and *constraints* that have been agreed to for *connection* to the *network* to protect the legitimate interest of the *Network Service Provider*s including rights to *disconnect* the *Registered Participant* for breach of commercial undertakings;

(h) details of any agreed standards of *reliability* of *transmission service* or *distribution service* at the *connection point*s or within the *network*;

(i) testing intervals for *protection systems* associated with the *connection point*;

(j) agreed protocols for maintenance co-ordination;

(k) where an expected *load*, to be connected to a *network*, has a *peak load* requirement in excess 10 MW, the provision, installation, operation and maintenance of automatic *load* shedding facilities for 60 percent of the *load* at anytime; and

(l) terms and conditions of access to the *metering installation* for the *Metering Provider*.

The *connection agreements* may include other technical, commercial and legal conditions governing works required for the *connection* or *extension* to the *network* which the parties have negotiated and agreed to. The circumstances under which the terms of the *connection agreement* would require renegotiation may also be included.

Schedule 5.7 - Annual Forecast Information for Planning Purposes

This schedule sets out the information in respect of each *connection point* that must be provided to the relevant *Network Service Provider* by each *Registered Participant* that has a *connection point* to a *transmission network* of that *Network Service Provider*.

Data Description	Units	Time Scale	Data Category
At each *connection point* to a *transmission network*, a forecast of:			
Annual Maximum *Active power* - Winter	MW	years 1-10	Annual
Coincident *Reactive Power* - Winter	MVAr	years 1-10	Annual
Annual Maximum *Active power* - Summer	MW	years 1-10	Annual
Coincident *Reactive Power* - Summer	MVAr	years 1-10	Annual
Forecast *load* diversity between each *connection point* to the *network* (winter and summer)	%	years 1-5	Annual
Load Profiles:			
The following forecast daily *profile*s of *connection point* half-hourly average active and reactive *loads* are required, net of all *generating plant*:			
Day of the peak summer and winter MW *peak load* at *connection point*	MW and MVAr	years 1-5	Annual
Day of *network* peak summer and winter MW *load* (as specified)	MW and MVAr	years 1-5	Annual

Data Description	**Units**	**Time Scale**	**Data Category**
Each July, October, January, April under average conditions representing:			
(a)weekdays	MW and MVAr	years 1-5	Annual
(b)Saturdays	MW and MVAr	years 1-5	Annual
(c)Sundays/holidays	MW and MVAr	years 1-5	Annual
Day of the *network* minimum demand (as specified)	MW and MVAr	years 1-5	Annual
Undispatched *generation*:			
For each *connection point* to the *network* the following information is required:			
No. of g*enerating unit*s	No.	years 1-5	Annual
Capacity of each *generating unit*	MW (*sent out*)	years 1-5	Annual
Daily/Seasonal Operating characteristics	Text	years 1-5	Annual
Expected output at time of peak *network* Winter *load* (as specified)	MW	years 1-5	Annual
Expected output at time of peak *network* Summer *load* (as specified)	MW	years 1-5	Annual

CHAPTER 8

8. Administrative Functions

8.8 Reliability Panel

8.8.1 Purpose of Reliability Panel

(a) The functions of the *Reliability Panel* are to:

(1) monitor, review and report on the performance of the *market* in terms of *reliability* of the *power system*;

(1a) on the advice of *NEMMCO*, determine the *system restart standard*;

(2) review and, on the advice of *NEMMCO*, determine the *power system security and reliability standards*;

(2a) for the purposes of clause 4.2.6(b), develop and *publish* principles and guidelines that determine how *NEMMCO* should maintain *power system security* while taking into account the costs and benefits to the extent practicable;

(2b) on the advice of *NEMMCO*, *Network Service Providers* and *Generators*, determine, and modify as necessary, the *template for generator compliance programs*;

(3) while *NEMMCO* has power to issue *directions* in connection with maintaining or re-establishing the *power system* in a *reliable operating state*, determine guidelines governing the exercise of that power;

(4) while *NEMMCO* has power to enter into contracts for the provision of *reserves*, determine policies and guidelines governing *NEMMCO's* exercise of that power;

(5) report to the *AEMC* and *participating jurisdictions* on overall *power system reliability* matters concerning the *power system* and on the matters referred to in clauses 8.8.1(a)(2) and (3), and make recommendations on *market* changes or changes to the *Rules* and any other matters which the *Reliability Panel* considers necessary;

(6) monitor, review and *publish* a report on the *system standards* in terms of whether they appropriately and adequately describe the expected technical performance conditions of the *power system*;

(7) monitor, review and *publish* a report on the implementation of *automatic access standards* and *minimum access standards* as *performance standards* in terms of whether:

(i) their application is causing, or is likely to cause, a material adverse effect on *power system security*; and

(ii) the *automatic access standards* and *minimum access standards* should be amended or removed;

(8) consider requests made in accordance with clause 5.3.3(b2) and, if appropriate, determine whether an existing Australian or international standard, or a part thereof, is to be adopted as a *plant standard* for a particular class of *plant; and*

(9) determine guidelines identifying or providing for the identification of operating incidents and other incidents that are of significance for the purposes of the definition of "Reviewable operating incident" in clause 4.8.15.

(b) In performing its functions set out in clause 8.8.1(a)(1) the *Reliability Panel* must not monitor, review or report on the performance of the *market* in terms of *reliability* of *distribution networks*, although it may collate, consider and report information in relation to the *reliability* of *distribution networks* as measured against the relevant standards of each *participating jurisdiction* in so far as the *reliability* of those *networks* impacts on overall *power system reliability*.

(c) The principles and guidelines *published* under clause 8.8.1(a)(2a):

(1) must be developed, and may only be amended, in accordance with the consultation process set out in clause 8.8.3;

(2) must include transitional arrangements which take into account the need to allow for the development and testing of an appropriate methodology by *NEMMCO*; and

(3) must take into account the results of any decision to revise *network constraints*.

8.8.2 Constitution of the Reliability Panel

(a) The *Reliability Panel* must consist of:

(1) a commissioner of the *AEMC* appointed by the *AEMC* to act as chairperson for a period of up to three years;

(2) the chief executive officer or a delegate of *NEMMCO*; and

(3) at least 5 but not more than 8 other persons appointed by the *AEMC* for a period of up to three years, such persons to include:

(A) a person representing *Generators*;

(B) a person representing *Market Customers*;

(C) a person representing *Transmission Network Service Providers*;

(D) a person representing *Distribution Network Service Providers*; and

(E) a person representing the interests of end use customers for electricity.

(b) Subject to clause 8.8.2(d) any person who has previously served on the *Reliability Panel* is eligible for reappointment to the *Reliability Panel* in accordance with this clause 8.8.2.

(c) In making appointments to the *Reliability Panel* under clause 8.8.2(a)(3), the *AEMC* must, to the extent reasonably practicable and subject to clause 8.8.2(c1), give effect to the intention that the persons so appointed:

(1) should be broadly representative, both geographically and by reference to *Registered Participants* and *participating jurisdictions*, of those persons with direct interests in *reliability* of electricity *supply* under the *market* arrangements;

(2) may include *Registered Participants* or their *representatives* or *participating jurisdictions*;

(3) must be independent of *NEMMCO*; and

(4) must, except in the case of the person representing *Transmission Network Service Providers* appointed under clause 8.8.2(a)(3)(C), be independent of all *System Operators*,

and if at any time:

(5) a person on the *Reliability Panel*, other than the chief executive officer or a delegate of *NEMMCO*, ceases to be independent of *NEMMCO*; or

(6) a person on the *Reliability Panel*, other than the person representing *Transmission Network Service Providers* appointed under clause 8.8.2(a)(3)(C), ceases to be independent of any *System Operator*,

the *AEMC* must remove that person from the *Reliability Panel*.

(c1) The persons referred to in clauses 8.8.2(a)(3)(A), (B), (C) and (D) must be appointed and removed by the *AEMC* after consultation with the class of *Registered Participants* the person is to represent, and the *AEMC* must:

(1) appoint a person agreed to by at least one third in number of the relevant class of *Registered Participants*; and

(2) commence consultation on the removal of such a person if requested to do so by a member of the relevant class of *Registered Participants*, and must remove that person if so agreed by at least one third in number of the relevant class of *Registered Participants*.

(d) The *AEMC* may remove any member of the *Reliability Panel*, including the chairperson, at any time during his or her term in the following circumstances:

(1) the person becomes insolvent or under administration;

(2) the person becomes of unsound mind or his or her estate is liable to be dealt with in any way under a law relating to mental health;

(3) the person resigns or dies;

(4) the *AEMC* is required to remove the person under clause 8.8.2(c) or 8.8.2(c1)(2); or

(5) the person fails to discharge the obligations of that office imposed by the *Rules*.

(d1) The person referred to in clause 8.8.2(a)(3)(E) must be appointed and removed by the *AEMC* after consultation with such bodies representing the interests of end use customers for electricity and other persons as the *AEMC* considers appropriate and, subject to such consultation, may be removed at any time for any reason.

(e) A person may resign from the *Reliability Panel* by giving notice in writing to that effect to the *AEMC*.

(f) The *Reliability Panel* must meet and regulate its meetings and conduct its business in accordance with the *Rules*.

(g) A decision of the *Reliability Panel* on any matter may be made by a majority of the members comprising the *Reliability Panel.* Where the members of the *Reliability Panel* are equally divided on any matter, the chairperson has a casting vote.

8.8.3 Reliability review process

(a) As soon as practicable, the *Reliability Panel* must determine:

(1) the *power system security and reliability standards*;

(2) the guidelines referred to in clause 8.8.1(a)(3);

(3) the policies and guidelines referred to in clause 8.8.1(a)(4);

(4) the guidelines referred to in clause 8.8.1(a)(9); ~~and~~

(5) the *system restart standard*~~,~~; and

(6) the *template for generator compliance programs*,

in accordance with this clause 8.8.3.

(aa) The *system restart standard* must:

(1) be consistent with the *SRAS* objective referred to in clause 3.11.4A(a);

(2) apply equally across all *regions*, unless the *Reliability Panel* varies the *system restart standard* between *electrical sub-networks* to the extent necessary:

(A) to reflect any technical system limitations or requirements; or

(B) if the benefits of adopting the *system restart standard* would be outweighed by the costs of implementing such a standard;

(3) identify the maximum amount of time within which *system restart ancillary services* are required to restore *supply* to a specified level;

(4) include guidelines on the required reliability of *primary restart services* and *secondary restart services*;

(5) include guidelines to be followed by *NEMMCO* in determining *electrical sub-networks*, including the determination of the appropriate number of *electrical sub-networks* and the characteristics required within an *electrical sub-network* (such as the amount of generation or *load*, or electrical distance between *generation centres*, within an *electrical sub-network*);

(6) include guidelines specifying the diversity and strategic locations required of *primary restart services* and *secondary restart services*;

(b) At least once each calendar year and at such other times as the *AEMC* may request, the *Reliability Panel* must conduct a review of the performance of the *market* in terms of *reliability* of the *power system*, the *power system security and reliability standards*, the *system restart standard*, the guidelines referred to in clause 8.8.1(a)(3), the policies and guidelines referred to in clause 8.8.1(a)(4) and the guidelines referred to in clause 8.8.1(a)(9) in accordance with this clause 8.8.3.

(ba) At least every 3 years from the date the *template for generator compliance programs* is determined pursuant to clause 8.8.3(a) and at such other times

as the *AEMC* may request, the *Reliability Panel* must conduct a review of the performance of the *template for generator compliance programs* in accordance with this clause 8.8.3.

(c) The *AEMC* must advise the *Reliability Panel* of the terms of reference for any determination or review by the *Reliability Panel*. The *AEMC* may advise the *Reliability Panel* of standing terms of reference in relation to the ~~annual~~ reviews described in clauses 8.8.3(b) and 8.8.3(ba) from time to time.

(d) The *Reliability Panel* must give notice to all *Registered Participants* of a determination or review. The notice must give particulars of the terms of reference for the determination or review (as the case may be), the deadline for the receipt of any submissions to the *Reliability Panel* and the date and place for the meeting referred to in clause 8.8.3(f). The notice must be given at least 8 weeks prior to the meeting or such other time specified by the *AEMC* in any request for a review.

(e) The deadline for receipt of submissions must not be earlier than 4 weeks prior to the meeting or such other time specified by the *AEMC* in any request for a review.

(f) The *Reliability Panel* must hold a meeting open to all *Registered Participants*.

(g) The meeting referred to in clause 8.8.3(f) must be held in the capital city of one of the *participating jurisdictions*. Selection of the relevant capital city in a particular case will be determined by the *Reliability Panel* on a rotating basis.

(h) The *Reliability Panel* may obtain such technical advice or assistance from time to time as it thinks appropriate including, without limitation, advice or assistance from *NEMMCO* and any *Registered Participant*.

(i) In undertaking any review and preparing any report and recommendations, the *Reliability Panel* must take into consideration the policy statements, directions or guidelines published by the *AEMC* from time to time.

(j) Following the conclusion of the meeting and consideration by the *Reliability Panel* of any submissions or comments made to it, the *Reliability Panel* must submit a written report to the *AEMC* on the review setting out its recommendations or determinations, its reasons for those recommendations or determinations and the procedure followed by the *Reliability Panel* in undertaking the review or determination. The report must be submitted to the *AEMC* no later than 6 weeks after the meeting referred to in clause 8.8.3(f) or such other deadline for reporting specified by the *AEMC* in any request for a review.

(k) The *AEMC* must, within 10 *days* of receiving the written report of the *Reliability Panel*, make the report publicly available, subject to the confidentiality provisions of rule 8.6.

(l) The recommendations of the *Reliability Panel* may include (without limitation) recommended *changes* to the *Rules* in relation to matters concerning *reliability* of the *power system*.

CHAPTER 10

10. GLOSSARY

performance standard

A standard of performance that:

(a) is established as a result of it being ~~:~~

~~(1) accepted by *NEMMCO* in accordance with rule 4.14(d)(1);~~

~~(2)~~ taken to be an applicable performance standard in accordance with clause 5.3.4A(i); or

~~(3) deemed to apply in accordance with rule 4.14(h); or~~

~~(4) determined pursuant to rule 4.14(m); or~~

(b) is included in the register of *performance standards* established and maintained by *NEMMCO* under rule 4.14(n),

as the case may be.

reviewable operating incident

An incident defined in clause 4.8.15(a).

template for generator compliance programs

The template established by the *Reliability Panel* under rule 4.15(ca) and clause 8.8.3 of the Rules.

CHAPTER 11

11. Savings and Transitional Rules

Part O Performance Standard Compliance of Generators

11.19 Rules consequential on the making of the National Electricity Amendment (Performance Standards Compliance of Generators) Rule 2008

11.19.1 Definitions

Subject to this rule 11.19, in this rule 11.19:

Amending Rule means the National Electricity Amendment (Performance Standards Compliance of Generators) Rule 2008.

Old Clause 5.7.3(b) means the clause 5.7.3(b) in the version of the Rules that was in force immediately prior to the commencement of the Amending Rule.

11.19.2 Application of rule 11.19 for compliance programs implemented immediately after the commencement of the Amending Rule

Registered Participants are not required to comply with the obligation set out in rule 4.15(b) until 3 months after the *Reliability Panel* has established its initial *template for generator compliance programs* pursuant to rule 4.15(ca).

11.19.3 Application of rule 11.19 for compliance programs implemented immediately prior to the commencement of the Amending Rule

Registered Participants that implemented *compliance programs* pursuant to the Old Clause 5.7.3(b) must maintain compliance with those programs until the date that is 3 months after the *Reliability Panel* has established its initial *template for generator compliance programs* pursuant to rule 4.15(ca).