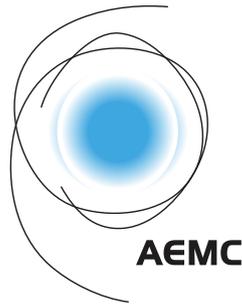


Note: Schedule 2 of the *National Electricity Amendment (Application of compensation in relation to AEMO interventions) Rule 2019 No. 13* will commence operation on 1 October 2021 as a result of the amendments made under the [*National Electricity Amendment \(Delayed implementation of five minute and global settlement\) Rule 2020 No. 10*](#).



National Electricity Amendment (Application of compensation in relation to AEMO interventions) Rule 2019 No. 13

under the National Electricity Law to the extent applied by:

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

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

John Pierce
Chairman
Australian Energy Market Commission

National Electricity Amendment (Application of compensation in relation to AEMO interventions) Rule 2019 No. 13

1 Title of Rule

This Rule is the *National Electricity Amendment (Application of compensation in relation to AEMO interventions) Rule 2019 No. 13*.

2 Commencement

Schedule 1 of this Rule commences operation on 20 December 2019 immediately after the commencement of Schedule 1 of the *National Electricity Amendment (Application of the regional reference node test to the Reliability and Emergency Reserve Trader) Rule 2019 No. 11*.

Schedule 2 of this Rule commences operation on 1 July 2021 immediately after the commencement of Schedule 2 of the *National Electricity Amendment (Application of the regional reference node test to the Reliability and Emergency Reserve Trader) Rule 2019 No. 11*.

3 Amendment to the National Electricity Rules

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

4 Amendment to the National Electricity Rules

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

Schedule 1 Amendment to the National Electricity Rules

(Clause 3)

[1] Clause 3.9.2 Determination of spot prices

In clause 3.9.2(e)(2), omit "*intervention price dispatch interval*" and substitute "*intervention dispatch interval*".

[2] Clause 3.9.3 Pricing in the event of intervention by AEMO

Omit clause 3.9.3(a), and substitute:

- (a) In respect of a *dispatch interval* where one or more *AEMO intervention event(s)* is in effect, *AEMO* must declare that *dispatch interval* to be an *intervention dispatch interval*.

[3] Clause 3.9.3 Pricing in the event of intervention by AEMO

In clause 3.9.3(b), omit "*intervention price dispatch interval*" and substitute "*intervention dispatch interval*".

[4] Clause 3.9.3 Pricing in the event of intervention by AEMO

In clause 3.9.3(b4), omit "*intervention price dispatch interval*" and substitute "*intervention dispatch interval*".

[5] Clause 3.12.2 Affected Participants and Market Customers entitlements to compensation in relation to AEMO intervention

In clause 3.12.2(a)(2), in the definition of RRP, omit "3.9.3" and substitute "3.9.3(b)".

[6] Chapter 10 New definition

In Chapter 10, insert the following new definition in alphabetical order:

intervention dispatch interval

A dispatch interval declared by *AEMO* to be an *intervention dispatch interval* in accordance with clause 3.9.3(a).

[7] Chapter 10 Substituted definitions

In Chapter 10, substitute the following definitions:

intervention price dispatch interval

An *intervention dispatch interval* in respect of which *AEMO* has set *dispatch prices* and *ancillary service prices* in accordance with clause 3.9.3(b).

intervention price trading interval

A *trading interval* that includes one or more *intervention price dispatch intervals*.

Schedule 2 Amendment to the National Electricity Rules

(Clause 4)

[1] Clause 3.9.2 Determination of spot prices

In clause 3.9.2(e)(2), omit "*intervention pricing interval*" and substitute "*intervention trading interval*".

[2] Clause 3.9.3 Pricing in the event of intervention by AEMO

Omit clauses 3.9.3(a) to (e), and substitute:

- (a) In respect of a *trading interval* where one or more *AEMO intervention event(s)* is in effect, *AEMO* must declare that *trading interval* to be an *intervention trading interval*.
- (b) Subject to subparagraphs (b2)(1) and (b2)(2), if, in *AEMO's* reasonable opinion, the reason for an *AEMO intervention event* is to obtain either:
 - (1) a service for which a *spot price* or *ancillary service price* is determined by the *dispatch algorithm*; or
 - (2) a service that is a direct substitute for a service for which a *spot price* or *ancillary service price* is determined by the *dispatch algorithm*,

then, subject to paragraph (c), *AEMO* must in accordance with the methodology or assumptions *published* pursuant to paragraph (e), set the *spot price* and *ancillary service prices* for an *intervention trading interval* at the value which *AEMO*, in its reasonable opinion, considers would have applied as the *spot price* and *ancillary service prices* for that *trading interval* in the relevant *region* had the *AEMO intervention event* not occurred.

- (b1) Without limitation, examples of the types of service referred to in paragraph (b) include:
 - (1) *energy* that is capable of being provided by any *generating unit* within a *region*;
 - (2) *energy* which, as a result of a *network constraint* or other *constraint*, is only capable of being provided by any *generating unit* located in the part of the *region* that includes the *regional reference node*;
 - (3) *market ancillary services* that are capable of being provided by any *ancillary service generating unit* within a *region*;
 - (4) *market ancillary services* which, as a result of a *network constraint* or other *constraint*, are only capable of being

- provided by any *ancillary service generating unit* located in the part of the *region* that includes the *regional reference node*; and
- (5) demand response that reduces the need for the provision of *energy* or *market ancillary services* within a region.
- (b2) AEMO must continue to set *spot prices* pursuant to clause 3.9.2 and *ancillary service prices* pursuant to clause 3.9.2A if the reason for an *AEMO intervention event* is to obtain:
- (1) *energy* and *market ancillary services* which, as a result of a *network constraint* or other *constraint*, are only capable of being provided by a generating unit or *ancillary service generating unit* in a part of the *region* which, due to the *constraint*, does not include the *regional reference node*; or
 - (2) demand response which, as a result of a *network constraint* or other *constraint*, is needed to reduce demand for *energy* or *market ancillary services* in a part of the *region* which, due to the *constraint*, does not include the *regional reference node*; or
 - (3) a service for which a *spot price* or *ancillary service price* is not determined by the *dispatch algorithm* regardless of whether *energy* or *market ancillary services* are also provided incidental to the provision of that service.
- (b3) Without limitation examples of the services referred to in subparagraph (b2)(3) include the provision of:
- (1) *inertia*;
 - (2) *voltage control*;
 - (3) system strength; and
 - (4) *non-market ancillary services*.
- (b4) In respect of any *intervention price trading interval* in which more than one *AEMO intervention event* is in effect, AEMO must in accordance with the methodology or assumptions *published* pursuant to paragraph (e) set *spot prices* and *ancillary service prices* pursuant to paragraph (b) as if:
- (1) the services described in paragraph (b) were not provided; and
 - (2) *energy* or *market ancillary services* provided incidental to the provision of any services described in subparagraph (b2)(3) were taken into account.
- (c) AEMO may continue to set *spot prices* pursuant to clause 3.9.2 and *ancillary service prices* pursuant to clause 3.9.2A until the later of:
- (1) the second *trading interval* after the first *trading interval* in which the *AEMO intervention event* occurred; or

- (2) if applicable, the second *trading interval* after the restoration of the *power system* to a *secure operating state* after any *direction* which constitutes the *AEMO intervention event* was issued,

provided that *AEMO* must use its reasonable endeavours to set *spot prices* and *ancillary service prices* pursuant to clause 3.9.3(b) as soon as practicable following the *AEMO intervention event*.

- (d) **[Deleted]**.
- (e) Subject to paragraph (g), *AEMO* must develop in accordance with the *Rules consultation procedures* and *publish* details of the methodology it will use, and any assumptions it may be required to make, to determine *spot prices* and *ancillary service prices* for the purposes of paragraph (b).

[3] Chapter 10 New definitions

In Chapter 10, insert the following new definitions in alphabetical order:

intervention price trading interval

An *intervention trading interval* in respect of which *AEMO* has set *spot prices* and *ancillary service prices* in accordance with clause 3.9.3(b).

intervention trading interval

A *trading interval* declared by *AEMO* to be an *intervention trading interval* in accordance with clause 3.9.3(a).

[4] Chapter 10 Substituted definition

In Chapter 10, substitute the following definition:

intervention pricing 30-minute period

A *30-minute period* that includes one or more *intervention price trading intervals*.

[5] Chapter 10 Omitted definitions

In Chapter 10, omit the definitions of "*intervention dispatch interval*", "*intervention pricing interval*".

[END OF RULE AS MADE]
