



National Electricity Amendment (Resetting Powerlink's System Strength Unit Prices) Rule 2024 No. 5

The Australian Energy Market Commission makes the following Rule 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 *National Electricity (New South Wales) Act 1997* of New South Wales;
- (e) the *Electricity - National Scheme (Tasmania) Act 1999* of Tasmania;
- (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.

Anna Collyer
Chairperson
Australian Energy Market Commission

National Electricity Amendment (Resetting Powerlink's System Strength Unit Prices) Rule 2024 No. 5

1 Title of Rule

This Rule is the *National Electricity Amendment (Resetting Powerlink's System Strength Unit Prices) Rule 2024 No. 5*.

2 Commencement

This Rule commences operation on 14 March 2024.

3 Amendment to the National Electricity Rules

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

4 Savings and Transitional 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] New Part Derogation granted to Powerlink

In Chapter 8A, after Part 15, insert a new Part:

Part 16 Derogation granted to Powerlink

8A.16 Derogation from clause 6A.23.5(f) and related requirements for the current system strength charging period

8A.16.1 Definitions

In this *participant derogation*, rule 8A.16:

approved pricing methodology means Powerlink's *pricing methodology* approved by the *AER* on 31 January 2023 for the *regulatory control period* from 1 July 2022 to 30 June 2027.

current system strength charging period means Powerlink's *system strength charging period* commencing on 1 July 2023 and ending on 30 June 2028.

effective date means 14 March 2024, being the date of commencement of the *National Electricity Amendment (Resetting Powerlink's System Strength Unit Prices) Rule 2024*.

Powerlink means Queensland Electricity Transmission Corporation Limited (ACN 078 849 233), trading as Powerlink Queensland or any successor to its business.

publish means publish in accordance with clause 6A.24.2.

revised system strength unit price for a *system strength node* on Powerlink's *transmission network*, has the meaning given in clause 8A.16.3(b).

revision period means the period commencing on the effective date and ending on 14 April 2024.

8A.16.2 Expiry of this participant derogation

- (a) Clause 8A.16.3(b) of this *participant derogation* expires at the end of the revision period.
- (b) The other provisions of this *participant derogation* expire at the end of the current system strength charging period.
- (c) Despite paragraphs (a) and (b), if Powerlink determines and publishes a revised system strength unit price for a *system strength node* in accordance with clauses 8A.16.3(b) to (e), it applies for the purposes

of determining *system strength charges* in respect of that *system strength node* for the remainder of the current system strength charging period in accordance with clause 8A.16.3(f).

8A.16.3 Participant derogation

- (a) This *participant derogation* operates to modify or vary the requirement that applies to Powerlink under clause 6A.23.5(f) that the *system strength unit price* of a *System Strength Service Provider* for a *system strength node* must be the same for each *regulatory year* in a *system strength charging period* except to the extent the *pricing methodology guidelines* permit indexation.
- (b) Despite clause 6A.23.5(f) and subject to paragraphs (c), (d) and (e), Powerlink may determine and publish a new *system strength unit price* for any of the *system strength nodes* on its *transmission network* (**revised system strength unit price**).
- (c) Powerlink may only determine and publish a revised system strength unit price under paragraph (b) once for each *system strength node* on its *transmission network*.
- (d) Powerlink may only determine and publish a revised system strength unit price under paragraph (b) if both the following requirements are met in relation to the new price:
 - (1) the revised system strength unit price is published during the revision period; and
 - (2) the revised system strength unit price is lower than the *system strength unit price* for that *system strength node* for the current system strength charging period published by Powerlink in March 2023 in accordance with clause 6A.24.2(d).
- (e) Where Powerlink determines a revised system strength unit price in accordance with paragraph (b), it must do so in accordance with the *Rules* and the approved pricing methodology.
- (f) If Powerlink determines and publishes a revised system strength unit price for a *system strength node* in accordance with and satisfying the requirements of paragraphs (b), (c), (d) and (e), the revised system strength unit price:
 - (1) will apply for each *regulatory year* in the current system strength charging period commencing on or after 1 July 2024;
 - (2) must remain the same for each of those years except to the extent the *pricing methodology guidelines* permit indexation; and
 - (3) must be used by Powerlink for the purpose of calculating *system strength charges* under clause 6A.27.1(a) in respect of the

period commencing 1 July 2024 to the end of the current system strength charging period including where the election under clause 5.3.4B(b1) to pay the *system strength charge* was made before the start of that period.

Schedule 2 Savings and Transitional Amendment to the National Electricity Rules

(Clause 4)

[1] New Rule 11.165 Resetting Powerlink's System Strength Unit Prices

In Chapter 11, Part ZZZZZI, insert a new rule:

11.165 Rule consequential on the making of the National Electricity Amendment (Resetting Powerlink's System Strength Unit Prices) Rule 2024

11.165.1 Definitions

In this rule 11.165:

Amending Rule means the *National Electricity Amendment (Resetting Powerlink's System Strength Unit Prices) Rule 2024*.

effective date means 14 March 2024, being the date of commencement of the Amending Rule.

existing connection enquiry has the meaning given in clause 11.165.2(a)(1).

Powerlink means Queensland Electricity Transmission Corporation Limited (ACN 078 849 233), trading as Powerlink Queensland or any successor to its business.

Powerlink participant derogation means Part 16 of Chapter 8A as in effect on and from the effective date.

prior application to connect has the meaning given in clause 11.165.3(a)(1).

publication date means the date on which Powerlink publishes a revised system strength unit price in accordance with the Powerlink participant derogation.

revised system strength unit price has the meaning given in the Powerlink participant derogation.

11.165.2 Existing connection enquiries

- (a) This clause applies where, before the effective date, a *Connection Applicant* has:
- (1) made a *connection* enquiry to a *Network Service Provider* in accordance with clause 5.3.2 or 5.3A.5 relating to a part of a *network* for which Powerlink is the *System Strength Service Provider* (**existing connection enquiry**); and

- (2) not made an *application to connect* to the *Network Service Provider*.
- (b) The *Network Service Provider* must within 10 *business days* after the effective date notify the *Connection Applicant* that Powerlink may revise its *system strength unit prices* in accordance with the Powerlink participant derogation.

11.165.3 Where a Connection Applicant elected not to pay the system strength charge

- (a) This clause applies where, in respect of *plant* or proposed *plant* of a *Connection Applicant*:
 - (1) before the effective date, the *Connection Applicant* made an *application to connect* to a *Network Service Provider* relating to a part of a *network* for which Powerlink is the *System Strength Service Provider* (**prior application to connect**), whether or not the *Connection Applicant* has subsequently concluded a *connection agreement* with the relevant *Network Service Provider* in respect of the prior application to connect;
 - (2) the prior application to connect is (or was) not one where, under clause 5.3.4B(a3), the *Network Service Provider* is (or was) not required to calculate the *system strength locational factor*; and
 - (3) in the prior application to connect, the *Connection Applicant* made an election under clause 5.3.4B(b1) that the *system strength charge* will not be payable in relation to the new *connection* or alteration to the *generating system* or other *connected plant* (as applicable).
- (b) Despite anything to the contrary in clause 5.3.4B(b1), if Powerlink publishes a revised system strength unit price in accordance with the Powerlink participant derogation, the *Connection Applicant* may change its election under that clause by notice to the relevant *Network Service Provider* under this clause given no later than 29 July 2024. The new election cannot be revoked.
- (c) The relevant *Network Service Provider* must within 10 *business days* after the publication date, notify the *Connection Applicant* for each prior application to connect of the opportunity to change its election by giving a notice in accordance with paragraph (b).
- (d) If a *Connection Applicant* gives a notice in accordance with paragraph (b) changing its election, the election has effect as if it had been made as part of its prior application to connect except that for clause 5.3.4C(a), the time for notifying the election to the *System Strength Service Provider* is 10 *business days* after the election being made under paragraph (b).

- (e) If a *Connection Applicant* has concluded a *connection agreement* with the relevant *Network Service Provider* in respect of the prior application to connect and gives a notice in accordance with paragraph (b) changing its election, the *Connection Applicant* and the relevant *Network Service Provider* must negotiate in good faith to amend the *connection agreement* to give effect to the new election.