



## **Draft National Electricity Amendment (Connecting embedded generators under chapter 5A) Rule 2014**

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; and
- (g) 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

## **Draft National Electricity Amendment (Connecting embedded generators under chapter 5A) Rule 2014**

### **1 Title of Rule**

This Rule is the *Draft National Electricity Amendment (Connecting embedded generators under chapter 5A) Rule 2014*.

### **2 Commencement**

This Rule commences operation on [COMMENCEMENT\_DATE].

### **3 Amendment of the National Electricity Rules**

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

### **4 Amendment of the National Electricity Rules**

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

### **5 Savings and Transitional Amendments to the National Electricity Rules**

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

### **6 Note**

This draft Rule proposes draft amendments to clauses 5.3.1A and 5.3A.1. These clauses were made as part of *National Electricity Amendment (Connecting embedded generators) Rule 2014* and commence in the form made under that rule on 1 October 2014, prior to the date the Commission will make a final determination on this rule.

## Schedule 1      Amendment to the National Electricity Rules

(Clause 3)

### [1] Clause 5.3.1A      Application of rule to connection of embedded generating units

Omit clause 5.3.1A and substitute:

#### 5.3.1A      Application of rule to connection of embedded generating units

- (a) For the purposes of this clause 5.3.1A;
  - non-registered embedded generator** has the same meaning as in clause 5A.A.1.
- (b) If a *Connection Applicant* wishes to *connect* an *embedded generating unit*, then:
  - (1) unless otherwise provided, rule 5.3A applies to the proposed connection and clauses 5.3.2, 5.3.3, 5.3.4 and 5.3.5 do not apply to the proposed *connection*; and
  - (2) for the avoidance of doubt, the application of the balance of Chapter 5, Part A to the *Connection Applicant* is otherwise unaffected by this clause 5.3.1A.
- (c) A reference to a *Connection Applicant* in paragraph (a) is to a:
  - (1) person who intends to be an *Embedded Generator*;
  - (2) person who is required to apply to *AEMO* for an exemption from the requirement to register as a *Generator* in respect of an *embedded generating unit*; or
  - (3) non-registered embedded generator who has made an election under clause 5A.A.2(c); and
  - (4) person who makes a *connection* enquiry under clause 5.3A.5 or an *application to connect* under clause 5.3A.9 in relation to any *generating systems*, or any *network elements* used in the provision of a *network service*, as the case may be.

### [2] Clause 5.3A.1      Application of rule 5.3A

Omit clause 5.3A.1 and substitute:

#### 5.3A.1      Application of rule 5.3A

- (a) For the purposes of this rule 5.3A:

**non-registered embedded generator** has the same meaning as in clause 5A.A.1

- (b) Where a *Connection Applicant* wishes to connect an *embedded generating unit*, this rule 5.3A applies.
- (c) For the purposes of this rule 5.3A and Schedules 5.4A and 5.4B:
  - (1) a reference to a *Connection Applicant* is to a:
    - (i) person who intends to be an *Embedded Generator*;
    - (ii) person who is required to apply to *AEMO* for exemption from the requirement to register as a *Generator* in respect of an *embedded generating unit*; or
    - (iii) non-registered embedded generator who has made an election under clause 5A.A.2(c); and
    - (iv) person who makes a *connection enquiry* under clause 5.3A.5 or an *application to connect* under clause 5.3A.9 in relation to any *generating systems*, or any *network elements* used in the provision of a *network service*, as the case may be.
  - (2) the *Distribution Network Service Provider* is the *Distribution Network Service Provider* required under clause 5.3A.5 to process and respond to a *connection enquiry* or required under clause 5.3A.10 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 a *network service*.

### [3] Clause 5A.A.1 Definitions

Omit the definition of 'standard' and substitute:

#### **standard connection service**

means a *connection service* (other than a *basic connection service*) for a particular class (or sub-class) of *connection applicant* and for which a *model standing offer* has been approved by the *AER*.

### [4] Clause 5A.A.1 Definitions

Insert the following definition:

#### **confidential information**

means, in relation to a *Registered Participant*, *AEMO* or *connection applicant*, information which is or has been provided to that *Registered*

*Participant, AEMO or connection applicant* under or in connection with the *Rules* and which is stated under the *Rules*, or by *AEMO*, the *AER* of the *AEMC*, to be *confidential information* or is otherwise confidential or commercially sensitive. It also includes any information which is derived from such information.

## **[5] Clause 5.A.A.2 Application of this Chapter**

Omit clause 5.A.A.2 and substitute:

### **5A.A.2 Application of this Chapter**

- (a) This Chapter does not apply to, or in relation to, a *connection applicant* that is a *Registered Participant* or an *Intending Participant* unless the *Registered Participant* or *Intending Participant* is acting as the agent of a *retail customer*.
- (b) Where a non-registered embedded generator wishing to *connect an embedded generating unit* to a *Distribution Network Service Provider's network*:
  - (1) falls within a particular class (or subclass) of *connection applicant* for which that *Distribution Network Service Provider* provides a *standard connection service* this Chapter will apply;
  - (2) does not fall within a particular class (or subclass) of *connection applicant* for which that *Distribution Network Service Provider* provides a *standard connection service*, paragraph (c) will apply.
- (c) A non-registered embedded generator that meets the requirements in paragraph (b)(2) may elect to seek *connection* of the relevant *embedded generating unit* under rule 5.3A instead of this Chapter.
- (d) Any election made by a non-registered embedded generator under paragraph (c) must be:
  - (1) made before an enquiry is made under clause 5A.D.2;
  - (2) in writing; and
  - (3) delivered to the relevant *Distribution Network Service Provider*.
- (e) If a non-registered embedded generator:
  - (1) makes a valid election under paragraph (c); and
  - (2) lodges an enquiry under clause 5.3A.5.

the *connection* of the relevant *embedded generating unit* can no longer be sought under this Chapter and Chapter 5 will apply to the *connection* of that *embedded generating unit*.

- (f) If a *connection applicant* is eligible to make an election under paragraph (c) and does not do so, this Chapter will apply to the *connection* of the *embedded generating unit* in relation to which the election could have been made.
- (g) For the avoidance of doubt, clause 5A.C.1(a)(2) is still applicable when a non-registered embedded generator meets the requirements in paragraph (b)(1).

## **[6] Clause 5A.D.1 Publication of information**

Omit clause 5A.D.1 and substitute:

### **5A.D.1 Publication of information**

- (a) A *Distribution Network Service Provider* must publish on its website the following:
  - (1) an application form for a *new connection* or a *connection alteration*; and
  - (2) a description of how an application for a *new connection* or a *connection alteration* is to be made (including a statement of the information required for the application); and
  - (3) a description of the *Distribution Network Service Provider's* *basic connection services* and *standard connection services* and the classes (or subclasses) of *retail customer* to which they apply. If the *Distribution Network Service Provider* does not provide *standard connection services* for all or some non-registered embedded generators, a clear statement to this effect must also be included in the description; and
  - (4) an explanation of the *connection applicant's* right to negotiate with the *Distribution Network Service Provider* for a negotiated *connection contract* and a description of the negotiation process; and
  - (5) the requirements for an expedited *connection*; and
  - (6) the basis for calculation of *connection charges*; and
  - (7) information set out in clause 5.3A.3(b)(1)(vii), (2)- (7) as such information relates to the *connection of embedded generating units* by a non-registered embedded generator.

- (b) To the extent a *Distribution Network Service Provider* has provided the information required under paragraph (a)(7) by including that information in its information pack under clause 5.3A.3(a)(3), it will be taken to have complied with paragraph (a)(7).

## [7] **New clause 5A.D.1A Register of completed embedded generation projects**

After clause 5A.D.1, insert:

### **5A.D.1A Register of completed embedded generation projects**

- (a) For the purposes of this clause 5A.D.1A:

**completed non-registered embedded generation projects** means all *embedded generating units*, operated or controlled by a non-registered embedded generator and are *connected* to the *Distribution Network Service Provider's network*.

**DAPR date** has the same meaning as in clause 5.13.2.

- (b) In relation to completed non-registered embedded generation projects, a *Distribution Network Service Provider* must establish and *publish*, on its website, a register of the *plant*, including but not limited to:
- (1) technology of *generating unit* (e.g. *synchronous generating unit*, induction generator, photovoltaic array, etc) and its make and model;
  - (2) maximum power *generation* capacity of all *embedded generating units* comprised in the relevant *generating system*;
  - (3) contribution to fault levels;
  - (4) the size and rating of the relevant *transformer*;
  - (5) a single line diagram of the *connection* arrangement;
  - (6) *protection systems* and communication systems;
  - (7) *voltage* control and *reactive power capability*; and
  - (8) details specific to the location of a *facility connected* to the *network* that are relevant to any of the details in subparagraphs (1)-(7).
- (c) The *Distribution Network Service Provider* must not *publish confidential information* as part of, or in connection with, the register, unless disclosure of the information is authorised:
- (1) by the party to whom the duty of confidentiality is owed; or

- (2) under:
  - (i) the *Law* or the *Rules*; or
  - (ii) any other law.
- (d) The *Distribution Network Service Provider* must:
  - (1) include in the register the details contained in paragraph (b) for all non-registered embedded generation projects completed by the DAPR date each year after the date the register referred to in paragraph (b) is established; and
  - (2) in the fifth year after the establishment of the register, and in each year thereafter, update the register by the DAPR date with details of all completed non-registered embedded generation projects in the 5 year period preceding the review date.

### **[8] Clause 5A.D.3 Application Process**

In clause 5A.D.3(f)(1), before "advise the *connection applicant*" insert "subject to any statements made on its website under clause 5A.D.1(a)(3),".



## **Schedule 2            Amendment to the National Electricity Rules**

(Clause 4)

### **[1] Chapter 10            Substituted definitions**

In chapter 10, substitute the following definitions:

#### ***Generator***

A person who engages in the activity of owning, controlling or operating a *generating system* that is *connected* to, or who otherwise *supplies* electricity to, a *transmission* or *distribution system* and who is registered by *AEMO* as a *Generator* under Chapter 2 and, for the purposes of Chapter 5, the term includes a person who is required to, intends to register in that capacity or is a non-registered embedded generator (as defined in clause 5A.A.1) who has made an election under clause 5A.A.2(c).

### **[2] Chapter 10            Amended definitions**

In chapter 10, after the definition of *Confidential Information* insert:

#### **Note:**

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

## **Schedule 3            Savings and Transitional Amendments to the National Electricity Rules**

(Clause 5)

### **[1] Chapter 11            Savings and Transitionals Rules**

After rule 11.68 insert:

#### **Part ZZC    Connecting Embedded Generators Under Chapter 5A**

#### **11.69        Rules consequential on the making of the National Electricity Amendment (Connecting embedded generators under chapter 5A) Rule 2014**

##### **11.69.1    Definitions**

For the purposes of this rule 11.69:

**Amending rule** means the National Electricity Amendment (Connecting embedded generators under chapter 5A) Rule 2014.

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

**non-registered embedded generator** has the same meaning as in clause 5A.A.1.

##### **11.69.2    Continuation of enquiries lodged**

- (a) Any enquiry lodged by a non-registered embedded generator under clause 5A.D.2 that has not been responded to or otherwise finalised under clause 5A.D.2 on the commencement date, must be responded to or finalised under clause 5A.D.2 unless both the non-registered embedded generator and the *Distribution Network Service Provider* agree otherwise.