



## **National Electricity Amendment (Expiry of Reliability and Emergency Reserve Trader) Rule 2012 No. 1**

under the National Electricity Law as applied by:

- (a) the National Electricity (South Australia) Act 1996;
- (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

## **National Electricity Amendment (Expiry of Reliability and Emergency Reserve Trader) Rule 2012 No. 1**

### **1 Title of Rule**

This Rule is the *National Electricity Amendment (Expiry of Reliability and Emergency Reserve Trader) Rule 2012 No.1.*

### **2 Commencement**

Schedule 1 of this Rule commences operation on 15 March 2012.

Schedules 2 and 3 of this Rule commence operation on 1 July 2016.

### **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.

**Schedule 1            Amendment to the National Electricity Rules**

(Clause 3)

**[1] Clause 3.20.1      Expiry of reliability and emergency  
reserve trader**

Omit clause 3.20.1, excluding the heading, and substitute "This rule 3.20 expires on  
30 June 2016."

**[2] Clause 3.20.9      Review of reliability and emergency  
reserve trader**

Omit clause 3.20.9, including the heading, and substitute "[Deleted]".

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

(Clause 4)

### **[1] Clause 3.8.14      Dispatch under conditions of supply scarcity**

Omit clause 3.8.14(a) and substitute:

- (a) subject to any adjustments which may be necessary to implement action under paragraph (c), all valid *dispatch bids* and *dispatch offers* submitted by *Scheduled Generators*, *Semi-Scheduled Generators* or *Market Participants* are *dispatched*, including those priced at the *market price cap*; and

### **[2] Clause 3.8.14      Dispatch under conditions of supply scarcity**

Omit clause 3.8.14(b) and substitute "[Deleted]".

### **[3] Clause 3.9.3A      Reliability standard and reliability settings review**

In clause 3.9.3A(d)(1), omit "powers to intervene under clauses 3.20.7(a) and 4.8.9(a)" and substitute "power to intervene under clause 4.8.9(a)".

### **[4] Clause 3.15.9      Reserve settlements**

Omit clause 3.15.9, including the heading, and substitute "[Deleted]".

### **[5] Clause 3.15.10C    Intervention Settlements**

After clause 3.15.10C(b), insert:

- (a) For the purposes of settlement amounts payable under clause 3.12.3:
  - (1) included in the statements to be provided under clauses 3.15.14 and 3.15.15, *AEMO* must give each *Market Participant* a statement setting out any amounts determined as payable by *AEMO* by the independent expert under clause 3.12.3 in respect of the relevant *billing period*; and
  - (2) for the purposes of clause 3.15.19, a determination by an independent expert under clause 3.12.3 is to be taken to be an agreement between *AEMO* and each of the *Market Participants* and *Scheduled Generators*.

### **[6] Clause 3.20          Reliability and emergency reserve trader**

Omit rule 3.20, including the heading, and substitute "[Deleted]".

**[7] Clause 4.3.1 Responsibility of AEMO for power system security**

In clause 4.3.1(1), omit "and, if necessary, initiate action in relation to a *relevant AEMO intervention event*"

**[8] Clause 4.8.5B Notifications of last time of AEMO intervention**

In clause 4.8.5B, omit ", taking into account *relevant AEMO intervention events*, "

**[9] Clause 4.8.5B Notifications of last time of AEMO intervention**

Omit clause 4.8.5B(1) and substitute:

- (1) *publish* a notice that *AEMO* intends to implement an *AEMO intervention event*; and

**[10] Chapter 10 Omitted definitions**

In Chapter 10, omit the following definitions:

***activate, activated, activation***

The operation of a *generating unit* (other than a *scheduled generating unit*) at an increased *loading level* or reduction in demand (other than a *scheduled load*) undertaken in response to a request by *AEMO* in accordance with an *unscheduled reserve contract*.

***relevant AEMO intervention event***

A *AEMO intervention event* that involves the exercise of the *reliability and emergency reserve trader* in accordance with rule 3.20 as referred to in paragraph (b) of the definition of *AEMO intervention event*.

***reliability and emergency reserve trader (RERT)***

The actions taken by *AEMO* as referred to in clause 3.20.2, in accordance with rule 3.20, to ensure reliability of *supply*.

***RERT guidelines***

The guidelines developed and published by the *Reliability Panel* under clause 3.20.8.

***RERT principles***

The principles referred to in clause 3.20.2(b).

***reserve contract***

A *scheduled reserve contract* or an *unscheduled reserve contract*.

***scheduled reserve contract***

A contract entered into by *AEMO* for the provision of *scheduled reserve* in accordance with rule 3.20.

***unscheduled reserve contract***

A contract entered into by *AEMO* for the provision of *unscheduled reserve* in accordance with rule 3.20.

**[11] Chapter 10                      Substituted definitions**

In Chapter 10, substitute the following definitions:

***AEMO intervention event***

An event where *AEMO* intervenes in the *market* under the *Rules* by issuing a *direction* in accordance with clause 4.8.9.

***Affected Participant***

In respect of a particular *direction* in an *intervention price trading interval*:

- (a) a *Scheduled Generator* or *Scheduled Network Service Provider*:
  - (1) which was not the subject of the *direction*, that had its *dispatched* quantity affected by that *direction*; or
  - (2) which was the subject of the *direction*, that had its *dispatched* quantity for other *generating units* or other services which were not the subject of that *direction* affected by that *direction*, however, the *Scheduled Generator* or *Scheduled Network Service Provider* is only an *Affected Participant* in respect of those *generating units* and services which were not the subject of that *direction*; or
- (b) an *eligible person* entitled to receive an amount from *AEMO* pursuant to clause 3.18.1(b)(1) where there has been a change in flow of a *directional interconnector*, for which the *eligible person* holds units for the *intervention price trading interval*, as a result of the *direction*.

***dispatch***

The act of initiating or enabling all or part of the response specified in a *dispatch bid*, *dispatch offer* or *market ancillary service offer* in respect of a *scheduled generating unit*, *semi-scheduled generating unit*, a *scheduled*

*load, a scheduled network service, an ancillary service generating unit or an ancillary service load in accordance with rule 3.8 or a direction, as appropriate.*

**[12] Chapter 11            Part ZA**

Omit Part ZA of Chapter 11, including the heading, and substitute "**[Deleted]**".

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

(Clause 4)

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

After Part ZM, insert:

#### **Part ZN Reliability and Emergency Reserve Trader (2012 amendments)**

#### **11.44        Rules consequential on the making of National Electricity Amendment (Reliability and Emergency Reserve Trader) Rule 2012**

##### **11.44.1    Definitions**

For the purposes of this rule 11.44:

**Amending Rule** means the National Electricity Amendment (Reliability and Emergency Reserve Trader) Rule 2012.

**commencement date** means the date Schedule 2 of the Amending Rule commences operation.

**old clause 3.15.9** means clause 3.15.9 of the *Rules* as in force immediately before the commencement date.

##### **11.44.2    Reserve settlements**

The old clause 3.15.9 continues to apply to the settlement of amounts payable or receivable by *AEMO* under *reserve contracts* before the commencement date, and not recovered as at the commencement date, until all such amounts have been settled in accordance with that clause.

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[END OF RULE AS MADE]

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