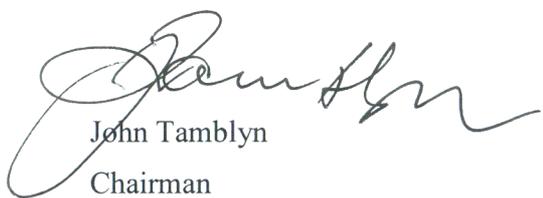


Draft National Electricity Amendment (Demand Management) Rule 2009

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 National Electricity (New South Wales) Act 1997 of New South Wales;
- (d) the Electricity - National Scheme (Queensland) Act 1997 of Queensland;
- (e) the Electricity - National Scheme (Tasmania) Act 1999 of Tasmania;
- (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.

A handwritten signature in black ink, appearing to read 'John Tamblyn', is written over the printed name and title.

John Tamblyn

Chairman

Australian Energy Market Commission

Draft National Electricity Amendment (Demand Management) Rule 2009

1. Title of Rule

This Rule is the *Draft National Electricity Amendment (Demand Management) Rule 2009*.

2. Commencement

This Rule commences operation on [].

3. Amendment of the National Electricity Rules

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

Schedule 1 Amendment of National Electricity Rules

(Clause 3)

[1] Clause 5.6.2A Annual Planning Report

In clause 5.6.2A(b)(3), omit “;” and substitute:

including:

- (i) the extent to which *peak load* is greater than firm capacity (the ‘*overload*’);
- (ii) the number of *days* in which *overload* is likely to occur in that financial year;
- (iii) the number of hours in which *overload* is likely to occur in that financial year; and
- (iv) a statement of whether the *Transmission Network Service Provider* plans to issue a request for proposals for *augmentation* or a non-network alternative identified by the annual planning review conducted under clause 5.6.2(b) and if so, the expected date the request will be issued;

[2] Clause 6A.5.4 Building Blocks approach

In clause 6A.5.4(b)(6), after “clause 6A.6.6(c)”, insert “, clause 6A.6.6(c1)”.

[3] Clause 6A.6.5 Efficiency benefit sharing scheme

In clause 6A.6.5(a), after “clause 6A.6.6(c)”, insert “, clause 6A.6.6(c1)”.

[4] Clause 6A.6.6 Forecast operating expenditure

After clause 6A.6.6(c), insert

(c1) If:

- (1) a *Transmission Network Service Provider* made *network support payments* in accordance with a relevant agreement for *network support services* in the previous *regulatory control period*; and

- (2) the *Transmission Network Service Provider* must continue to make *network support payments* to fulfil obligations under the relevant agreement for *network* support services in the relevant *regulatory control period*,

the *AER* must accept the forecast of required operating expenditure of the *Transmission Network Service Provider* included in a *Revenue Proposal* in relation to the remainder of costs required to meet obligations under the relevant agreement for *network* support services in the relevant *regulatory control period*.

[5] Clause 6A.6.6 Forecast operating expenditure

In clause 6A.6.6(e)(9), omit “and” where lastly occurring.

[6] Clause 6A.6.6 Forecast operating expenditure

In clause 6A.6.6(e)(10), omit “.” and substitute:

; and

- (11) the extent to which the *Transmission Network Service Provider* has considered and made provision for efficient and prudent non-network alternatives.

[7] Clause 6A.6.7 Forecast capital expenditure

In clause 6A.6.7(e)(9), omit “and” where lastly occurring.

[8] Clause 6A.6.7 Forecast capital expenditure

In clause 6A.6.7(e)(10), omit “.” and substitute:

; and

- (11) the extent to which the *Transmission Network Service Provider* has considered and made provision for efficient and prudent non-network alternatives.

[9] Clause 6A.14.1 Contents of decisions

In clause 6A.14.1(3)(i), after “clause 6A.6.6(c)”, insert “or clause 6A.6.6(c1)”.

[10] Clause S6A.1.1 Information and matters relating to capital expenditure

In clause S6A.1.1(6), omit “and” where lastly occurring.

[11] Clause S6A.1.1 Information and matters relating to capital expenditure

In clause S6A.1.1(7), omit “.” and substitute:

; and

- (8) any non-network alternatives considered by the *Transmission Network Service Provider*.

[12] Clause S6A.1.2 Information and matters relating to operating expenditure

In clause S6A.1.2(7), omit “and” where lastly occurring.

[13] Clause S6A.1.2 Information and matters relating to operating expenditure

In clause S6A.1.2(8), omit “.” and substitute:

; and

- (9) any non-network alternatives considered by the *Transmission Network Service Provider*.

[14] Chapter 10 New definition

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

overload

Has the meaning given in clause 5.6.2A(b)(3)(i).
