



National Electricity Amendment (Reallocation of National Transmission Planner costs) Rule 2020 No. 15

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.

Merryn York
Acting Chairperson
Australian Energy Market Commission

National Electricity Amendment (Reallocation of National Transmission Planner costs) Rule 2020 No. 15

1 Title of Rule

This Rule is the *National Electricity Amendment (Reallocation of National Transmission Planner costs) Rule 2020 No. 15*.

2 Commencement

This Rule commences operation on 29 October 2020.

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] Clause 2.11.1 Development of Participant fee structure

Omit clause 2.11.1(c)(5A) and substitute:

- (5A) *NTP function* fees to recover *AEMO's* budgeted revenue requirement as described in clause 2.11.3(b)(4A), such fees to be allocated to *Co-ordinating Network Service Providers*, including *AEMO* in its capacity as a *Co-ordinating Network Service Provider* providing *shared transmission services*;

[2] Clause 2.11.3 Budgeted revenue requirements

After clause 2.11.3(b), insert:

- (ba) For the purposes of clause 2.11.1(c)(5A), *AEMO* must:
- (1) allocate between *Co-ordinating Network Service Providers* *AEMO's* budgeted *NTP function* fees to recover the projected revenue requirement described in subparagraph (b)(4A); and
 - (2) by 15 February each year, advise each *Co-ordinating Network Service Provider* of its allocation of *NTP function* fees under subparagraph (1) for the next *financial year* to allow each *Co-ordinating Network Service Provider* to reflect its allocation in the prices for each *category of prescribed transmission services* it publishes for that *financial year* in accordance with clause 6A.24.2(c).

[3] Clause 2.11.3 Budgeted revenue requirements

In clause 2.11.3(d), after the word “*functions*”, insert “, and the *NTP function* fees applicable to *AEMO* as a *Co-ordinating Network Service Provider* under clause 2.11.3(ba),”.

[4] Clause 6A.23.3 Principles for the allocation of the annual service revenue requirement to connection points

Omit clause 6A.23.3(e)(6), and substitute:

- (6) adding the amount of *NTP function* fees advised to the *Co-ordinating Network Service Provider* in accordance with clause 2.11.3(ba),

[5] Clause 6A.29.1 Multiple Transmission Network Service Providers within a region

After clause 6A.29.1(f), insert:

- (g) If *prescribed transmission services* within a *region* are provided by only one *Transmission Network Service Provider*, then references in rule 2.11 and clause 6A.23.3 to a *Co-ordinating Network Service Provider* in respect of *NTP function* expenditure and fees are to be read as a reference to that *Transmission Network Service Provider*.

Schedule 2 Savings and Transitional Amendment to the National Electricity Rules

(Clause 4)

[1] New Part ZZZZF Rules consequential on the making of the National Electricity Amendment (Reallocation of National Transmission Planner costs) Rule 2020

After Part ZZZZE insert:

Part ZZZZF Reallocation of National Transmission Planner costs

11.130 Rule consequential on the making of the National Electricity Amendment (Reallocation of National Transmission Planner costs) Rule 2020

11.130.1 Allocation of NTP costs

- (a) On and from 1 January 2021 until 30 June 2022, notwithstanding *AEMO's* determination of the structure of *Participant fees*, *AEMO* may, for the purposes of clause 2.11.3(ba), allocate *NTP function* fees to a *Co-ordinating Network Service Provider* based on the GWh consumed in the *financial year* commencing 1 July 2019 in the relevant *region* as a proportion of the GWh consumed in all *regions* in that *financial year*.
- (b) By 1 January 2021, *AEMO* must publish on its website the *NTP function* fees to be allocated to each relevant *Co-ordinating Network Service Provider* for the period of 1 January 2021 to 30 June 2021 and such fees are taken to be *Participant fees* payable by those *Co-ordinating Network Service Providers*.
- (c) To avoid doubt, *AEMO* may include in the *NTP function* fees allocated to a *Co-ordinating Network Service Provider* under clause 2.11.3(ba) for the *financial year* commencing 1 July 2021:
 - (1) a share of *AEMO's* expenditures in carrying out *NTP functions* (as specified in *AEMO's* 2020-2021 budget and fees document published under clause 2.11.3(a), which to avoid doubt includes expenditures not recovered in previous *financial years*) that *AEMO* has not allocated to *Co-ordinating Network Services Providers* in that *financial year*; and
 - (2) *AEMO's* costs of financing the amounts referred to in subparagraph (1).

- (d) For the purposes of making the adjustment under clause 6A.23.3(e)(6) in relation to the prices for each *category of prescribed transmission services* for the *financial year* commencing 1 July 2021, a *Co-ordinating Network Service Provider* may add to the *NTP function* fees allocated to it for that *financial year*:
- (1) the *NTP function* fees allocated to it for the period from 1 January 2021 to 30 June 2021 and which were not recovered in the prices for each *category of prescribed transmission services* in the *financial year* commencing 1 July 2020; and
 - (2) a gross up of the fees referred to in sub-paragraph (1) for the time cost of money for that period:
 - (i) in the case of *AEMO* in its capacity as a *Co-ordinating Network Service Provider*, in accordance with *AEMO's* obligations under the *National Electricity Law*, the *Rules* and *AEMO's* revenue methodology; and
 - (ii) in the case of any other *Co-ordinating Network Service Provider*, based on the *allowed rate of return* for that *Co-ordinating Network Service Provider* at the time when the adjustment is to be made.
- (e) As soon as practicable following the commencement of the National Electricity Amendment (Reallocation of National Transmission Planner costs) Rule 2020 No. 15, *AEMO* must amend its revenue methodology to take into account that Rule. Despite clause S6A.4.2(c)(3), *AEMO* is not required to consult with the public in making the amendments.
- (f) Clause 6A.29.1(g) applies to references to a *Co-ordinating Network Service Provider* in this clause 11.130.1.

[END OF RULE AS MADE]
