

# Attachment 1 - Consultation on proposed draft regulation under s27 EII Act

Excerpt CWO REZ Access Rights and Scheme Design Positions Paper, published July 2022 (pages 58 – 60)

Regulation	Policy position
<p><b>Commencement of connection process</b></p>	<p>Modify the NER such that <i>Generators</i> seeking connection to the access rights network are not permitted to make a <i>connection</i> enquiry under the NER.</p> <p>Generators that are granted access rights to the access rights network will be taken to have made a <i>connection</i> enquiry in respect of that network under the NER. Following the allocation of access rights, access right holders will receive information equivalent to that contained in a response to <i>connection</i> enquiry under the NER from the Infrastructure Planner or the relevant <i>Network Service Provider</i> to enable the preparation of an <i>application to connect</i>.</p>
<p><b>Access ‘gateway’ mechanism</b></p>	<p>Modify the NER such that the consent of the Infrastructure Planner is required for:</p> <ul style="list-style-type: none"> <li>• a <i>Generator</i> to make an application to connect a <i>generating system</i> to the access rights network; or to a <i>distribution network</i> or <i>transmission network</i> subject to an access control mechanism</li> <li>• a <i>Network Service Provider</i> to make an application to connect a <i>transmission network</i> or <i>distribution network</i> to the access rights network or to a <i>distribution network</i> or <i>transmission network</i> subject to an access control mechanism</li> <li>• a <i>Customer</i> to make an application to connect <i>plant</i> to the access rights network</li> <li>• a <i>Network Service Provider</i> to make an offer to connect to a <i>Generator</i>, <i>Network Service Provider</i> or <i>Customer</i> in relation to the access rights network or to a <i>distribution network</i> or <i>transmission network</i> subject to an access control mechanism</li> <li>• a <i>Generator</i> to apply under clause 5.3.9 of the NER for an alteration to a <i>generating system</i> connected to an access rights network, or a <i>generating system</i> connected to a <i>distribution network</i> or <i>transmission network</i> subject to an access control mechanism</li> <li>• a <i>Network Service Provider</i> to approve an alteration to a <i>generating system</i> connected to an access rights network, or a <i>generating system</i> connected to a <i>distribution network</i> or <i>transmission network</i> subject to an access control mechanism, under clause 5.3.9 of the NER.</li> </ul>

Regulation	Policy position
<p><b>Require maximum generation in NEMDE to be no greater than capacity of access rights</b></p>	<p>Modify the NER to require a <i>Generator</i> with a <i>generating system</i> connected to the access rights network that is comprised of one <i>generating unit</i> to submit a maximum generation amount to AEMO, as part of its bid and offer validation data that does not exceed the maximum capacity for which it holds access rights. Where a <i>Generator's generating system</i> (other than a co-located hybrid infrastructure project) comprises multiple <i>generating units</i> and those <i>generating units</i> are not aggregated for the purpose of <i>central dispatch</i>, the sum of the maximum generation of each <i>generating unit</i> must be no greater than the maximum capacity for which the <i>Generator</i> holds access rights and must be consistent with the maximum capacity for the relevant <i>generating unit</i> specified in the access rights register.</p> <p>If required, modifications will be made to the NER to reflect the policy intent that the maximum capacity of a <i>generating unit</i> recorded in the access rights register will not impact AEMO's powers to direct the <i>dispatch</i> of that <i>generating unit</i> in accordance with the National Electricity Law and NER.</p> <p>This will support the implementation of the access scheme and simplify the enforcement of access rights.</p>
<p><b>Connection agreements</b></p>	<p>Modify Schedule 5.6 (Part A) of the NER so that <i>connection agreements</i> for <i>Generators</i> seeking connection to the access rights network are required to include the maximum permitted output at the <i>connection point</i>. The maximum permitted output at the <i>connection point</i> must be no greater than the maximum capacity for which the <i>Generator</i> holds access rights under the access rights register. In the case of co-located hybrid infrastructure projects, the maximum permitted output may be less than the sum of the maximum generation of each <i>generating unit</i> comprising the project.</p>
<p><b>Direction to disconnect</b></p>	<p>Modify rule 5.9 of the NER to:</p> <ul style="list-style-type: none"> <li>• empower the Infrastructure Planner to direct the <i>Network Service Provider</i> for an access rights network to <i>disconnect the facilities</i> of a <i>Generator</i> from the access rights network</li> <li>• require the Infrastructure Planner to consult with AEMO prior to giving a direction to a <i>Network Service Provider</i> in relation to the potential impacts of the <i>disconnection</i> on <i>power system security</i> and the timing of the <i>disconnection</i></li> <li>• require a <i>Network Service Provider</i> to <i>disconnect the facilities</i> of a <i>Generator</i> from the access rights network if it is directed to do so by the Infrastructure Planner</li> <li>• extend clause 5.9.4 to provide that AEMO and the <i>Network Service Provider</i> for an access rights network have no liability for loss or damage suffered or incurred by a <i>Registered Participant</i> by reason of a <i>disconnection</i> on direction by the Infrastructure Planner.</li> </ul>

Regulation	Policy position
<p><b>Disapply NER access dispute provisions</b></p>	<p>Disapply the NER access dispute provisions as they might otherwise apply to disputes relating to the application of the ‘access gateway mechanism’ referred to above by a <i>Network Service Provider</i> of an access rights network or a <i>distribution network</i> or <i>transmission network</i> subject to an access control mechanism.</p> <p>Disputes about other terms and conditions of access (e.g. relating to access to prescribed and negotiated transmission services and aspects of the connection agreement) will remain subject to the commercial arbitration provisions in chapter 5 of the NER.</p>
<p><b>Reversion to NER access regime</b></p>	<p>Modify the NER to provide for the ‘access gateway mechanism’ referred to above to cease to apply when the term of the declared access scheme ends. Following the end of the access scheme term, <i>Generators</i>, <i>Network Service Providers</i> and <i>Customers</i> will seek access to the access rights network and any <i>distribution network</i> or <i>transmission network</i> subject to an access control mechanism under the access framework applicable under the NER at that time.</p>