

Electricity Industry Act 2004

Pilbara Networks Rules

Version 3

SUMMARY TABLE OF CONTENTS

Chapter 1 – Introduction	1
Subchapter 1.1 – Commencement and application.....	1
Subchapter 1.2 – Interpretation	5
Subchapter 1.3 – Precedence	32
Subchapter 1.4 – How these rules apply when NSP, controller or user comprise more than one person	33
Subchapter 1.5 – Excluded NWIS networks	35
Subchapter 1.6 – Covered non-NWIS networks.....	38
Chapter 2 – Governance	39
Subchapter 2.1 – Functions and powers.....	39
Subchapter 2.2 – Delegation by the ISO.....	41
Subchapter 2.3 – ISO control desk and incident coordinator.....	44
Subchapter 2.4 – Relationship between ISO and registered NSPs	45
Subchapter 2.5 – Emergency powers	46
Chapter 3 – Instruments	48
Subchapter 3.1 – Exemptions from these rules	48
Subchapter 3.2 – Harmonised technical rules.....	49
Subchapter 3.3 – Metering Code and Customer Transfer Code.....	55
Subchapter 3.4 – Register of exemptions	57
Subchapter 3.5 – Network planning criteria	57
Subchapter 3.6 – Procedures	58
Subchapter 3.7 – The protocol framework and protocols	59
Subchapter 3.8 – Compliance with instruments and directions	63
Subchapter 3.9 – Rule change and procedure change	64
Chapter 4 – Administration	65
Subchapter 4.1 – Registration	65
Subchapter 4.2 – Communications and systems requirements.....	69
Subchapter 4.3 – Visibility	71
Subchapter 4.4 – Modelling.....	73
Subchapter 4.5 – Budgets and Fees	79
Subchapter 4.6 – Miscellaneous.....	83
Chapter 5 – Measurement	84
Subchapter 5.1 – Metering	84
Subchapter 5.2 – Loss factors	87
Chapter 6 – Generation adequacy	89
Chapter 7 – System operations	95
Subchapter 7.1 – Key concepts	95
Subchapter 7.2 – Standards of behaviour.....	97
Subchapter 7.3 – System coordination	99
Subchapter 7.4 – Notifying planned and unplanned outages	101
Subchapter 7.5 – Operating the power system	103
Subchapter 7.6 – Post-incident discussion and investigation	112
Chapter 8 – Essential system services, balancing and settlement	116
Subchapter 8.1 – Essential system services.....	116
Subchapter 8.2 – Energy balancing	124
Subchapter 8.3 – Settlement	128
Subchapter 8.4 – Miscellaneous.....	137
Chapter 9 – Network matters	139
Subchapter 9.1 – Constrained network access.....	139
Subchapter 9.2 – Access and connection.....	148
Chapter 10 – Planning and reporting	152
Subchapter 10.1 – Long term coordination and planning.....	152
Subchapter 10.2 – Medium term planning	156
Subchapter 10.3 – Operational reporting	156
Subchapter 10.4 – Miscellaneous.....	157
Chapter 11 – Information	158
Subchapter 11.1 – Notices, publication and records	158
Subchapter 11.2 – Confidential information	159
Subchapter 11.3 – ISO’s power to request information	163
Chapter 12 – Compliance, enforcement and audit	164
Subchapter 12.1 – Monitoring and enforcement	164
Subchapter 12.2 – ISO Audit	168

Chapter 13 – Disputes	169
Subchapter 13.1 – Administration	169
Subchapter 13.2 – Commencement and termination	172
Subchapter 13.3 – Parties	176
Subchapter 13.4 – The arbitrator and the arbitral panel	180
Subchapter 13.5 – Procedure	190
Subchapter 13.6 – Evidence and experts	192
Subchapter 13.7 – Determinations	198
Subchapter 13.8 – Costs and appeal	202
Subchapter 13.9 – Enforcement of this Chapter 13	204
Chapter 14 – Miscellaneous	206
Subchapter 14.1 – Consultation	206
Subchapter 14.2 – Monitoring the regime’s effectiveness	206
Subchapter 14.3 – Reviewable decisions	207
Subchapter 14.4 – Transition	208
Appendix 1 – Standard and expedited consultation processes	209
Appendix 2 – Rule and procedure change	213
Sub-appendix 2.1 – Rule and procedure change governance	213
Sub-appendix 2.2 – Rule change process	218
Sub-appendix 2.3 – Procedure change process	228
Appendix 3 – Legacy arrangements for harmonised technical rules	234
Appendix 4 – Transitional rules	238
Sub-appendix 4.1 – Introduction	238
Sub-appendix 4.2 – Managing the ISO’s functions while ISOCO is still developing its capabilities	239
Sub-appendix 4.3 – Access and connection	240
Sub-appendix 4.4 – Power system operation without an ISO	240
Sub-appendix 4.5 – Energy balancing and settlement (including ESS payment)	242
Sub-appendix 4.6 – Essential system services	244
Sub-appendix 4.7 – Harmonised technical rules	247
Sub-appendix 4.8 – Developing initial procedures	247
Sub-appendix 4.9 – Generation adequacy	248
Sub-appendix 4.10 – Constrained access	248
Sub-appendix 4.11 – Transitional funding	248
Sub-appendix 4.12 – Transitional process for rule change	249
Appendix 5 – Pilbara Harmonised Technical Rules	250

DETAILED TABLE OF CONTENTS

Chapter 1 – Introduction	1
Subchapter 1.1 – Commencement and application	1
1 These rules	1
2 Citation	1
3 Commencement	1
4 Application of these rules and the harmonised technical rules	2
5 Integrated mining networks	3
6 Effect of these rules applying to a network	4
7 NSP’s functions under harmonised technical rules extend only to its own network	4
Subchapter 1.2 – Interpretation	5
8 Glossary	5
9 Other rules of interpretation	28
10 Meaning of “promptly”	29
11 A reference to “these rules” includes the harmonised technical rules	30
12 Interpretation of {notes} etc	30
13 Use of shorthand language	30
14 Limited discretion	31
Subchapter 1.3 – Precedence	32
15 Precedence of instruments	32
16 Hierarchy of responsibilities	32

Subchapter 1.4 – How these rules apply when NSP, controller or user comprise more than one person	33
17 Vertically-integrated rules participants	33
18 If network service provider comprises more than one person.....	34
19 If controller or network user comprises more than one person	34
20 Each group may have only one registered representative.....	34
Subchapter 1.5 – Excluded NWIS networks	35
21 How these rules apply to excluded networks	35
22 Excluded network must not jeopardise NWIS security and reliability.....	35
23 Excluded networks at rules commencement	36
24 Becoming an excluded network	36
25 Ceasing to be an excluded network.....	37
Subchapter 1.6 – Covered non-NWIS networks.....	38
26 Definitions.....	38
27 Harmonised technical rules apply	38
28 Legacy arrangements and exemptions.....	38
29 Other rules apply only to extent necessary to facilitate access.....	38
30 ISO and others to minimise disruption	38
31 Procedure for non-NWIS networks	38
Chapter 2 – Governance	39
Subchapter 2.1 – Functions and powers	39
32 The ISO’s security function.....	39
33 Other ISO functions	39
34 ISO powers.....	40
35 ISO not responsible for dispatch generally	40
36 NSP functions.....	41
37 Authority functions	41
38 Coordinator functions.....	41
Subchapter 2.2 – Delegation by the ISO	41
39 ISO may delegate performance of a function	41
40 ISO may direct delegate	42
41 Delegate’s duties	42
42 ISO’s responsibility when choosing and monitoring delegate	43
43 Delegation – general provisions	43
44 Delegate may be permitted to sub-delegate	43
Subchapter 2.3 – ISO control desk and incident coordinator	44
45 ISO may delegate its real-time functions to Horizon Power.....	44
46 ISO control desk – Identity.....	44
47 ISO control desk – Functions.....	45
48 Incident coordinator – Identity and functions	45
Subchapter 2.4 – Relationship between ISO and registered NSPs	45
49 When the registered NSP may consult with the ISO	45
50 When the registered NSP must consult with the ISO	45
51 Position of other parties, when ISO consulted on a matter	45
52 Registered NSP remains responsible for performing its functions.....	46
53 ISO may develop a procedure to govern cooperation	46
Subchapter 2.5 – Emergency powers	46
54 Definition of “emergency provisions”.....	46
55 Emergency powers preserved	46
56 Minister may suspend rules in an emergency.....	47
Chapter 3 – Instruments	48
Subchapter 3.1 – Exemptions from these rules.....	48
57 ISO may grant an exemption from these rules	48

Subchapter 3.2 – Harmonised technical rules	49
58 Objectives for harmonised technical rules	49
59 Harmonised technical rules apply	49
60 Disputes under harmonised technical rules	49
61 Legacy arrangements for harmonised technical rules	49
62 Recovering HTR compliance upgrade costs after certain involuntary changes of network Class...	49
63 Recovering HTR compliance upgrade costs after certain involuntary withdrawals of legacy rights	51
64 NSP may grant an exemption from the harmonised technical rules	53
Subchapter 3.3 – Metering Code and Customer Transfer Code	55
65 Definition of “relevant code”	55
66 Metering Code applies to covered networks	55
67 Customer Transfer Code applies to covered networks	55
68 Exemptions from Metering Code and Customer Transfer Code – NSPs	55
69 Exemptions from Metering Code and Customer Transfer Code – Other persons	56
70 Applying the Metering Code or Customer Transfer Code to a covered network when there are exemptions in place	56
Subchapter 3.4 – Register of exemptions	57
71 ISO to maintain a register of exemptions	57
Subchapter 3.5 – Network planning criteria	57
72 Network planning criteria interactions	57
Subchapter 3.6 – Procedures	58
73 Procedures – Naming and structure	58
74 Procedures – Developing, maintaining and publishing	58
75 Procedures – Content	59
Subchapter 3.7 – The protocol framework and protocols	59
76 Objective of this Subchapter 3.7	59
77 ISO to prepare and maintain protocol framework	60
78 Protocol framework to be a consensus document if possible	60
79 Protocol framework – Content	60
80 Protocols – Content	61
81 Protocols – Activation	62
82 Protocols – Deactivation	63
83 Protocols may be used informally	63
84 Protocol matters may be referred for post incident analysis	63
Subchapter 3.8 – Compliance with instruments and directions	63
85 Compliance with procedures and protocols	63
86 Compliance with directions	63
87 Certain urgent system operations directions protect the recipient	64
88 Function of performing actions under instruments	64
Subchapter 3.9 – Rule change and procedure change	64
89 Appendix 2 deals with rule change and procedure change	64
Chapter 4 – Administration	65
Subchapter 4.1 – Registration	65
90 Registration objective	65
91 Certain NWIS participants must register	65
92 Certain NWIS participants exempt from registration	66
93 ISO may require otherwise exempt NWIS participants to register	66
94 How to register	67
95 ISO to maintain and publish list of registered persons and facilities	67
96 ISO to maintain and publish list of certain covered network elements	67
97 Standing data	67
98 ISO to publish a system map	68
Subchapter 4.2 – Communications and systems requirements	69
99 Communication and systems requirements	69
100 Other entities’ data to be kept within Australia where practicable	69
101 Confidentiality and cyber-security for visibility data	69

102	Systems requirements	70
103	ISO to develop procedure for notices, communications and systems requirements	71
Subchapter 4.3 – Visibility		71
104	Objective of this Subchapter 4.3	71
105	ISO to maintain visibility list	72
106	ISO control desk to be given visibility	73
107	Function of providing data to ISO control desk	73
Subchapter 4.4 – Modelling		73
108	ISO to develop and maintain a power system model	73
109	ISO may use power system model	74
110	Registered NSP to develop and maintain a network model	74
111	ISO may assist NSP to maintain its network model	74
112	NSP may use network model	75
113	NSP modelling functions in HTR apply	75
114	ISO to model and consult when NSP requests it	75
115	Collaboration in respect of future and concurrent scenario modelling	75
116	Registered NSP to provide information	76
117	General obligation to keep models complete, current and accurate	77
118	Notification of material changes and updating models	77
119	Disclosure of modelling results	77
120	Confidentiality in modelling	78
121	ISO to develop power system modelling procedure	79
Subchapter 4.5 – Budgets and Fees		79
122	Budget objectives	79
123	Budget procedure	80
124	ISO to publish annual budget	80
125	ISO control desk costs	80
126	Economic Regulation Authority costs	81
127	No double recovery	81
128	Coordinator’s costs	82
129	Determination of fees	82
130	Payment of fees	82
Subchapter 4.6 – Miscellaneous		83
131	No requirement for credit support	83
132	Financial years	83
133	Administration procedure	83
Chapter 5 – Measurement		84
Subchapter 5.1 – Metering		84
134	This Chapter prevails	84
135	Covered NSPs to undertake metering	84
136	Metering at interconnectors between covered and non-covered networks	84
137	Allocations at multi-user points	85
138	Provision of metering data to the ISO	85
139	Provision of metering data to an NSP, user or controller	85
140	No transfer under the Customer Transfer Code without suitable meter	86
141	Metering procedure	86
142	Review of 30 minute trading interval	86
Subchapter 5.2 – Loss factors		87
143	Energy quantities to be loss factor adjusted	87
144	Loss factors to be determined efficiently	87
145	ISO to publish a reference node	87
146	Covered NSP must determine and publish loss factors	87
147	Reassessment of loss factors	88
148	Covered NSP must provide information	88
Chapter 6 – Generation adequacy		89
149	Definitions	89
150	Objectives of this Chapter 6	89
151	ISO may suspend this Chapter at times of surplus capacity	89

152	Generation adequacy in non-covered networks	89
153	ISO to determine generation adequacy margin	90
154	Generator may self-certify capacity	91
155	Generator may give allocation notice.....	92
156	Exit user must forecast its own estimated peak demand	92
157	Exit user must self-certify generation adequacy and a demand cap.....	92
158	Exit user must have generation adequacy certificate in place	93
159	Exit user must operate within its chosen demand cap	93
160	ISO's monitoring and enforcement role	93
161	ISO to develop a generation adequacy procedure	94
Chapter 7 – System operations.....		95
Subchapter 7.1 – Key concepts.....		95
162	The system security objective.....	95
163	Definition of “inside the technical envelope”	95
164	Definition of “secure state”	95
165	Definition of “normal operating conditions”	96
166	Definition of “notifiable event”	96
167	Definition of “system coordination matters”.....	96
Subchapter 7.2 – Standards of behaviour		97
168	General standard of behaviour	97
169	Obligation to balance.....	97
170	Standards of behaviour in system coordination	98
171	General requirement to treat load shedding as a last resort	98
172	Grounds for non-compliance	98
Subchapter 7.3 – System coordination.....		99
173	Objectives of this Subchapter 7.3 and Subchapter 7.4	99
174	System coordination meetings.....	99
175	Activities between system coordination meetings.....	100
176	System coordination meetings and discussions – confidential information.....	100
177	ISO to produce system coordination report	100
178	Review of this Subchapter 7.3 and Subchapter 7.4.....	101
Subchapter 7.4 – Notifying planned and unplanned outages		101
179	If a near-term event arises between system coordination meetings	101
180	Notification obligations.....	102
181	Outages of facilities	102
182	Resolving scheduling conflicts.....	102
183	Obligations to report contingencies and unplanned events	103
Subchapter 7.5 – Operating the power system.....		103
184	Objectives of this Subchapter 7.5	103
185	Responsibilities and powers in normal operating conditions.....	104
186	Responsibilities and powers in respect of pre-contingent actions.....	106
187	Responsibilities and powers following a contingency, etc.....	107
188	System operations directions.....	108
189	Directions in emergencies	109
190	Actions in emergencies.....	110
191	ISO may intervene in respect of equipment which jeopardises security or reliability	110
192	System restart (black start).....	111
Subchapter 7.6 – Post-incident discussion and investigation.....		112
193	Objectives of this Subchapter 7.6	112
194	Incidents to be investigated	112
195	ISO's investigation powers	113
196	Informal discussion.....	113
197	ISO investigation and report	114
198	Consequential rule and procedure changes	115
Chapter 8 – Essential system services, balancing and settlement		116
Subchapter 8.1 – Essential system services		116
199	The ESS objectives	116

200	ESS contracting process	117
201	Definition – Frequency control service (a.k.a. regulation service).....	118
202	Requirements – Frequency control – ISO to determine.....	118
203	Procurement – Primary FCESS service.....	118
204	Pricing – Primary FCESS service	119
205	Identifying islanding scenarios and secondary FCESS providers	119
206	Pricing – Secondary FCESS service	119
207	Enablement – Frequency control – One provider at a time.....	120
208	Enablement – Primary frequency control.....	120
209	Enablement – Secondary frequency control	120
210	Spinning reserve – Definition of headroom	121
211	Requirements – Spinning reserve – The contingency reserve standard	121
212	Requirements – Spinning reserve – ISO to determine	122
213	Definition – The spinning reserve (contingency reserve) service.....	122
214	Procurement – Spinning reserve contracts	122
215	Enablement – Spinning reserve.....	123
216	Spinning reserve – Trial of alternative SRESS approach	123
217	Annual reporting	123
Subchapter 8.2 – Energy balancing		124
218	Balancing points	124
219	Metered quantities	125
220	There must be a nominator for each balancing point.....	125
221	ISO-appointed nominator must act fairly.....	126
222	Nominations.....	126
223	Default nomination – Nominator is balancing nominee.....	127
224	ISO to verify that balancing arrangements provide full coverage.....	127
225	The balancing nominee's imbalance.....	127
Subchapter 8.3 – Settlement.....		128
226	Reference period for FCESS and SRESS settlement.....	128
227	Frequency control – Identify payers and their shares	128
228	Frequency control – Payment obligations.....	129
229	Spinning reserve – Identify payers and their shares	130
230	Spinning reserve – Payment obligations.....	131
231	Balancing – ISO to determine administered price and administered penalty price	131
232	Balancing – Not all positive imbalances to be compensated	132
233	Balancing – The balancing tolerance quantity for a settlement period.....	132
234	Balancing – Payment obligations – Definitions	132
235	Balancing – Payment obligations.....	133
236	Balancing – Shortfall of balancing payments	135
237	Balancing – Surplus of balancing payments	135
238	Settlement – Payers may allocate payment obligations.....	135
239	Settlement – ISO to issue payment notes.....	136
240	Payment – Payment notes are enforceable	136
241	Payment – ISO not required to pay	137
242	Corrections and adjustments	137
243	Settlement disputes	137
Subchapter 8.4 – Miscellaneous.....		137
244	EBAS procedure	137
245	ISO to develop and maintain EBAS engine	137
246	ISO may take planning criteria interactions into account	137
247	Review of ESS, balancing and settlement arrangements	137
Chapter 9 – Network matters.....		139
Subchapter 9.1 – Constrained network access		139
248	Application – Initial covered networks only	139
249	Definitions.....	140
250	Legacy priority rights.....	140
251	Hierarchy of legacy, build-out and other rights	141
252	Legacy rights – Reduction or cancellation	141
253	Legacy rights – Disputes	142
254	Limit advice – Covered NSP to provide to the ISO	142
255	Limit advice – Must not discriminate.....	143

256	Constraint rules – ISO to publish	143
257	ISO control desk to monitor network constraints	143
258	Constraint directions – ISO control desk may issue	143
259	Constraint directions – Priority and apportionment	144
260	Constraint directions – Registered controller must comply	144
261	Balancing during constraints – Constrained-off parties must still endeavour to balance	145
262	Balancing during constraints – ISO may constrain off loads to preserve balance if necessary	145
263	Network access contracts must reflect constrained access.....	146
264	Building out constraints.....	147
265	Constraint information.....	147
266	Constrained access procedure	148
Subchapter 9.2 – Access and connection		148
267	Definitions.....	148
268	ISO’s access and connection function.....	148
269	Connection standards are NSP’s responsibility	149
270	ISO supervision of connection standards	149
271	Modelling in connection with access applications.....	150
272	Facilitation and assistance in connection with access applications	150
273	ISO to remain independent.....	151
274	ISO to develop procedure.....	151
Chapter 10 – Planning and reporting.....		152
Subchapter 10.1 – Long term coordination and planning		152
275	Application of this Subchapter 10.1	152
276	Reporting evolution.....	152
277	Network coordination and planning objectives.....	152
278	Reports are for information only	153
279	ISO to prepare and publish biennial NCP reports.....	153
280	NCP planning horizon.....	153
281	Transmission development plan – NWIS.....	153
282	Pilbara GenSOO.....	154
283	Reports to consider broader Pilbara to the extent practicable	154
284	Consultation.....	155
285	ISO may inform itself as it sees fit	155
286	Review of this Subchapter 10.1’s scope and objective	155
Subchapter 10.2 – Medium term planning		156
287	Medium Term PASA	156
Subchapter 10.3 – Operational reporting		156
288	ISO to publish system coordination bulletin from time to time	156
Subchapter 10.4 – Miscellaneous.....		157
289	Procedures for Chapter 10	157
Chapter 11 – Information.....		158
Subchapter 11.1 – Notices, publication and records		158
290	Publication	158
291	Authority’s subscriber database.....	158
292	Rules participant may combine publications, reports, lists, etc.....	158
293	Record retention	159
Subchapter 11.2 – Confidential information.....		159
294	Confidentiality objective.....	159
295	Definitions.....	159
296	Information which is not confidential.....	160
297	Restriction on use of confidential information	160
298	Restriction on disclosure of confidential information.....	160
299	Permitted disclosure – In performance of a function.....	161
300	Permitted disclosure – General	161
301	Permitted disclosure – To a governance entity.....	161
302	Permitted disclosure – Non-confidential parts of documents	162
303	Pre-disclosure process	162

304	Intermediate disclosers	163
305	Protection for disclosure under these rules	163
Subchapter 11.3 – ISO’s power to request information		163
306	ISO may request information	163
Chapter 12 – Compliance, enforcement and audit		164
Subchapter 12.1 – Monitoring and enforcement		164
307	ISO compliance function	164
308	Compliance procedure	164
309	Proportionate approach to investigations	164
310	Reporting breaches	164
311	ISO must record and may investigate	165
312	Investigation and enforcement	165
313	Referral of ISO breaches to the Authority	166
314	Review by the Board	166
315	Annual and ad hoc reporting	166
316	Confidentiality of compliance matters	167
317	Authority to support ISO	167
Subchapter 12.2 – ISO Audit		168
318	ISO Audit	168
Chapter 13 – Disputes		169
Subchapter 13.1 – Administration		169
319	Meaning of “arbitrator’s determination”	169
320	Authority’s role	169
321	Authority to maintain pool of potential arbitrators	169
322	Publication of information	170
323	Confidentiality	171
324	Functions	171
325	Commercial Arbitration Act does not apply	172
Subchapter 13.2 – Commencement and termination		172
326	Dispute notice	172
327	Notifications following dispute notice	172
328	Trivial, vexatious etc claims	173
329	Withdrawal of a dispute notice	173
330	Mediation	174
331	Determination of an expedited matter	174
Subchapter 13.3 – Parties		176
332	Parties to an arbitration	176
333	Consolidation, joinder and other third party participation	176
334	Arbitrator may join the ISO as a party if absolutely necessary	179
Subchapter 13.4 – The arbitrator and the arbitral panel		180
335	Appointing the arbitrator	180
336	Arbitrator may convene an arbitral panel	182
337	Operation of the arbitral panel	185
338	Impartiality and independence of arbitral panel member	185
339	Change of panel expert	187
340	Change of arbitrator	187
341	Effect of appointment of new arbitrator on evidence previously given and awards and determinations previously made	189
Subchapter 13.5 – Procedure		190
342	Expedition, informality and efficiency	190
343	Natural justice	190
344	Arbitrator’s procedural powers	190
345	Precedent	191
346	Programming	191
347	Hearing to be in private	192
348	Contempt	192

Subchapter 13.6 – Evidence and experts	192
349 Arbitrator may inform itself as it sees fit	192
350 Submissions	193
351 Arbitrator may obtain information from Authority or ISO	194
352 Power to take evidence on oath or affirmation, issue summons	194
353 Failing to attend as a witness, answer questions, etc	194
354 Intimidation etc	195
355 Documents and evidence	195
356 Procedure if arbitrator appoints expert	195
357 Arbitrator may engage the ISO's assistance	197
Subchapter 13.7 – Determinations	198
358 Factors the arbitrator must take into account	198
359 Determinations which may be made	198
360 General requirements for determinations	198
361 Interim determinations	199
362 Final determinations	199
363 Determination is binding	201
364 Correction of errors	201
Subchapter 13.8 – Costs and appeal	202
365 Costs	202
366 Appeal to Court	203
Subchapter 13.9 – Enforcement of this Chapter 13	204
367 Supreme Court may make orders	204
Chapter 14 – Miscellaneous	206
Subchapter 14.1 – Consultation	206
368 Consultation	206
Subchapter 14.2 – Monitoring the regime's effectiveness	206
369 ISO to monitor and report on the Pilbara networks regime's effectiveness	206
Subchapter 14.3 – Reviewable decisions	207
370 Reviewable decisions	207
Subchapter 14.4 – Transition	208
371 Transitional rules appear in Appendix 4	208
Appendix 1 – Standard and expedited consultation processes	209
Introduction	209
Expedited consultation process	209
Standard consultation process	209
Publication of submissions	210
Late submissions	211
Additional consultation	211
Confidential information	211
Vexatious etc submissions may be disregarded	211
When final decision takes effect	211
Extension of deadlines	211
Appendix 2 – Rule and procedure change	213
Sub-appendix 2.1 – Rule and procedure change governance	213
Coordinator's rule and procedure change functions	213
The Pilbara advisory committee (PAC) is formed	213
How the PAC makes decisions	214
Coordinator to develop PAC governing documents	214
Who is to be members of the PAC	215
PAC to have an Independent Chair	215
Interim PAC members	216
Review and removal of PAC members	216
Resignation of PAC members	216

PAC vacancies.....	217
When PAC is to be convened	217
Coordinator to provide information to PAC.....	217
PAC working groups	217
Confidentiality	218
Sub-appendix 2.2 – Rule change process	218
Rules made by the Coordinator	218
Rule change proposals	219
Coordinator to select rule change process	221
Objection to Coordinator’s process decision	222
Extensions of time.....	222
Objection to Coordinator’s decision to extend time	223
Rules change proposals to be progressed using selected process	223
Fast track rule change process	223
Standard rule change process	224
Abridged standard rule change process.....	226
Review of Coordinator’s rule change decisions	227
Ministerial approval of certain rule change decisions	227
When rule changes come into force.....	228
Protected provisions	228
Sub-appendix 2.3 – Procedure change process	228
Procedure change proposals	229
Review of procedure change decisions.....	232
When procedure changes come into force.....	232
Reviewable decisions.....	232
Appendix 3 – Legacy arrangements for harmonised technical rules	234
Definitions	234
Legacy arrangements for existing and committed facilities	235
Loss of legacy arrangements after major works.....	235
Withdrawal of legacy arrangements for security or reliability reasons.....	236
Opting in to <i>harmonised technical rules</i>	236
Cost of compliance upgrades.....	237
Legacy arrangements apply also to equipment etc.....	237
Appendix 4 – Transitional rules	238
Sub-appendix 4.1 – Introduction	238
Transition objective	238
These rules apply in the transition period.....	238
Earlier commencement of rules	238
Things done or required before rules commence.....	238
Amendment or repeal of transitional rules.....	239
Sub-appendix 4.2 – Managing the ISO’s functions while ISOC0 is still developing its capabilities	239
ISO to perform functions to the extent possible	239
NSPs to fill the gap	239
Sub-appendix 4.3 – Access and connection	240
Access and connection	240
Sub-appendix 4.4 – Power system operation without an ISO	240
No material change in operating practices	240
NSPs must cooperate to promote system security	241
System operation – NSP responsibilities	241
System operation – Registered controller responsibilities	241
Horizon Power has limited ISO control desk function	241
System coordination meetings to commence.....	242
No power to give directions.....	242
Directions in emergencies.....	242
Visibility 242	

Sub-appendix 4.5 – Energy balancing and settlement (including ESS payment)	242
Definitions	242
Legacy arrangements apply to existing contracted points only	243
Nominations and data provision	243
Energy balancing and settlement	243
Sub-appendix 4.6 – Essential system services	244
Definitions – ESS transitional arrangements	244
Transition for frequency control (regulation) and balancing	245
Transition for spinning reserve (headroom)	245
Varying prior ESS arrangements	246
Minister may make transitional orders regarding ESS contracts	246
Sub-appendix 4.7 – Harmonised technical rules	247
Harmonised technical rules apply	247
Sub-appendix 4.8 – Developing initial procedures	247
Interim procedures	247
Sub-appendix 4.9 – Generation adequacy	248
Generation adequacy	248
Sub-appendix 4.10 – Constrained access	248
Constrained access	248
Sub-appendix 4.11 – Transitional funding	248
Transitional funding	248
Sub-appendix 4.12 - Transitional process for rule change	249
Transitional process for rule changes	249
Appendix 5 – Pilbara Harmonised Technical Rules	250

Chapter 1 – Introduction

Subchapter 1.1 – Commencement and application

1 These rules

- (1) These rules are made by the Minister under the *Electricity Industry Act 2004* (“Act”).
- (2) These rules may be amended by the *Coordinator* or the Minister under Appendix 2 and the regulations.

2 Citation

This Code may be cited as the *Pilbara Networks Rules* and by reference to the version number shown on the front cover.

3 Commencement

- (1) The following rules commence on 1 July 2021 —
 - (a) Chapter 1 {Introduction, interpretation, etc}; and
 - (b) rules 36 to 38 {NSP, Authority and Coordinator functions}; and
 - (c) Subchapter 2.5 {Emergency powers}; and
 - (d) rule 61 and Appendix 3 {HTR legacy}; and
 - (e) Subchapter 3.3 {Customer Transfer Code and exemptions} but only in respect of the *Customer Transfer Code*; and
 - (f) Subchapter 3.6 {Procedures}; and
 - (g) Subchapter 3.8 {Compliance with instruments and directions}; and
 - (h) rule 89 and Appendix 2 {Rule and procedure change}; and
 - (i) rules 90 to 94 {Registration}; and
 - (j) Subchapter 4.5 {Budget and fees}; and
 - (k) Subchapter 4.6 {Miscellaneous}; and
 - (l) Subchapter 11.1 {Notices, publication, etc}; and
 - (m) Subchapter 11.2 {Confidential information}; and
 - (n) Chapter 13 {Disputes}; and

- (o) Chapter 14 {Consultation process, 5 yearly reviews, reviewable decisions and transition} including Appendix 1 {Consultation process} and Appendix 4 {Transition}.
- (2) Subject to rule A4.3 in Appendix 4, the following rules commence on 1 October 2021 —
- (a) rules 32 to 35 {ISO functions and powers}; and
- (b) Subchapter 2.2 {Delegation by the ISO}; and
- (c) rule 45 to 47 {ISO control desk}.
- (3) Subject to Appendix 4, Subchapter 9.2 {Access and connection} commences on 7 January 2022.
- (4) Subject to rule A4.3 in Appendix 4, the remainder of these rules commence at 8:00 AM on 1 July 2023.

4 Application of these rules and the harmonised technical rules

- (1) The table to this rule specifies how these rules (including the *harmonised technical rules*) apply to each class of network.

Table to rule 4

Class	Networks in class	Extent to which these rules apply to a network in the class
1A	A <i>covered network</i> forming part of the <i>NWIS</i>	All rules apply.
1B	An <i>integrated mining network</i> forming part of the <i>NWIS</i> , and which is not a <i>covered network</i>	Subject to rule 5, all rules apply, unless expressly limited to <i>covered networks</i> .
1C	An <i>excluded network</i> forming part of the <i>NWIS</i>	Treated in these rules as a “facility”, not a “network” – see Subchapter 1.5. All rules that apply to a “facility” apply to it.
1D	A <i>non-covered network</i> forming part of the <i>NWIS</i> , which does not fall in Class 1B or 1C.	All rules apply, unless expressly limited to <i>covered networks</i> .
2	A <i>covered network</i> which does not form part of the <i>NWIS</i>	Subject to Subchapter 1.6, all rules apply.
3	A <i>non-covered network</i> which does not form part of the <i>NWIS</i>	Rules do not apply unless explicitly stated.

{Notes to the above table —

- If a *NWIS network* which was previously an *integrated mining network* or *excluded network* becomes *covered*, then on its *coverage commencement date* it will convert to Class 1A.
 - If a *non-NWIS network* forms part of an *integrated Pilbara system* (i.e. other than the *NWIS*), then it is dealt with in Class 2 if *covered*, and Class 3 if *non-covered*.
 - The rules which apply to Class 3 *networks* align with the ISO's functions under section 120W(4)(d) of the Act, which are —
 - “(i) to collect and consider information relating to the operation, management, security and reliability of [such] Pilbara networks; and
 - (ii) to report as specified by the regulations to the Minister, the Authority or a specified person on those matters; and
 - (iii) to publish information on those matters.”}
- (2) Unless the contrary intention is expressed, a reference in these rules to “these rules” includes the *harmonised technical rules*, and no inference to the contrary is to be drawn from the fact that the *harmonised technical rules* are specifically referenced in some places but not others.

{For convenience, in an electronic version of these rules, the *harmonised technical rules* may be presented as a separate document. For change management, the *harmonised technical rules* carry their own version number.}

5 Integrated mining networks

- (1) Subject to rule 5(2), these rules apply to an *integrated mining network* which forms part of the *NWIS*.
- (2) These rules apply to an *integrated mining network* only to the extent reasonably necessary to achieve or promote, to a *GEIP* standard, the following purposes —
- (a) managing the *interconnector* between the *integrated mining network* and another *NWIS network*, including managing energy and power flows, and power quality, across the *interconnector*; and
 - (b) facilitating the *maintenance*, improvement and restoration of *security* and *reliability* in a *covered network* by the *ISO*, the *ISO control desk*, the *ISO's delegates* and the *covered NSPs*; and
 - (c) to the extent an outage, *islanding event*, *contingency* or *pre-contingent threat* in the *integrated mining network* may have a *credible* and material adverse impact on the *system security objective* in a *covered network* — managing the outage, event, contingency or threat; and
 - (d) to the extent an outage, *islanding event*, *contingency* or *pre-contingent threat* in a *covered network* may have a *credible* and material adverse impact on the *system security objective* in the *integrated mining network* — managing the outage, event, contingency or threat; and
 - (e) if a *facility* located in the *integrated mining network* is used to provide an *essential system service* for the benefit of a *covered network* — managing that provision; and

-
- (f) the provision of information for, and undertaking, system modelling under Subchapter 4.4, to the extent reasonably required to a *GEIP* standard for the purposes set out in rules 5(2)(a) to 5(2)(e); and
 - (g) the objectives in Chapter 10, subject to the limitations set out in that Chapter.
- (3) Unless the contrary intention is expressed, this rule 5 applies throughout these rules, and no inference to the contrary is to be drawn from the fact that this rule 5 is specifically referenced in some places but not others.
- (4) If *equipment, a facility or a network element* (“**relevant thing**”) falls outside the definition of *integrated mining system*, this does not affect the application of the definition to any other *equipment, facility or network element* to which the *relevant thing* may be connected.

{Example — If a new 400 km transmission line is connected to a *relevant network*, the new line will not be part of the *integrated mining system*, but that will not of itself cause the *relevant network* to fall outside the definition. However, if the *relevant network* ceased to be operated in an integrated fashion with the other parts of the system predominantly for the purpose of carrying on the business of mining, transporting, processing, and shipping minerals in the Pilbara region, it would fall outside the definition.}

6 Effect of these rules applying to a network

{This rule 6 complements rule 4 by describing the effect of applying rules to a *network*. Every person for whom these rules create rights or obligations is a *rules participant*. Some but not all of them are also *system operations participants*.}

If, and to the extent, these rules apply to a *network* then, subject to any exemptions granted under or in respect of these rules, they apply to and in respect of each of the following —

- (a) the *ISO*, in respect of the *network* and a *power system* of which the *network* forms part; and
- (b) the *network's NSP*; and
- (c) each *facility* which is connected to the *network*;
- (d) the *controller* of each *facility* which is connected to the *network*;
- (e) a *network user* with a *network access contract* for the *network*; and
- (f) each other *rules participant* named or identified in these rules, in respect of the *network*.

7 NSP's functions under harmonised technical rules extend only to its own network

A provision of the *harmonised technical rules* which imposes a function on an *NSP*, or requires an *NSP* to agree a matter with a person or vice versa, is to be read as applying only within the ambit of the *NSP's network* and the *facilities* connected to it.

Subchapter 1.2 – Interpretation

{A word or phrase defined in the Act or the regulations has the same meaning when used in these rules.}

8 Glossary

(1) A word or phrase defined in the following table has the meaning given.

Label	Definition
24/7 basis	in respect of a function, notice or other thing, means that the person responsible for performing the function, giving the notice or doing the thing, has in place systems, personnel and equipment which would be considered sufficient to a <i>GEIP</i> standard to enable the person to do so 24 hours a day, 7 days a week, every day of the year, excepting reasonable unscheduled outages.
abridged standard rule change process	means the process for dealing with <i>rule change proposals</i> set out in clause A2.7A of Appendix 2.
access	is defined in the Act. {At the time these rules are made, the definition in section 3 of the Act is — “ access , in relation to services, has the same meaning that it has when used in that context in the <i>Competition and Consumer Act 2010</i> (Commonwealth)”.
access and connection procedure	subject to rule 73, means the <i>procedure</i> made by a <i>registered NSP</i> under rule 274.
access applicant	has the meaning given in the <i>Access Code</i> .
access application	has the meaning given in the <i>Access Code</i> .
Access Code	means the <i>PNAC</i> , unless a <i>covered network</i> is regulated under the <i>ENAC</i> , in which case it means the <i>ENAC</i> .
access contract	see <i>network access contract</i> .
access dispute	has the meaning given in the <i>Access Code</i> .
access seeker	means a person (who may be a <i>network user</i>) who seeks <i>access</i> to a <i>network</i> to establish or modify a <i>network access contract</i> , and includes a prospective access seeker. {This is the same as “ applicant ” in the <i>PNAC</i> .}
activation conditions	is defined in rule 80(2)(a).
actual installed capacity	is defined in rule 154(2).
administered penalty price	for energy balancing, means the price published under rule 231(b).
administered price	for energy balancing, means the price published under rule 231(a).

administered secondary FCESS price	means the price published under rule 206(3).
administration procedure	subject to rule 73, means the <i>procedure</i> made under rule 133.
Alinta Port Hedland network	has the meaning given in the <i>PNAC</i> .
allocation notice	is defined in rule 155(1).
alternative SRESS procedure	subject to rule 73, means the <i>procedure</i> made under rule 216(c).
amending rule	is defined in Appendix 2.
annual budget	is defined in rule 124(1).
arbitral panel	means a panel convened by the <i>arbitrator</i> under rule 336.
arbitral panel member	is defined in rule 338(1).
arbitrator	<p>in relation to a rules <i>dispute</i>, means the person appointed to determine the rules <i>dispute</i> under rule 335, either sitting alone, or as chair of an arbitral panel.</p> <p>{The “arbitrator” in this Code is not to be confused with the “arbitrator” as defined in the Act.}</p>
arbitrator’s determination	has the meaning in rule 319.
associate	<p>a) has the meaning given in the <i>Access Code</i>; and</p> <p>b) in relation to the <i>NSP</i> of a <i>non-covered network</i> which forms part of an <i>integrated mining system</i>, includes —</p> <p>i) a person who holds at least a 20% legal or beneficial interest in any mining tenement from which minerals are mined as part of the relevant <i>Pilbara minerals business</i> (being the <i>Pilbara minerals business</i> for the predominant purpose of which the <i>integrated mining system</i> is operated); and</p> <p>ii) if the person referred to in paragraph (b)(i) of this definition holds the relevant mining tenement in a joint venture with one or more persons, then the manager or operator of the joint venture; and</p> <p>iii) a <i>related body corporate</i> of a person referred to in paragraph (b)(i) or (b)(ii) of this definition.</p>
associate arrangement	means a contract, arrangement or understanding by which an <i>NSP</i> provides, or otherwise makes available, <i>covered services</i> to, or for the benefit of, an <i>associate</i> , and includes a <i>deemed associate arrangement</i> .
augmentation	has the meaning given in the <i>Access Code</i> .
Authority	means the Economic Regulation Authority established by the <i>Economic Regulation Authority Act 2003</i> .
Authority fee	means the <i>fee</i> calculated under rule 129(2).

Authority's subscriber database	means the database established and maintained by the <i>Authority</i> under rule 291(3).
balancing nominee	means a person to whom all or part of a metered quantity is allocated for a <i>trading interval</i> by a <i>nomination</i> , see rule 222(2)(b).
balancing point	is defined in rule 218.
budget and cost management procedure	subject to rule 73, means the <i>procedure</i> made under rule 123.
build-out priority rights	is defined in rule 264(2).
business day	means a day that is not a Saturday, Sunday or public holiday throughout Western Australia.
capacity certificate	is defined in rule 154(1).
certified capacity	is defined in rule 154(1).
complainant	means a person who commences a rules <i>dispute</i> under Subchapter 13.2.
compliance procedure	subject to rule 73, means the <i>procedure</i> made under rule 307.
complying registered NSP	is defined in rule 18(2).
confidential information	has the meaning in rule 295, and in Chapter 13 is given additional meaning by rule 323(1).
connection {Also "connect" and "connected".}	means a state in which (" connected "), or process by which (" connect " or " connection "), a physical link to a <i>network</i> or <i>network element</i> is created such that electricity can be transferred into or out of the <i>network</i> .
connection applicant	is defined in rule 267.
connection point	means a point on a <i>network</i> which is, or is to be, identified (explicitly or by inference) in a <i>network access contract</i> as being an <i>entry point</i> , <i>exit point</i> , <i>interconnection point</i> or "bidirectional point" as defined in the <i>Access Code</i> .
constrained off	of a <i>generator</i> , means that the <i>generator</i> is subject to a <i>constraint direction</i> to reduce or stop its <i>injections</i> .
constraint	means — a) a network constraint; or b) a limitation or requirement affecting the capability of a generation facility or consumer facility such that it would represent a risk to the system security objective if the limitation or requirement was removed.
constraint direction	means a <i>direction</i> issued by the <i>ISO control desk</i> to a <i>registered controller</i> under rule 258.
constraint event	a) means that a <i>constraint rule</i> is, or is likely in the near future, to be violated; and

	b) includes a circumstance in which the conditions in paragraph (a) of this definition do not apply, but the <i>ISO control desk</i> or a <i>registered NSP</i> has determined in good faith that they do apply, and has acted upon that determination.
constraint rule {replaces “constraint equation” in other regimes}	means a method (by way of a mathematical expression or otherwise) of expressing a constraint.
consume	means to consume <i>electricity</i> .
consumer	means a person who <i>consumes</i> electricity. {A <i>consumer</i> may also be a <i>user</i> , if it acquires a <i>covered service</i> from an <i>NSP</i> . A <i>consumer</i> may also include a generator of electricity or an <i>NSP</i> , if they <i>consume</i> electricity.}
consumer facility {a.k.a. “consumer equipment” in the <i>harmonised technical rules</i> }	means the <i>equipment</i> used for, or in connection with, or to control, the consumption of electricity withdrawn from the <i>network</i> at a <i>connection point</i> , and for an <i>excluded network</i> being treated as a <i>consumer facility</i> under rule 21(2), includes the <i>excluded network</i> .
contestable consumer	means a <i>consumer</i> who is not a “prescribed customer” under section 54 of the <i>Electricity Corporations Act 2005</i> .
contingency {Also “contingency event” .}	an event affecting the <i>power system</i> involving the failure or removal from operational service of one or more <i>generating units</i> or <i>network elements</i> , or the <i>disconnection</i> at a <i>connection point</i> of a <i>registered facility</i> .
contingency reserve standard	is defined in rule 210.
controller	a) in respect of <i>equipment</i> or a <i>facility</i> — means a person who owns, operates or controls (or is in a position to control) the equipment or <i>facility</i> ; and b) in respect of a <i>connection point</i> — means a person who owns, operates or controls (or is in a position to control) the <i>generation facility</i> or <i>consumer facility</i> at the <i>connection point</i> . {Rule 19 sets out how these rules apply when there are multiple <i>controllers</i> for <i>equipment</i> or a <i>connection point</i> . Rule 20 deals with how one of these is chosen to be registered.}
controller group	is defined in rule 19(a).
Coordinator	means the Coordinator referred to in section 4 of the <i>Energy Coordination Act 1994</i> .
Coordinator fee	means the <i>fee</i> calculated under rule 129(3).
coverage application	has the meaning given in the <i>PNAC</i> .
coverage application lodgement date	is defined in rule 26(1)(a).
coverage time	is defined in rule 26(1)(b).

covered	in relation to a <i>network</i> , has the meaning given in the <i>Access Code</i> ; and in relation to a <i>network element</i> , means that the <i>network</i> of which the <i>network element</i> forms part is a <i>covered network</i> .
covered distribution element	means a network element in a covered network which operates at distribution voltage.
covered network	means a “covered Pilbara network” as defined in the Act.
covered network user	means a network user of a covered network.
covered non-NWIS network	means a covered network which does not form part of the NWIS.
covered NSP	means the network service provider of a covered network.
covered NWIS network	means a covered network which forms part of the NWIS.
covered transmission element	means a transmission element which forms part of a covered network.
covered transmission network	means the parts of a covered network which operate at transmission voltage.
credible	in relation to an event or other thing, means that an experienced operator acting in accordance with GEIP would consider it to be reasonably possible in the surrounding circumstances.
credible contingency {Also “credible contingency event”}.	means a contingency event — a) which the protocol framework identifies as a credible contingency event; or b) which the ISO control desk otherwise considers to be reasonably possible in the surrounding circumstances. Without limiting the generality of this definition, examples of credible contingency events are likely to include — i) the unexpected automatic or manual disconnection of, or the unplanned reduction in capacity of, one operating generating unit; or ii) the unexpected disconnection of a transmission element anywhere on the power system.
custodian	in respect of a <i>procedure</i> , means the person required or permitted by these rules to develop the <i>procedure</i> .
Customer Transfer Code	means the <i>Electricity Industry (Customer Transfer) Code 2016</i> .
deactivation conditions	is defined in rule 80(2)(e).
decision	is defined in Chapter 13.
deemed associate arrangement	has the meaning given in the <i>Access Code</i> .

delegate	means an <i>entity</i> to whom the <i>ISO</i> has delegated performance of a function under rule 39, and, except in rule 44, includes a <i>sub-delegate</i> . {Rule 44 authorises sub-delegation. The qualification in the final phrase of this definition ensures that delegation stops at the second level, i.e. a sub-delegate is not permitted to sub-sub-delegate.}
delegated area	is defined in rule 39(2)(b)(iii).
delegated function	is defined in rule 39(1).
demand cap	is defined in rule 157(1)(b).
direct	means to give a <i>direction</i> .
direction	means a mandatory instruction given under these rules, including under an <i>instrument of delegation</i> or <i>ESS contract</i> .
disable	in relation to an <i>FCESS provider</i> — means to call on or <i>direct</i> the <i>FCESS provider</i> to stop providing <i>FCESS</i> .
dispatch	includes causing or procuring an increase or decrease in a facility's <i>injection</i> or <i>withdrawal</i> of electricity.
dispute notice	means notice under rule 326 that a rules <i>dispute</i> exists.
distribution network	has the same meaning as “distribution system” in the Act. {At the time these rules are made, the definition in section 3 of the Act is — distribution system means electricity infrastructure used, or to be used, for, or in connection with, or to control, the transportation of electricity at nominal voltages of less than 66 kV.”}
distribution voltage	means a nominal voltage of less than 66 kV.
draft rule change report	means the report prepared and published under clause A2.7.6(a) of Appendix 2.
EBAS	is short for energy balancing and settlement.
EBAS procedure {for “energy balancing and settlement” procedure}	subject to rule 73, means the <i>procedure</i> made under rule 244.
Electricity Review Board	means the “Board” as defined in the Act. {At the time these rules are made, the definition in section 3 of the Act refers to section 49 of the <i>Energy Arbitration and Review Act 1998</i> which provides — “ Board means the Western Australian Electricity Review Board established by section 50.”}
enable	in relation to a <i>generating unit</i> — means to start, or procure the starting of, the <i>generating unit</i> ; and in relation to an <i>FCESS provider</i> — means to call on or <i>direct</i> the <i>FCESS provider</i> to start providing <i>FCESS</i> .
enabled generating units	a <i>generating unit</i> that is <i>enabled</i> under rule 209(1)(c).

ENAC	means the <i>Electricity Networks Access Code 2004</i> established by the Minister under section 104 of the Act.
energy balancing point	is defined in rule 229(1)(b).
entity	is defined in section 120ZA of the Act. {Section 120ZA defines entity broadly, to include not just natural persons and bodies corporate, but also trustees of a trust.}
entry point	means a point on a <i>network</i> which is, or is to be, identified as such (explicitly or by inference) in a <i>network access contract</i> at which, subject to the <i>network access contract</i> , electricity is more likely to be transferred into the <i>network</i> than transferred out of the <i>network</i> .
entry service	means a service provided to a <i>network user</i> by a <i>registered NSP</i> at a <i>connection point</i> under which the user may transfer electricity into the network.
equipment	means wires, apparatus, equipment, plant and buildings used, or to be used, for or in connection with, or to control, the generation, transportation or consumption of electricity.
equipment limit	means a limit on the operation of a <i>facility</i> or <i>network element</i> which is — a) set out in the standing data for the facility or network element; or b) otherwise provided to the ISO by — i) for a facility — the facility's controller; or ii) for a network — the registered NSP. {Under rule 97(1)(c), an <i>equipment limit</i> must comprise an <i>operating rating</i> and one or more <i>overload ratings</i> .}
ESS contract	means a contract between the <i>ISO</i> and an <i>ESS provider</i> for the provision by that person of <i>essential system services</i> to the <i>ISO</i> .
ESS provider	means a person contracted under an <i>ESS contract</i> or otherwise required under these rules to provide an <i>essential system service</i> .
essential system service	means a service, including <i>FCSS</i> and <i>SRESS</i> , that is required to achieve the objectives in rule 199 and the <i>system security objective</i> .
excluded network	means a <i>non-covered network</i> which — a) is listed in rule 23 {Excluded networks at rules commencement}; or b) has been the subject of a determination under rule 24(1) {Becoming an excluded network}, and which has not ceased to be an <i>excluded network</i> under rule 25.

excluded NSP	means the network service provider of an excluded network.
exempt connection	is defined in rule 267.
exit balancing point	is defined in rule 227(b).
exit point	means a point on a network identified (explicitly or by inference) in a network access contract at which, subject to the network access contract, electricity is more likely to be transferred out of the network than into it.
exit service	means a service provided to a network user by a registered NSP at a connection point under which the user may transfer electricity out of the network; and for a network user who supplies energy at a notional exit point, includes such a service at the notional exit point.
exit user	is defined in rule 149(1).
expedited consultation process	means the process so named, under Appendix 2.
expedited determination	in respect of a rules dispute, means the determination of an expedited matter under rule 331.
expedited matter	has the meaning in rule 331(1).
facility	means — a) a generation facility; or b) a consumer facility.
fast track rule change process	means the process for dealing with rule change proposals set out in clause A2.6 of Appendix 2.
FCESS {short for “frequency control essential system service”}	is defined in rule 201. {In other regimes, FCESS is known as “regulation service”}
FCESS payer	is defined in rule 227(e).
FCESS payment share	is defined in rule 227(g).
FCESS payment threshold	is defined in rule 227(a).
FCESS provider	is defined in rule 201, and includes a primary FCESS provider and a secondary FCESS provider.
fee	means ISO fee, Authority fee or Coordinator fee, as applicable.
final determination	in respect of a rules dispute, means a final determination by the arbitrator of the rules dispute. {Rule 359 sets out the arbitrator’s determinations which may be made.}
final rule change report	For the fast track rule change process — means the report prepared and published under clause A2.6.3A of Appendix 2. For the standard rule change process and the abridged standard rule change process — means the report

	prepared and published under clause A2.7.7A of Appendix 2.
financial year	means a period of 12 months commencing on 1 July. {Rule 132 provides for parties to collaborate to manage issues arising from different <i>entities</i> having different financial years.}
frequency operating standards	are set out in the <i>harmonised technical rules</i> .
frequency tolerance band	is set out in the <i>harmonised technical rules</i> .
GEIP {short for “good electricity industry practice”}	means the exercise of that degree of skill, diligence, prudence and foresight that a skilled and experienced person would reasonably exercise under comparable conditions and circumstances consistent with applicable <i>written laws</i> and <i>statutory instruments</i> and applicable recognised codes, standards (including relevant Australian Standards) and guidelines.
generating unit	means the <i>generating works</i> which comprise the <i>equipment</i> necessary and sufficient to function as a single entity to generate electricity for <i>injection</i> at a <i>connection point</i> .
generating works	is defined in the Act. {At the time these rules are made, that definition in section 3 of the Act is — “ generating works means any wires, apparatus, equipment, plant or buildings used, or to be used, for, or in connection with, or to control, the generation of electricity”.}
generation adequacy certificate	is defined in rule 157(1).
generation adequacy margin	is defined in rule 153.
generation adequacy objective	means the objectives set out in rule 150.
generation facility {a.k.a. “power station” in the <i>harmonised technical rules</i> }	means the <i>generating works</i> at a particular location, comprising one or more <i>generating units</i> and the associated supporting <i>equipment</i> and resources; .but {Example — The supporting <i>equipment</i> may include black start equipment, step-up transformers, substations and the power station control centre.} does not include such <i>generating works</i> if their combined <i>injection</i> capacity at a <i>connection point</i> is less than 10MW.
generator	means the <i>controller</i> of a <i>generation facility</i> .
harmonised technical rules	means the <i>Pilbara Harmonised Technical Rules</i> in Appendix 5, having effect under rule 58.
headroom	is defined in rule 210.

Horizon Power	means the Regional Power Corporation established under the <i>Electricity Corporations Act 2005</i> .
Horizon Power coastal network	has the meaning given in the <i>PNAC</i> .
HTR	see <i>harmonised technical rules</i> .
imbalance	is defined in rule 225.
incident coordinator	is defined in rule 48.
Independent Chair	means the independent chair of the <i>Pilbara advisory committee</i> appointed under clause A2.3.8A of Appendix 2.
information owner	is defined in rule 349(3).
inject	means to transfer electricity into a <i>power system</i> at a <i>connection point</i> .
inside the technical envelope	is defined in rule 163(1).
instrument of delegation	means a notice of delegation under rule 39(1), as amended, revoked or replaced from time to time under rule 0.
integrated mining network	means a <i>non-covered network</i> which forms part of an <i>integrated mining system</i> .
integrated mining system	<p>means the system comprising the following, to the extent that together they are operated in an integrated fashion predominantly for the purpose of carrying on a <i>Pilbara minerals business</i> —</p> <p>a) one or more <i>networks</i> constructed or operated under an agreement specified in clause 10(1)(a) or (c) of the <i>Electricity Industry Exemption Order 2005</i> as at the <i>rules commencement date</i> (each a “relevant agreement”), as those <i>networks</i> were in existence at the <i>rules commencement date</i> (each a “relevant network”); and</p> <p style="padding-left: 40px;">{Clause 10 of the <i>Electricity Industry Exemption Order 2005</i> applies to the Rio Tinto system.}</p> <p>b) the following augmentations of a <i>relevant network</i> if constructed or operated under a <i>relevant agreement</i> —</p> <p style="padding-left: 20px;">i) any expansion of the <i>network’s</i> capacity which does not increase its geographical range; and</p> <p style="padding-left: 20px;">ii) any extension of the <i>network’s</i> geographical range, provided the extension —</p> <p style="padding-left: 40px;">A) is designed, constructed and operated in such a way that, during <i>normal system operations</i>, it has a normally-closed electrical <i>interconnection</i> with a <i>relevant network</i>; and</p>

	<p>B) does not extend beyond a straight-line radius of 150 km from its point of interconnection to a <i>relevant network</i>;</p> <p>and</p> <p>c) any <i>generation facilities, consumer facilities, electricity storage facilities</i> and other <i>facilities</i> constructed or operated under a <i>relevant agreement</i> and connected to a <i>network</i> referred to in paragraphs (a) or (b) of this definition.</p>
<p>interconnection {Also “interconnect” and “interconnected”.}</p>	<p>means a state in which (“interconnected”), or process by which (“interconnect” or “interconnection”), two <i>networks</i> are or become <i>connected</i>, such that electricity can be transferred between them.</p>
<p>interconnected Pilbara system</p>	<p>is defined in the Act.</p> <p>{Notes —</p> <p>1. At the time these rules are made, the relevant definitions in section 120 of the Act are —</p> <p>“interconnected Pilbara System means a system of interconnected Pilbara networks, including the following when connected to an interconnected Pilbara network —</p> <p>(a) <i>generating works</i> and associated works;</p> <p>(b) loads;</p> <p>(c) facilities, including electricity storage facilities.”</p> <p>and</p> <p>“interconnected Pilbara network means a Pilbara network that is interconnected with another Pilbara network.”}</p> <p>2. For brevity, these rules use the expression “power system” to refer to an <i>interconnected Pilbara system</i>.</p> <p>3. See note to rule 4, as to the extent to which these rules apply to an <i>interconnected Pilbara system</i> other than the <i>NWIS</i>.”}</p>
<p>interconnection point</p>	<p>means a point on a <i>network</i> at which an <i>interconnector</i> connects to the <i>network</i>.</p>
<p>interconnector</p>	<p>means a <i>network element</i> or elements and associated <i>equipment</i>, used to <i>interconnect</i> two <i>networks</i>.</p>
<p>interim determination</p>	<p>in respect of a <i>rules dispute</i>, means an interim determination by the <i>arbitrator</i> of any or all matters in an <i>rules dispute</i> which has effect as determined by the arbitrator pending a <i>final determination</i>.</p> <p>{Rule 359 sets out the <i>arbitrator’s determinations</i> which may be made.}</p>
<p>island</p>	<p>means a part of the <i>power system</i> which —</p> <p>a) contains at least one generation facility, at least one transmission element and at least one consumer facility; and</p>

	b) has temporarily lost synchronous connection with an adjacent part of the power system which itself contains at least one generation facility, at least one transmission element and at least one consumer facility.
islanding event	a <i>contingency</i> or other event which results in an <i>island</i> forming.
ISO	means the <i>Pilbara ISO</i> as defined in regulation 14 of the <i>regulations</i> .
ISO control desk	is defined in rule 46.
ISO fee	means the <i>fee</i> calculated under rule 129(1).
ISO website	means a website operated by the <i>ISO</i> to carry out its functions under these rules.
limit advice	means the notice given by a <i>covered NSP</i> to the <i>ISO</i> under rule 248(2), setting out <i>limit</i> rules, ratings for <i>listed network elements</i> and other <i>constraint</i> information.
limit rule {replaces “limit equation” in other regimes}	means a value for, or method of determining (by way of a mathematical expression or otherwise), the power transfer capability across a particular <i>network element</i> or group of <i>network elements</i> , which value or method may include a margin to account for uncertainty.
limited discretion	has the meaning given in section 10 of the PNAC, applying in these rules under rule 14.
listed network element	means a <i>network element</i> in a <i>covered network</i> which is listed under rule 96.
load	means either (as the case requires) — a) a <i>connection point</i> at which electric power is <i>withdrawn</i> from the <i>network</i> ; or b) the amount of electric power <i>withdrawn</i> at an instant or over a period at a <i>connection point</i> .
load swing	is defined in rule 227.
loss factor	means a factor representing network losses between any given node and a reference node (which will have a loss factor of 1), determined in accordance with rule 143.
maintain	includes (as necessary and as applicable) renew, replace, repair and update.
metered quantity	is defined in rule 219(1).
Metering Code	means the <i>Electricity Industry (Metering) Code 2012</i> .
metering database	has the meaning given in the <i>Metering Code</i> .
metering services	has the meaning given in the <i>Metering Code</i> .
metering procedure	subject to rule 73, means the <i>procedure</i> made under rule 141.

modelling procedure	subject to rule 73, means the <i>procedure</i> made under rule 121.
modelling threshold	is defined in rule 121(2).
NCP planning horizon	is defined in rule 280(1).
NCP reports	means the network coordination and planning reports to be published under rule 279. {Under rule 279, the <i>NCP reports</i> comprise a transmission development plan under rule 281 and a Pilbara GenSOO under rule 282.}
NCP reports publication date	is defined in rule 233(1).
negative imbalance	is defined in rule 225(b).
net network load	means the quantity of energy which is deemed to be delivered at the <i>notional wholesale meter</i> , calculated by determining aggregate <i>injection</i> or <i>withdrawal</i> on a network then deducting the energy quantities measured or estimated at all other <i>balancing points</i> . {Each of the following will be included in <i>net network load</i> , unless it is assigned its own <i>balancing point</i> under rule 218(2) — <ul style="list-style-type: none"> • interval metered <i>loads</i>; • non-interval metered <i>loads</i>; • unmetered <i>loads</i>. <i>Net network load</i> also includes losses.}
network	means a “network infrastructure facility” as defined in the Act. {At the time these rules are made, the definition in section 3 of the Act is — network infrastructure facilities — (a) means electricity infrastructure used, or to be used, for the purpose of transporting electricity from generators of electricity to other electricity infrastructure or to end users of electricity; and (b) includes stand-alone power systems, or storage works, used, or to be used, as an adjunct to electricity infrastructure”}.
network access contract	for a <i>covered network</i> , means a “contract for services” as defined in the <i>Access Code</i> , and includes an <i>associate arrangement</i> and a <i>deemed associate arrangement</i> . for a <i>non-covered network</i> , means an agreement between the <i>registered NSP</i> and a <i>network user</i> for the <i>network user</i> to have access to <i>services</i> of the <i>non-covered network</i> . {Notes — 1. For a <i>covered network</i> , the definition of “network access contract” in these rules has the same scope as the expression “contract for services” in the <i>Access Code</i> .

	2. A <i>network access contract</i> is not limited to a contract for the transfer of electricity, and may include a contract for other <i>services</i> such as <i>connection</i> , <i>interconnection</i> and <i>metering</i> .)
network constraint	A limitation or requirement affecting the capability in a part of a <i>covered transmission network</i> , including an <i>interconnector</i> or any part of the <i>covered distribution network</i> that is used for the transmission of electricity as part of the <i>secure</i> operation of the <i>covered transmission network</i> or the power system, such that it would be unacceptable to transfer electricity across that part of the network at a level or in a manner outside the limit or requirement.
network element	means a single identifiable major component of a <i>transmission network</i> or <i>distribution network</i> involving — a) an individual transmission or distribution circuit or a phase of that circuit; or b) a major item of apparatus or <i>equipment</i> associated with the function or operation of a transmission line, distribution line or an associated substation or switchyard which may include transformers, circuit breakers, synchronous condensers, reactive plant and monitoring equipment and control equipment.
network limit	A limitation or requirement on a network that gives rise to a <i>network constraint</i> .
network model	means the software model a <i>registered NSP</i> is required by rule 110(1) to develop for its <i>network</i> .
network modelling procedure	for a <i>network</i> means, subject to rule 73, the <i>procedure</i> developed by the <i>NSP</i> under section 3.6.12(a) of the <i>harmonised technical rules</i> .
network planning criteria	means, for a <i>network</i> , the information most recently provided to the <i>ISO</i> by an <i>NSP</i> under rule 2.5 of the <i>harmonised technical rules</i> .
network restart arrangements	means arrangements prepared by a <i>registered NSP</i> under rule 192(2)(a).
network service provider	see <i>NSP</i> .
network user	means a person who is party to a <i>network access contract</i> with an <i>NSP</i> , and in connection with a <i>deemed associate arrangement</i> , includes the <i>registered NSP</i> 's "other business" as defined in the <i>Access Code</i> . {Rule 19 sets out how these rules apply when there are multiple <i>controllers</i> for <i>equipment</i> or a <i>connection point</i> . Rule 20 deals with how one of these is chosen to be registered.}
network user group	is defined in rule 19(b).
new connection	is defined in rule 267.
nomination	means a valid nomination under rule 222(1), and includes a deemed nomination under rule 223.

nominator {short for “balancing point nominator” .}	for a <i>balancing point</i> — means the person designated as such from time to time under rule 220.
non-contestable consumer	means a <i>consumer</i> who is a “prescribed customer” under section 54 of the <i>Electricity Corporations Act 2005</i> .
non-covered	a) in relation to a <i>network</i> , means that the <i>network</i> is not covered; and b) in relation to a <i>network element</i> , means that the <i>network</i> of which the <i>network element</i> forms part is not covered.
non-covered interconnector	means an interconnector between a covered network and a non-covered network.
non-covered network	means a network, including an excluded network, which is not a covered network.
non-covered NSP	means the network service provider of a non-covered network.
non-covered NWIS network	means a non-covered network which forms part of the NWIS. {“non-covered NWIS network” includes an integrated mining network and an excluded network.}
non-credible	in relation to an event or other thing, means not credible.
normal frequency tolerance band	is set out in the harmonised technical rules.
normal operating conditions	is defined in rule 165.
notifiable event	is defined in rule 166.
notifiable unplanned event	is defined in rule 183(5).
notional exit point	the notional wholesale meter and each physical or notional point which is included as a balancing point under rule 218(2).
notional wholesale meter	a single point for each network (which may be a physical or notional point) at which net network load is deemed to be measured and supplied.
NSP {short for “network service provider”}	subject to section 18, means a Pilbara network service provider as defined in the Act. { In the NWIS, NSPs are divided into registered NSPs and excluded NSPs. Registered NSPs are divided into covered NSPs and non-covered NSPs (with the latter including the NSP of an integrated mining network). Outside the NWIS, NSPs are divided into covered NSPs and non-covered NSPs, but these rules have limited application outside the NWIS – see rule 4.}
NSP group	is defined in rule 18(1)(a).
NWIS	means the interconnected Pilbara System which includes the Horizon Power coastal network.

{short for “North West Interconnected System”}	
operating rating	means an equipment limit to be used under normal operating conditions.
original instrument	is defined in rule 44(1).
outage	includes partial or complete unavailability or de-rating of equipment or a facility, planned or unplanned.
outside the technical envelope	is defined in rule 163(2).
outstanding balances	is defined in rule 236(b).
overload rating	means an equipment limit which, subject to these rules including the harmonised technical rules, and to any parameters recorded in the standing data under rule 97(1)(c)(ii), may be used outside normal operating conditions.
PAC secretariat	The services, facilities and assistance made available by the Coordinator to the Pilbara advisory committee.
panel expert	means a member of an arbitral panel appointed under rule 333(7)(b).
payment notes	is defined in rule 239(1).
peak demand	is defined in rule 156(1).
Pilbara advisory committee	means an advisory body to the Coordinator, Authority and the ISO comprising industry representatives established under Appendix 2.
Pilbara electricity objective	<p>means the “Pilbara electricity objective” as defined in the Act.</p> <p>{At the time these rules are made, the definition in section 119(2) of the Act is —</p> <p>“The objective of this part (the Pilbara electricity objective) is to promote efficient investment in, and efficient operation and use of, services of the Pilbara networks for the long-term interests of consumers of electricity in the Pilbara region to —</p> <p>(a) price, quality, safety, reliability and security of supply of electricity; and</p> <p>(b) the reliability, safety and security of any interconnected Pilbara system.”</p> <p>Regulation 4 of the regulations sets out ‘have regard to’ matters, when applying this objective.}</p>
Pilbara GenSOO {short for “Pilbara generation statement of opportunities”}	means a generation statement of opportunity for the Pilbara under rule 282.
Pilbara minerals business	means the business of mining, transporting, processing, and shipping minerals in the Pilbara region.
planning and reporting procedure	subject to rule 73, means the procedure made under rule 289.

planning criteria interaction	is defined in rule 72(1).
PNAC	means the “Pilbara networks access code” as defined in the Act.
pool member	means a member of the pool of potential arbitrators established under rule 320(1)(a).
positive imbalance	is defined in rule 225(a).
power system	<p>a) In connection with a Pilbara network which forms part of an interconnected Pilbara system, means that interconnected Pilbara system.</p> <p>{Notes —</p> <ol style="list-style-type: none"> 1. A “power system” thus encompasses the network, all networks directly or indirectly <i>interconnected</i> with it, and all <i>generation facilities, consumer facilities, ESS providers</i> and other <i>facilities</i> connected to any of those networks. 2. The NWIS is an <i>interconnected Pilbara system</i> and a <i>power system</i>.) <p>b) In connection with a <i>Pilbara network</i> which does not form part of an <i>interconnected Pilbara system</i>, means a system comprising —</p> <ol style="list-style-type: none"> i) the Pilbara network; and ii) any of the following when connected to the <i>Pilbara network</i> — <ol style="list-style-type: none"> A) generation facilities; B) consumer facilities; C) any other <i>facilities</i>, including electricity storage facilities. <p>{Paragraph (b) is for use when these rules are applied to an islanded network, not <i>interconnected</i> with any other network. Except for the lack of another <i>interconnected network</i>, it is intended to have the same scope as paragraph (a).}</p>
power system model	is defined in rule 108(1).
power system modelling procedure	subject to rule 73, means the <i>procedure</i> made under rule 121.
power system modelling threshold	is defined in rule 121(2).
power system reliability	see <i>reliability</i> .
power system security	see <i>security</i> .
pre-contingent action	means an action undertaken or <i>directed</i> by the <i>ISO control desk</i> or a <i>registered NSP</i> to reconfigure the <i>power system</i> in anticipation of a <i>pre-contingent threat</i> , so that the <i>power system</i> remains in a <i>secure state</i> despite the heightened risk associated with the threat.
pre-contingent direction	means a <i>direction</i> given under the <i>pre-contingent protocol</i> .

pre-contingent protocol	means the <i>protocol</i> referred to in rule 79(1)(d)(iv).
pre-contingent threat	means — a) a <i>credible</i> imminent threat to <i>the system security objective</i> arising from — i) an approaching external threat (such as a storm or bushfire); or ii) impending material <i>equipment</i> failure, or b) an imminent risk of physical injury or death to any person or material damage to <i>equipment</i> , which can be mitigated if appropriate preparatory measures (<i>pre-contingent actions</i>) are taken.
primary FCESS	is defined in rule 203(1).
primary FCESS contract	is the contract the ISO must procure under rule 203.
primary FCESS provider	is defined in rule 203(1).
procedural decision	is defined in the <i>regulations</i> .
procedural review	means a review by the <i>Electricity Review Board</i> of a <i>procedural decision</i> in accordance with the <i>regulations</i> .
procedure	means a procedure developed by the <i>Coordinator</i> , the <i>ISO</i> , and the <i>Authority</i> , as applicable, where required by these rules and in accordance with Subchapter 3.6, as amended in accordance with the <i>procedure change process</i> .
procedure amendment	means the specific wording of a proposed or accepted change to a <i>procedure</i> under Appendix 2.
procedure change process	means the process for amending a <i>procedure</i> as set out in Appendix 2.
procedure change proposal	means a proposal to initiate a <i>procedure change process</i> under Appendix 2.
procedure change report	means a final report prepared by the <i>custodian</i> in relation to a <i>procedure change proposal</i> , containing the information described in Appendix 2.
procedure change submission	means a submission made in relation to a <i>procedure change proposal</i> submitted in accordance with Appendix 2.
promptly	is defined in rule 10.
protected provision	means a provision of the rules identified as such in Appendix 2.
protocol	means a set of instructions specified under rule 79(1)(d) and containing the information set out in rule 80, to govern how the <i>ISO</i> , the <i>ISO control desk</i> , <i>registered NSPs</i> and on occasion <i>registered controllers</i> , may or must respond to system incidents.

protocol framework	subject to rule 73, means the <i>procedure</i> made under rule 77, and includes the <i>protocols</i> .
public	when used in reference to information confidentiality — means information or documents that are not confidential and may be made available to any person.
publish	means where a person is required to <i>publish</i> a thing — that the person must make the thing available on a publicly accessible part of the person's website.
real-time functions	means a function which, if the person responsible for performing it is to do so to a <i>GEIP</i> standard, requires the person to be ready to do so on a <i>24/7 basis</i> .
reasons	in relation to a decision or other determination, means a written statement of the reasons for deciding or determining including, as applicable — <ul style="list-style-type: none"> a) findings on material questions of fact relied on by the person in reaching the decision or determination; and b) reference to the evidence on which findings of fact are based; and c) identification of the steps in the decision-making process, explanation of the link between the findings of fact and the final decision or determination and a description of the role of policy or guidelines in the decision-making process.
recipient	is defined in rule 295.
reference period	is defined in rule 226.
registered controller	means a <i>controller</i> who has been registered under Subchapter 4.1.
registered facility	means a <i>facility</i> which has been included on the <i>ISO's</i> list under rule 93(1).
registered NSP	means a <i>network service provider</i> (including a <i>covered NSP</i>) of a <i>network</i> forming part of the <i>NWIS</i> , who is registered under Subchapter 4.1.
regulation lower reserve	is defined in rule 201(b)(ii).
regulation raise reserve	is defined in rule 201(b)(i).
regulation reserve	means <i>regulation raise reserve</i> and <i>regulation lower reserve</i> .
regulation service	see <i>FCESS</i> .
regulations	means the <i>Electricity Industry (Pilbara Networks) Regulations 2021</i>
relevant agency	is defined in rule 351(1).
relevant network	is defined in rule 13(1)(e)(i).
relevant user	is defined in rule 220(3).

reliability {Also “reliable”.}	means a measure of a <i>power system’s</i> ability to deliver electricity to all points of consumption and receive electricity from all points of supply within accepted standards and in the amount desired. { <i>Reliability</i> is best considered as an outcome, from a power system having both <i>security</i> and <i>adequacy</i> , where <i>adequacy</i> in turn consists of both <i>generation adequacy</i> and <i>network adequacy</i> .}
representative	in relation to a person — means the person’s representative, including an employee, agent, officer, director, auditor, adviser, partner, consultant, joint venturer or sub-contractor, of that person.
requestee	is defined in rule 56(1).
required headroom	is defined in rule 210.
required headroom level	is defined in rule 210.
reviewable decision	means decisions listed in rule 370(1) or clause A2.17 of Appendix 2.
rule change	is defined in Appendix 2.
rule change proposal	means a proposal made in accordance with Appendix 2 proposing that the <i>Coordinator</i> make an <i>amending rule</i> .
rules	means these rules, which (unless the contrary is expressly stated) includes the <i>harmonised technical rules</i> whether or not they are specifically mentioned.
rules commencement date	means the date specified in rule 3.
rules dispute	means a dispute between participants (including the <i>ISO</i>) regarding the interpretation or application of these rules or the <i>harmonised technical rules</i> .
rules participant	means any person on whom these rules confer a function or benefit, including — a) a system operations participant; and b) a network user; and c) a payer or payee; and d) a nominator or balancing nominee, but does not include the Minister, the <i>Economic Regulation Authority</i> , the <i>Electricity Review Board</i> or an <i>arbitrator</i> .
scheduling conflict	is defined in rule 182(1).
secondary FCESS	a <i>generation facility</i> within a <i>credible island</i> capable of providing <i>FCESS</i> , as identified by the <i>ISO</i> under rule 205(2).
secondary FCESS provider	is defined in rule 205(4).
secure state	is defined in rule 164, subject to rule 72.
security	means the <i>power system’s</i> ability to withstand disturbances, including include electric short circuits,

{Also “secure”.}	unanticipated loss of <i>facilities</i> or <i>network elements</i> , or other rapid changes such as in intermittent generation.
security limit	means a technical limit on the operation of the whole of, or a region in, the <i>power system</i> , necessary to maintain <i>security</i> , including both static and dynamic limits, and including limits to allow for and to manage <i>constraints</i> and <i>contingencies</i> .
settlement period	means a calendar month.
SRESS	is define in rule 213.
SRESS contract	is the contract the <i>ISO</i> enters under rule 214(1).
standard consultation process	means the process so named, under Appendix 2.
standard rule change process	means the process for dealing with <i>rule change proposals</i> set out in Appendix 2.
standing data	means data <i>maintained</i> by the <i>ISO</i> under rule 97. { <i>Standing data</i> should not be confused with <i>standing metering data</i> .}
standing metering data	has the meaning given to “standing data” in the <i>Metering Code</i> .
statement of reasons	means, in respect of a <i>final determination</i> , the <i>arbitrator’s</i> statement of reasons for making the <i>determination</i> .
statutory instruments	means all relevant instruments made under a <i>written law</i> including all directions, notices, orders and other instruments given or made under a <i>written law</i> and includes, as existing from time to time — a) orders made under section 8 of the Act; and b) licences granted, renewed or transferred under section 19 of the Act; and c) standard form contracts approved under section 51 of the Act; and d) orders made under section 181(3) of the <i>Electricity Corporations Act 2005</i> ; and e) approved policies as defined in section 60 of the Act; and f) last resort supply plans approved under section 73 of the Act as amended under sections 74 and 75 of the Act; and g) the <i>Access Code</i> ; h) these rules.
storage works	has the meaning given to it in the Act. {At the time these rules are made, the definition in section 3 of the Act is — “ storage works ” means any wires, apparatus, equipment, plant or buildings used, or to be used, for, or in connection with, or to control, a <i>storage activity</i> .

	<p>The definition of “storage activity” is —</p> <p>“storage activity” means an activity comprising all of the following —</p> <ul style="list-style-type: none"> (a) receiving energy in the form of electricity; (b) storing the received energy in any form; (c) discharging the stored energy in the form of electricity.
sub-delegate	means an entity to whom a <i>delegate</i> has under rule 44 sub-delegated performance of a <i>delegated function</i> .
Supreme Court	means the Supreme Court of Western Australia.
surplus	is defined in rule 237(1).
system coordination matters	is defined in rule 167.
system coordination report	is the report the <i>ISO</i> must prepare under rule 177.
system data	is defined in rule 101(3)(b).
system operations activity	means an activity in the day to day operation of the <i>power system</i> including performing <i>real-time functions</i> , managing the <i>injection</i> or <i>withdrawal</i> of electricity and managing a <i>network element’s</i> or <i>facility’s</i> operational configuration or settings, or a <i>facility’s enablement</i> or <i>dispatch</i> .
system operations direction	<ul style="list-style-type: none"> a) means — <ul style="list-style-type: none"> i) a <i>direction</i> regarding a <i>system operations activity</i> given under rule 188; and ii) an emergency <i>direction</i> given under rule 189; but b) does not include — <ul style="list-style-type: none"> i) a <i>constraint direction</i>; or ii) a <i>pre-contingent direction</i>.
system operations participant	<p>means —</p> <ul style="list-style-type: none"> a) the <i>ISO</i>; b) a <i>delegate</i> of the <i>ISO</i>, including a <i>delegate</i> of the <i>delegate</i>; c) a <i>registered NSP</i>; d) a <i>registered controller</i>; and e) an <i>ESS provider</i>. <p>{System operations participants are a subset of rules participants, being those entities actively involved in system operations activities relevant to security and reliability.}</p>
system security	see security.
system security objective	is defined in rule 162.

total allocation	is defined in rule 149(1)(b).
trading interval	means a period of 30 minutes starting on the hour and each 30 minutes thereafter. {Rule 142 provides for a review of the 30-minute interval.}
transmission development plan	is the plan the content of which is set out in rule 281.
transmission element	means a network element which operates at transmission voltage, and includes an interconnector regardless of voltage.
transmission network	has the same meaning as “transmission system” in the Act. {At the time these rules are made, the definition in section 3 of the Act is — transmission system means electricity infrastructure used, or to be used, for, or in connection with, or to control, the transportation of electricity at nominal voltages of 66 kV or higher.”}
transmission voltage	means a nominal voltage of 66 kV or higher.
vertically-integrated	is defined in rule 17.
visibility item	means the requirements specified in the <i>visibility list</i> in respect of a location or locations in order to achieve the objective in rule 104(1) in respect of the location or locations. {Example — The requirements will typically include — <ul style="list-style-type: none"> • the location or locations; • the nature, content and timing of signals or data to be provided; • how they’ll be provided; • any particular validation, confidentiality or cyber-security requirements for the signals or data.}
visibility list	subject to rule 73, means the <i>procedure</i> developed under rule 105.
visible and visibility	means that the <i>ISO control desk</i> has access to real-time (or almost real-time) information to the extent required by, and in accordance with, the <i>visibility list</i> .
WEM Rules	means the <i>Wholesale Electricity Market Rules</i> in force from time to time under Part 9 of the Act.
withdraw	means to transfer electricity out of a <i>power system</i> at a <i>connection point</i> .
working group	means a working group as established under Appendix 2.
written laws	means — a) all Western Australian Acts and all Western Australian subsidiary legislation for the time being in force; and

	b) all Commonwealth Acts and all Commonwealth subsidiary legislation for the time being in force, where the term subsidiary legislation has the meaning given to it under the <i>Interpretation Act 1984</i> , if “Commonwealth Act” were substituted for “written law”.
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9 Other rules of interpretation

- (1) In these rules, unless the contrary intention appears —
- (a) **{day}** — a day means a calendar day; and
 - (b) **{singular and plural}** — the singular includes the plural and the plural includes the singular; and
 - (c) **{gender}** — a reference to a gender includes any gender; and
 - (d) **{headings}** — headings (including those in brackets or braces at the beginning of paragraphs) are for convenience only and do not affect the interpretation of these rules; and
 - (e) **{persons}** — a reference to a person includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any government agency; and
 - (f) **{things}** — a reference to anything (including any amount) is a reference to the whole and each part of it; and
 - (g) **{clauses etc}** — a reference to a clause, chapter, annexure, Appendix or schedule is a reference to a clause or chapter in or annexure or schedule to the rules; and
 - (h) **{statutes etc}** — a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them; and
 - (i) **{variations}** — a reference to a document (including the rules) includes any variation or replacement of it; and
 - (j) **{other parts of speech}** — other parts of speech and grammatical forms of a word or phrase defined in the Glossary in chapter 11 have a corresponding meaning; and
 - (k) **{appointments}** — where these rules confer a power on a person to make an appointment to a position, the person also has the power —
 - (i) to specify the period for which any person appointed in exercise of the power (“**appointee**”) holds the position;
 - (ii) to remove or suspend an appointee and to reappoint or reinstate an appointee; and

(iii) where an appointee is suspended or is unable, or expected to become unable, for any other cause to perform the functions of the position, to appoint a person to act temporarily in place of the appointee during the period of suspension or other inability;

and

- (l) **{amendments}** — if a person has the power to make, prescribe, determine, compile, establish or develop a document, instrument, matter or thing, then the *person* also has the power to amend, replace or revoke the whole or part of that document, instrument, matter or thing exercisable in like manner and subject to like conditions (if any); and
- (m) **{functions}** — “**function**” includes function, power, duty, responsibility and authority; and
- (n) **{performing a function}** a reference in these rules to a person “**performing**”, or to “**performance**” of, a *function* includes a reference to purporting, refraining, delaying or failing to do so; and
- (o) **{under}** “**under**” includes by, by virtue of, pursuant to and in accordance with; and
- (p) **{conditions}** “**condition**” includes qualification, limitation or exception; and
- (q) **{include or including}** — the words “include” or “including” are not used as, nor are they to be interpreted as, words of limitation, and, when introducing an example, do not limit the meaning of the words to which the example relates; and
- (r) **{headings and comments}** — headings and comments appearing in footnotes or boxes in these rules (other than tables containing data or other information) are for convenience only and do not affect the interpretation of these rules; and
- (s) **{debts}** when these rules provide that an amount is recoverable as a “**debt**”, that amount may be recovered in a court of competent jurisdiction; and
- (t) **{units}** all measurements and units in these rules are metric, in accordance with the *International System of Units* (SI).
- (2) In these rules, unless the contrary intention appears, any notice or confirmation required to be issued by the Coordinator, the *ISO* (including a *delegate* of the *ISO*) or the *Authority* may be issued by an automated software system employed by the *Coordinator*, the *ISO* or the *Authority*, as applicable.
- (3) The *power system* will operate on *Western Standard Time* (Coordinated Universal Time (UTC) + 8 hours). At all times, the times and time limits mentioned in these rules refer to *Western Standard Time*.

10 Meaning of “promptly”

In these rules, “**promptly**” means as soon as reasonably practicable in the circumstances, having regard to *GEIP*.

11 A reference to “these rules” includes the harmonised technical rules

- (1) A reference to these rules includes a reference to the *harmonised technical rules*, except where the contrary intention is stated.
- (2) Rule 11(1) applies whether or not the reference explicitly names the *harmonised technical rules*, and despite the fact that some other references do explicitly name them.

12 Interpretation of {notes} etc

Where information in these rules is set out in braces (namely { and }), whether or not preceded by the expression Note, Outline or Example, the information —

- (a) is provided for information only and does not form part of these rules; and
- (b) is to be disregarded in interpreting these rules; and
- (c) might not reflect amendments to these rules or other documents or written laws.

13 Use of shorthand language

- (1) In these rules —
 - (a) **{networks}** a reference to “**an NSP’s network**” or “**the NSP’s network**”, or similar, and a reference in connection with an *NSP* to “**its network**”, means the *network* of which the *NSP* is a *network service provider*; and
 - (b) **{NSPs}** a reference, in connection with a *network*, to “**the NSP**”, or “**the network’s NSP**”, or similar, means a person who is a *network service provider* in respect of the *network*; and
 - (c) **{NSPs}** a reference, in connection with a *facility* or a *controller*, to “**the NSP**”, or “**the network’s NSP**”, or similar, means a person who is an *NSP* of the *network* to which the *facility*, or the *controller’s facility*, is *connected*; and
 - (d) **{users}** a reference, in connection with an *NSP*, to “**its network user**”, or similar, means a person who has a *network access contract* with the *NSP* for access to the *NSP’s network*, and vice versa; and
 - (e) **{relevant network and relevant NSP}** a reference, in connection with a *facility*, a *controller*, a *notifiable event*, a *pre-contingent threat*, a *contingency*, and the like, to —
 - (i) the “**relevant**” *network*, means the *network* to which the *facility* or the *controller’s facility* is connected, or in or to which the *notifiable event*, *pre-contingent threat*, *contingency* or the like has occurred or is planned or anticipated to occur; and
 - (ii) the “**relevant**” *NSP*, means the relevant *network’s NSP*;
- and

-
- (f) **{on a network}** a reference, in connection with a *network*, to *facilities “on”* the *network* means *facilities connected* to the *network*; and
- (g) **{in a network}** a reference, in connection with a *network*, to *network elements, facilities or equipment “in”* the *network* means *network elements, facilities or equipment* which form part of, or are *connected* to, the *network*; and
- (h) **{at or for a connection point}** a reference, in connection with a *connection point* (including a *balancing point*) —
- (i) to a *facility “at”* the *connection point* means the *facility* which generates or consumes the electricity which is *injected* or *withdrawn* at the *connection point*; and
- (ii) to a *controller, consumer or network user “at”* or *“for”* the *connection point* means respectively a *controller* of a *facility* at the *connection point*, or a *consumer* who consumes the electricity *withdrawn* at the *connection point*, or a *network user* who has a *network access contract* for a *service* at the *connection point*;
- and
- (i) **{network as a recipient}** a reference to the supply of an *essential system service “to”* a *network* means the supply of the *essential system service* for the benefit of *rules participants* who utilise, or whose *facilities* are *connected* to, the *network*, including if applicable the *NSP* of the *network*; and
- (j) **{security/reliability of or in a network}** a reference to *security or reliability “of”, “in”* or *“for”* a *network* means *security and reliability* as experienced by *rules participants* who utilise, or whose *facilities* are *connected* to, the *network*, including if applicable the *NSP* of the *network*.
- (2) **{Possessory language}** The use of possessory language to identify the link between a *network service provider* and a *network*, such as in rule 13(1)(e), is a convenient shorthand for words such as “the *network* of which the *network service provider* is the *network service provider*”, and should not be read as —
- (a) being limited only to those circumstances in which the *network service provider* is the legal owner of the *network*; or
- (b) implying or requiring ownership.
- (3) **{Possessory language}** Rule 13(2) applies with appropriate modifications to the use of possessory language in other contexts, for example references to “a *controller’s facility*”.

14 Limited discretion

Section 10 of the *PNAC* applies with appropriate amendments for the purposes of these rules.

Subchapter 1.3 – Precedence

15 Precedence of instruments

In the event of conflict the order of precedence of the following instruments is, from highest to lowest —

- (a) the Act; then
- (b) the *regulations*; then
- (c) the *Access Code*; then
- (d) these rules (excluding the *harmonised technical rules*); then
- (e) the *harmonised technical rules*; then
- (f) the *procedures*; then
- (g) a *direction*.

16 Hierarchy of responsibilities

- (1) If a person is given more than one function under these rules, then in the event of any conflict or inconsistency between the functions, the person must perform the function listed higher in the below list in preference to the function listed lower in the list —
 - (a) complying with any *direction* given by the *ISO* in its own right; then
 - (b) complying with any *direction* given by a *delegate* of the *ISO*; then
 - (c) complying with an active *protocol*; then
 - (d) if the person is a *delegate*, complying with its obligations as a *delegate*, and if it is concurrently a *delegate* in more than one capacity, in accordance with rule 16(2)(b); then
 - (e) complying with any other obligations the person has under these rules; then
 - (f) complying with any other legal or contractual obligations.
- (2) If a person is concurrently a *delegate* in more than one capacity, and faces conflicting or inconsistent concurrent obligations as a result, then under rule 16(1)(d) the person must perform those obligations —
 - (a) in the order of priority set out in an *instrument of delegation*; or
 - (b) if there is no, or more than one, such order of priority set out — in such order of priority as it may in its discretion determine is most appropriate in the circumstances.
- (3) It is not a breach of these rules or an *instrument of delegation*, and nor is it negligence or any other legal wrong, if a person fails to perform a function referred to

in rule 16(1), to the extent the failure was caused or contributed to by it complying, or attempting or purporting in good faith to comply, with a higher priority function under rule 16(1).

- (4) A reference in rules 16(1)(a) or 16(1)(b) to a *direction*, includes a notice or other communication which, while not itself a *direction*, is given in circumstances where the recipient believes in good faith that —
 - (a) the notice or communication is a *direction*; or
 - (b) a *direction* could have been given instead; or
 - (c) a *direction* could have been given instead, had a formal process been activated or formal step taken (for example activating a *protocol*), and the process or step was available in the circumstances.
- (5) If a person fails to perform a function referred to in rule 16(1) in reliance or purported reliance on rule 16(3), it must give notice to the *ISO* setting out the circumstances in reasonable detail, and if so the *ISO* may consider whether a change to these rules or a *procedure* is appropriate.

Subchapter 1.4 – How these rules apply when NSP, controller or user comprise more than one person

17 Vertically-integrated rules participants

- (1) In these rules, an *entity* is “**vertically integrated**” if it, or its *associate*, participates in two or more of the following activities, each of which is referred to in this rule 17 as a “**business**” of the *entity* —
 - (a) *generator*; and
 - (b) *NSP*; and
 - (c) *consumer*.
- (2) These rules (including the *harmonised technical rules*) apply to a *vertically-integrated entity* and its *associates* in respect of each of the *businesses* set out in rule 17(1).
- (3) A *vertically integrated registered NSP* must not, in performing any *NSP* function under these rules, unfairly discriminate —
 - (a) in favour of itself, its *associate* or an other *business*, as compared to any competing *generator* or *consumer*, or
 - (b) against any such competing *generator* or *consumer*.
- (4) Rule 17(3) does not limit a *covered NSP*’s obligations under the *Access Code*’s ringfencing requirements.

18 If network service provider comprises more than one person

- (1) This rule applies if—
- (a) more than one *NSP* (an “**NSP group**”) owns, controls or operates a *network* or part of a *network* (including if different *associates* own, control or operate different parts of a *network* which is operated as a single integrated *network*); and
 - (b) under these rules an *NSP* is required or allowed to do a thing.
- (2) An *NSP* of the *NSP group* (the “**complying NSP**”) may do the thing on behalf of the other *NSPs* of the *NSP group* if the *complying NSP* has been given the requisite authority from all of the *NSPs* of the *NSP group* to do that thing on behalf of the *NSP group*.
- (3) Unless the *regulations*, these rules or the *Access Code* provide otherwise —
- (a) on the doing of a thing referred to in rule 18(2) by a *complying NSP*, the *NSPs* of the *NSP group* on whose behalf the *complying NSP* does that thing, must each be taken to have done the thing done by the *complying NSP*; and
 - (b) on the omission to do a thing referred to in rule 18(2) by a *complying NSP*, the *NSPs* of the *NSP group* on whose behalf the *complying NSP* omits to do that thing, must each be taken to have omitted the thing omitted by the *complying NSP*; and
 - (c) if a provision of these rules refers to the *NSP* bearing any costs, the provision applies as if the provision referred to any *NSP* in the *NSP group* bearing any costs.

19 If controller or network user comprises more than one person

If —

- (a) more than one *controller* (a “**controller group**”) owns, controls or operates a *facility’s equipment* or part of a *facility’s equipment* (including if different *associates* own, control or operate different *equipment* which is operated as a single integrated *facility*); or
- (b) the *network user* under a *network access contract* comprises more than one person (a “**network user group**”),

then rule 18 applies in respect of the *controller group* or *network user group*, with appropriate amendments including reading references to the “complying NSP” as a *controller* or *network user* performing the equivalent role in respect of the *controller group* or *network user group*, as applicable.

20 Each group may have only one registered representative

- (1) There must be only a single *registered NSP* for a *network* or *network element*, and only a single *registered controller* for a *facility*, and only a single *registered user* in respect of a *network access contract*.

-
- (2) An *NSP group, controller group or network user group* (“**group**”) must —
- (a) by notice to the *ISO* nominate a member of the *group* to be registered; and
 - (b) ensure that the nominated person is in a position to receive and respond to *directions*; and
 - (c) to the extent applicable, and without limiting rule 20(2)(b), ensure that the nominated person is in a position to undertake, or to procure the undertaking of, any *system operations activities* required of the *group* under these rules (including in a *system operations direction* or other *direction*) as promptly as may be required;

{Example — For a *facility*, rule 20(2)(c) will usually require that the person to be registered is the person with the ability to control the *facility’s dispatch* in real time.}
- and
- (d) put in place adequate intra-*group* arrangements to ensure that the *group* complies with rules 20(2)(a), 20(2)(b) and 20(2)(c).
- (3) The *ISO* may issue *directions* to a *group* as necessary to ensure the *group* complies with the requirements of this rule 20 to a *GEIP* standard.

Subchapter 1.5 – Excluded NWIS networks

21 How these rules apply to excluded networks

- (1) Unless the contrary intention is stated, a reference in these rules (including the *harmonised technical rules*) to a *network*, does not include an *excluded network*.
- (2) For the purposes of these rules (including the *harmonised technical rules*) an *excluded network* is to be treated as part of the *consumer facility* it supplies.

22 Excluded network must not jeopardise NWIS security and reliability

- (1) In this rule 22, “**interconnection arrangements**” means a contract, arrangement or understanding between an *excluded NSP* and the *NSP* of the *NWIS network* with which the *excluded network* is interconnected (“**host NSP**”), governing operational matters concerning the *interconnector*, the *excluded network* and the *consumer facilities* it supplies.
- (2) An *excluded NSP* must —
 - (a) comply with any *interconnection arrangements*; and
 - (b) otherwise, operate the *excluded network* to a *GEIP* standard; and
 - (c) without limiting rule 22(2)(b), not do anything which might reasonably be expected to jeopardise *security* or *reliability* in the *NWIS*.

-
- (3) An *excluded NSP* must not cause or authorise the *controller of a consumer facility* connected to its *excluded network* to do anything inconsistent with rule 22(2).
 - (4) Without limiting, and subject to, any *interconnection arrangements*, an *excluded NSP* must to a *GEIP* standard —
 - (a) confer with the *host NSP*; and
 - (b) give the *host NSP* advance warning which is reasonable in the circumstances, before making or authorising any material change to the configuration of, or any material *augmentation* to, the *excluded network* or a *consumer facility* it supplies.
 - (5) The *host NSP* must inform the *ISO* or a *system operations participant* of any technical or operational details of any *interconnection arrangements* or any consultations referred to in rule 22(4), to the extent reasonably necessary (to a *GEIP* standard) for the *ISO*, the *system operations participant* and the *host NSP* to perform their functions under these rules.

{Rule 305 ensures that the *host NSP* can comply with this rule without breaching any confidentiality requirements in an *interconnection agreement*.}

23 Excluded networks at rules commencement

Each of the following *Pilbara networks* is an “**excluded network**”, until it ceases to be an *excluded network* under rule 25 —

- (a) the network owned and operated by or on behalf of BHP in Port Hedland, connecting to the *Horizon Power coastal network* and the *Alinta Port Hedland network* and including (to the extent owned and operated by or on behalf of BHP) the Finucane Harbour, Nelson Point, PDC and Utah Point substations; and
- (b) the network owned and operated by or on behalf of The Pilbara Infrastructure Pty Ltd in Port Hedland, connecting to the *Alinta Port Hedland network* and the *Horizon Power coastal network* and including (to the extent owned and operated by or on behalf of The Pilbara Infrastructure Pty Ltd) the Tiger substation; and
- (c) the network owned and operated by or on behalf of Roy Hill in Port Hedland, connecting to the *Horizon Power coastal network* and including (to the extent owned and operated by or on behalf of Roy Hill) the Roy Hill 171 substation.

24 Becoming an excluded network

- (1) The *ISO* may, on application by the *network service provider* of a *non-covered NWIS network*, by notice published on the *ISO’s website*, determine that the *network* is an *excluded network*.
- (2) Before making a determination under rule 24(1), the *ISO* —
 - (a) must consult with the *registered NSPs* of any *interconnected networks*, and undertake at least an *expedited consultation process*; and

-
- (b) may undertake such other studies and investigations as it considers appropriate.
 - (3) A notice under rule 24(1) takes effect from the time specified in the notice, until the ceases to be an *excluded network* under rule 25.
 - (4) The ISO cannot determine that a *network* is an *excluded network* unless all of the following criteria are satisfied —
 - (a) it is used to connect one or more *consumer facilities* to the *NWIS*; and
 - (b) no *generation facility* of more than 10 MW is *connected* to the *network*; and
{The ISO may choose to disregard a temporary *generation facility*.}
 - (c) the ISO determines, having regard to the way the *network* and its connected *facilities* are or may be configured and operated, that the *network* being designated as an *excluded network* could not *credibly* be expected to jeopardise *security*, *reliability* or the promotion of the *Pilbara electricity objective* in the *NWIS*.
 - (5) Rules 24(4)(a) and 24(4)(b) do not limit the grounds on which the ISO may determine that the criterion in rule 24(4)(c) is, or is not, satisfied.

25 Ceasing to be an excluded network

- (1) A *network* ceases to be an *excluded network* if it becomes a *covered network*.
- (2) If at any time the ISO determines that any of the criteria in rule 24(4) is not satisfied in respect of an *excluded network*, then it may give the *excluded NSP* a notice withdrawing the *excluded* status, which notice must —
 - (a) give the ISO's reasons for the determination; and
 - (b) specify a date on which the notice will take effect, which must be at least 12 months in the future.
- (3) Before giving a notice under rule 25(2), the ISO must —
 - (a) consult with the *excluded NSP*; and
 - (b) undertake at least an *expedited consultation process*; and
 - (c) consider whether any exemptions under rules 57 {Rules exemptions} or 64 {HTR exemptions}, or a *rule change proposal*, are appropriate in respect of the *network* when it ceases to be an *excluded network*.
- (4) If the ISO gives a notice under rule 25(2), then in the period before it takes effect, the ISO and the *excluded NSP* are to collaborate in accordance with *GEIP*, and if necessary the ISO may give the *NSP* reasonable *directions*, in order to preserve *security* and *reliability* during that period.
- (5) After a notice under rule 25(2) takes effect, the *network* ceases to be an *excluded network*.

Subchapter 1.6 – Covered non-NWIS networks

26 Definitions

- (1) In this Subchapter 1.6 —
 - (a) “**coverage application lodgement date**” means the day on which the *coverage application* which resulted in the *relevant network* becoming *covered*, was first lodged under the *ENAC*; and
 - (b) “**coverage time**” means the time the *relevant network* first becomes a *covered network*.

27 Harmonised technical rules apply

The *harmonised technical rules* apply to and in respect of a *covered non-NWIS network* from the *coverage time*.

28 Legacy arrangements and exemptions

Rule 27 applies subject to Appendix 3 {HTR legacy arrangements} and any exemption granted under rule 64 {HTR exemptions}.

29 Other rules apply only to extent necessary to facilitate access

The balance of these rules (that is, these rules excluding the *harmonised technical rules*) apply to and in respect of a *covered non-NWIS network*, but only to the extent reasonably necessary to facilitate *access* to the *covered non-NWIS network*.

30 ISO and others to minimise disruption

- (1) This rule 30 applies in respect of rules (“**relevant rules**”) which apply to and in respect of a *covered non-NWIS network* under rules 27 and 29.
- (2) The *ISO* and each other person given a function under the *relevant rules* must endeavour, when exercising the function, to minimise disruption to the business and operations of —
 - (a) the *covered non-NWIS network’s NSP*; or
 - (b) any *network user* or *controller* who had rights in respect of the *covered non-NWIS network* at the *coverage application lodgement date*,

except to the extent the disruption is reasonably necessary for the purposes of facilitating *access*.

31 Procedure for non-NWIS networks

The *ISO* may develop a *procedure*, setting out any matters necessary or convenient to give effect to this Subchapter 1.6.

Chapter 2 – Governance

Subchapter 2.1 – Functions and powers

32 The ISO's security function

- (1) The *ISO's security* function is to perform the function set out in section 120W(4)(a) of the Act.

{At the time these rules were made, section 120W(4)(a) of the Act read —

“to maintain and improve system security in any inter-connected Pilbara system;”}

- (2) If these rules give another *system operations participant* a function in connection with *maintaining* or improving *security*, then —
- (a) it is not a breach of the *ISO's* function under rule 32(1) if the *ISO* leaves it to the other *system operations participant* to perform the function, and does not itself seek to perform the function or supervise its performance; but
- (b) it does not preclude the *ISO* from performing the function.

33 Other ISO functions

- (1) In addition to those set out in the Act and *regulations* and rule 32, the *ISO* has the following functions —
- (a) to administer or participate in the exemption regimes for these rules under Subchapter 3.1 and for the *Metering Code* and *Customer Transfer Code* under Subchapter 3.3, to participate in the exemption regime for the *harmonised technical rules* under Subchapter 3.2, and to maintain the register of exemptions under Subchapter 3.4; and
- (b) to develop and administer *procedures* under Subchapter 3.6; and
- (c) to administer the *protocol framework* under Subchapter 3.7; and
- (d) to register *entities* and *facilities*, and receive, record and publish information and standing data under Subchapter 4.1 and manage communications under Subchapter 4.2; and
- (e) to manage the *visibility* regime under Subchapter 4.3; and
- (f) to create, *maintain*, manage and operate the *power system model* under Subchapter 4.4; and
- (g) to undertake the budgeting function and recover fees under Subchapter 4.5; and
- (h) to determine *loss factors* under Subchapter 5.2; and

- (i) to oversee the generation adequacy regime under Chapter 6; and
 - (j) to undertake system coordination and outage scheduling under Subchapter 7.3 and Subchapter 7.4; and
 - (k) through the *ISO control desk*, to participate in *system operations activities* under Subchapter 7.5; and
 - (l) to undertake post-incident discussion and investigations under Subchapter 7.6 including in relation to matters referred under rule 84 (Referral of protocol matters); and
 - (m) to procure *essential system services* under Subchapter 8.1; and
 - (n) to undertake energy balancing under Subchapter 8.2 and settlement under Subchapter 8.3; and
 - (o) to develop and administer *constraint rules* under Subchapter 9.1; and
 - (p) to provide *access and connection services* under Subchapter 9.2; and
 - (q) to undertake network coordination and planning under Subchapter 10.1 and Subchapter 10.2; and
 - (r) to *publish* information under Subchapter 11.1 and request information under Subchapter 11.3; and
 - (s) to undertake rule compliance monitoring and enforcement under Subchapter 12.1; and
 - (t) to develop *rule change and procedure change proposals*, and participate in the *rule change and procedure change process*, under Appendix 2; and
 - (u) any other function given under the Act, *regulations*, these rules or the *Access Code*.
- (2) The paragraphs of rule 33(1) do not limit each other or the application of rules other than those named, and nothing in rule 33(1) limits any function conferred on the *ISO* under the Act, the *regulations*, these rules or the *Access Code*.

34 ISO powers

The ISO has all the powers it needs to perform its functions under the Act or any other written law.

35 ISO not responsible for dispatch generally

- (1) The *ISO* is not required to manage *dispatch of facilities*.
- (2) Rule 35(1) does not limit the *ISO's* function of giving *directions* under these rules in connection with *dispatch*.

36 NSP functions

It is a function of an *NSP* to perform its obligations and exercise its rights under the Act, *regulations*, these rules or the *Access Code*, including —

- (a) operating and *maintaining* its *network* in accordance with these rules; and
- (b) performing, in accordance with these rules, any function delegated to it by the *ISO*; and
- (c) communicating and collaborating with other *rules participants* in accordance with these rules; and
- (d) performing the *NSP's* functions and exercising its rights under an *access contract* or an *arbitrator's determination*.

37 Authority functions

The *Authority* has the functions it is given under given under the Act, *regulations*, these rules or the *Access Code*.

38 Coordinator functions

The *Coordinator* has the functions —

- (a) set out in clause A2.2D in Appendix 2 {Rule and procedure change}; and
- (b) it is otherwise given under given under the Act, *regulations*, these rules or the *Access Code*.

Subchapter 2.2 – Delegation by the ISO

{Outline — This Subchapter 2.2 contains important provisions enabling the *ISO* to delegate the performance of its functions (rules 39 to 42), and enabling the delegate to subdelegate in certain circumstances (rule 44). These provisions apply generally to all of the *ISO's* functions, but can also be used under rule 45 in respect of the *ISO's real-time function*.}

39 ISO may delegate performance of a function

- (1) The *ISO* may by written *notice* (“**instrument of delegation**”) from time to time delegate performance of a function (a “**delegated function**”) to an *NSP* or other *entity* (a “**delegate**”), in accordance with this rule 39.
- (2) The *instrument of delegation* —
 - (a) must be in writing; and
 - (b) must identify —
 - (i) the *delegate*; and
 - (ii) the *delegated function*; and

(iii) if applicable, the part or parts of the *power system* in respect of which the *delegate* is to perform the *delegated function* (the “**delegated area**”);

and

(c) may impose conditions on the *delegation*; and

(d) may require the *delegate* to give a minimum notice period before the *delegate* may terminate or withdraw from a delegation;

{Rule 39(2)(d) ensures that the ISO has time to make alternative arrangements.}

and

(e) subject to any conditions in the *instrument of delegation*, may be amended, revoked or replaced by written notice from the *ISO* to the *delegate* given at any time; and

(f) must make provision for the acceptance or refusal by the delegate of the delegation.

(3) A delegation is not effective unless the *delegate* accepts the *instrument of delegation* in writing.

{A delegation cannot be involuntary.}

(4) The *ISO* may appoint more than one *delegate* at the same time in respect of a *delegated function* or in respect of different *delegated functions*, and in respect of the same *delegated area* or different *delegated areas*.

{Example — The *ISO* may delegate a function to more than one *NSP*, allocating responsibility for performing that function to each *NSP* in respect of the *NSP*'s own *network*.}

(5) The *ISO* must publish on the *ISO website* the name and *delegated area* of each *delegate*.

40 ISO may direct delegate

(1) The *ISO* may *direct* a *delegate* in the performance of a *delegated function*.

(2) The *instrument of delegation* may limit the *ISO*'s power of *direction* under rule 40(1), but must not purport to limit the *ISO*'s powers under rules 189 {Emergency directions} OR 191 {Unsafe equipment}.

41 Delegate's duties

Subject to these rules and the *instrument of delegation*, a *delegate* must —

(a) perform the *delegated function* in respect of the *delegated area*; and

(b) comply with these rules; and

(c) comply with any conditions in the *instrument of delegation*, and any *direction* by the *ISO*.

42 ISO's responsibility when choosing and monitoring delegate

- (1) The *ISO* must exercise due diligence in selecting a *delegate*.
- (2) The *ISO* must from time to time take reasonable steps (having regard to the nature of the delegated task and the pool of available *delegates*) to —
 - (a) to monitor a *delegate's* performance of the function; and
 - (b) to prevent a recurrence of any unsatisfactory performance.
- (3) The *ISO* will be taken to have duly discharged its responsibilities under this rule 42 unless the contrary is proved.

43 Delegation – general provisions

- (1) A delegated function or power that is duly exercised by the *delegate* is taken to have been exercised by the *ISO*.
- (2) A delegated function or power that purports to have been exercised by the *delegate* is taken to have been duly exercised by the *delegate* unless the contrary is shown.
- (3) The deeming in rule 43(2) does not apply to prevent the *ISO* from enforcing these rules or the *instrument of delegation* or taking steps under rule 42(2)(b).
- (4) The *ISO's* delegation of performance of a function, does not preclude the *ISO* from performing the function at any time.
- (5) Where under the Act the *ISO's* performance of a function depends on its opinion, belief, or state of mind in relation to a matter, a *delegate* may perform the function upon the *delegate's* opinion, belief, or state of mind in relation to the matter.
- (6) A delegation may be made to —
 - (a) a specified entity or to entities of a specified class; or
 - (b) the holder or holders for the time being of a specified office or class of office, in which case the delegation will continue in effect if there is a change in the person lawfully holding, acting in or performing the functions of the office.
- (7) A delegation of a power under these rules includes the delegation of any duty incidental to or connected with the power, and a delegation of a duty under these rules includes the delegation of any power incidental to or connected with the duty.
- (8) Where under the Act something must be done to, by reference to or in relation to the *ISO*, and the *ISO* has delegated performance of a function in connection with the thing, the thing may be done to, by reference to or in relation to the *delegate*.

44 Delegate may be permitted to sub-delegate

- (1) An *instrument of delegation* (“**original instrument**”) may authorise a *delegate* (but not a *sub-delegate*) to sub-delegate all or part of a *delegated function*, in which case —

-
- (a) the *original instrument* may impose conditions on the power to sub-delegate; and
 - (b) unless the *original instrument* provides otherwise, the *delegate* must *promptly* notify the ISO with full details of the sub-delegation; and
 - (c) the sub-delegated function cannot exceed the scope or *delegated area* of the *delegated function* and is subject to at least the same conditions as the *delegated function*; and
 - (d) subject to rules 44(1)(a) and 44(1)(c), rules 39(2), 41, 42 and 43 apply with appropriate amendments in respect of the sub-delegation and the *sub-delegate*, which amendments include reading references to the *ISO* as references to the original delegate, and references to the delegate as references to the sub-delegate.
- (2) If a sub-delegation occurs, then —
- (a) rule 42 applies to the *ISO* in respect of both the original *delegate* and the *sub-delegate*; but
 - (b) regard must be had to the desirability of maximising the efficiency and workability of the combined delegation and sub-delegation arrangements.
 - {Example — It may be that the *ISO* can achieve “reasonable” monitoring of the sub-delegate by way of appropriate controls on, or questioning of, the intermediary delegate, avoiding the need for direct oversight of the sub-delegate (which may be less efficient or workable).}
- (3) The *ISO* may at any time, after considering the commercial and operational implications of doing so, by notice to the original *delegate*, *direct* it to terminate a sub-delegation.

Subchapter 2.3 – ISO control desk and incident coordinator

45 ISO may delegate its real-time functions to Horizon Power

For the *NWIS*, the ISO may under rule 39 delegate all its *real-time functions* to *Horizon Power*.

{Rule 125 deals with *Horizon Power*’s cost recovery for this function. The *instrument of delegation* will deal with payment of these amounts, and also matters such as communications between *Horizon Power* and the *ISO*, and *Horizon*’s obligations to follow *ISO* policies and procedures.}

46 ISO control desk – Identity

In these rules, “**ISO control desk**” means —

- (a) if the ISO has under rule 45 delegated the its *real-time functions* to *Horizon Power* — *Horizon Power* acting as the *ISO*’s *delegate*, and performing the *real-time functions* on a 24/7 basis; and

- (b) otherwise — the *ISO* acting on its own behalf, performing the *real-time functions* itself on a *24/7 basis*.

47 ISO control desk – Functions

The *ISO control desk*'s function is to achieve the *system security objective* by performing, on a *24/7 basis* —

- (a) the functions set out in rules 185(2) {Actions in *normal operating conditions*}, 186(1) {Pre-contingent actions} and 187(1) {Actions outside *normal operating conditions*}; and
- (b) if a *protocol* is active — the function of *incident coordinator*.

48 Incident coordinator – Identity and functions

While a *protocol* is *active*, the *ISO control desk* takes on the “**incident coordinator**” function, namely managing the incident in accordance with the *protocol*, including issuing *system operations directions* to the extent the *protocol* permits, with a view to achieving the *system security objective*.

Subchapter 2.4 – Relationship between ISO and registered NSPs

49 When the registered NSP may consult with the ISO

A *registered NSP* may consult with the *ISO* at any time, including on —

- (a) any matter relating to the safety, *security* or *reliability* of the *power system*; and
- (b) the *registered NSP*'s performance of a function under these rules (including the *harmonised technical rules*).

50 When the registered NSP must consult with the ISO

A *registered NSP* must consult with the *ISO* in connection with its performance of a function under these rules (including the *harmonised technical rules*) —

- (a) whenever required under the *procedure* referred to in rule 53; and
- (b) whenever the *ISO* reasonably *directs* it.

51 Position of other parties, when ISO consulted on a matter

If the *registered NSP* elects under rule 49, or is required under rule 50, to consult with the *ISO* in respect of a matter, then any reference in these rules or the *Access Code* to a *rules participant* providing information to, or receiving information from, or conferring with, the *registered NSP*, includes the same in respect of the *ISO*.

52 Registered NSP remains responsible for performing its functions

Nothing in rules 49, 50 or 114 {ISO to model and consult} relieves a *registered NSP* of its responsibility to perform a function under these rules.

53 ISO may develop a procedure to govern cooperation

- (1) The *ISO* may, in consultation with the *registered NSPs*, develop a *procedure* for the purposes of this Subchapter 2.4.
- (2) The *procedure* may require a *registered NSP* to consult with the *ISO* regarding the *registered NSP's* performance of a function, if the manner, timing or content of the performance —
 - (a) might reasonably be expected to affect, or be relevant to, the maintenance and improvement of *security* or *reliability* in *covered networks*; or
 - (b) might reasonably be expected to relevant to the *ISO's* and *ISO control desk's* performance of functions under these rules.

{Examples — The *procedure* may require consultation on matters such as —

- making a determination, for example determining a value, setting or parameter;
- approving or agreeing something, for example regarding connection, disconnection or equipment design, configuration or settings;
- planning or undertaking testing, modelling or analysis.}

{Example — The *procedure* may set thresholds for *network* and *facility* modifications and augmentations, below which the *NSP* has a discretion whether to seek *power system modelling* from the *ISO*, but above which the *NSP* must do so.}

- (3) Rule 53(2) does not limit the circumstances in which the *procedure* may require a *registered NSP* to consult.
- (4) The *procedure* must be consistent with rule 5 {Integrated mining systems}.

Subchapter 2.5 – Emergency powers

{Emergency operational powers appear in rules 189 and 190.}

54 Definition of “emergency provisions”

In this Subchapter 2.5, “**emergency provisions**” means the provisions of the *Emergency Management Act 2005*, the *Energy Operators (Powers) Act 1979* or any other legislation which deal with emergencies or create emergency powers.

55 Emergency powers preserved

- (1) If a person has emergency powers under the *emergency provisions*, then the person’s functions and powers under these rules (including rule 56) are in addition to, and do not limit, those emergency powers.

- (2) If there is a conflict or inconsistency between a person's powers and functions under these rules and the person's powers and functions under those *emergency provisions*, it is to be resolved —
 - (a) in accordance with the *emergency provisions*; and
 - (b) otherwise, as the person considers fit in the circumstances.

56 Minister may suspend rules in an emergency

- (1) If in the exercise of emergency powers under the *emergency provisions* the Minister (or a person authorised to act on the Minister's behalf) requests the *ISO* or any other person ("**requestee**") to suspend the operation of all or any of these rules (other than this rule 56), then the *requestee* may do so.
- (2) The *requestee* must lift the suspension as soon as practicable after the Minister or authorised person requests it to do so.
- (3) The *requestee* must *promptly* notify the *ISO*, who in turn must notify *rules participants*, of any suspension or lifting of a suspension.

Chapter 3 – Instruments

Subchapter 3.1 – Exemptions from these rules

57 ISO may grant an exemption from these rules

- (1) A person (“**applicant**”) may apply to the *ISO* for an exemption from one or more requirements of these rules.
- (2) A proposed exemption may be expressed —
 - (a) to apply to specified person, persons or class of persons, in respect of a specified network, networks or class of networks; and
 - (b) to apply for a specified period or indefinitely, including to give a person time to comply with a rule; and
 - (c) to be unconditional, or to be subject to conditions; and
 - (d) apply to one or more persons.
- (3) If the *applicant* is not a *registered NSP*, the *ISO* must give a copy of the application to, and must consult with, each *registered NSP* in the *power system*.
- (4) The *ISO* must as soon as practicable determine an application under rule 57(1) having regard to the effect the proposed exemption, if granted, will or might have on *security, reliability*, the operation and objectives of these rules (including the *system security objective* and the objectives of Chapters and Subchapters), and the *Pilbara electricity objective*.
- (5) The *ISO* —
 - (a) if all *registered NSPs* support the application — may refer; and
 - (b) if any *registered NSP* does not support the application — must refer, an application under rule 57(1) to the *Pilbara advisory committee* and request the *Pilbara advisory committee’s* advice on the application and must have regard to the *Pilbara advisory committee’s* advice in making its determination under rule 57(4).
- (6) The *ISO* must consult regarding the exemption using at least the *expedited consultation process*.
- (7) The *ISO* must notify the *applicant* of, and (after first complying with Subchapter 11.2 (Confidential information)) *publish*, its determination under rule 57(4) within 2 *business days* after making the determination.
- (8) If an exemption is granted subject to a condition, an exempted person must comply with the condition.
- (9) A person may apply to the *ISO*, or the *ISO* may in its own discretion propose, for an exemption granted under rule 57(4) to be modified or revoked and the *ISO* must

consider the application or proposal and within a reasonable time advise the person of the *ISO's* determination in relation to the application or proposal. This rule 57 applies with appropriate modifications to the *ISO's* determination under this rule 57(9).

Subchapter 3.2 – Harmonised technical rules

58 Objectives for harmonised technical rules

The objectives of *harmonised technical rules* are that they —

- (a) are reasonable; and
- (b) do not impose inappropriate barriers to entry to the electricity network; and
- (c) are consistent with *good electricity industry practice*; and
- (d) facilitate coordination between *system operations participants* with a view to maintaining and improving *security and reliability*; and
- (e) are consistent with relevant written laws and *statutory instruments*.

59 Harmonised technical rules apply

Appendix 5 has effect.

60 Disputes under harmonised technical rules

- (1) A matter arising under or in connection with the *harmonised technical rules* (including under rule 64, and including in respect of a *registered NSP's* exercise of a discretion or judgment) may be the subject of a *rules dispute* or, if it arises in connection with an *access application*, an *access dispute*.
- (2) If the *harmonised technical rules* provide for a matter to be agreed between the *registered NSP* and a person, and specify a default position which applies absent agreement, then if the parties fail to agree, the person may elect to accept the default position, or, if it wishes to seek a different outcome, may elect for the matter to be dealt with by way of a *rules dispute* or, if it arises in connection with an *access application*, an *access dispute*.

61 Legacy arrangements for harmonised technical rules

Appendix 3 has effect.

62 Recovering HTR compliance upgrade costs after certain involuntary changes of network Class

- (1) In this rule 62 —
 - (a) “**change in class**” means a *network* changing from one Class to another Class for the purposes of rule 4; and

-
- (b) **“transitioning network”** means a *network* which is undergoing a *change of class*, and **“transitioning NSP”** means the *NSP* of that *network*; and
- (c) **“transitioning facility”** means a *facility* which is connected to a *transitioning network*, and **“transitioning controller”** means the *controller* of that *facility*.
- (2) In this rule 62, a **“compensable change in HTR application”** means the *harmonised technical rules* starting to apply, or starting to apply more extensively, to a *transitioning network* or a *transitioning facility*, as a result of —
- (a) the *transitioning network* becoming *covered* as a result of a *coverage application* lodged by a person (**“causer”**);
- {Under rule 4, this will involve the *network* changing from Class 1B, 1C or 1D to Class 1A; or from Class 3 to Class 2.}
- or
- (b) if the *transitioning network* was already *covered* — the *transitioning network* becoming interconnected with a *NWIS network*, but only if that interconnection arose from an *access application* lodged with the *transitioning NSP* by a person (**“causer”**).
- {Under rule 4, this will involve the *network* changing from Class 2 to Class 1A.}
- {This rule 62 does not apply to any other *change in class*, including if it results from —
- the *transitioning NSP* or its *associate* applying to connect the *transitioning network* to a *covered network*;
 - the *transitioning NSP* or its *associate* electing to connect, or to permit the connection of, a *NWIS network* to the *transitioning network* in circumstances other than those set out in rule 62(2)(b);
 - the *transitioning controller* or its *associate* electing to connect, or to permit the connection of, the *transitioning facility* to the *NWIS* or to a *covered network*; or
 - any other cause attributable to voluntary choices made by the *transitioning controller* or *transitioning NSP*, as applicable.}
- (3) In this rule 62 —
- (a) **“compensable upgrade work”** means work required in accordance with *GEIP* to make a *transitioning network* or *transitioning facility* compliant with the *harmonised technical rules*, to the extent that that work is attributable to a *compensable change in HTR application*; and
- (b) **“compensable upgrade costs”** means —
- (i) for a *transitioning controller* — the costs it incurs as a result of undertaking *compensable upgrade work*, subject to the limit set by rule 62(4); and
- (ii) for a *transitioning NSP* —
- (A) the costs it incurs as a result of undertaking *compensable upgrade work*, subject to the limit set by rule 62(4),
-

minus —

- (B) all such costs which can appropriately be included in the *NSP's* “total costs” under the *Access Code*.
- (4) The costs referred to in rules 62(3)(b)(i) and 62(3)(b)(ii)(A) must not exceed what would have been incurred by a prudent operator, acting efficiently in accordance with *GEIP*, to achieve the lowest sustainable cost of undertaking the work, including by seeking all appropriate exemptions to avoid the need for the upgrade work.
- (5) A *transitioning NSP* or *transitioning controller* may recover *compensable upgrade costs* from the *causer*, as a debt.
- (6) A person who is likely to be a *transitioning NSP* or a *transitioning controller*, must cooperate with the *ISO* and with a person who is likely to be a *causer*, and provide such reasonable information as is necessary to a *GEIP* standard, to enable the likely *causer* to assess the scale of its likely exposure under this rule 62.

63 Recovering HTR compliance upgrade costs after certain involuntary withdrawals of legacy rights

- (1) This rule 63 applies where —
 - (a) a *network* (“**transitioning network**”) is covered; and
 - (b) before the event referred to in rule 63(1)(c), the *network*, or a *facility* connected to the *network* (“**transitioning facility**”), was exempted from compliance with the *harmonised technical rules* by clause A3.4 of Appendix 3; and
 - (c) clause A3.4 or Appendix 3 ceases to apply in respect of the *facility* or *network* due to the operation of clause A3.13(b) in Appendix 3, as a result of a person (“**causer**”) connecting a *facility* to the *transitioning network* under the *Access Code* at some date (“**connection date**”) in the 20 years following the *HTR application date* for the *transitioning network*.

{This rule 63 only provides for recovery of costs where there is an identifiable triggering connection applicant. However, if there is one, this rule does not investigate whether there may also be other causes for the *loss of legacy rights event*, e.g. *load* growth or configuration changes in the *transitioning network* which occurred after the *HTR application date* but before this triggering event.}

- (2) In this rule 63 —
 - (a) a “**loss of legacy rights event**” means the event referred to in rule 63(1)(c); and
 - (b) “**transitioning NSP**” means the *NSP* of the *transitioning network*; and
 - (c) “**transitioning controller**” means the *controller* of the *transitioning facility*.
- (3) In this rule 63 —
 - (a) “**compensable upgrade work**” means work required in accordance with *GEIP* to make a *transitioning network* or *transitioning facility* compliant with

the *harmonised technical rules*, to the extent that that work is triggered by a *loss of legacy rights event*; and

- (b) “**compensable upgrade costs**” means —
- (i) for a *transitioning controller* — the costs it incurs as a result of undertaking *compensable upgrade work*, subject to the limit set by rule 63(4); and
 - (ii) for a *transitioning NSP* —
 - (A) the costs it incurs as a result of undertaking *compensable upgrade work*, subject to the limit set by rule 63(4),
- minus —
- (B) all such costs which can appropriately be included in the *NSP’s “total costs”* under the *Access Code*;

and

- (c) the “**recoverable proportion**” of *compensable upgrade costs* is determined based on when the *loss of legacy rights event* occurs, as follows —
- (i) if the *loss of legacy rights event* occurs the first 10 years after the *HTR application date* — 100% of the costs may be recovered; and
 - (ii) if it occurs in years 11 to 19 after the *HTR application date* — a percentage of the costs may be recovered, starting with 90% in year 11, and decreasing in steps of 10% for each subsequent year, with no interpolation within a year;
 - {Example — The mechanism in rule 63(3)(c)(ii) will have the causer pay 90% in year 11, 80% in year 12, 50% in year 15, 10% in year 19 and (under rule 63(3)(c)(iii)) 0% in years 20 and thereafter. No interpolation means that in a given year, the same percentage applies on the 1st day of the year, and on the 365th day of the year.}
 - (iii) if it occurs 20 years or more after the *HTR application date* — none of the costs may be recovered.

and

- (4) The costs referred to in rules 63(3)(b)(i) and 63(3)(b)(ii)(A) must not exceed what would have been incurred by a prudent operator, acting efficiently in accordance with *GEIP*, to achieve the lowest sustainable cost of undertaking the work, including by seeking all appropriate exemptions to avoid the need for the upgrade work.
- (5) A *transitioning NSP* or *transitioning controller* may recover the *recoverable proportion* of its *compensable upgrade costs* from the causer, as a debt.
- (6) A person who is likely to be a *transitioning NSP* or a *transitioning controller*, must cooperate with the *ISO* and with a person who is likely to be a *causer*, and provide such reasonable information as is necessary to a *GEIP* standard, to enable the likely *causer* to assess the scale of its likely exposure under this rule 63.

64 NSP may grant an exemption from the harmonised technical rules

- (1) A *network user, access applicant or controller* may apply to a *registered NSP* for an exemption from one or more requirements of the *harmonised technical rules*.
- (2) An application for an exemption must include reasonable supporting information.
- (3) A *vertically-integrated NSP* cannot grant an exemption to itself as a *generator or consumer*, without the *ISO's* prior approval.
- (4) If —
 - (a) the application relates to a *facility* with a capacity in excess of 10 MVA (*generation or load*); or
 - (b) the *registered NSP* acting reasonably in accordance with *GEIP* considers that an exemption may *credibly* adversely impact *security, reliability* or the *Pilbara electricity objective*,then —
 - (c) the *registered NSP* must consult with the *ISO* regarding the proposed exemption; and
 - (d) the *registered NSP* must consult regarding the exemption using at least the *expedited consultation process*,before making a determination under rule 64(7).
- (5) It is not a breach of these rules if a *registered NSP* in good faith determines that an exemption will not, or is unlikely to, impact *security, reliability* or the *Pilbara electricity objective*, and that determination later proves to have been incorrect.
- (6) When consulted under rule 64(4)(c), the *ISO* must as soon as practicable, and in any event within 4 weeks of the consultation commencing, determine, and advise the *registered NSP* —
 - (a) whether the exemption is or is not likely to cause or contribute to any adverse impact on *security, reliability* or the *Pilbara electricity objective*; and
 - (b) whether the exemption is or is not consistent with the constrained access regime in Subchapter 9.1; and
 - (c) of any conditions the *ISO* recommends be placed on the exemption.
- (7) The *registered NSP* must as soon as practicable, and in any event within 4 weeks after receiving the *ISO's* advice, determine the application —
 - (a) to a *GEIP* standard; and
 - (b) having regard to the *ISO's* advice if applicable; and
 - (c) having regard to the effect the proposed exemption will, if granted, have on the *registered NSPs* and *network users* of its *network* and any *network* in the *power system*,

-
- and must grant the exemption if it determines that in all the circumstances the disadvantages of requiring the applicant to comply with the requirement are likely to exceed the advantages.
- (8) An exemption under this rule 64 —
- (a) may be granted for a specified period or indefinitely; and
 - (b) may be transitional in nature and may include provisions allowing a person time to comply with the *harmonised technical rules*; and
 - (c) may be unconditional, or may be subject to any reasonable conditions the *registered NSP* considers fit, in which case the person granted the exemption must comply with the conditions.
- (9) A *registered NSP* must notify the applicant of its determination under rule 64(7) within 2 business days after making it.
- (10) Any person may apply to a *registered NSP*, or the *registered NSP* may in its own discretion propose, for an exemption granted to a person under rule 64(7) to be varied or revoked, and —
- (a) if the exempt person agrees to a revocation of the exemption — the *registered NSP* may revoke the exemption and must *publish* notice of the revocation; and
 - (b) otherwise — the *registered NSP* must consider the application or proposal under rule 64(11).
- (11) This rule 191 applies with appropriate modifications to an application or proposal under rule 64(10).
- (12) The *ISO* may at any time in its own discretion propose a variation or amendment to an exemption granted under rule 64(7), in which case rule 64(10) applies and the *registered NSP* must consult with the *ISO* under rule 64(4)(c), whether or not either of the tests in rules 64(4)(a) or 64(4)(b) is satisfied.
- (13) A *registered NSP* must provide to the *ISO* a notice giving details of any grant, revocation or variation of an exemption under this rule 64, and if the *network* is covered the *ISO* must *publish* —
- (a) the notice; and
 - (b) the *ISO*'s advice under rule 64(6) (after first complying with Subchapter 11.2 {Confidential information}).
- (14) If the *registered NSP*'s determination to grant an exemption, or regarding the conditions on the exemption, is inconsistent with the *ISO*'s advice, the notice and the *published* information must (subject to Subchapter 11.2 {Confidential information}) include the *registered NSP*'s reasons for not complying with the *ISO*'s advice.
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Subchapter 3.3 – Metering Code and Customer Transfer Code

65 Definition of “relevant code”

In this Subchapter 3.3, “relevant code” means the *Metering Code* or the *Customer Transfer Code*.

66 Metering Code applies to covered networks

Subject to rules 68 and 69, the *Metering Code* applies to a *covered Pilbara network*, and the *covered NSP* (and, as applicable, other persons) must comply with it.

67 Customer Transfer Code applies to covered networks

Subject to rules 68 and 69, the *Customer Transfer Code* applies to a *covered Pilbara network*, and the *covered NSP* (and, as applicable, other persons) must comply with it.

68 Exemptions from Metering Code and Customer Transfer Code – NSPs

- (1) The ISO may grant an *NSP* an exemption from one or more requirements of a *relevant code* if the *ISO* is satisfied that —
 - (a) there is a reasonable prospect that the cost or burden of compliance with the requirement may outweigh the benefits; and
 - (b) for the exemption’s duration, the *NSP* will have in place alternative arrangements which deal to a *GEIP* standard with the relevant matter or matters.
- (2) An exemption under this rule 68 cannot —
 - (a) reduce or hinder a protection or benefit given directly or indirectly to a *small-use customer* (as defined in the Act) by a *relevant code*;

{A requested exemption which might have an effect described in rule68(2)(a), would need to be progressed as a *rule change proposal* instead.}
 - or
 - (b) prevent or hinder a *contestable customer’s* ability to change electricity retailers.
- (3) An exemption under this rule 68 may be given with or without conditions, for a specified period or indefinitely, and may be amended or withdrawn at any time on reasonable notice. This rule 68 applies with appropriate modifications to any such amendment or withdrawal.
- (4) The ISO must undertake at least an *expedited consultation process* in respect of a proposed exemption under this rule 68.
- (5) The ISO must publish an exemption under this rule 68.

-
- (6) A person may apply to the *Authority* to have an exemption under this rule 68 reviewed, in which case —
- (a) the *Authority* may decide to undertake a review of the exemption; and
 - (b) if the *Authority* undertakes such a review —
 - (i) it must follow at least the *expedited consultation process*; and
 - (ii) it must give to the *ISO*, and *publish*, a report which recommends (with reasons) that the exemption be either retained, modified or removed.
- (7) On receipt of the *Authority's* report under rule 68(6)(b)(ii), the *ISO* must consider whether to retain, amend or remove the exemption, and must publish the *ISO's* determination (with reasons) in response to the report.

69 Exemptions from Metering Code and Customer Transfer Code – Other persons

- (1) The *ISO* may grant a person an exemption from one or more requirements of a *relevant code* if —
- (a) the person is required by a licence condition or a *relevant code* to comply with the *relevant code*; and
 - (b) the *ISO* is satisfied that —
 - (i) there is a reasonable prospect that the cost or burden of compliance with the requirement may outweigh the benefits; and
 - (ii) for the exemption's duration, the person will have in place alternative arrangements which deal to a *GEIP* standard with the relevant matter or matters.
- (2) Rules 68(2)(b) to 68(7) apply with appropriate modifications to an exemption under rule 69(1).

70 Applying the Metering Code or Customer Transfer Code to a covered network when there are exemptions in place

If, for a *covered network* —

- (a) a *relevant code* requires the *network operator* or another person to do, comply with or have in place a thing (for example, publish a form); and
- (b) the *network operator* or other person has been granted an exemption under this Subchapter 3.2 from that requirement,

then —

- (c) a reference in the *relevant code* to the thing is to be read as including a reference to whatever alternative arrangement the *network operator* or other person does, complies with or has in place under the exemption, in respect of the thing;

{Example — If the *network operator* has been exempted from the *Customer Transfer Code*'s requirement to publish a request for standing data form, then a reference in that Code to the request for standing data form includes a reference to whatever alternative arrangement the *network operator* has in place under the exemption, for retailers to request standing data.}

and

- (d) the other provisions of the *relevant code* are to be read with appropriate amendments to accommodate the reading in rule 70(c).

Subchapter 3.4 – Register of exemptions

71 ISO to maintain a register of exemptions

The *ISO* is to *maintain* on the *ISO website* a register of all exemptions granted, and all information published, under Subchapter 3.1, Subchapter 3.2 and Subchapter 3.3.

Subchapter 3.5 – Network planning criteria

{Section 2.5 of the *harmonised technical rules* requires an *NSP* to publish its *network planning criteria*.}

72 Network planning criteria interactions

- (1) In these rules, “**planning criteria interaction**” describes a situation in which the *network planning criteria* of one *network* (“**first network**”), either on their own or in interaction with the *network planning criteria* of one or more other *networks*, might *credibly* adversely impact *security* or *reliability* for an *NSP*, *user* or *controller* in any other *network* in the *power system*.
- (2) The *ISO* must review *registered NSPs’ network planning criteria*, to identify any *credible* present or future *planning criteria interactions*, and inform all *registered NSPs* of its findings in sufficient detail to allow them to perform their functions under these rules including in connection with rules 79(1)(d)(iii), 79(1)(d)(iv) and 254(4)(d).
- {Rules 79(1)(d)(iii) and 79(1)(d)(iv) deal with how the *protocol framework* may deal with *planning criteria interactions*, and rule 254(4)(d) permits a *covered NSP’s limit advice* to take into account *planning criteria interactions*.}
- (3) The review under rule 72(2) may be undertaken at any time, but must be undertaken as soon as practicable after the *rules commencement date*, and thereafter as soon as practicable after a *registered NSP* gives the *ISO* updated *network planning criteria* under rule 2.5 of the *harmonised technical rules*.
- (4) Following a review under rule 72(2), the *ISO*, in consultation with affected *system operations participants*, is to determine how to manage any *planning criteria interactions* identified in the review in order to achieve the *system security objective*, including —
- (a) whether a *protocol* under rule 79(1)(d)(iii) is needed, or needs revision; and

-
- (b) whether *pre-contingent actions* may be needed, including whether a *pre-contingent protocol* is needed, or needs revision; and
 - (c) whether any changes in *ESS* procurement are needed under Chapter 8; and
 - (d) what other operational measures or practices may be needed from or between *system operations participants*.
- (5) In making a determination under rule 72(4), the *ISO* must take into account, and to the extent practicable must endeavour to give effect to, any agreement between two or more *NSPs* as to how to manage any *planning criteria interaction*.
- (6) An obligation in these rules to restore, or to seek to restore, the *power system* to a *secure state* as soon as practicable, or similar, is to be construed having regard to what is possible given the design and configuration of the *power system* at the time.

{Example — If a *transmission element* temporarily has no redundancy due to a planned or unplanned outage elsewhere in the *power system*, then it will not be possible to achieve the ride-through requirement in rule 164(b) for a contingency which includes the loss of that *transmission element*, until the temporary lack of redundancy is remedied.}

Subchapter 3.6 – Procedures

73 Procedures – Naming and structure

- (1) A person required by these rules to deal with a matter in a *procedure* may —
- (a) adopt such names and structures for *procedures*; and
 - (b) divide or combine, or create new, *procedures*; and
 - (c) distribute matters between *procedures*,
- as it sees fit from time to time, provided it follows the *procedure change process* in Appendix 2.
- (2) The names given to *procedures* in these rules are for ease of reference only, and do not limit a person’s discretion under rule 73(1).

74 Procedures – Developing, maintaining and publishing

- (1) If these rules provide for a person to “develop” (or other similar expression) a *procedure*, then unless these rules provide otherwise, the person —
- (a) subject to rule 74(2), must develop and make the *procedure* in accordance with the *procedure change process* in Appendix 2; and
 - (b) must as necessary to keep the *procedure* up to date, fit for purpose and consistent with *GEIP* submit *procedure change proposals* under Appendix 2; and
 - (c) may at any other time submit a *procedure change proposal* under Appendix 2; and

-
- (d) *must publish* each version of the *procedure*.
- (2) For a *procedure* which is to take effect at the commencement of these rules, the person must undertake reasonable consultation with affected persons when developing the procedure, and may then with the Minister's consent make the procedure.

75 Procedures – Content

- (1) A *procedure* must set out any matters specifically required by these rules.
- (2) A *procedure* may include —
- (a) processes, standards, methodologies, classifications, guidelines; and
 - (b) obligations of persons under the *procedure*; and
 - (c) approval and exemption requirements; and
 - (d) requirements for information to be submitted, disclosed or reported upon and requirements as to the updating, storage and use of information; and
 - (e) requirements for consultation or communication; and
 - (f) timing of any actions or other obligations or requirements; and
 - (g) information on interaction with any other *procedures*.
- (3) Rule 75(2) does not limit the things a *procedure* may include.
- (4) A *procedure* must not contain anything which is inconsistent with these rules, the regulations, the Act or the *Pilbara electricity objective*.

Subchapter 3.7 – The protocol framework and protocols

{Together with the system coordination meetings in Subchapter 7.3, this Subchapter 3.7 operationalises a critical element in the informal and collaborative model implemented by these rules for the Pilbara.

At the heart of the model is the *protocol framework* created under rule 77, which establishes a suite of *protocols* which will govern how the *ISO control desk* and *registered NSPs*, and on occasion *registered controllers*, respond to system incidents.

Each *protocol* will set out the *system operations participants'* roles, powers and responsibilities, to cooperate and coordinate with each other, to maintain and restore *security* and *reliability* in the *power system*.

Each *protocol* also activates the **incident coordinator**, which equips the *ISO control desk* with a power to issue *system operations directions* to manage the incident and restore *security* and *reliability*.)

76 Objective of this Subchapter 3.7

- (1) This Subchapter 3.7's primary objective is to create a framework to assist the *ISO control desk* and *registered NSPs* to manage their collective response to —

- (a) *contingencies and islanding events*; and
 - (b) other situations in which the *power system* is *outside the technical envelope* or *outside normal operating conditions*; and
 - (c) circumstances which call for a *pre-contingent action*,
- with a view to —
- (d) maintaining the *power system inside the technical envelope* where practicable, and otherwise returning it to *inside the technical envelope promptly*; and
 - (e) maintaining the *power system* in a *secure state* where practicable, and otherwise returning it to a *secure state* as soon as practicable.
- (2) This Subchapter 3.7's secondary objective is to achieve the primary objective using a *protocol framework* and *protocols* which are as simple and informal as practicable.
- {The explicit power in rule 84 to refer matters relating to this Subchapter 3.7 to post-incident discussion and investigation, is intended to allow the *protocol framework* and *protocols* to be kept simple and short, and evolve over time as experience proves necessary.}

77 ISO to prepare and maintain protocol framework

- (1) The *ISO* must, in consultation with (at least) *registered NSPs* and *registered controllers*, develop a *procedure* ("**protocol framework**") for the purposes of this Subchapter 3.7.
- (2) The *ISO* must have regard to rule 5 when developing the *protocol framework*.

78 Protocol framework to be a consensus document if possible

The *ISO* and *registered NSPs* (and *registered controllers* to the extent they are referenced in the *protocol framework*) must endeavour in accordance with *GEIP* to reach a consensus on the *protocol framework's* content, but failing consensus the *ISO* may, subject to Appendix 2, determine that content.

79 Protocol framework – Content

- (1) The *protocol framework* must set out —
 - (a) a list of agreed *credible contingencies*, including *credible islanding events* and the resulting *credible islands*; and
 - (b) a list of *credible network constraints*; and
 - (c) any communications requirements necessary to implement the *protocol framework*; and
 - (d) at least the following *protocols* —
 - (i) a *protocol* to deal with each listed *credible contingency*; and

{A single *protocol* under rule 79(1)(d)(i) may deal with more than one *contingency*.}

(ii) one or more *protocols* to deal with other *contingencies*, including *non-credible contingencies*, multiple *contingencies* and an emergency being declared under State legislation; and

(iii) if judged necessary under rule 72, a *protocol* to deal with any *credible planning criteria interactions* identified under rule 72;

{Rule 72 considers the impact of the various *NSPs' network planning criteria* on other *networks* in the *power system*.}

and

(iv) unless the *ISO* and *registered NSPs* agree otherwise, a *protocol* (the “**pre-contingent protocol**”) dealing with *pre-contingent threats*.

{The list in rule 79(1)(d) is not closed – for example, *system operations participants* may decide that there should be a *protocol* to deal with system restart, or the management of certain *constraints*.}

(2) Rule 79(1) does not limit the things a *protocol framework* may contain.

80 Protocols – Content

(1) Each *protocol* must —

(a) be designed with a view to achieving the outcomes in rule 76(1)(d) and (e); and

(b) be consistent with the *harmonised technical rules*, and take into account *equipment limits* and *security limits*; and

(c) be expressed at an appropriate level of detail having regard to the secondary objective in rule 76(2) and the circumstances in which the *protocol* may be active.

(2) Unless the *ISO* and all *registered NSPs* agree otherwise, a *protocol* is to specify —

(a) the circumstances in which the *protocol* may be activated (“**activation conditions**”); and

(b) the *incident coordinator's* functions, powers and responsibilities while the *protocol* is active, including —

(i) any actions it must or may take; and

(ii) in the *pre-contingent protocol* — subject to rule 80(4), any *pre-contingent directions* it may give; and

(iii) in any other *protocol* — any *system operations directions* it may give;

and

-
- (c) a *registered NSP's* and, if necessary, a *registered controller's* functions, powers and responsibilities while the *protocol* is *active*, including —
 - (i) any actions it must or may take; and
 - (ii) any *system operations directions* the *registered NSP* may give;and
 - (d) the cooperation, coordination and information required from each *system operations participant*, and
 - (e) the circumstances in which the *protocol* is expected to be deactivated (“**deactivation conditions**”).
- (3) A *protocol* may, for the *incident coordinator* or a *registered NSP* —
- (a) limit the circumstances in which it may give a *system operations direction*; and
 - (b) specify circumstances in which it must give a *system operations direction*; and
 - (c) limit or specify the content of a *system operations direction*.
- (4) A *pre-contingent protocol* may authorise the *ISO control desk* or a *registered NSP* to —
- (a) *direct a generator* to take a *pre-contingent action* by departing materially from its *load-following* obligations under rule 169 or from other *normal operating conditions*; and
 - (b) if necessary, but only if the necessary outcome cannot be achieved by consultation, *direct a systems operation participant* to take any other *pre-contingent action*.
- (5) Rules 80(2), 80(3) and 80(4)(a) do not limit the things a *protocol* may contain.

81 Protocols – Activation

- (1) The *ISO control desk* or a *registered NSP* may at any time, and without conferring with any person, activate a *protocol* by notice given in accordance with the *protocol framework*.
- (2) A notice under rule 81(1) is effective to activate a *protocol*, regardless of whether the *activation conditions* for the *protocol* apply when the notice is given.
- (3) More than one *protocol* may be *active* at once.
- (4) It is not a breach of these rules to give in good faith a notice under rule 81(1) when the relevant *activation conditions* do not apply.

{The question of whether an activation notice was properly given, or given too hastily, can be considered in the post-incident discussion and investigation (see rule 84 and Subchapter 7.6).}

82 Protocols – Deactivation

- (1) The *incident coordinator* may at any time, without conferring with any person, deactivate a *protocol* by notice given in accordance with the *protocol framework*.
- (2) A notice under rule 82(1) is effective to deactivate a *protocol*, regardless of whether the *deactivation conditions* for the protocol apply when the notice is given.
- (3) It is not a breach of these rules to give in good faith a notice under rule 82(1) when the relevant *deactivation conditions* do not apply.

{The question of whether a deactivation notice was properly given, or given too hastily, can be considered in the post-incident discussion and investigation (see rule 84 and Subchapter 7.6).}

83 Protocols may be used informally

- (1) Nothing in these rules obliges a person to activate a *protocol*.
- (2) The *ISO control desk* and *registered NSPs* (and, if applicable, *registered controllers*) may collaborate, coordinate and cooperate as they see fit in connection with any *contingency* or other circumstance, including by referring to a *protocol* without formally activating it.

{If the parties are managing a contingency informally, the *ISO control desk's* role will be to liaise and request, not *direct* — see rule 185(2).}

84 Protocol matters may be referred for post incident analysis

Without limiting Subchapter 7.6, the *ISO* may at any time refer a matter relating to the *protocol framework* and *protocols*, or otherwise arising in connection with this Subchapter 3.7, for discussion or investigation under Subchapter 7.6, and must do so whenever requested by a *rules participant* unless the *ISO* reasonably determines the request to be frivolous, vexatious or not made in good faith.

Subchapter 3.8 – Compliance with instruments and directions

85 Compliance with procedures and protocols

A person with an obligation under a *procedure* or a *protocol* must comply with that obligation in the manner and timeframe set out in the *procedure* or *protocol*.

{This compliance obligation is subject to rule 172, which permits non-compliance in emergencies, for safety reasons, etc.}

86 Compliance with directions

A person to whom a *direction* is given under these rules, must comply with the *direction*.

{This compliance obligation is subject to rule 172, which permits non-compliance in emergencies, for safety reasons, etc.}

87 Certain urgent system operations directions protect the recipient

{The regulations will provide that a *protective direction* has the effect of reinstating the full immunity under section 120ZB of the Act, including for negligent acts or omissions.}

A *system operations direction* is a “**protective direction**” if —

- (a) **{apparently valid}** the *direction* appears on its face to have been given substantially in accordance, or purportedly in accordance, with these rules; and
 - (b) **{system at risk}** either —
 - (i) **{objectively}** the *power system* is *outside the technical envelope* or there is a *credible* imminent threat that the *power system* will be *outside the technical envelope*; or
 - (ii) **{subjectively}** the person to whom the *direction* is given believes in good faith either —
 - (A) that the situation in rule 87(b)(i) applies; or
 - (B) that the person giving the *direction* believes that the situation in rule 87(b)(i) applies;
- and
- (c) **{direction appears relevant}** the *direction* appears on its face to have the objective of keeping the *power system inside the technical envelope* or restoring it to that state; and
 - (d) **{urgent}** the *direction* requires compliance to commence within 3 hours.

88 Function of performing actions under instruments

If a person is required by these rules to comply with a *procedure*, *protocol* or *direction*, it is a function of the person to do so.

Subchapter 3.9 – Rule change and procedure change

89 Appendix 2 deals with rule change and procedure change

Appendix 2 has effect.

Chapter 4 – Administration

Subchapter 4.1 – Registration

90 Registration objective

- (1) The primary objective of this Subchapter 4.1 is to facilitate the *ISO's* and *NSPs's* performance of their functions under these rules, by ensuring they have access to adequate contact and operational information about those *network elements* and *facilities* which might reasonably be expected to have an impact on the *security* or *reliability* of a *covered network*, or ability of a *covered NSP* to provide *transmission voltage covered services*.
- (2) A secondary objective of this Subchapter 4.1 is to achieve the primary objective as simply, and with as little compliance burden and cost, as practicable.

91 Certain NWIS participants must register

{Under regulation 18, the requirement to register applies only in respect of the *NWIS*. If a *non-NWIS network* is to be *covered*, a decision will be made at the time as to whether registration is required.}

- (1) The following *NSPs* must register with the *ISO* under rule 94 —
 - (a) the *NSP* of a *covered NWIS network*; and
 - (b) the *NSP* of a *non-covered NWIS network* which is not an *excluded network*.

{Each person registered under rule 91(1) is a “**registered NSP**”. If more than one person is the *NSP* for a *network* or *network element*, rule 20 requires that a single suitable person be designated for registration.}
- (2) The following *controllers* must register with the *ISO* under rule 94 —
 - (a) the *controller* of a *generation facility* on a *covered NWIS network*;

{The definition of “generation facility” excludes facilities below 10 MW.}

and
 - (b) the *controller* of a *large consumer facility* which is supplied by an *excluded network*; and
 - (c) the *controller* of each *facility* on a *non-covered NWIS network* which is, or is proposed to be, contracted to provide *essential system services* to *covered networks*; and
 - (d) the *controller* of any other *facility* on a *covered NWIS network*, if the *ISO* has determined under rule 93 that the *facility* should be a *registered facility*.

92 Certain NWIS participants exempt from registration

Subject to rule 93, the *controllers* of the following are not required to register under rule 91 —

- (a) *generating works* (as defined in the Act) if the generation capacity of the *generating works* concerned is less than 10 MW at each *connection point*, and
- (b) *storage works*; and
- (c) *a consumer facility*.

93 ISO may require otherwise exempt NWIS participants to register

(1) The *ISO* may determine that *controller* of —

- (a) *generating works*; or
- (b) *storage works*; or
- (c) *a large consumer facility*,

on a *covered network* must register under rule 91 if the *ISO* is satisfied of one or more of the following —

- (d) an outage of the *facility* might *credibly* be expected to adversely affect —
 - (i) *security or reliability*; or
 - (ii) the ability of any part of a *covered transmission network* to benefit from *essential system services*; or
 - (iii) the ability of a *covered NSP* to provide *transmission voltage* contracted *network services*;

or

- (e) the *facility* might *credibly* need to be the subject of a *constraint direction*; or
- (f) the *ISO*, after weighing the primary and secondary objectives in rule 90 and subject to rule 93(3), determines that the *facility* should be registered for some other reason.

(2) The *ISO* must consult with the *registered NSPs* and relevant *controllers* before making a determination under rule 93(1).

(3) A determination under rule 93(1)(f) must specify a reasonable period of notice before the determination takes effect.

94 How to register

An *NSP* or *controller* who is required to register with the *ISO* is to do so by giving its name and contact details to the *ISO*.

{A *registered NSP* or *registered controller* must also provide *standing data* under rule 97.}

95 ISO to maintain and publish list of registered persons and facilities

The *ISO* must compile, *maintain* and *publish* a list of *registered NSPs*, *registered controllers* and *registered facilities*.

96 ISO to maintain and publish list of certain covered network elements

For each *covered network*, the *ISO*, in consultation with the *covered NSP* and all other *registered NSPs* in the *power system*, must compile, *maintain* and *publish* a list of the —

- (a) *covered transmission elements*; and
- (b) if the *ISO* determines appropriate after weighing the primary and secondary objectives in rule 90 — *covered distribution elements*,

for which the *ISO* considers *standing data* should be provided under rule 97, and each such *network element* is a “**listed network element**”.

{A *listed network element* is the network equivalent of a *registered facility*. Because *covered networks* and *covered NSPs* are already regulated under these rules, the main impact of listing is that *standing data* is collected under rule 97}

97 Standing data

- (1) The *registered controller* for a *registered facility*, and the *registered NSP* of a *listed network element*, must ensure that the *ISO* holds correct, complete and current “**standing data**”, comprising —
 - (a) operational contact details for the *controller* or *NSP*, suitable for communication by voice and electronic message on a *24/7 basis* (email, SMS or other, as determined by the *ISO* from time to time); and
 - (b) general contact details for the *controller* or *NSP*, suitable for normal and emergency communication by voice and email; and
 - (c) the *facility’s* or *network element’s equipment limits*, which are to be expressed as —
 - (i) an “**operating rating**” which is a capacity level or rating for use in *normal operating conditions*; and
 - (ii) an “**overload rating**” or ratings, together with the parameters in which an *overload rating* may or must not be used, which may together be expressed in the form of protection settings;

{Rule 97(1)(c)(ii) does not explicitly require the *overload rating* to be different from the *operating rating*. Rule 188(5) sets out the limits on use of *overload ratings*.}

and

- (d) any other information the *ISO* reasonably requires, after weighing the primary and secondary objectives in rule 90.
- (2) *The ISO* may give the contact details provided to it —
- (a) under rule 97(1)(a) —
 - (i) to the *ISO control desk*; and
 - (ii) to the *personnel* of an *NSP* who are engaged in *system operations activities*, subject to any requirements which a *procedure* developed under rule 100 may place upon their use and sharing of the contact details;

and

- (b) under rule 97(1)(b) — to a *registered NSP* or a *registered controller*.
- (3) *The ISO* may, but is not required to, undertake any independent investigation into, or verification of, any *standing data* provided to it.
- (4) *The ISO* may *direct* a *registered controller* or *registered NSP* to amend any *standing data*.
- (5) *The ISO* is to have regard to the primary and secondary objectives in rule 90 in determining when, and the extent to which, it will exercise the power in rule 97(4).

98 ISO to publish a system map

- (1) *The ISO* is to *maintain* and *publish* a high-level single line diagram of the *power system* showing the relative locations, and approximate geographical locations, of, at least, all *registered facilities* and *transmission elements* linking them.
- (2) Each *registered NSP* or *registered controller* must inform the *ISO* in advance whenever it plans to add, or make a material change to, an existing or new *network element* or *registered facility* (as applicable), and the *ISO* must update the single line diagram accordingly.
- (3) For the purposes of rule 98(2), a material change to a *facility* or *network element* includes any change which might reasonably be expected to affect the manner in which, or extent to which, an outage of the *facility* or *network element* might impact on its *standing data* or on any of the things listed in rule 93(1)(d).

Subchapter 4.2 – Communications and systems requirements

99 Communication and systems requirements

Registered NSPs must maintain communication systems that enable communication with the ISO and registered controllers for the purposes of these rules.

100 Other entities' data to be kept within Australia where practicable

- (1) In this rule 100, “**other entities' data**” —
 - (a) means information provided to a *rules participant* (“**data holder**”) under these rules as to the quantum of electricity being, or which has previously been —
 - (i) consumed or generated by any person other than the *data holder* or its *associates* at any one or more sites; or
 - (ii) *injected* or *withdrawn* at a *connection point*;but
 - (b) does not include such information when it is *metering data* or other data produced by the *data holder's* or its *associates' equipment*.
- (2) A *data holder* must use its best endeavours to ensure that *other entities' data* —
 - (a) is stored only within Australia; and
 - (b) cannot be accessed by a person located outside Australia.
- (3) A *data holder* must use its best endeavours to ensure that it and its contractors do not disclose *other entities' data* to a person located outside Australia, without first ensuring that the data is appropriately aggregated or otherwise de-identified in an effective manner.
- (4) This rule 100 does not limit rule 17 {Vertically-integrated businesses} or Subchapter 11.2 {Confidential information}.

101 Confidentiality and cyber-security for visibility data

- (1) The *procedure* developed under rule 103 must —
 - (a) set out appropriate measures to ensure that any *confidential information* the *ISO* obtains under Subchapter 4.3 is not disclosed or accessible beyond the *ISO control desk's* operational staff (except to the extent reasonably necessary for audit, compliance and governance purposes); and
 - (b) not use, store, analyse or disseminate any *confidential information* it obtains under Subchapter 4.3, for any purpose other than performing its functions under these rules or otherwise achieving or promoting the *system security objective*; and

-
- (c) set out procedures to at least a *GEIP* standard for —
- (i) preventing unauthorised access or damage to the *platform* or any *system data*; and
 - (ii) preventing theft, damage, destruction or corruption of data stored on or processed by *platform* or any *system data*; and
 - (iii) protecting the *platform* or any *system data* from any *virus*; and
 - (iv) taking and storing on-site and off-site back-up copies of any *system data* or other data owned or used by, or in the possession of, the *ISO*.
- (2) The *ISO* must at all times comply, and ensure that its personnel complies, with the provisions of all applicable privacy laws with respect to any personal information collected, used or disclosed in connection with the *platform* or any or in connection with the *ISO*'s obligations under these *rules*.
- (3) In this rule 101 —
- (a) “**platform**” means any computer system used by the *ISO*, the *ISO control desk* or their contractors; and
 - (b) “**system data**” means any and all electronic information received, generated or stored by the *ISO* in performing its functions under these rules; and
 - (c) “**viruses**” means any thing or device (including any software, code, file or program) which may —
 - (i) prevent, impair or otherwise adversely affect the operation of the *platform* or any computer software, hardware or network, or any telecommunications service, equipment or network or any other service or device; or
 - (ii) prevent, impair or otherwise adversely affect access to or the operation of the *platform* or any program or data, including the reliability of any program or data (whether by re-arranging, altering or erasing the programme or data in whole or part or otherwise); or
 - (iii) adversely affect the user experience, including worms, Trojan horses, viruses and other similar things or devices.
- (4) Rule 101(1) does not limit rule 100, Subchapter 1.4 {Ringfencing} or Subchapter 11.2 {Confidential information}.

102 Systems requirements

- (1) The *ISO* —
- (a) must, when it uses software systems, observe prudent software management practices, including appropriate version control, testing and archiving; and
 - (b) may require *registered NSPs* to submit information to the *ISO* using specified software systems.

- (2) A person —
 - (a) must ensure that any of its software systems which are linked to the *ISO's* systems conforms to the *ISO's* data and IT security requirements at the point of interface; and
 - (b) must not deliberately use software systems in manner that undermines the operability of those or connected software systems.

103 ISO to develop procedure for notices, communications and systems requirements

- (1) The *ISO* must develop a *procedure* in respect of —
 - (a) notices and communications required under, contemplated by or relating to, these rules; and
 - (b) communications and control system requirements; and
 - (c) data and information management system interface requirements for *registered NSPs* and *registered controllers*; and
 - (d) cyber-security requirements,necessary to support its and *rules participants'* functions and activities under these rules.
- (2) The *ISO* must have regard to rule 5 when developing the *procedure*.

Subchapter 4.3 – Visibility

{Outline of this Subchapter — The *ISO control desk* needs to be given access to certain data and information to perform its tasks and maintain *security* and *reliability*. This Subchapter 4.3 provides for a “visibility list”, a procedure which will set out the data to be provided, deal with cost, confidentiality and cyber-security, etc.}

104 Objective of this Subchapter 4.3

- (1) This Subchapter 4.3's primary objective is to equip the *ISO control desk* with sufficient, and sufficiently timely, information to enable the *ISO control desk* to perform its functions under these rules, including the function of achieving, and facilitating *registered NSPs'* endeavours to achieve, the *system security objective*.
- (2) This Subchapter 4.3's secondary objective is to achieve the primary objective in a manner which —
 - (a) is as simple, efficient and *secure* as practicable; and
 - (b) so far as practicable without jeopardising the primary objective, minimises the extent to which the *ISO control desk* obtains another person's *confidential information*; and

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- (c) to the extent the *ISO control desk* does obtain another person's *confidential information*, so far as practicable without jeopardising the primary objective minimises the risk of that information being misused or inappropriately disclosed.
 - (3) Rule 104(2) does not limit a *covered NSP's* obligations under the *Access Code's* ringfencing requirements.

105 ISO to maintain visibility list

- (1) The *ISO* must develop a *procedure* ("**visibility list**") which lists the content, characteristics and timing of signals and data which must be *visible* to the *ISO control desk*, in accordance with this Subchapter 4.3, from locations within the *power system* or *facilities* connected to the *power system*, with a view to achieving the objectives in rule 104.
- (2) The *ISO* is to *publish* the initial *visibility list* as soon as reasonably practicable after this rule 105 commences..
- (3) A person may submit a *procedure change proposal* to add a *visibility item* to the *visibility list*, but the *procedure change proposal* is not to proceed unless —
 - (a) it is determined under Appendix 2 that the benefits of the addition in terms of the objectives in rule 104 outweigh the disadvantages, and justify the costs, of doing so; and
 - (b) an appropriate mechanism is provided —
 - (i) to compensate the person required to provide the *visibility* for any associated capital or operational costs; and
 - (ii) to permit the person a period of time to start providing the *visibility*, which period is reasonable to a *GEIP* standard; and
 - (c) if the *visibility item* involves *visibility* of a location within a *private power system*, the inclusion is consistent with rule 5; and
 - (d) rule 101 is complied with.
- (4) A person may submit a *procedure change proposal* to remove a *visibility item* from the *visibility list*, but the *procedure change proposal* is not to proceed unless in all the circumstances, the removal —
 - (a) will not diminish or jeopardise *security* or *reliability*; and
 - (b) will make it materially harder or slower —
 - (i) for the *ISO control desk* to perform its functions under these rules; or
 - (ii) for the *ISO control desk* or *registered NSPs* to achieve the *system security objective*;and

(c) is otherwise justified in accordance with *GEIP* and the *Pilbara electricity objective*.

(5) This rule 105 limits which *procedure change proposals* may be submitted under Appendix 2 {*Procedure change*}, but does not otherwise displace or limit Appendix 2.

106 ISO control desk to be given visibility

- (1) A *registered NSP* or *registered controller* must provide and *maintain* (including, where necessary, restore) *visibility* to the *ISO control desk* in accordance with the *visibility list*.
- (2) A person must not do anything which might reasonably be expected to disrupt, degrade or interrupt the communication to the *ISO control desk* of data and signals in accordance with the *visibility list*.

107 Function of providing data to ISO control desk

It is a function of each person who provides information to the *ISO control desk* under this Subchapter 4.3, to provide the information.

Subchapter 4.4 – Modelling

108 ISO to develop and maintain a power system model

- (1) The *ISO* must in accordance with the *power system modelling procedure* develop and *maintain* an accurate software model of the *power system* (the “**power system model**”), which —
 - (a) incorporates the *equipment limits* and *security limits* set out in the *standing data*, the *frequency operating standards* and the other parameters for remaining *inside the technical envelope*; and
 - (b) for each *registered facility*, and each other *facility* which meets the *power system modelling threshold* {see rule 121(2)} — includes a mathematical model of the *facility*, including the impact of its control systems and protection systems on *security* and *reliability*.
- (2) The *power system model* must be sufficient to enable the *ISO* to —
 - (a) identify and determine how to manage *planning criteria interactions* under rule 72; and
 - (b) design and where necessary implement *protocols* under Subchapter 3.7; and
 - (c) provide assistance to the *registered NSPs* under rule 114; and
 - (d) determine *loss factors* under Subchapter 5.2; and
 - (e) determine a *generation adequacy objective* under Chapter 6; and

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- (f) undertake investigations under Subchapter 7.6 including post-incident discussion and investigation under rule 84; and
 - (g) procure *essential system services* under Subchapter 8.1; and
 - (h) develop *constraint rules* and determine when to issue *constraint directions* under Subchapter 9.1; and
 - (i) provide access and connection services under Subchapter 9.2, including participating in the network connection process and modelling the impact of new connections, and assessing and helping develop required augmentations; and
 - (j) undertake network coordination and planning under Subchapter 10.1 and Subchapter 10.2; and
 - (k) perform its other functions under these rules.

109 ISO may use power system model

Subject to these rules (including Subchapter 4.5), the *ISO* may use the *power system model* as it sees fit in performing its functions under these rules.

110 Registered NSP to develop and maintain a network model

- (1) Each *registered NSP* must in accordance with the *power system modelling procedure* and the *NSP's own network modelling procedure* develop and *maintain* an accurate software model of its network (the “**network model**”), which —
 - (a) incorporates the *equipment limits* and *security limits* set out in the *standing data*, the *frequency operating standards* and the other parameters for remaining *inside the technical envelope* applicable to the *network*; and
 - (b) for each *registered facility* on the *network*, and each other *facility* which meets the threshold specified for this purpose in the *NSP's network modelling procedure* – include a mathematical model of the *facility*, including the impact of its control systems and protection systems on *security* and *reliability* within the *network*.
- (2) The *network model* must be compatible with the *power system model*.
- (3) The *network model* must be sufficient to enable the *registered NSP* to —
 - (a) develop a *limit advice* under Subchapter 9.1; and
 - (b) comply with its obligations under the *Access Code* and Subchapter 9.2; and
 - (c) perform its other functions under these rules.

111 ISO may assist NSP to maintain its network model

- (1) Subject to its resourcing including Subchapter 4.5, and to rule 120, the *ISO* may provide information to assist a *registered NSP* to develop and *maintain* its *network*

model, including, if requested, giving the *NSP* up-to-date software models of other *networks* and the *facilities* connected to them.

- (2) It remains the *registered NSP's* responsibility to comply with rule 110 and the *harmonised technical rules*, whatever the *ISO* does or does not do under rule 111(1).

112 NSP may use network model

Subject to these rules and the *Access Code*, the *NSP* may use the *network model* in performing its functions under the *Access Code* and these rules, and it is a function of the *NSP* to do so.

113 NSP modelling functions in HTR apply

The *ISO's* functions under this Subchapter 4.4 are in addition to, and do not limit, but may be used to support, an *NSP's* modelling functions under the *harmonised technical rules*.

114 ISO to model and consult when NSP requests it

- (1) If these rules require or permit the *registered NSP* to undertake modelling, then —
- (a) if rule 50 requires it — the *registered NSP* must; and
 - (b) for a *covered network*, if an *access seeker* reasonably requests it in accordance with the *Access Code* — the *covered NSP* must; and
 - (c) otherwise — the *registered NSP* may,

request the *ISO* to undertake modelling and other analyses, and engage in reasonable consultation, to support or supplement the *registered NSP's* analyses.

- (2) A request under rule 114(1) must be reasonable, and must be made in accordance with the *power system modelling procedure*, and be accompanied by whatever information the *procedure* requires the request to be accompanied by.
- (3) Subject to rule 114(4), the *ISO* will undertake the requested modelling in accordance with the *power system modelling procedure*. However, the *ISO* may in each case determine in accordance with that *procedure* what scale and scope of modelling and consultation is appropriate.
- (4) If the *ISO* determines that any information provided to it by a *registered NSP* under this rule 114 is incorrect, or does not comply with the *power system modelling procedure*, the *ISO* (after first consulting with the *registered NSP*) may *direct* the *registered NSP* as to what corrected or further information the *ISO* requires.

115 Collaboration in respect of future and concurrent scenario modelling

Subject to the *power system modelling procedure*, the *ISO* and *registered NSPs* are to cooperate and coordinate with each other in order to maximise efficiencies, when it comes to modelling future scenarios across the *power system* including scenarios which are confidential, hypothetical or both.

116 Registered NSP to provide information

- (1) A *registered NSP* must, in accordance with the *power system modelling procedure* provide to the *ISO* the following regarding its *network* —
 - (a) positive, negative and zero sequence network impedances for the network elements; and
 - (b) information on the network topology; and
 - (c) information on transmission circuit limits; and
 - (d) *limit advice*; and
 - (e) *overload ratings*, including, where applicable, details of how long an *overload rating* can be maintained; and
 - (f) the short circuit capability of *network elements* and *facility equipment*; and
 - (g) any other information reasonably specified in the *administration procedure* or the *power system modelling procedure*.

- (2) A *registered NSP* must, in accordance with the *power system modelling procedure*, promptly give to the *ISO* all data available to it which the *ISO* reasonably requires to model the static and dynamic performance of the *power system*, including its *network model* and computer models of the performance of *facilities* which are, or will be, connected to its *network*, including —
 - (a) all data provided to the *NSP* by *generators*, *controllers*, other *NSPs* and any other source that that the *NSP* reasonably (to a *GEIP* standard) considers is relevant for the purpose of modelling in relation to the *network* and the *power system*; and
 - (b) all data relating to actual, committed or proposed modifications to its *network* or *facilities connected* to it, that the *NSP* reasonably (to a *GEIP* standard) considers is relevant to modelling in relation to the *network* and the *power system*.

- (3) If the *ISO* determines that —
 - (a) data provided to it under this rule 116 does not adequately represent the performance of a *facility* (or *equipment* within the *facility*); and
 - (b) this inadequacy will impede the *ISO*'s performance of its functions under these rules,

{This includes performance of a function on the *ISO*'s behalf by a *delegate*.}

then the *ISO* (after consulting with the *registered NSP* or *controller*) may direct the *registered NSP* or *controller* to give it revised data and an associated model validation report demonstrating to the *ISO*'s reasonable satisfaction that the *facility* (or *equipment*)'s performance has been tested, and is substantially in accordance with the revised modelling data.

117 General obligation to keep models complete, current and accurate

- (1) A *rules participant* must use reasonable endeavours to ensure that all information it provides to another *rules participant* under this Subchapter 4.4 complies with the rules and is complete, current and accurate to a *GEIP* standard, and *promptly* notify the other *rules participant* if it reasonably suspects that this is not the case.
- (2) The *power system modelling procedure* may specify the requirements for a person providing information under this Subchapter 4.4 to certify or demonstrate that it complies with rule 117(1).

118 Notification of material changes and updating models

- (1) The *ISO* must notify *registered NSPs* each time it makes a material change to the *power system model*.
- (2) A *controller* must notify its *NSP* of any material change to a *generation facility* or *consumer facility*.
- (3) Subject to any agreement between the *NSP* and the *controller*, the *NSP's procedure* under section 3.6.12(a) of the *harmonised technical rules* may specify what constitutes a material change for the purposes of rule 118(2).
- (4) When a *controller* notifies an *NSP* of a change to a *generation facility* or *consumer facility*, and when the *NSP* changes a *network element*, the *NSP* must —
 - (a) determine whether to update its own *network model*; and
 - (b) if it does so — inform the *ISO* of the modifications together with such of the information set out in rule 116 as the *ISO* may require to update the *power system model*.
- (5) The *power system modelling procedure* may specify thresholds, requirements and procedures for reporting to the *ISO* under this rule 118.
- (6) Rule 116(3) applies with appropriate modifications to any information provided to the *ISO* under this rule 118.
- (7) Subject to the *power system modelling procedure*, notification under this rule 118 may be done orally at a *system coordination meeting*.
- (8) This rule 118 does not limit rule 117.

119 Disclosure of modelling results

- (1) Subject to rule 119(2), the *ISO* must wherever practicable disclose the results of any *power system modelling* to any person who requests them, and may *publish* them.
- (2) Rule 119(1) does not authorise the *ISO* to disclose information to the extent that it is *confidential information*, or is information from which *confidential information* could reasonably be inferred or derived, unless doing so is a *permitted disclosure* under

rules 300 {Permitted disclosure generally}, 301 {Disclosure to government entities} or 302 {Disclosure of non-confidential material}.

{The list in rule 119(2) does not include rule 299, the general power of disclosure in the course of performing a function.}

120 Confidentiality in modelling

{Overview of this rule 120 — A complete, current and accurate *power system model* is a vital requirement for, among other things, *security, reliability* and *effective access*. This rule enables the *ISO* to access all information it requires for this purpose, regardless of its confidentiality. However, once in the *ISO*'s hands, the information remains protected by Subchapter 11.2.}

- (1) In this rule 120, “**modelling information**” means a software model, its inputs and assumptions, and any other information provided, or required or *directed* to be provided, for the purposes of this Subchapter 4.4 or the modelling requirements of the *harmonised technical rules*.
- (2) A *rules participant* must comply with an obligation to provide *modelling information* to the *ISO* whether or not the information is confidential or commercially sensitive, including if another person is the *information owner*.

{Rule 305 protects the *rules participant* for this disclosure, if it owes another person a duty of confidentiality in respect of the *modelling information*.}

- (3) To the extent any *modelling information* provided to the *ISO* is *confidential information*, Subchapter 11.2 applies —
 - (a) in respect of the *ISO*'s use and disclosure of the information; and
 - (b) to any *recipient* to whom the *ISO* directly or indirectly discloses the information.
- (4) If —
 - (a) the *ISO* provides a software model to an *NSP* under rule 111; and
 - (b) the use of the model may disclose confidential *modelling information* which has been disclosed to the *ISO* by a *rules participant*,then —
 - (c) if the *rules participant* or the *information owner* reasonably request the *ISO* to endeavour to protect the information as described in this rule 120(4) — the *ISO* must; and
 - (d) otherwise — the *ISO* on its own initiative may,

endeavour to provide the model to the *NSP* in a manner which performs appropriately but does not disclose *confidential information*.

{Example — In providing a model of Network A to the *NSP* of Network B, the *ISO* might provide it as an encrypted ‘external grid representation’ module which simulates Network A's performance at the interconnector, without disclosing how Network A is configured or what facilities may be connected to it.}

- (5) Rule 120(4) limits rule 299 {Permitted disclosure in performance of a function}.

121 ISO to develop power system modelling procedure

- (1) The *ISO* is to develop a *procedure* (“**power system modelling procedure**”), in respect of the matters in this Subchapter 4.4.
- (2) The *power system modelling procedure* must set out the criteria for identifying which *facilities* must be included in the *power system model* to enable it to perform the functions set out in rule 108(2) to a *GEIP* standard and in accordance with the *Pilbara electricity objective* (“**power system modelling threshold**”), which criteria are to be determined by the *ISO* after consulting with the *registered NSPs* and affected *controllers*.
- (3) The *power system modelling procedure* may authorise the *ISO* to require the following *facilities* to be included in the *power system model*, if the *ISO* judges it necessary to satisfy the *power system modelling threshold* —
 - (a) an *excluded network*, and
 - (b) after having regard to rule 5, a *facility* on an *integrated mining network*.
- (4) The *power system modelling procedure* may specify uniform standards, formats and assumptions to be used in *network models* and all other models developed under these rules (including the *harmonised technical rules*), sufficient to ensure that all models integrate effectively and operate together efficiently and to a *GEIP* standard, in order to facilitate the operation of these rules and promote the *Pilbara electricity objective*.
- (5) Rules 121(2) to 121(4) do not limit the matters the *power system modelling procedure* may deal with.

Subchapter 4.5 – Budgets and Fees

122 Budget objectives

- (1) This Subchapter 4.5’s primary objective is to ensure that —
 - (a) *fees* are consistent with the *Pilbara electricity objective*; and
 - (b) the *ISO fees* include only costs which would be incurred by a prudent person performing the *ISO*’s functions under Part 8A of the Act, acting efficiently, in accordance with *GEIP*, and seeking to achieve the lowest practicably sustainable cost of performing those functions, while effectively promoting the *Pilbara electricity objective*.
- (2) This Subchapter 4.5’s secondary objective is to achieve the primary objective as simply and inexpensively as possible, while ensuring that all affected stakeholders (including consumers on to whom the costs may be passed) have a reasonable opportunity to be heard.

123 Budget procedure

The *ISO* must develop a *procedure* (“**budget and cost management procedure**”) which —

- (a) must require the budget to be sufficiently detailed to allow *registered NSPs* and other stakeholders to assess the budget’s compliance with the objective in rule 122(1); and
- (b) must set out indicative timing for the budget approval process; and
- (c) must provide for at least the *expedited consultation process* on the final proposed budget, before approved by the *ISO Board*; and
- (d) may provide for mid-year budget adjustments.

124 ISO to publish annual budget

- (1) For each *financial year*, the *ISO* must *publish* an annual budget for performing its functions under Part 8A of the Act, together with a report on its performance against budget in the preceding year.
- (2) The budget must —
 - (a) be consistent with generally accepted accounting and regulatory principles; and
 - (b) include an adjustment in respect of the amount by which the revenue earned by the *ISO* by way of *fees* in the previous *financial year* is (or is forecast to be) greater or less than the *ISO*’s actual expenditure for the *financial year*; and
 - (c) if the *ISO* incurs costs which are attributable to it performing a function under Part 8A of the Act and also another function, but which cannot readily be attributed to function or the other — allocate those costs between the functions on a fair and reasonable basis.

125 ISO control desk costs

- (1) If the *ISO* delegates its *real-time functions* to *Horizon Power* under rule 45, then *Horizon Power* may recover from the *ISO* its costs for performing the delegated functions, and the *ISO* is to include those costs in its *annual budget*.
- (2) The costs recovered by *Horizon Power* under this rule 125 —
 - (a) must not exceed the amount that would be incurred by a prudent system operator performing those functions, acting efficiently, in accordance with *GEIP*, to achieve the lowest sustainable cost of performing the functions having regard to the *Pilbara electricity objective*; and
 - (b) must not include any allowance for corporate overheads; and
 - (c) must not include any mark-up, return on investment or other margin.

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- (3) If costs incurred by *Horizon Power* relate to both the performance of functions delegated under rule 45 and the performance of other functions (including as an *NSP*, as a retailer, and in respect of *Horizon Power's* non-*NWIS* activities), the costs must be allocated on a fair and reasonable basis between —
 - (a) costs recoverable under this rule 125; and
 - (b) other costs not to be recovered under this rule 125.
 - (4) The amount *Horizon Power* recovers from the *ISO* for a *financial year* is to include an adjustment to correct for the amount by which the amount recovered in the previous *financial year* was greater than or less than the amount permitted under this rule 125.
 - (5) The *ISO* may *direct Horizon Power* to obtain an independent audit of the costs it recovers or proposes to recover under this rule 125, and *Horizon Power's* costs of obtaining and participating in the audit —
 - (a) if in the auditor's opinion the audit shows a material non-compliance with this rule 125 — are not recoverable under this rule 125; but
 - (b) otherwise — may be recovered under this rule 125.
 - (6) A *registered NSP* may request the *ISO* to *direct* an audit under rule 125(5), and unless the *ISO* determines that the request is frivolous, vexatious or not made in good faith, the *ISO* must do so.

126 Economic Regulation Authority costs

- (1) Subject to rule 127, the *Authority* may recover a portion of its budget determined by the Minister responsible for the *Authority* which corresponds to the costs of the *Authority* in undertaking its functions under Part 8A of the Act from the collection of *Authority fees* under these rules. The *Authority* must identify in its budget the proportion of its costs that relate to the performance of its functions under Part 8A of the Act.
- (2) Subject to rule 127, the *Authority's* budget for each *financial year* is to include an adjustment to correct for the amount by which the revenue earned by the *Authority* via *Authority fees* in the previous *financial year* is greater than or less than the *Authority's* expenditure related to its functions under Part 8A of the Act.
- (3) By the date which is five *business days* before 30 June each year, the *Authority* must notify the *ISO* of the dollar amount that the *Authority* may recover under rule 126(1).

127 No double recovery

If the *Authority* performs a function under Part 8A of the Act, the *Access Code* or these rules, the *Authority* must ensure that there is no double recovery of costs as a result of either —

- (a) the recovery of a standing charge or specific charge under the *Access Code*; or
- (b) the recovery of costs under these rules.

128 Coordinator's costs

- (1) The *Coordinator* may recover a portion of its budget determined by the Minister responsible for the *Coordinator* which corresponds to the *Coordinator's* costs of undertaking its functions under Part 8A of the Act from the collection of *Coordinator fees* under these rules. The *Coordinator* must identify in its budget the proportion of its costs that relate to the performance of its functions under Part 8A of the Act.
- (2) The *Coordinator's* budget for each *financial year* is to include an adjustment to correct for the amount by which the revenue earned by the *Coordinator* via *Coordinator fees* in the previous *financial year* is greater than or less than the *Coordinator's* expenditure related to its functions under Part 8A of the Act.
- (3) By the date which is five *business days* before 30 June each year, the *Coordinator* must notify the *ISO* of the dollar amount that the *Coordinator* may recover under rule 128(2).

129 Determination of fees

- (1) The “**ISO fee**” payable by a *registered NSP* for a *financial year* is to be calculated by dividing the *ISO's annual budget published* under rule 124 by the number of *registered NSPs*.
{Example — At the commencement of these rules, there are 3 registered NSPs, so each will pay a third of ISO's published budget.}
- (2) The “**Authority fee**” payable by a *registered NSP* for a *financial year* is to be calculated by adding the amounts recoverable under rule 126(1), and then dividing the total by the number of *registered NSPs*.
- (3) The “**Coordinator fee**” payable by a *registered NSP* for a *financial year* is to be calculated by adding the amounts recoverable under rule 128(2), and then dividing the total by the number of *registered NSPs*.
- (4) If information is not available for the *ISO* to determine the *Authority fee* or the *Coordinator fee*, then the *ISO* may determine and publish a *fee* based on the most recent information provided to the *ISO* by the *Authority* or *Coordinator*, as applicable.
- (5) If during a *financial year* the *ISO's annual budget* is adjusted, or new or better information becomes available regarding the *Authority fee* or the *Coordinator fee*, then the *ISO* must *publish* a revised *ISO fee*, *Authority fee* or *Coordinator fee* (as applicable) within five *business days* after making any adjustment to the *ISO's annual budget* and receiving the information.
- (6) A revised *ISO fee*, *Authority fee* or *Coordinator fee* will supersede any previously-published *fee* and is recoverable from *registered NSPs* in arrears with effect from the start of the *financial year* to which they apply.

130 Payment of fees

- (1) The *ISO* must charge a *registered NSP* the relevant *ISO fee*, *Authority fee* and *Coordinator fee*, and the *registered NSP* must pay each fee in full as a debt, in accordance with the *budget and cost management procedure*.

- (2) Following, and subject to, receipt of payment under rule 130(1), the *ISO* must —
 - (a) pay to the *Authority* an amount equal to the *Authority fee*; and
 - (b) pay to the *Coordinator* an amount equal to the *Coordinator fee*.

Subchapter 4.6 – Miscellaneous

131 No requirement for credit support

- (1) A person is not required to provide, and the *ISO* is not permitted to require, any form of credit support or other security in respect of the person's obligations under these rules.
- (2) This rule 131 does not prevent the *ISO* from including commercially reasonable provisions in any contract it may enter into to procure goods or services including *essential system services*.

132 Financial years

The *ISO* and *system operations participants* are to collaborate, to the extent reasonably practicable, to mitigate any inconvenience caused by misalignment of different *entities'* financial years.

133 Administration procedure

The *ISO* may develop a *procedure* (“**administration procedure**”) governing the matters under this Chapter 4.

Chapter 5 – Measurement

Subchapter 5.1 – Metering

134 This Chapter prevails

In the event of any conflict or inconsistency between the *Metering Code* applying under rule 66 and this Chapter 5, this Chapter prevails.

135 Covered NSPs to undertake metering

Subject to any exemptions granted under rule 68, a *covered NSP* must provide *metering services* and *maintain a metering database* in accordance with the *Metering Code*, including in respect of the points referred to in rule 136(1).

136 Metering at interconnectors between covered and non-covered networks

{This rule 136 applies in respect of non-covered *excluded networks* as well as non-covered *registered networks*.}

- (1) If a *non-covered network* (including an *integrated mining network* and an *excluded network*) is *interconnected* with a *covered network*, then an *interconnection point* on the *non-covered interconnector* between the two networks —
 - (a) must be metered in accordance with the *metering procedure*, to at least the standard necessary in accordance with *GEIP* to facilitate the operation of Chapter 8, the *Access Code*, the *Customer Transfer Code* and *network access contracts*; and
 - (b) must be included in the *covered NSP's metering database*, unless the *metering procedure* provides otherwise under rule 136(4).
- (2) The *covered NSP* and the *non-covered NSP* may agree and notify the *ISO*, and failing such notification the *ISO* is to *direct*, whether the metering referred to in rule 136(1)(a) is to be undertaken by the *covered NSP* or by the *non-covered NSP*.
- (3) If the metering is to be undertaken by the *non-covered NSP*, it must (in accordance with the *metering procedure*, if applicable, and otherwise in accordance with *GEIP*) make available the metering data to the *covered NSP*, unless the *metering procedure* provides otherwise under rule 136(4).
- (4) The *metering procedure* may, if the *non-covered NSP* consents, make alternative provision for the metering of an *interconnection point* on a *non-covered interconnector* and the holding and provision of the associated metering data, in which case the *metering procedure* must specify how this Chapter 5 is to be read in connection with the data.

137 Allocations at multi-user points

A covered NSP must record, in a “metering database” under the *Metering Code* or otherwise, and provide to the ISO, how metered quantities are to be allocated between *network users* for —

- (a) each *connection point* on its *network* at which more than one *network user’s* *injection* or *withdrawal* of energy is measured; and
- (b) each *interconnection point* on its *network* at which more than one *network user’s* electricity transfer is measured.

138 Provision of metering data to the ISO

A covered NSP must in accordance with the *metering procedure* provide metering data to, and as requested by, the ISO, to facilitate the ISO’s functions under these rules including Chapter 8.

139 Provision of metering data to an NSP, user or controller

- (1) A covered NSP (“**first NSP**”) must, and the ISO may, in accordance with the *metering procedure* provide metering and allocation data (including the information required under rule 137) to —
 - (a) a covered NSP (“**second NSP**”); or
 - (b) a *network user* of the *first NSP’s network* or the *second NSP’s network*; or
 - (c) the *controller* of a *facility connected* to the *first NSP’s network* or the *second NSP’s network*,

in order to —

- (d) facilitate the recipient’s functions under these rules including —
 - (i) *load* following under rule 169; and
 - (ii) *invoicing* for *access*; and
 - (iii) the *second NSP* performing its functions under these rules;
 - and
 - (e) subject to Subchapter 11.2, facilitate the recipient’s other activities including *invoicing* for electricity supply.
- (2) The *metering procedure* may make reasonable provision regarding the disclosure, use, aggregation or de-identification of the metering data and information about allocations.
 - (3) Disclosure and use in accordance with the *metering procedure* is authorised for the purposes of rule 305.

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- (4) Subject to the ringfencing requirements of the *Access Code*, this rule 139 authorises the provision of metering data between parts of a *vertically-integrated entity*.

140 No transfer under the Customer Transfer Code without suitable meter

- (1) In rule 140(2), the expressions “customer”, “metering installation” and “metering point” have the meaning given in the *Metering Code*.
- (2) For the purposes of clause 4.9(1)(ca) of the *Customer Transfer Code*, a *customer* associated with a *connection point* cannot transfer under that Code unless the *metering installation* at each *metering point* for the *connection point* —
- (a) if the *metering procedure* specifies requirements for contestable metering installations — complies with the requirements; and
 - (b) otherwise — has capabilities which, to the *ISO*’s reasonable satisfaction, enable *rules participants* to comply to a *GEIP* standard with their obligations under these rules.

141 Metering procedure

- (1) The *ISO* may develop a *procedure* (“metering procedure”) governing the gathering, storage, updating and communication to it and other persons of metering and other data under this Chapter 5.
- (2) The *metering procedure* must, so far as practicable consistent with meeting the requirements of these rules, seek to minimise compliance costs.
- (3) The *ISO* must have regard to rule 5 when developing the *metering procedure*.

142 Review of 30 minute trading interval

- (1) The *ISO* may at any time, and must on reasonable request by an *NSP*, consider the merits of adopting a 15-minute *trading interval*.
- (2) If —
- (a) the *ISO* forms the view that recurrent or substantial breaches of rule 169(1)(b) are causing material cost or operational disadvantages for a *rules participant* or other person — the *ISO* must; and
 - (b) otherwise, if the *ISO* forms the view that the benefits of adopting a 15-minute *trading interval* outweigh the costs — the *ISO* may,
- submit a *rule change proposal* to adopt a shorter *trading interval*.
- (3) Nothing in rule 142(2) limits a person’s ability to submit a *rule change proposal*.

Subchapter 5.2 – Loss factors

143 Energy quantities to be loss factor adjusted

Energy quantities under these rules at any *balancing point*, and at any *connection point* on a *covered network*, are to be adjusted for *loss factors*.

144 Loss factors to be determined efficiently

In determining *loss factors* the *ISO* and a *covered NSP* —

- (a) must weigh the value reflected by *loss factor* adjustment, against the cost and complexity of detailed *loss factor* determination; and
- (b) may, in place of detailed studies or analysis, use estimates and approximations developed in good faith after appropriate consultation, if the assessment in rule 144(a) suggests that the cost of detailed studies or analysis might not be justified.

145 ISO to publish a reference node

- (1) The *ISO* must, after consulting with *registered NSPs*, determine and *publish* the location of a reference node for loss factor calculations.
- (2) A *covered NSP* must use the *published* reference node when determining and revising *loss factors*.

146 Covered NSP must determine and publish loss factors

- (1) A *covered NSP* must to the standard of *GEIP* (but subject to rule 144) determine, and from time to time review and revise, *loss factors* for —
 - (a) each *balancing point* in its *network*; and
 - (b) if its *network* includes non-interval-metered *loads*, a *notional wholesale meter*.
- (2) A *covered NSP* must *publish* its *loss factors*, and provide them to the *ISO*.
- (3) If an *access applicant* seeks access at a *connection point* on a *covered network* and no *loss factors* have been published for the *connection point*, the *access applicant* may request the *covered NSP* to determine and provide to the *ISO* *loss factors* for the *connection point*.
- (4) A determination under this rule 146 may be the subject of an *access dispute*.

147 Reassessment of loss factors

- (1) Any person (“**applicant**”) may apply to the *ISO* for a reassessment of any *loss factor*, or the *ISO* may propose a reassessment of its own initiative, and in either case —
 - (a) the *ISO* and *NSP* may agree and determine a new *loss factor*, and failing agreement the *ISO* may (but subject to rule 144) determine and substitute its own *loss factor*, and
 - (b) the *NSP* must cooperate with the *ISO* in this regard including by providing reasonable access to the data and calculations used in producing the *loss factor*, and undertaking any recalculations or other adjustments *directed* by the *ISO*.
- (2) A determination under this rule 147 may be the subject of an *access dispute*.

148 Covered NSP must provide information

The *ISO* may request, and a *covered NSP* must provide, any information relating to the methodologies, models, software, data sources and internal procedures used by the *NSP* for *loss factor* calculation and determination.

Chapter 6 – Generation adequacy

149 Definitions

- (1) In these rules —
- (a) “**exit user**” means
- (i) a *network user* whose *network access contract* includes an *exit service* at one or more *connection points*; and
- (ii) without limiting rule 149(1)(a)(i), includes a *network user* who supplies energy to the *net network load* in a *network*, whether or not its *network access contract* explicitly specifies an *exit point* (in which case “**exit point**” has a corresponding meaning);
- and
- (b) an *exit user’s* “**total allocation**” is to be expressed in MW, and is the sum from time to time, across all *generators*, of amounts allocated to the *exit user* in *generators’* current *allocation notices* under rule 155.

150 Objectives of this Chapter 6

- (1) The primary objective of this Chapter 6 is to ensure that the *power system* has enough installed generating capacity, to give reasonable confidence in accordance with GEIP and applicable laws, that the *power system* will remain *secure* and *reliable* at times of *power system* peak demand, despite credible contingencies including planned and unplanned outages.
- (2) A secondary objective of this Chapter 6 is to achieve the primary objective as simply, and with as little compliance burden and cost, as practicable.

151 ISO may suspend this Chapter at times of surplus capacity

- (1) If the *ISO* at any time considers that, having regard to the overall balance between *generation* and *load* in the *power system*, the primary objective in rule 150(1) will likely be achieved whether or not the processes in this Chapter 6 are followed, it may by *publishing* a notice suspend or modify the operation of some or all of this Chapter 6, with a view to reducing the compliance burden and cost for all parties.
- (2) The *ISO* may withdraw or modify a notice under rule 151(1) at any time, either generally or in respect of a specific *exit user*.

{The new connections process requires the *ISO* to review its position under this rule 151, after approving a major new *load*.}

152 Generation adequacy in non-covered networks

- (1) Subject to rule 152(3) —
- (a) this Chapter 6 does not apply in respect of a *non-covered network* (including an *integrated mining network*); and

-
- (b) instead, the *ISO* may at reasonable intervals require the *non-covered NSP* to confirm to the *ISO* (with such reasonable supporting information, if any, as the *ISO* may request having regard to the secondary objective in rule 150(2)) that the balance between *generation* and *load* in its *network* is appropriate in accordance with *GEIP*, having regard to the objective in rule 150(1).
 - (2) Despite rule 152(1), a *generator* in a *non-covered network* may elect to give an *allocation notice* to an *exit user*, in which case rules 154, 155 and 160 apply to and in respect of the *generator* and the *allocation notice*.
 - (3) The *ISO* may at any time, if it considers it necessary to achieve the objective in rule 150(1), by *publishing* a notice —
 - (a) exclude a *non-covered network* from the exemption in rule 152(1); and
 - {The effect of this exclusion is that this Chapter 6 will apply to the *non-covered network*, as modified, if applicable, under rule 152(3)(b).}
 - (b) if it does so, and to the extent it considers appropriate having regard to the secondary objective in rule 150(2), modify the operation of some or all of this Chapter 6 in respect of a *non-covered network*, with a view to minimising the compliance burden and cost for parties associated with the *non-covered network*.
 - (4) The *ISO* may withdraw or modify a notice under rule 152(3) at any time, by further notice.
 - (5) Before giving a notice under rule 152(3) or 152(4), the *ISO* must —
 - (a) confer with the *non-covered NSP* to which the notice relates; and
 - (b) subject to rule 152(6), undertake at least the *expedited consultation process*.
 - (6) If the *ISO* considers the matter to be too urgent to allow time for consultation under rule 152(5)(b), it may instead undertake only such consultation as it considers to be reasonably practicable, but, after the notice is given, must subsequently undertake at least the *expedited consultation process* in respect of the notice, and consider whether to issue a further notice under rule 152(4).

153 ISO to determine generation adequacy margin

- (1) The *ISO* must from time to time determine the margin (“**generation adequacy margin**”) by which each *exit user’s total allocation* from *generators* must exceed its chosen *demand cap*, in order to ensure there is enough installed generating capacity in the *power system* to achieve the primary objective in rule 150(1).
- (2) The *ISO* must consult with *generators* and undertake at least the *expedited consultation process* before making a determination under rule 153(1).
- (3) The *generation adequacy margin* may be expressed as a percentage, as a share of a fixed quantity, or in any other way the *ISO* considers appropriate.

154 Generator may self-certify capacity

{Generators' participation under this rule 154 and rule 155 is optional. It's up to the exit users to find generators willing to participate.}

- (1) A *generator* may from time to time, after consulting with the *ISO*, give (or amend or withdraw) a notice to the *ISO* (a "**capacity certificate**") specifying a quantity in MW to stand as its "**certified capacity**".
- (2) A *capacity certificate* must not specify a quantity of *certified capacity* which exceeds the *generator's actual installed capacity*.
- (3) A *generator's "actual installed capacity"* is to be expressed in MW, and —
 - (a) is to be a reasonable estimate determined in accordance with *GEIP* of the aggregate, across all the *generator's generation facilities*, of the *generation facilities' capacity* available to generate electricity and send it out into the *power system* at times of *power system* peak demand; and
 - (b) is to make reasonable allowance for factors such as *network constraints*, and the impact of ambient temperature on *generating units' efficiency* at the likely times of *power system* peak demand; and
 - (c) may be determined on the assumption that none of the relevant *generating units* are undergoing an outage.

{Explanation for rule 154(3)(c) — Generation adequacy counts all existing operational plant. The allowance for outages etc is made elsewhere, in the *ISO's* determination of the *generation adequacy margin*.}
- (4) A *capacity certificate* must include a statement, signed by a senior manager, that the certificate complies with rule 154(2).
- (5) A *generator* must *promptly* amend or withdraw a *capacity certificate* which does not comply with rule 154(2).

{Example — A previously-valid *capacity certificate* may later come to breach rule 154(2) if the *generator* decommissions a *generating unit*.}
- (6) The *ISO* may accept a *capacity certificate* at face value, but does not have to.
- (7) The *ISO* may at any time, if it has reason to believe a *capacity certificate* does not comply with rule 154(2) —
 - (a) *direct* the *generator* to amend or withdraw the certificate; and
 - (b) if the *ISO* considers that the situation poses an imminent threat to *security* or *reliability* — reject the certificate, in which case the certificate ceases to have effect, and the *generator's certified capacity* becomes zero until it lodges a new certificate; and
 - (c) do anything set out in rule 160(4).
- (8) The *ISO*, when making a determination under rule 154(7), must have regard to information provided by the *generator*, but otherwise may inform itself as it sees fit.
- (9) A determination under rule 154(7) may be the subject of a rules *dispute*.

155 Generator may give allocation notice

{Like rule 154, generators' participation under this rule 155 is optional. It's up to the exit users to find generators willing to participate.}

- (1) Each *generator* may from time to time give the *ISO* an “**allocation notice**” in respect of one or more *exit users*, specifying for each *exit user* the quantity in MW of *certified capacity* being allocated to the *exit user*.

{This does not require the generator to supply energy to the *exit user*. Chapter 6 simply makes sure that sufficient installed generation capacity **exists**. The commercial arrangements which underpin an *allocation notice* are a matter to be agreed between the *generator* and the *exit user*, and may or may not be linked to an energy supply agreement.}

{Example — A gentailer (“LisaCo”) wishes to sell 100% of the energy its plant can generate. To ensure to it complies with rule 158, it procures another generator (“BartCo”) to allocate sufficient certified capacity under this rule 155 to top up LisaCo’s own certified capacity. LisaCo does not need to procure any energy from BartCo.}

- (2) An *allocation notice* —
- (a) **{no over-allocation}** must not allocate more than 100% of the *generator’s certified capacity*, but may allocate less than 100%; and
- (b) **{no double counting}** must not allocate a given megawatt of *certified capacity* to more than one *exit user*.
- (3) For the purposes of rule 155(2)(b), any commitments under an *ESS contract* to provide *SRESS* or *FCESS*, or to maintain *frequency raise reserve*, count as an allocation to an end user.

{Example — A gentailer (“MargeCo”) has a 100 MW plant. It has contracted to provide 20 MW of *frequency raise reserve* and 10 MW of *SRESS*. MargeCo may allocate 70 MW under this rule 155, because those *essential system service* commitments are counted.}

156 Exit user must forecast its own estimated peak demand

- (1) An *exit user* must calculate its forecast “**peak demand**”, which is to be an estimate, calculated in good faith in accordance with *GEIP* and the *generation adequacy procedure*, of the *exit user’s* credibly possible maximum aggregate energy *withdrawals* in MW across all of its *exit points* at times of *power system peak demand*.
- (2) An *exit user* must update its forecast *peak demand* as often as necessary to ensure it remains an accurate forecast in accordance with *GEIP*, including after each material change in its energy supply contracts.

157 Exit user must self-certify generation adequacy and a demand cap

- (1) An *exit user* must give to the *ISO* (and may amend or withdraw) a notice (a “**generation adequacy certificate**”) which —
- (a) sets out the *exit user’s* current *total allocation* in MW, including a break-down showing the amount in MW allocated to it by each allocating *generator*; and
- (b) sets out the *exit user’s* chosen “**demand cap**” in MW.

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- (2) **{Margin must be adequate}** The *total allocation* set out in a *generation adequacy certificate* must exceed the *demand cap* by at least the *generation adequacy margin*.
 - (3) **{Cap must be credible}** The *demand cap* set out in a *generation adequacy certificate* must equal or exceed the *exit user's* forecast *peak demand*.
{There is no limit on how **high** the exit user may set its chosen demand cap, provided it has enough allocated capacity to satisfy rule 157(2).}
 - (4) A *generation adequacy certificate* must include a statement, signed by a senior manager, that the certificate complies with rule 157(3).
 - (5) An *exit user* must *promptly* amend or withdraw a *generation adequacy certificate* which does not comply with rules 157(2) or 157(3).
 - (6) The *ISO* may, but does not have to, accept a *generation adequacy certificate* at face value.
 - (7) The *ISO* may at any time, if it has reason to believe a *generation adequacy certificate* does not comply with rules 157(2) or 157(3) —
 - (a) *direct* the *exit user* to amend or withdraw the certificate; and
 - (b) do anything set out in rule 160(4).
 - (8) The *ISO*, when making a determination under rule 157(7), must have regard to information provided by the *exit user*, but otherwise may inform itself as it sees fit.
 - (9) A determination under rule 157(7) may be the subject of a rules *dispute*.

158 Exit user must have generation adequacy certificate in place

An *exit user* must not receive energy out of a *covered network*, without having in place a valid *generation adequacy certificate*.

159 Exit user must operate within its chosen demand cap

An *exit user* must not receive a quantity of energy out of a *covered network* in a *trading interval*, which exceeds a number (in MWh) equal to the *exit user's* current *demand cap* (in MW) multiplied by the length of the *trading interval* (in hours).

{Example — If the *exit user* has chosen a *demand cap* of 80 MW, and the *trading interval* is 15 minutes, then the maximum quantity of energy the *exit user* may validly receive during a *trading interval* is $80 \times \frac{1}{4} = 20$ MWh.}

160 ISO's monitoring and enforcement role

- (1) The *ISO* must, whenever it receives an *allocation notice* or a *generation adequacy certificate*, reconcile all current *allocation notices* against all current *generation adequacy certificates*, to ensure that the requirements of this Chapter 6 are being met.
- (2) The *ISO* may from time to time monitor nominated metered quantities under Chapter 8 to verify that no *exit user* is exceeding its *demand cap* or otherwise breaching this Chapter 6.

- (3) The *ISO* may at any time *direct* —
- (a) a *generator* to give it reasonable supporting information about the content of a *capacity certificate* including the *generator's* determination of its *actual installed capacity*; and
 - (b) an *exit user* to give it reasonable supporting information about the content of a *generation adequacy certificate* including the *exit user's* calculation of its *peak demand*; and
 - (c) a *registered NSP* to give it any information reasonably necessary to support the *ISO's* functions under this Chapter 6.
- (4) If the *ISO* detects a breach of this Chapter 6 it may, without limiting its other remedies —
- (a) *direct* the breaching person to *promptly* remedy the breach; or
 - (b) *publish* details of the breach; or
 - (c) if the *exit user* is breaching rules 158 or 159 — require the *exit user* to either reduce its receipt of energy or lodge an appropriate *generation adequacy certificate*; or
 - (d) if the *exit user* is breaching rules 158 or 159 and the *ISO* considers that the breach is sufficiently serious to pose a credible risk to the *system security objective* — *direct* the relevant *registered NSP* to curtail energy deliveries to the *exit user* to a level permitted by the *demand cap* (or, if there is no valid *demand cap* in place, to a level the *ISO* determines appropriate from time to time to maintain the *system security objective*).

161 ISO to develop a generation adequacy procedure

- (1) The *ISO* must, in consultation with the *registered NSPs*, develop a *procedure* (“**generation adequacy procedure**”) for the purposes of this Chapter 6.
- (2) The *procedure* —
- (a) must identify times of peak demand, or set out an adequate methodology for identifying times of peak demand, in order to enable an *exit user* to undertake the calculation under rule 156(1); and
 - (b) may, but does not have to, deal with any other matter appropriate for this Chapter 6.

Chapter 7 – System operations

Subchapter 7.1 – Key concepts

162 The system security objective

The “**system security objective**” is to —

- (a) maintain the *power system inside the technical envelope* where practicable, and otherwise *promptly* return it to *inside the technical envelope*; and
- (b) maintain the *power system* in a *secure state* where practicable, and otherwise return it to a *secure state* as soon as practicable; and
- (c) otherwise — to a *GEIP* standard maintain, and to a *GEIP* standard seek to improve, *security* and *reliability*.

163 Definition of “inside the technical envelope”

- (1) The *power system* is operating “**inside the technical envelope**” whenever all of the following conditions are satisfied —
 - (a) the frequency at all energised busbars is within the *frequency operating standards* set out in the *harmonised technical rules*; and
 - (b) the voltage magnitudes are within the normal range set out in the *harmonised technical rules* at all energised busbars in a switchyard or substation at a *generation facility*, or on a *transmission network* or *interconnector*; and
 - (c) the MVA flows on all *registered facilities* and *network elements* are within the applicable *operating ratings* and *security limits*; and
 - (d) the *power system* is configured such that the severity of any potential fault is within the capability of the relevant circuit breakers to disconnect the faulted circuit or equipment.
- (2) The *power system* is operating “**outside the technical envelope**” whenever any of the conditions listed in rule 163(1) is not satisfied.

164 Definition of “secure state”

The *power system* is in a “**secure state**” if it is —

- (a) operating *inside the technical envelope*; and
- (b) subject to rule 72(4), expected to remain *inside the technical envelope* following the occurrence of a *single credible contingency* event.

165 Definition of “normal operating conditions”

A *power system* is under “**normal operating conditions**” when —

- (a) no *contingency* has occurred; and
- (b) no *islands* have formed; and
- (c) no *system operations direction* is in effect; and
- (d) frequency is within the *normal frequency tolerance band*; and
- (e) the *primary FCESS provider* is providing the *primary FCESS service* in accordance with the *primary FCESS contract*; and
- (f) each contracted *SRESS provider* is maintaining the amount of *headroom* required by its *SRESS contract*; and
- (g) electricity flows across *interconnectors* are within the tolerances agreed by the *interconnected NSPs* and notified to the *ISO*; and
- (h) no *pre-contingent actions* are being taken.

166 Definition of “notifiable event”

A “**notifiable event**” for a *power system* is any planned or anticipated system event (including a planned outage, commissioning or testing of a *facility* or *network element*) which might credibly be expected to adversely affect —

- (a) *security* or *reliability*; or
- (b) the ability of any part of a *covered transmission network* to benefit from *essential system services*; or
- (c) the ability of a *covered NSP* to provide *transmission voltage* contracted network services.

167 Definition of “system coordination matters”

The following are “**system coordination matters**” —

- (a) the scheduling and coordination of all planned or anticipated *notifiable events*; and
- (b) any changed circumstances or material new information regarding any planned or anticipated *notifiable event*; and
- (c) for each currently planned or anticipated *notifiable event* —
 - (i) its likely consequences for *security* and *reliability*; and
 - (ii) its likely consequences in terms of whether a *constraint rule* is, or is likely, to be violated; and

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- (iii) any measures, which may be necessary or desirable to put in place for managing the *power system* in order to achieve the *system security objective* during the event, including any changes in *essential system service* procurement, configuration, *enablement* or *dispatch*; and
 - (iv) if it is a planned outage — whether the outage should proceed as planned or at all;
- and
- (d) any other matters affecting *security*, *reliability* or system operations generally which are appropriate for discussion under Subchapter 7.3.

Subchapter 7.2 – Standards of behaviour

168 General standard of behaviour

- (1) A *system operations participant* given a function under these rules must perform it to a *GEIP* standard.
- (2) This rule 168 does not limit any other *rule*, *procedure* or *direction*.

169 Obligation to balance

- (1) A *balancing nominee* in a *covered network* must, in *normal operating conditions*, use reasonable endeavours in accordance with *GEIP* to procure that —
 - (a) **{energy}** its *imbalance* for each *trading interval* is as close to zero as reasonably practicable; and
 - (b) **{power}** within a *trading interval*, subject to rule 169(4), maintain as close as reasonably practicable to a real-time balance between the relevant *injections* and *withdrawals*.
- (2) For each *balancing nominee* at a *balancing point* in a *covered network*, the following persons must, to the extent it is within their power to do so, each use reasonable endeavours in accordance with *GEIP* to facilitate the *balancing nominee's* compliance with rule 169(1) and, if applicable, 169(4) —
 - (a) the *nominator* for the *balancing point*; and
 - (b) a *network user* with an *entry service* or *exit service* at the *balancing point*; and
 - (c) a *controller* of a *generation facility* or *consumer facility* at the *balancing point*.
- (3) Rules 169(1) and 169(2) do not apply, to the extent that an *imbalance* results from good faith compliance with a *procedure*, *protocol* or *direction* other than a *constraint direction*.

{*Constraint directions* are excluded from rule 169(3)'s protection, because it's a principle of constrained access that the constrained-off network user remains responsible for maintaining an energy balance.

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- (4) The *ISO* may, in consultation with the affected *system operations participants*, direct a *balancing nominee* to relax its control settings, or procure that the relevant control settings be relaxed, if the *balancing nominee's* strict compliance with rule 169(1) is creating, or may create, a threat to *security* or *reliability* or other operational difficulties for the *ISO* or other *rules participants*.

170 Standards of behaviour in system coordination

In performing their functions under Subchapter 7.3 and Subchapter 7.4, the *ISO*, each *registered NSP* and (where applicable) each *ESS provider* must —

- (a) confer with each other and share information as often, and in as much detail, as is required by *GEIP*; and
- (b) seek to cooperate to the standard required by *GEIP* with a view to maintaining *security* and *reliability*; and
- (c) have regard to the *Pilbara electricity objective* and the *system security objective*; and
- (d) seek to achieve consensus outcomes wherever practicable.

171 General requirement to treat load shedding as a last resort

- (1) Regardless of which *protocol* is active, *system operations participants* must endeavour in good faith in accordance with *GEIP* and these rules to use all other means reasonably practicable to maintain the *power system inside the technical envelope* in response to a *contingency*, before using *load shedding*.
- (2) Rule 171(1) does not require a *registered NSP* to depart from the under-frequency *load shedding* requirements of the *harmonised technical rules*, or to prevent automated systems from being configured and responding in accordance with those requirements.

172 Grounds for non-compliance

- (1) A person does not have to comply with —
 - (a) rules 168, 169 or 170; or
 - (b) a *procedure* (including the *protocol framework*), a *protocol* or a *direction*,
to the extent that the person believes in good faith that compliance —
 - (c) is impossible; or
 - (d) is inappropriate due to prevailing emergency circumstances; or
 - (e) would be contrary to any law; or
 - (f) may cause or exacerbate a situation which risks physical injury or death to any person or material damage to any *equipment*; or
 - (g) would be contrary to the *system security objective*.

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- (2) Rule 172(1) does not authorise a person to not comply with an obligation listed in paragraphs (a) or (b) of that rule, on any or all of the following grounds —
 - (a) that compliance may be inconvenient; or
 - (b) that compliance may cause the person to breach a contract or an *instrument of delegation*; or
 - (c) that compliance may cause the person to incur additional costs.
 - (3) If a person purports to rely on rule 172(1) to not comply with an obligation listed in paragraphs (a) or (b) of that rule, the person must *promptly* notify the *ISO control desk*, and must provide details of its reasons during any post-incident discussion or investigation.

Subchapter 7.3 – System coordination

173 Objectives of this Subchapter 7.3 and Subchapter 7.4

- (1) The primary objective of this Subchapter 7.3 and Subchapter 7.4 is to —
 - (a) promote communication and collaboration between the *ISO* and *registered NSPs* regarding *system coordination matters*; and
 - (b) in so doing provide the *ISO*, *registered NSPs* and *ESS providers* with the information they reasonably need to perform their obligations under these rules and relevant contracts, with a view to achieving the *system security objective*; and
 - (c) promote the collaborative resolution of scheduling conflicts regarding outages and other *system coordination matters*; and
- (2) The secondary objectives of this Subchapter 7.3 and Subchapter 7.4 is to do the above things in as efficient and informal a manner as practicable, maximising communication while minimising the compliance burden.

174 System coordination meetings

- (1) The *ISO* is to convene a *system coordination meeting* at least once every fortnight.
- (2) The *system coordination meeting* is to discuss, as necessary, any or all current and anticipated *system coordination matters*.
- (3) A *system coordination meeting* is to be attended by —
 - (a) from each *registered NSP*, a manager who has direct operational responsibility for the *personnel* of an *NSP* who are engaged in *system operations activities*, or the manager's alternate; and
 - (b) an *ISO* representative, who is to chair the meeting.

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- (4) Unless the chair determines otherwise after consulting the *registered NSP* representatives —
- (a) the *system coordination meeting's* duration should normally not exceed 30 minutes; and
 - (b) a person identified in rule 174(3) may appoint an alternate from time to time; and
 - (c) the chair may permit one further ISO or *registered NSP* representative to attend the meeting, to provide secretarial support; and
 - (d) otherwise, no-one else may attend a *system coordination meeting*.
{The intention is that meetings will predominantly involve the 4 people identified, and no-one else. The chair may from time to time invite others to attend, for example representatives from an ESS provider or a major *load*, but this is not intended to be a regular occurrence.}
- (5) The ISO and *registered NSPs* may agree on arrangements for *system coordination meetings* which differ from this rule 174.

175 Activities between system coordination meetings

Between *system coordination meetings*, the ISO will liaise as necessary with *registered NSPs* and *ESS providers* regarding *system coordination matters*.

176 System coordination meetings and discussions – confidential information

- (1) A person who participates in a meeting or discussion under this Subchapter 7.3 or Subchapter 7.4 must —
- (a) ensure that any *confidential information* it obtains in the course of the meeting or discussion is not disclosed or accessible beyond the person's operational staff (except to the extent reasonably necessary for audit, compliance and governance purposes); and
 - (b) not use, store, analyse or disseminate any *confidential information* it obtains in the course of the meeting or discussion, for any purpose other than the purposes of this Subchapter 7.3 or Subchapter 7.4 or otherwise seeking to achieve the *system security objective*.
- (2) Rule 176(1) does not limit Subchapter 11.2 {Confidential information}.

177 ISO to produce system coordination report

- (1) After each *system coordination meeting*, and otherwise as it considers necessary, the ISO must give to the *registered NSPs* and *ESS providers* a report on —
- (a) any current or anticipated *system coordination matters*; and
 - (b) any follow-up actions the ISO considers appropriate, including further discussions and the provision of further information; and

-
- (c) any other thing the ISO recommends be done or not done, in respect of any of those matters.
 - (2) The format and content of the *system coordination report* is to be determined by the ISO from time to time in consultation with the *registered NSPs*, placing an emphasis on meeting the objectives in rule 173 as simply and efficiently as practicable.
 - (3) The *system coordination report* is to be based upon information received by the ISO —
 - (a) at *system coordination meetings*;
 - (b) from *registered NSPs*' internal outage planning reports provided under rule 180(2)(b);
 - (c) otherwise from *registered NSPs*.
 - (4) The *ISO* may inform itself as it sees fit in connection with this Subchapter 7.3 and Subchapter 7.4, but does not have a general obligation to investigate planned or anticipated *notifiable events* beyond the information sources set out in rule 177(3).

178 Review of this Subchapter 7.3 and Subchapter 7.4

- (1) From time to time, and at least once in every five year period starting from the *rules commencement date*, the *ISO* must conduct a review of the processes set out in this Subchapter 7.3 and Subchapter 7.4 against the *Pilbara electricity objective*.
- (2) The review must include consultation with *registered NSPs* and *registered controllers* and public consultation following the *expedited consultation process*.
- (3) At the conclusion of a review, the *ISO* must *publish* a report containing any recommended changes to this Subchapter 7.3 or Subchapter 7.4.
- (4) If the *ISO* recommends any rules or *procedure* changes in the report, it must either submit a *rule change proposal* or initiate a *procedure change process*, as the case may be.

Subchapter 7.4 – Notifying planned and unplanned outages

179 If a near-term event arises between system coordination meetings

- (1) If a *registered NSP*, the *ISO* or the *ISO control desk* becomes aware of a pending *notifiable event* which has not previously been notified and is likely to occur before the next *system coordination meeting*, then (without limiting rule 183) it must take reasonable steps to a *GEIP* standard *promptly* to notify, and coordinate with, as the case may be, the other *registered NSPs* and the *ISO control desk* regarding the *notifiable event*.
- (2) Rule 179(1) applies also to a previously-notified *notifiable event* if there is a material change from the circumstances as previously notified.

180 Notification obligations

- (1) Each *registered NSP* must notify the *ISO* and the other *registered NSPs* of each planned or anticipated *notifiable event* on its network, and must (to an extent which is reasonable having regard to the objectives in rule 173) keep them updated as information about the *notifiable event* changes.
- (2) Subject to rule 179, a *registered NSP* will be deemed to have complied with its obligation under rule 180(1) if it —
 - (a) provides the information orally at the next *system coordination meeting*;
{There is no minimum advance warning period for planned outages. However, the effect of rule 180(2)(a) is to oblige the *registered NSP* to raise a planned outage at the *system coordination meeting* as soon as it appears on the *registered NSP's* own planning horizon.}
 - and
 - (b) *promptly* gives the *ISO* a copy of the *registered NSP's* internal outage planning report each time the internal report is materially updated.
- (3) A *registered NSP* may redact commercially sensitive information from a report given to the *ISO* under rule 180(2)(b).

181 Outages of facilities

- (1) Each *registered NSP* must ensure that it is kept sufficiently informed about *notifiable events* affecting *facilities* connected to its *network*, to enable it to comply with its obligations under Subchapter 7.3 and this Subchapter 7.4.
- (2) If a *registered facility* is connected to a *covered network*, then the *registered controller* must keep the *covered NSP* sufficiently informed about *notifiable events* affecting the *registered facility*, to enable *registered NSPs* and the *ISO* to comply with their obligations under Subchapter 7.3 and this Subchapter 7.4.

182 Resolving scheduling conflicts

- (1) A “**scheduling conflict**” arises for a planned outage if the *ISO* determines that the outage taken together with all currently proposed or anticipated *notifiable events*, may cause the *power system* to be *outside the technical envelope*, or otherwise poses an unacceptable risk to *security* and *reliability*.
- (2) Wherever possible, *scheduling conflicts* are to be resolved by consensus between the *registered NSPs*, facilitated as necessary by the *ISO*.
- (3) If the *ISO* determines that a consensus will not be reached in time for the relevant *notifiable events* to be managed appropriately, the *ISO* may resolve the *scheduling conflict* by giving a *direction* to one or more of the affected parties.
- (4) If the *scheduling conflict* involves, or involved *facilities* in, both a *covered network* and a *private power system*, the *ISO* must have regard to rule 5 in determining the content of a *direction* under rule 182(3).

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- (5) A *direction* under rule 182(3) may specify which *notifiable event* is to have priority for scheduling purposes, and may contain such scheduling or other information or instructions as the ISO considers reasonably necessary to resolve the *scheduling conflict* and achieve the *system security objective*.

183 Obligations to report contingencies and unplanned events

- (1) The *registered NSP* in whose *network* a *notifiable unplanned event* {defined in rule 183(5)} occurs, must *promptly* on a *24/7* basis notify the other *registered NSPs* and the *ISO control desk*.
- (2) An *ESS provider* who suffers an unplanned outage which will impact its ability to provide *essential system services*, must *promptly* on a *24/7* basis notify all *registered NSPs* and the *ISO control desk*.
- (3) A *generator* who suffers an unplanned outage of any *generating unit* which will or might *credibly* be a *notifiable unplanned event*, must *promptly* on a *24/7* basis notify all *registered NSPs* and the *ISO control desk*.
- (4) The *protocol framework* is to set out communication requirements for notifications under this rule 183.
- (5) In rule 183(1), an “**notifiable unplanned event**” for a *network* means any *contingency* or other event, that might impact the *network* in a way which might *credibly* be expected to adversely affect —
- (a) achievement of the *system security objective*; or
 - (b) any part of a *covered transmission network’s* ability to benefit from *essential system services*; or
 - (c) a *covered NSP’s* ability to provide *transmission voltage* contracted *network services*.

Subchapter 7.5 – Operating the power system

184 Objectives of this Subchapter 7.5

- (1) This Subchapter 7.5’s primary objective is to achieve the *system security objective*.
- (2) This Subchapter 7.5’s secondary objective is to achieve the primary objective in a manner which —
- (a) as far as practicable relies on informal collaboration and cooperation; and
 - (b) subject to the *Pilbara electricity objective*, causes as little disruption as practicable to —
 - (i) *registered NSPs’* operational discretion and flexibility; and
 - (ii) *registered NSPs’* and *network users’* commercial arrangements with each other and with third parties.

185 Responsibilities and powers in normal operating conditions

(1) **{Registered NSPs}** During *normal operating conditions* a registered NSP must —

- (a) to a *GEIP* standard; and
- (b) on a *24/7 basis*; and
- (c) with a view to achieving the *system security objective*,

perform the following functions —

- (d) operate and *maintain* its *network* in accordance with the *harmonised technical rules* and any applicable *equipment limits* and *security limits*; and
- (e) monitor its *network* in order to (within its *network*) —

- (i) identify when a *contingency* or *islanding event* has occurred; and
- (ii) identify when a *network constraint* is occurring or might *credibly* occur;

{A *network constraint* can arise not only in a *covered network*, but also in an *interconnector* – see definition in rule 8.}

and

- (iii) identify when a *pre-contingent action* may be required; and
- (iv) detect any other present or emerging threat to *security* or *reliability*;

and

- (f) communicate and coordinate in accordance with the *protocol framework* with the *ISO control desk*, the other *registered NSPs* and (as necessary) others in respect of any matter detected or identified under rule 185(1)(e) with a view to advancing the objective in rule 184(1); and
- (g) not itself do anything, and not cause or authorise any person to do anything, which might reasonably be expected to lead to the *power system* being *outside the technical envelope*; and
- (h) subject to the other paragraphs of this rule 185(1), perform its obligations and exercise its rights under *network access contracts* and any other contracts.

(2) **{ISO control desk}** During *normal operating conditions* the *ISO control desk* must —

- (a) to a *GEIP* standard; and
- (b) on a *24/7 basis*; and
- (c) with a view to achieving the *system security objective*,

perform the following functions —

{Unlike the *registered NSPs* and the *registered controllers*, the *ISO* has no “operate and maintain” function in the below list. Also, under *normal operating conditions*, the *ISO* has no general power to give *system operations directions* under this Subchapter 7.5. But it may still give a *constraint direction*, a *direction* under an *ESS contract* and, if necessary, an emergency *direction* under rule 189.}

- (d) monitor the *power system* in order to (within the *power system*, but only to the extent it has *visibility*) —
 - (i) identify when a *contingency* or *islanding event* has occurred; and
 - (ii) identify when a network *constraint* may *credibly* occur or is occurring; and
 - (iii) identify when a *pre-contingent action* may be required; and
 - (iv) detect any other present or emerging threat to *security* or *reliability*; and
 - (e) communicate and coordinate in accordance with the *protocol framework* with the *registered NSPs* and (as necessary) others in respect of any matter detected or identified under rule 185(2)(d) with a view to advancing the objective in rule 184(1); and
 - (f) determine (if applicable) *required headroom* under rule 212; and
 - (g) determine whether and when to *enable* or *disable FCESS providers* under rule 215; and
 - (h) determine whether and when to issue a *constraint direction*; and
 - (i) determine whether and when to *activate a protocol*; and
 - (j) not itself do anything, and not cause or authorise any person to do anything, which might reasonably be expected to lead to the *power system* being *outside the technical envelope*.
- (3) **{Registered controllers}** During *normal operating conditions* a *registered controller* must to a *GEIP* standard —
- (a) operate and *maintain* its *facility* in accordance with the *harmonised technical rules* and any applicable *equipment limits* and *security limits*; and
 - (b) not itself do anything, and not cause or authorise any person to do anything, which might reasonably be expected to lead to the *power system* being *outside the technical envelope*; and
 - (c) if applicable, communicate and coordinate in accordance with the *protocol framework*; and
 - (d) subject to the other paragraphs of this rule 185(3), perform its obligations and exercise its rights under any contract.

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- (4) Rules 185(1), 185(2) and 185(3) do not limit each other.

{The effect of rule 185(4) is that a *rule participant's* obligations are not reduced, simply because another *system operations participant* may have an overlapping obligation, overlapping *visibility* or also be in a position to identify or undertake a required action.}

- (5) Rule 185(1) does not limit the functions a *registered NSP* may perform.

186 Responsibilities and powers in respect of pre-contingent actions

- (1) **{ISO control desk}** If circumstances arise which call for a *pre-contingent action*, then the *ISO control desk*, in order to preserve a *secure state* despite the external threat or planned outage —

{Example of such circumstances — An approaching bushfire or storm.}

- (a) must coordinate with *registered NSPs* and, if appropriate, *registered controllers*; and
- (b) may request reasonable cooperation from a *registered NSP* or a *registered controller*; and
- (c) may issue a reasonable *pre-contingent direction* to a *registered NSP* or a *registered controller*, but only to the extent permitted by the *pre-contingent protocol*;

{In contrast to *normal operating conditions*, the *ISO* does have a limited power to give *directions* in connection with *pre-contingent actions*, but this is more limited than its post-contingent powers, for which see rule 187(1).}

and

- (d) otherwise, must continue to comply with rule 185(2).

- (2) **{Registered NSPs and registered controllers}** If circumstances arise which call for a *pre-contingent action*, then a *registered NSP* and a *registered controller* —

- (a) must coordinate with the *ISO control desk* as required; and
- (b) must endeavour to comply with any reasonable request from the *ISO control desk*; and
- (c) must comply with any *pre-contingent direction* from the *ISO control desk*; and
- (d) for a *registered NSP* — may issue a reasonable *pre-contingent direction* to the *controller* of any *facility connected* to its *network*, but only to the extent permitted by the *pre-contingent protocol*; and
- (e) otherwise, must continue to comply with rules 185(1) or 185(3), as applicable.

187 Responsibilities and powers following a contingency, etc

(1) **{ISO control desk}** If the *power system* is outside *normal operating conditions*, including because one or more *contingencies* have occurred, then the *ISO control desk* —

(a) must seek to —

(i) maintain the *power system inside the technical envelope* where practicable, and otherwise return it to *inside the technical envelope promptly*; and

(ii) maintain the *power system* in a *secure state* where practicable, and otherwise return it to a *secure state* as soon as practicable;

and

(b) must comply with any *active protocol*; and

(c) if acting as *incident coordinator*, may issue *system operations directions* in accordance an *active protocol*;

{The *ISO's* main power to give *directions* in response to a *contingency* will be as *incident coordinator* under an *active protocol*. Outside the *protocol*, the *ISO's* *direction* power is limited to emergencies (rule 189). If the parties are managing a contingency informally (e.g. under rule 83), the *ISO control desk's* role will be to liaise and request, not *direct*.}

and

(d) may coordinate with *registered NSPs* and, if appropriate, *registered controllers*; and

(e) may request reasonable cooperation from a *registered NSP* or a *registered controller*; and

(f) otherwise, must continue to comply with rule 185(2).

(2) **{Registered NSPs and registered controllers}** If the *power system* is outside *normal operating conditions*, including because one or more *contingencies* have occurred, then a *registered NSP* and a *registered controller* —

(a) must comply with any *direction* from the *ISO control desk* or, in the case of a *registered controller*, from the relevant *registered NSP*; and

(b) must comply with any *active protocol*; and

(c) must cooperate with the *ISO control desk* as required; and

(d) must endeavour to comply with any reasonable request from the *ISO control desk*; and

(e) for a *registered NSP* — may issue a *system operations direction* in accordance with an *active protocol*; and

(f) must otherwise, continue to comply with rules 185(1) or 185(3), as applicable.

188 System operations directions

{Rule 86 sets out the obligation to comply with *directions*, and the circumstances in which compliance is excluded, e.g. where compliance may be illegal or unsafe.}

{Except when it is acting as an *incident coordinator* under rule 188(2), this rule 188 does not empower the *ISO* and *ISO control desk* to issue an operational *direction* of the sort contemplated here. The *ISO* does have other *direction* powers, e.g.

- a residual emergency power in rule 189;
- a limited power in respect of *pre-contingent actions* under rule 186;
- to manage *ESS* under Chapter 8;
- a *constraint direction*.

- (1) **{Registered NSP's general power}** Subject to rules 188(4) and 188(5), a *registered NSP* may at any time, for the purposes set out in rule 184(1), issue a *direction* in accordance with rule 188(3) to —
- (a) the *controller* of any *facility connected to its network*; and
- (b) a *network user* of its *network*.
- (2) **{Incident coordinator's power under a protocol}** Subject to rule 188(5), the *incident coordinator* may at any time when permitted by rule 186 or while a *protocol* is *active* if permitted by the *protocol*, issue a *direction* in accordance with rule 188(3) to —
- (i) a *registered NSP* other than the *NSP* of an *integrated mining network*; and
- (ii) the *controller* of any *facility connected to a covered network*; and
- (iii) an *ESS provider*; and
- (iv) a *network user* of a *covered network*; and
- (v) if necessary, to the *registered NSP* of an *integrated mining network*, or to the *controller* of a *facility connected to an integrated mining network*, but only to the extent and for the purposes set out in rule 5.

{Rule 5 sets out the extent to which these rules may affect the operation of a *private power system*.}

- (3) **{Permitted content}** A *direction* under this rule 188 —
- (a) must be limited to what is reasonably necessary to achieve the primary objectives set out in rule 184(1), having regard to the secondary objective set out in rule 184(2); and
- (b) subject to rule 188(5), must respect *equipment limits* and *security limits*; and
- (c) must not exceed any limitations in, and must comply with any requirements of, the *protocol framework* or an *active protocol*,

but otherwise, subject to rules 188(3)(a), 188(3)(b) and 188(3)(c), may deal with any matter, and may require the recipient to do or not do (or continue doing or not doing)

any thing, that the *registered NSP* or *incident coordinator* (as the case may be) considers reasonably necessary or convenient under *GEIP* to achieve the primary objectives set out in rule 184(1).

{Examples — A *system operations direction* under this rule 188 may —

- **(dispatch and constraint)** *direct a facility's controller* to increase or decrease its *electricity injection* or withdrawal, either directly (for example, by manual intervention from a *control centre*) or indirectly or automatically (for example by establishing or changing the configuration, settings or pre-programmed setpoints of automatic control systems); and
- **(settings)** requiring a *generator* to activate/deactivate machine settings such as Isoch/AGC; and
- **(outages)** cancel or defer a planned outage that has not yet commenced, or in extreme circumstances recall a facility from outage; and
- **(network)** perhaps, requiring a *registered NSP* to enable an alternative network path; and
- **(dealing with long outages)** if an outage is expected to last for some time, the *direction* may include taking steps to prepare for the next (i.e. second) contingency, i.e. to adapt to the post-contingent state as the 'new normal'.}

- (4) **{Directions and contractual powers }** If a *registered NSP* is empowered by this rule 188 to give a *direction* to a person, and also has a contractual power to impose a comparable requirement on the person, then the same notice can have effect as an exercise of the contractual power in accordance with its terms, and as a *direction* under this rule 188.
- (5) **{Use of overload ratings}** Unless the *protocol framework* or a *protocol* provides otherwise, a *direction* seeking to utilise the *overload rating* of a *facility* or *network element* should not be given without first consulting the relevant *registered controller* or *registered NSP*.

189 Directions in emergencies

Despite anything in this Subchapter 7.5, or in the *protocol framework* or a *protocol* —

- (a) a *registered NSP* may give a *direction* to a recipient named in rule 188(1); and
- (b) the *ISO* or the *ISO control desk* may give a *direction* to a recipient named in rule 188(2),

in whatever form and with whatever content it judges necessary, if it believes in good faith that emergency circumstances exist which justify its doing so under *GEIP*, including in order to maintain the *power system inside the technical envelope*, prevent death or injury or damage to *equipment*, or avoid *load shedding*.

190 Actions in emergencies

- (1) Despite anything else in these rules, a *registered NSP* in respect of its *network*, and a *controller* in respect of its *facility*, may take such actions as it in good faith judges necessary, if it believes in good faith that extraordinary circumstances exist —
 - (a) which are not adequately dealt with by the *protocol framework* or otherwise under these rules;
 - (b) which in accordance with *GEIP* justify urgent or unilateral action,
including in order to maintain the *power system inside the technical envelope*, prevent death or injury or damage to *equipment*, or avoid *load shedding*.
- (2) Rule 190(1) does not limit any person's functions or powers under these rules, any written law, or otherwise.

191 ISO may intervene in respect of equipment which jeopardises security or reliability

- (1) If at any time the *ISO* determines that *equipment* being, or remaining, connected to a *network* creates a *credible* risk to *security* or *reliability*, and that the risk is not adequately being managed by the *registered NSP*, it may give a notice to any or all of the *registered NSP*, a *network user* or the *controller* of equipment requiring the recipient of the notice to take steps to remedy the situation.
- (2) A notice under section 191(1) may do any or all of the following —
 - (a) require the *registered NSP* to decline permission to connect *equipment*; and
 - (b) require the *registered NSP* to perform a function or exercise a power under these rules in a particular way; and
 - (c) require the recipient of the notice to disconnect *equipment* or procure its disconnection; and
 - (d) require the recipient to take, or procure the taking of, any other reasonable measure with a view to achieving the *system security objective*; and
 - (e) specify the time within which a thing is to be done, including immediately; and
 - (f) withdraw, amend or supplement a previous notice under section 191(1).
- (3) A notice under section 191(1) may be given at any time in respect of existing, proposed or contemplated *equipment*.
- (4) If a notice under section 191(1) concerns issues of technology selection or design for proposed or contemplated equipment, the *ISO* must endeavour to give the *registered NSP* and controller either a notice, or advance warning of a contemplated notice, as early in their design process as possible, but a failure by the *ISO* to do so does not invalidate any notice given or limit the *ISO's* power under section 191(3) to give a notice at any time.

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- (5) The *ISO* must —
- (a) have regard, among other things, to the compliance, opportunity, delay and other costs which may arise from a notice under section 191(1); and
 - (b) whether or not, and before and after, it issues a notice under section 191(1) (and to the extent practicable and consistent with the *system security objective*) endeavour to —
 - (i) resolve any *security* or *reliability* issue collaboratively and consultatively, seeking to achieve the minimum practicable disruption, delay and cost to *registered NSPs, generators, controllers* and consumers; and
 - (ii) respect *registered NSPs, generators' and controllers'* freedom to manage, configure and operate their *networks* and equipment as they see fit in accordance with these rules and *GEIP*.
- (6) A notice under section 191(1) may be given despite any prior consent, approval or other notice given by the *ISO*.
- (7) A notice under section 191(1), and any other matter arising under this section 191, may be the subject of a rules *dispute*, but unless the *ISO* (in its absolute discretion and on such conditions as it considers fit) grants permission otherwise, the recipient must comply with a notice under section 191(1) pending resolution of the dispute.
- (8) The *ISO's* power to intervene under this rule 191 do not displace the *registered NSP's* responsibility under rule 269.

192 System restart (black start)

- (1) A *protocol* may deal with system restart, in which case the *protocol* may modify or disapply this rule 192.
- (2) A *registered NSP*, in consultation with all *generators* on its *network* —
- (a) subject to the secondary objective in rule 184(2), must develop and *maintain*, and at all times be in a position to implement, operational arrangements ("**network restart arrangements**") to restart its *network* or any *island* in the event of system shutdown; and
 - (b) must keep the *ISO* reasonably informed about its current *network restart arrangements*; and
 - (c) must, if a shutdown occurs, restart its *network* or the *island*, as applicable, as quickly as practicable in accordance with *GEIP*; and
 - (d) must, as circumstances require, coordinate and cooperate with other *NSPs* and the *ISO control desk* regarding, and use its reasonable endeavours to the standard of *GEIP* to assist in, the restart of other *NSPs' networks or islands*.
- (3) The *ISO* must review *registered NSPs' network restart arrangements* to ensure they are interoperable and adequate under *GEIP* standards, and, if they are not, may *direct* changes to be made.

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- (4) The *ISO control desk* has the function of coordinating system restart activities for the *power system*, and may give reasonable *directions* to *registered NSPs* and *registered controllers* for that purpose.
 - (5) If any person is required, *directed* or reasonably requested to do or not do a thing under this rule 192 or a *network restart arrangements* in connection with restarting the *power system*, a *network* or an *island*, the good faith doing or not doing of the thing is a function of the person under Part 8A of the Act.

Subchapter 7.6 – Post-incident discussion and investigation

193 Objectives of this Subchapter 7.6

- (1) This Subchapter 7.6's primary objective is to enable and promote —
 - (a) continuous improvement of these rules, the *procedures*, and the operation of the *power system*; and
 - (b) appropriate accountability for *rules participants*,
with a view to *maintaining* and improving *security* and *reliability*.
- (2) This Subchapter 7.6's secondary objective is to pursue the primary objective —
 - (a) as efficiently as possible, having regard to the compliance burden and cost of post-incident discussion and investigation for both the *ISO* and other *rules participants*; and
 - (b) having regard to rule 5; and
 - (c) in a manner which balances transparency with candour.

194 Incidents to be investigated

- (1) This Subchapter 7.6 applies to each of the following incidents —
 - (a) a *contingency* or other event which in the *ISO's* opinion jeopardised, or had the potential to jeopardise, *the system security objective* to a significant extent; or
 - (b) an unplanned outage of a *facility* or *network element* for which a planned outage would be a *notifiable event*; or
 - (c) a *protocol* being *activated* or the *ISO* referring any other matter under rule 84.

(Note — Rule 84 allows for referral of matters relating to the *protocol framework* and *protocols*, or otherwise arising in connection with Subchapter 3.7).
- (2) Without limiting what a discussion or investigation may consider, if it relates to a matter contemplated by Subchapter 3.7, it must consider —
 - (a) whether a *protocol* was activated and deactivated appropriately, or should have been activated when it was not; and

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- (b) how any *contingency* or other incident was managed, and whether it might have been better managed; and
 - (c) whether any *system operations direction* given was justified and appropriate.

195 ISO's investigation powers

The *ISO*, for the purposes of discussions under rule 196 or an investigation under rule 197, but having regard to the secondary objective in rule 193(2) —

- (a) may inform itself as it sees fit; and
 - (b) may request, and in the case of an investigation under rule 197 may *direct*, a *rules participant* to —
 - (i) provide a report on the incident; and
 - (ii) provide any information or data in the person's possession or control relevant to the incident; and
 - (iii) otherwise investigate the incident, undertake testing, or cooperate with or assist in the *ISO's* investigations;
- and
- (c) without limiting rule 195(a), may (subject to its budgetary arrangements under Subchapter 4.5) commission an investigation or report from a consultant or other third party.

196 Informal discussion

- (1) Unless the *ISO* commences an investigation under rule 197, it must deal with an incident to which this Subchapter 7.6 applies by way of informal, confidential discussions between the *ISO*, *registered NSPs* and, if the *ISO* considers it necessary, any other materially affected person.
- (2) The discussions may be combined with a *system coordination meeting*, are to be chaired and facilitated by the *ISO*, and are to focus on identifying what happened, and what improvements (if any) might be made to the rules, *procedures* or operating practices.
- (3) Rule 176 (Confidentiality in system coordination meetings) applies in respect of the discussions.
- (4) The *ISO*, if it considers it appropriate, may —
 - (a) prepare notes regarding the incident and the discussions and provide them to the *rules participants* who participated in the discussions; and
 - (b) *publish* the notes, or a summary or extract of the notes,

but in either case must have regard to the objective in rule 193(2)(c) and comply with Subchapter 11.2 (Confidential information).

197 ISO investigation and report

- (1) The *ISO* may at any time, on its own initiative, investigate under this rule 197 an incident to which this Subchapter 7.6 applies.
- (2) If any person considers that an incident to which this Subchapter 7.6 applies has not been adequately dealt with by discussions under rule 196 combined with any resulting *rule change proposal* or *procedure change proposal* under rule 198, then it may request the *ISO* to investigate the incident under this rule 197.
- (3) The *ISO*, when requested under rule 197(2), must undertake the investigation unless it determines that the request is frivolous, vexatious or not made in good faith, or the cost of the investigation would outweigh any possible benefit.
- (4) An investigation under this rule 197 is to be a more formal and thorough examination of the incident, its consequences and its surrounding and antecedent circumstances, than the informal process under rule 196, while continuing to have regard to the secondary objective in rule 193(2).
- (5) Without limiting rule 195, in an investigation under this rule 197 the *ISO* —
 - (a) must consult with each *registered NSP*; and
 - (b) must seek to identify, and consult with, any *rules participant* or other person which was materially adversely affected by the incident.
- (6) Following the investigation, the *ISO* must *publish* a report detailing its findings, conclusions and recommendations and including at least —
 - (a) any reports provided to it under rule 195(b)(i), after the *ISO* has removed any information that the *ISO* considers under Subchapter 11.2 should not be released; and
 - (b) any occasions on which a person purported to rely on rule 172 to not comply with a *protocol* or a *system operations direction* or *pre-contingent direction*; and
 - (c) a description of any changes to the rules, *procedures* or operating practices that the *ISO* considers necessary or desirable.
- (7) If the *ISO* determines that a report under rule 197(6) needs to contain *confidential information*, then —
 - (a) it must give the *Coordinator* and the *Authority* an unredacted copy of the *report*; and
 - (b) it may, if it considers it appropriate, identify in the unredacted copy any *confidential information* or any other information which the *ISO* considers should not be made *public*; and
 - (c) it must *publish* a version of the report which complies with Subchapter 11.2 (Confidential information); and

-
- (d) for the purposes of rule 299 (Permitted disclosure), it may in the *published* report disclose *confidential information* but only if, and only to the extent, it determines that doing so is necessary to —
- (i) achieve the objectives in rule 193; or
 - (ii) otherwise progress the *Pilbara electricity objective*.
- (8) If the *ISO* proposes to disclose *confidential information* in reliance on rule 197(7)(d) —
- (a) it must first comply with rule 303 (Pre-disclosure process); but
 - (b) for the purposes of the balancing in rule 303(2), it may disregard any detriment to the *information owner* by way of reputational harm or embarrassment.

198 Consequential rule and procedure changes

- (1) If the *ISO* considers, following discussions or an investigation under this Subchapter 7.6 that a change in to the rules or a *procedure* is necessary or desirable, it must submit a suitable *rule change proposal* or *procedure change proposal*, as applicable.
- (2) Without limiting rule 198(1), if *ISO* determines that the giving of a *system operations direction* or *pre-contingent direction* constituted, or resulted in, an unnecessary or unwarranted intrusion by the *incident coordinator* in another person's *GEIP* operations, the *ISO* must, unless it is satisfied that some other measure will adequately mitigate the risk of any recurrence, submit a suitable *rule change proposal* or *procedure change proposal*, as applicable, to mitigate the risk of any recurrence.

Chapter 8 – Essential system services, balancing and settlement

{**Outline** — This Chapter 8 deals with the following —

- Subchapter 8.1 provides for the two *essential system services* to be procured by the *ISO*, being *FCESS* (frequency control *essential system service*) and *SRESS* (spinning reserve *essential system service*);
- Subchapter 8.2 deals with the energy balancing part of the *EBAS* (energy balancing and settlement) regime; and
- Subchapter 8.3 deals with the settlement part of the *EBAS* regime, in which contract notes are issued to settle payments for both *essential system services* and *imbalances*.
- Subchapter 8.4 contains miscellaneous *EBAS* provisions.}

Subchapter 8.1 – Essential system services

{**Outline** — This Subchapter 8.1 deals with the specification, procurement and enablement of —

- *FCESS* (frequency control *essential system service*, also known as “regulation” service) to regulate frequency in the *power system* and any *islands*; and
- *SRESS* (spinning reserve *essential system service*, also known as “contingency reserve”) to ensure there is adequate *headroom* in the *power system* and any *islands*.

Following a *contingency*, the required “spinning reserve” capacity will come from the *FCESS* provider, and, once frequency falls outside the droop frequency deadband, from the droop response of all *enabled generating units* including the *SRESS provider’s* units, using the *headroom* available in each unit.

ESS providers will be paid a price determined under this Subchapter 8.1 for making available the *essential system service* capacity. If a *generating unit* then provides or absorbs energy in the course of providing an *essential system service*, and the energy is not otherwise traded under private contractual arrangements, then the energy will be balanced through the energy balancing regime in Subchapter 8.2 and settled under Subchapter 8.3.}

199 The ESS objectives

- (1) This Subchapter 8.1’s primary objective is to put in place the necessary arrangements, and equip the *ISO control desk* with access to the necessary *essential system services*, to enable it to —
 - (a) pending any *contingencies* — maintain the *power system* in a *secure state*; and
 - (b) following a *credible contingency* — maintain the *power system inside the technical envelope* and return it to a *secure state* as soon as practicable; and

-
- (c) following any other *contingency* —
- (i) maintain the *power system inside the technical envelope* where practicable, and otherwise return it to *inside the technical envelope promptly*; and
 - (ii) maintain the *power system* in a *secure state* where practicable, and otherwise return it to a *secure state* as soon as practicable;
- and
- (d) take or *direct pre-contingent actions* as necessary.
- (2) This Subchapter 8.1's secondary objective is to achieve the primary objective in a way that seeks to —
- (a) equitably and efficiently share the burden and benefit of doing so; and
 - (b) achieves the lowest practicably sustainable cost of doing so in accordance with these rules and *GEIP*, having regard to the *Pilbara electricity objective*.
- {It is expected that rule 199(2)(a) will promote outcomes in which a beneficiary of *essential system services* shares a fair proportion of the burden.}

200 ESS contracting process

- (1) Before entering into a proposed *ESS contract*, the *ISO* must —
- (a) *publish* —
 - (i) the projected cost of the contract to likely *payers*, together with the projected cost under other contracts for the *essential system service*, in a form which reasonably enables each likely *payer* to assess its likely future cost burden; and
 - (ii) reasonable details of the proposed *ESS provider's* experience in providing the *essential system service* and the systems it will use to do so;
- and
- (b) conduct at least an *expedited consultation process*.
- (2) Unless the *ISO* determines that an alternative approach will better promote the secondary objective in rule 199(2), the *ISO* must undertake *ESS* procurement through a competitive tender or other transparent process.
- {Example — It may be a waste of money to run a competitive tender if there is only one potential supplier in a particular *island*.}
- (3) The *ISO's* decision to enter into an *ESS contract* may be the subject of a rules *dispute*, but the only issue to be determined is whether the proposed *ESS contract* represents a reasonable attempt to achieve the objectives in rule 199. The dispute resolver has *limited discretion* on this issue.

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- (4) Without limiting rule 200(3) —
- (a) the *ISO* is not required by rule 200(1)(a)(i) or otherwise to investigate or disclose the proposed *ESS provider's* anticipated costs of providing the *essential system service* or any margin which may be reflected in the *ESS provider's* proposed charges; and
 - (b) the matters referred to in rule 200(4)(a) cannot be the subject of a *rules dispute*.
- (5) An *ESS contract*, and the procurement process that precedes it, may deal with more than one *essential system service*.

201 Definition – Frequency control service (a.k.a. regulation service)

The frequency control service (“**FCESS**”) is a service in which a person (the “**FCESS provider**”) —

- (a) frequently and rapidly raises or lowers the output of one or more *generating units* in order to keep the *power system's* frequency within the *frequency tolerance band*; and
- (b) ensures that it operates its online *generating units* in such a way that —
 - (i) it has a reserve of generation capacity online (“**regulation raise reserve**”) in order to be able to provide the “raise” referred to in rule 201(a); and
 - (ii) its generators are sufficiently loaded (“**regulation lower reserve**”), to be able to provide the “lower” referred to in rule 201(a),

which together comprise “**regulation reserve**”.

202 Requirements – Frequency control – ISO to determine

The *ISO* must, having regard to the objectives in rule 199, from time to time determine the appropriate amounts of *regulation raise reserve* and *regulation lower reserve* to be —

- (a) contracted for with the *primary FCESS provider* under rule 203, and the required availability for that *regulation reserve*; and
- (b) made available by a *secondary FCESS provider* when it is *enabled* under rule 209.

203 Procurement – Primary FCESS service

- (1) The *ISO* must from time to time procure an *ESS contract* with a “**primary FCESS provider**”, whose task will be to —
 - (a) maintain frequency within the *frequency tolerance band* for the *power system* as a whole (or, if an *islanding event* has occurred, for the *island* in which the *primary FCESS provider* is located); and

-
- (b) maintain levels of *regulation raise reserve* and *regulation lower reserve* at least equal to the amounts, and with at least the availability, determined by the *ISO* under rule 202(a).

204 Pricing – Primary FCESS service

- (1) The price and other terms of the *primary FCESS contract* are to be negotiated in the *ISO*'s discretion, having regard to the objectives in rule 199.
- (2) The *primary FCESS contract* will set out the *FCESS provider*'s entitlement to be paid under rule 228(1)(c).

{Rule 204(2) places the payment in the contract. In contrast, for *secondary FCESS providers* the entitlement to be paid appears directly in rule 209(4).}

205 Identifying islanding scenarios and secondary FCESS providers

- (1) The *ISO* must identify all *credible islanding* scenarios for the *power system*.
- (2) The *ISO* must identify and select as many *generation facilities* as necessary, to ensure that there is within each *credible island* at least one *generation facility* capable of providing *FCESS*.

{These *generation facilities* will also be able to provide *FCESS to the power system* as a whole, if the *primary FCESS provider* is not doing so.}

- (3) Wherever practicable, having regard to the objectives in rule 199, under rule 205(2) the *ISO* is to select only *generation facilities* in *covered networks*, unless a *generator* in a *non-covered network* agrees otherwise.
- (4) The *generator* who controls a *generation facility* selected under rule 205(2) is a potential “**secondary FCESS provider**”.
- (5) The *ISO* must notify each potential *secondary FCESS provider* —
- (a) that its facility has been selected by the *ISO* under rule 205(2); and
- (b) of the amounts of *regulation raise reserve* and *regulation lower reserve* it will be required to make available if it is *enabled* under rule 209, as determined by the *ISO* under rule 202(b).

206 Pricing – Secondary FCESS service

- (1) A potential *secondary FCESS provider* must, within 2 months after being notified under rule 205(5), notify the *ISO* of its proposed price (in dollars per hour) for providing *secondary FCESS*, and may thereafter (but no more than once in any 12-month period) notify the *ISO* of changes to the price.
- (2) A price proposed under rule 206(1) —
- (a) must be set at a level which fairly compensates the *secondary FCESS provider* for the actual direct and indirect marginal cost of providing *secondary FCESS*, including fuel consumption, heat rate impacts and additional maintenance; but

-
- (b) must not include any fixed costs such as plant capital cost or corporate overheads, a return on capital or other profit margin.
 - (3) The *ISO* may from time to time determine and *publish* an “**administered secondary FCESS price**” (in dollars per hour) which is the *ISO*’s reasonable estimate of a price consistent with rule 206(2).
 - (4) The *administered secondary FCESS price* applies as a cap on a price proposed under rule 206(1).
 - (5) The *ISO* must use the prices proposed by each potential *secondary FCESS provider* under rule 206(1) (as capped, if applicable, under rule 206(4)), to develop and *maintain* a cost-based *enablement* order of merit for *secondary FCESS providers*.

207 Enablement – Frequency control – One provider at a time

- (1) No more than one *FCESS provider* should be *enabled* in an *island*, or in a non-*islanded power system*.
- (2) A *protocol* or other *procedure* may set out an exception to rule 207(1).

208 Enablement – Primary frequency control

- (1) The *primary FCESS provider* should be *enabled* at all times, unless a *protocol* requires otherwise, or the *ISO control desk* *directs* otherwise under Subchapter 7.5 or the *ESS contract*.
- (2) While *enabled*, the *primary FCESS provider* must ensure it maintains frequency as described in rule 203(1)(a), and makes available *regulation raise reserve* and *regulation lower reserve* at least to the levels determined under rule 202(a) as described in rule 203(1)(b).

209 Enablement – Secondary frequency control

- (1) If for any reason the *primary FCESS provider* is not maintaining *frequency* in an *island* (or the *power system* as a whole), then the *ISO control desk* must, for each such *island* (or the *power system*) —
 - (a) identify all potential *secondary FCESS providers* available to the *island* (or *power system*); and
 - (b) use the cost-based *enablement* order of merit developed under rule 206(5) to select the lowest-cost available *secondary FCESS provider* for the *island* (or *power system*);
 - (c) *promptly* by voice or other means *direct* the selected *secondary FCESS provider* to start providing *FCESS* (“**enable**”); and
 - (d) when appropriate, in coordination with the affected *registered NSPs*, by voice or other means *direct* the *secondary FCESS provider* to stop providing *FCESS* (“**disable**”).

-
- (2) The ISO must, so far as practicable consistent with its other obligations under these rules, endeavour to minimise the occasions on which, and duration for which, a *secondary FCESS provider* is *enabled*.
- (3) A *secondary FCESS provider* must, from the time it is *enabled* under rule 209(1)(c) until the time it is *disabled* under rule 209(1)(d) —
- (a) provide *FCESS*; and
 - (b) ensure it keeps available the amounts of *regulation raise reserve* and *regulation lower reserve* notified to it under rule 205(5)(b).
- (4) A *secondary FCESS provider* is entitled to be paid (in dollars per hour) under rule 228(2)(b) for providing *FCESS*, at the lower of the price it most recently proposed under rule 206(1), or the *administered secondary FCESS price* under rule 206(4) —
- (a) from the time it starts providing *FCESS*; and
 - (b) until the time it is *disabled*, or the time it stops providing *FCESS*, whichever is earlier.

210 Spinning reserve – Definition of headroom

In these rules —

- (a) “**headroom**” at any time —
 - (i) for a *generating unit* — means the difference between its actual output at the time, and its maximum output capability at the time taking into account environmental conditions and *equipment limits*;

{For each *generating unit*, headroom measures its droop response capacity to help arrest a fall in frequency after a *contingency*.}
 - and
 - (ii) for the *power system* — means the aggregate, across all *enabled generating units* in the *power system* at any time of each *generating unit’s* headroom as defined in 210(a)(i) at the time; and
- (b) “**required headroom**” means the amount of *headroom* needed in the *power system* (or, if applicable, a *credible island*) to satisfy the *contingency reserve standard*, determined by the *ISO* or *ISO control desk* under rule 212(1); and
- (c) “**required headroom level**” for the *power system* or an *island* is determined by the *ISO* under rule 212(1)(a) or by the *ISO control desk* under rule 212(2)(a).

211 Requirements – Spinning reserve – The contingency reserve standard

The “**contingency reserve standard**” is that the quantity of *headroom* within the *power system* (or, if applicable, a *credible island*) at any time must be sufficient to enable the *power system* (or *credible island*) to remain within the *frequency operating*

standards following the largest single credible contingency which could cause a shortfall between generation and load on a covered network.

212 Requirements – Spinning reserve – ISO to determine

- (1) The ISO must either —
 - (a) from time to time determine and *publish* the “**required headroom level**” for the *power system* (or, if the ISO determines it to be appropriate, a *credible island*); or
 - (b) if it determines that a more flexible approach will better serve the objective in rule 199(2) — from time to time determine and *publish* the process and decision criteria which the *ISO control desk* is to apply to determine the *power system’s* (or, if the ISO determines it to be appropriate, a *credible island’s*) *required headroom level* from time to time, depending on the *power system’s* configuration and other circumstances.
- (2) If the ISO has *published* decision criteria under rule 212(1)(b), the *ISO control desk* must —
 - (a) as frequently as required by the criteria, apply the criteria to determine the “**required headroom level**”; and
 - (b) notify each *SRESS provider* of the *required headroom level* whenever it changes.

213 Definition – The spinning reserve (contingency reserve) service

The spinning reserve service (“**SRESS**”) is a service in which a person (the “**SRESS provider**”) commits to maintain an amount of *headroom* in its *generating units* which equals or exceeds a specified amount, at a specified level of availability.

214 Procurement – Spinning reserve contracts

- (1) The ISO must from time to time enter into an *ESS contract* with one or more *SRESS providers* to obtain *SRESS*.
- (2) The ISO must ensure that the aggregate amount of *SRESS* for which it contracts is sufficient to ensure that —
 - (a) in *normal operating conditions*, the *SRESS provider* or providers between them maintain an amount of *headroom* which meets or exceeds the *required headroom level* with a level of availability which is acceptable to a GEIP standard; and
 - (b) outside *normal operating conditions*, or otherwise where necessary for example due to *network constraints*, the *ISO control desk* can *enable* a *generating unit* to provide *SRESS* in order to ensure that there is an amount of *headroom* available to each part of the *power system*, which meets or exceeds the *required headroom level*.

-
- (3) The *regulation raise reserve* specified, or to be specified, in the *primary FCESS provider's ESS contract* may be counted as contracted *SRESS* for the purposes of rule 214(2).
 - (4) If the *ISO* contracts with more than one *SRESS provider*, the contracts may specify how the obligation to maintain *headroom* in rule 214(2)(a) is to be apportioned and managed between the *SRESS providers*.
 - (5) The price and other terms of an *SRESS contract* are to be negotiated in the *ISO's* discretion, having regard to the objectives in rule 199.
 - (6) The *SRESS contract* will set out the *SRESS provider's* entitlement to be paid under rule 228(2)(b).

215 Enablement – Spinning reserve

The *ISO control desk* must on a *24/7 basis* —

- (a) monitor the *power system*; and
- (b) outside *normal operating conditions*, or otherwise where necessary for example due to *network constraints* — *enable generating units* to provide *SRESS* as necessary,

to ensure that the *headroom* available in each part of the *power system*, having regard to *network* configuration and *constraints*, meets or exceeds the *required headroom level*.

216 Spinning reserve – Trial of alternative SRESS approach

If the *ISO* considers that the objectives in rule 199 might be better served by an alternative *SRESS* approach, then it may, in consultation with *rules participants* —

- (a) propose and develop trials of an alternative *SRESS* approach; and
- (b) determine whether there is support for an alternative approach, and whether the approach can adequately achieve the primary objective in rule 199(1) in a way which maximises the secondary objective in rule 199(2); and
- (c) thereafter develop and submit suitable *rule change proposals* or *procedure change proposals* to implement the alternative approach.

{Example — In a “dynamic enablement” approach, the *ISO control desk*, on a *24/7 basis* or otherwise, monitors and takes into account the aggregate *headroom* available across all (or selected) *generating units* in the *power system* (also known as “incidental headroom”), and *enables* and *disables generating units* as necessary to minimise machine starts while ensuring that the aggregate available *headroom* does not fall below a specified margin.}

217 Annual reporting

By 1 June each year, the *ISO* must *publish* a report setting out reasonable details of the cost and effectiveness of arrangements under this Subchapter 8.1 in meeting the

primary and secondary objectives in rule 199, and suggestions for any improvements.

Subchapter 8.2 – Energy balancing

{Balancing applies only on *covered networks*. *Non-covered NWIS network and excluded networks* are metered at the *interconnection point* with a *covered network*. The general obligation to balance appears in rule 169.}

218 Balancing points

- (1) The following are the “**balancing points**” on a *covered network* —
- (a) a *connection point* at which a *generation facility* is connected to the *covered network*; and
 - (b) a *connection point* at which a *contestable consumer’s consumer facility* is connected to the *covered network*; and
 - (c) an *interconnection point* between the *covered network* and a *non-covered network* (including a *private power system* and an *excluded network*);

{*Interconnection points* between *covered networks* are not *balancing points* under these rules. However, the EBAS engine will make calculations at those points to determine *net network loads*, and *legacy rights* can exist at these points under Subchapter 9.1.}
- and
- (d) if applicable, one or more single points for the *network* determined under rule 218(2); and
 - (e) a single point being the *notional wholesale meter*.

{The *notional wholesale meter* measures *net network load*, which comprises losses, plus all of the *loads* referred to in rule 218(2) which are not assigned their own *balancing point* under that rule.}
- (2) The *EBAS procedure* may, if the *covered NSP* consents, provide for any or all of the following to also be specified as a “**balancing point**” on a *covered network* (and each of these, if included as a *balancing point*, is a “**notional exit point**”) —
- (a) a single notional point for a *network* to represent the aggregate of all measured or estimated interval metered *non-contestable consumer loads* for the *network*; and
 - (b) a single notional point for a *network* to represent the aggregate of all measured or estimated non-interval metered *loads* for the *network*; and
 - (c) a single notional point for a *network* to represent the aggregate of all measured or estimated unmetered *loads* for the *network*.

219 Metered quantities

- (1) The “**metered quantity**” for a *balancing point* for a *trading interval* is the *loss factor-adjusted quantity* of energy entering or leaving the *covered network* at that point as metered, estimated or determined under Chapter 5 {Metering}.
- (2) The *metered quantity* is to be expressed as a positive number for energy entering the *network* and a negative number for energy leaving the *network*.

220 There must be a nominator for each balancing point

- (1) In this rule 220, “**relevant user**” means a *network user* with an *entry service* or *exit service* at a *balancing point*.
- (2) Responsibility for complying with rule 220(3) rests with —
 - (a) for a *balancing point* other than an *interconnection point* —
 - (i) if there is only one *relevant user* at the *balancing point* — the *relevant user*; and
 - (ii) if there is more than one *relevant user* at a *balancing point* — the *relevant users* collectively, who must discharge the responsibility by agreement between themselves as notified to the *ISO*;and
 - (b) for a *balancing point* which is an *interconnection point* — the two *NSPs* collectively, who must discharge the responsibility by agreement between themselves as notified to the *ISO*.
- (3) The *relevant user*, *relevant users* or *NSPs*, as applicable under rule 220(2), must ensure that for each *settlement period* —
 - (a) a person is identified as the “**nominator**” for the *balancing point*; and
 - (b) the *nominator* is authorised to make *nominations* for the *balancing point*; and
 - (c) the *ISO* has been notified in accordance with the *EBAS procedure* of the *nominator’s* identity, its contact and banking details, and such other reasonable details as the procedure may require.
- (4) If at any time rule 220(3) is not being complied with then the following person is deemed to be the *nominator* for the *balancing point* for the *settlement period* and to have the authority required by rule 220(3)(b) —
 - (a) for a *balancing point* other than an *interconnection point* —
 - (i) if there is only one *relevant user* at the *balancing point* — the *relevant user*; and
 - (ii) if there is more than one *relevant user* at the *balancing point* — one of the *relevant users* as selected by the *ISO* and notified to the *relevant users*;

{The combined effect of this rule 220(4), which deems a *relevant user* to be the default *nominator*, and rule 223, which deems the *nominator* to be the default *balancing nominee*, is that if all else fails, the *relevant user* will be responsible for settlement payments under Subchapter 8.3.}

and

- (b) for a *balancing point* which is an *interconnection point* — one of the *NSPs* as selected by the *ISO* and notified to the *NSPs*.
- (5) A *relevant user* must not designate a person as *nominator* without the person's consent.
- (6) The *ISO* may change its selection under rules 220(4)(a)(ii) and 220(4)(b) as it sees fit from time to time, provided it gives the affected persons advance notice of the new selection which is reasonable in the circumstances.

221 ISO-appointed nominator must act fairly

A *relevant user* selected by the *ISO* under rule 220(4)(a)(ii), and an *NSP* selected by the *ISO* under rule 220(4)(b), must give any *nomination* and any *payment allocation notice* in good faith, and must ensure the *nomination* or *payment allocation notice* fairly reflects the underlying commercial arrangements in connection with *injections* and *withdrawals* at the *balancing point*.

222 Nominations

- (1) The *nominator* for a *balancing point* may from time to time give the *ISO* a “**nomination**” for the *balancing point* for a *settlement period*.
- {This rule is not mandatory. The *nominator* may, if it wishes, instead rely on the default mechanism in rule 223, which deems the *nominator* to be the default *balancing nominee*.}
- (2) To be valid, a *nomination* must —
- (a) subject to rule 222(5), be given before the start of the *settlement period* to which it relates; and
 - (b) for each *trading interval*, allocate the *metered quantity* at the *balancing point* between one or more persons (which may include the *nominator*) (each a “**balancing nominee**” for the *trading interval*), using an allocation methodology which —
 - (i) ensures that 100% of the *metered quantity* is allocated; and
 - (ii) otherwise complies with the *EBAS procedure*;
- and
- (c) not include a *balancing nominee* unless the *ISO* has been notified of the *balancing nominee's* identity, its contact and banking details, and such other reasonable details as the *EBAS procedure* may require; and
 - (d) otherwise comply with the *EBAS procedure*.

-
- (3) A *nominator* may give a standing *nomination* which applies until further notice.
 - (4) A *nominator* must not in a *nomination* make an allocation to a proposed *balancing nominee* without the person's consent.
 - (5) The *EBAS procedure* may permit a nomination to be given after the start of the *settlement period* to which it relates, and before the *ISO* undertakes its settlement calculations for a *settlement period*, if the *ISO* is satisfied that the nomination is given in good faith.

{Example — After-the-event nominations under rule 222(5) might be used to implement commercial arrangements entered into to address *contingencies*, *pre-contingent actions*, curtailments and the like. The *EBAS procedure* may include measures to prevent gaming or other abuse, and will require such a *nomination* to identify the part or parts of the *settlement period* to which it relates.}

223 Default nomination – Nominator is balancing nominee

If the *ISO* does not hold a valid *nomination* for a *balancing point* for a *settlement period*, then the *nominator* is deemed to be the *balancing nominee* for the *settlement period*, and is to be allocated 100% of the *metered quantity* for the point for each *trading interval* in the *settlement period*.

{If this deeming produces a result which is at odds with the underlying commercial arrangements, the *nominator* can lodge a *payment allocation notice* under rule

224 ISO to verify that balancing arrangements provide full coverage

- (1) The *ISO*, in accordance with the *EBAS procedure*, is to determine whether rule 220 is being complied with.

{As long as rule 220 is being complied with, the combined effect of valid *nominations* under rule 222 and deemed *nominations* under rule 223 will ensure that 100% of the loss-adjusted energy entering and leaving the *power system* in each *trading interval* gets allocated to *balancing nominees*.}

- (2) Each *covered NSP* must, in accordance with the *EBAS procedure*, give to the *ISO* from time to time such information as the *ISO* reasonably requires to undertake the determinations required by rule 224(1).

225 The balancing nominee's imbalance

A *balancing nominee's* “**imbalance**” for a *trading interval* is calculated by summing (across all *balancing points* in the *power system*) all of the quantities allocated to it by *nominations* for the *trading interval*, and —

- (a) if the total is a positive number, the *balancing nominee* has a “**positive imbalance**” equal to the total; or
- (b) if the total is a negative number, the *balancing nominee* has a “**negative imbalance**” equal to the total.

Subchapter 8.3 – Settlement

226 Reference period for FCESS and SRESS settlement

The “**reference period**” for a *settlement period* is the 3 full financial years preceding the financial year in which the *settlement period* occurs.

{Example — For each *settlement period* in the 2020/21 financial year, the *reference period* covers the three financial years 2017/18, 2018/19 and 2019/20.}

227 Frequency control – Identify payers and their shares

The *payers* for *FCESS* in a *settlement period*, and their proportionate *FCESS payment shares*, are determined as follows —

- (a) The “**FCESS payment threshold**” is a *load swing* of 5 MWh.
- (b) **Step 1 — identify** all *balancing points* with at least one negative *metered quantity* for a *trading interval* in the *reference period* – these are the “**exit balancing points**”.
- (c) **Step 2 —** for each *exit balancing point*, compile the set comprising all negative *metered quantities* for *trading intervals* in the *reference period*.
- (d) **Step 3 —** Using the set compiled in Step 2, calculate the following for each *exit balancing point*, with all values expressed in in MWh —

average load = the simple average of *metered quantities* across the set

maximum load = the *metered quantity* in the set with the highest absolute value

minimum load = the *metered quantity* in the set with the lowest absolute value

positive load swing = the absolute value of the *maximum load* minus the absolute value of the *average load*

negative load swing = the absolute value of the *average load* minus the absolute value of the *minimum load*

load swing = the *positive load swing* plus the *negative load swing*.

- (e) **Step 4 —** identify all *exit balancing points* (“**relevant balancing points**”) at which the *load swing* was bigger than the *FCESS payment threshold*.
- (f) **Step 5 — identify** each “**payer**” for *FCESS* in the *settlement period*, being the *nominator* associated with each *relevant balancing point*.

- (g) **Step 6** — for each *relevant balancing point*, determine the associated *payer’s* “**FCESS balancing point share**” for the *settlement period* as follows —

$$FCESS \text{ balancing point share}_b = \frac{Relevant \text{ Load Swing}_b}{\sum Relevant \text{ Load Swings}}$$

where —

FCESS balancing point share_b = the proportional *FCESS balancing point share* for the *payer* at *relevant balancing point b*

Relevant Load Swing_b = the *load swing* for the *relevant balancing point b*

$\sum Relevant \text{ Load Swings}$ = the sum of all *load swings* for the *reference period* across all *relevant balancing points*.

- (a) **Step 7** — for each *payer*, determine the *payer’s* aggregate “**FCESS payment share**” for the *settlement period* as follows —

$$FCESS \text{ payment share}_p = \sum FCESS \text{ balancing point shares}_{bp}$$

FCESS payment share_p = the aggregate *payment share* for *FCESS* for *payer p*

FCESS balancing point share_{bp} = the *FCESS balancing point share* determined under Step 6 at each *relevant balancing point b* for which *payer p* is the *payer*.

228 Frequency control – Payment obligations

- (1) For *primary FCESS*, for a *settlement period* —

- (a) the “**payee**” is the *primary FCESS provider* (unless it was not *enabled* to provide *FCESS* at all, during the *settlement period*); and

- (b) a “**payer**” is each *nominator* identified Step 5 in rule 227;

{This rule places the immediate *FCESS* payment obligation on the *nominator*, who by default (under the combined effects of rules 220(4) and 223) will be the *network user* under rule. However, as with *SRESS*, the *nominator* can allocate the obligation to another person under rule 238.}

and

- (c) the total amount to be paid to the *payee* is determined under its *primary FCESS contract* in accordance with rule 204(2); and

- (d) the proportionate share of this amount to be paid by each *payer* is its *FCESS payment share* calculated at Step 7 in rule 227.

- (2) For each occasion in a *settlement period* on which *secondary FCESS* was enabled in an *island* or the *power system* —
- (a) the “**payee**” is the *secondary FCESS provider*; and
 - (b) the total amount to be paid to the *payee* is determined under rule 209(4); and
 - (c) the “**payers**” and their proportionate shares are the same as in rule 228(1).

229 Spinning reserve – Identify payers and their shares

- (1) The *payers* for *SRESS* in a *settlement period*, and their proportionate *SRESS payment shares*, are determined as follows —
- (a) The “**SRESS payment threshold**” (MW_0) equals the *regulation raise reserve* specified in the *primary FCESS provider’s ESS contract*, in MW (and if this value changes during a *settlement period*, the smaller value is to be used for the full *settlement period*).
 - (b) **Step 1 — identify** —
 - (i) all *balancing points* at which at least one *generating unit* was connected (directly or indirectly) to the *power system* during the *reference period* (“**entry balancing points**”); and
 - (ii) the *nominator* associated under rule 220 with each *entry balancing point*.
 - (c) **Step 2 —** for each *nominator* identified in Step 1, identify all *generating units* connected (directly or indirectly) during the *reference period* at all *balancing points* with which it is associated, and identify the one with the largest operational capacity which is capable of forming a contingency outage in MW – this is the *nominator’s “reference unit”*.
 - (d) **Step 3 —** identify the “**payers**” for *SRESS* in the *settlement period*, being the *nominators* identified in *Step 1* which have *reference units* bigger than the *SRESS payment threshold*.
 - (e) **Step 4 —** rank the *payers* by reference to the size of their *reference units*, from smallest ($rank_p = 1$) to largest ($rank_p = n$).
 - (f) **Step 5 —** for each *SRESS payer p*, perform the following calculation to determine its proportionate “**SRESS payment share**” for the *settlement period* —

$$SRESS\ share_p = \sum_{i=1}^{rank_p} \frac{MW_i - MW_{(i-1)}}{[MW_n - MW_0] \times (n + 1 - i)}$$

where —

- $SRESS\ share_p$ = the proportional *SRESS payment share* for *payer p*
- i = the summation index number

- $rank_p$ = the rank assigned to *payer p* in Step 4 (rule 229(1)(e))
- n = the number of *payers* identified in Step 3 (rule 229(1)(d))
- MW_i = the nameplate capacity in MW of the *reference unit* for each *payer_i* (such that MW_p is the nameplate capacity for *payer p*), determined under Step 2 (rule 229(1)(c))
- MW_0 = the *SRESS payment threshold* determined under rule 229(1)(a).

{The calculation in Step 5 is known as the “runway model”. It allocates the greatest share to the payer with the largest *reference unit*. The proportionate shares it calculates sum to 1.}

230 Spinning reserve – Payment obligations

For *SRESS*, for a *settlement period* —

- (a) a “**payee**” is each *SRESS provider* contracted to provide *SRESS* at any time in the *settlement period*; and

- (b) a “**payer**” is each *nominator* identified in Step 3 in rule 229(1);

{This rule places the immediate *SRESS* payment obligation on the *nominator*, who by default (under the combined effects of rules 220(4) and 223) will be the *network user*. However, as with *FCESS*, the *nominator* can allocate the obligation to another person under rule 238.}

and

- (c) the total amount to be paid to the *payee* is determined under rule 214(5); and
- (d) the proportionate share of this amount to be paid by each *payer* is calculated at Step 5 in rule 229(1).

231 Balancing – ISO to determine administered price and administered penalty price

The *ISO* may from time to time, having regard to the *Pilbara electricity objective*, determine and *publish* —

- (a) an “**administered price**” for balancing energy, in \$ /MWh; and
- (b) an “**administered penalty price**” for balancing energy, in \$ /MWh or by way of an uplift calculation based on the *administered price*.

232 Balancing – Not all positive imbalances to be compensated

Except as specified in this Subchapter 8.3, there is to be no payment for *positive imbalances*.

{For *positive imbalances*, this Subchapter 8.3 provides for payment to only *FCESS providers*, persons complying with a *system operations direction*, and when the *power system* was in a *non-normal EBAS state* – see rules 235(2)(b), 0 and 0 respectively.}

233 Balancing – The balancing tolerance quantity for a settlement period

- (1) Unless a different formula is specified under rule 233(3)(b), a *balancing nominee's* “**negative balancing tolerance quantity**” for a *settlement period*, expressed in MWh, is calculated as follows —

$$NBTQ_{bn} = margin \times \sum negative\ metered\ quantities_{bn}$$

where —

$NBTQ_{bn}$ = the negative balancing tolerance quantity for *balancing nominee bn*

$margin$ = the margin published by the *ISO* under rule 233(3)(a)

$negative\ metered\ quantities_{bn}$ = the sum of all negative *metered quantities* allocated to the *balancing nominee bn* for the *trading interval*.

- (2) A *balancing nominee's* “**positive balancing tolerance quantity**” (**PBTQ**) for a *trading interval*, expressed in MWh, is the absolute value of its *negative balancing tolerance quantity*.
- (3) The *ISO*, in consultation with *registered NSPs* and all *registered controllers*, is to *publish* from time to time, for use in rule 233(1) —
- (a) a percentage margin; or
- (b) another margin, in which case the *EBAS procedure* is, if necessary, to specify an appropriately-adjusted formula to work with the different margin, which is to be used in place of the formula in rule 233(1).

234 Balancing – Payment obligations – Definitions

- (1) For the purposes of rule 235 the *power system* is in a “**normal EBAS state**” for a *trading interval* if, for the whole of the *trading interval* —
- (a) frequency is within the *normal frequency tolerance band* and being maintained there by the *primary FCESS provider*; and
- (b) no *islands* have formed; and

-
- (c) the *primary FCESS provider*, in providing the *regulation service* it contracted under rule 203(1)(a) to provide, was not required to use more than the levels of *regulation reserve* it contracted under rule 203(1)(b) to maintain.
- (2) For the purposes of rule 235 the *power system* is in a “**non-normal EBAS state**” if it is not in a *normal EBAS state*.
- (3) The *power system* does not enter a *non-normal EBAS state* solely because one or more of the following has occurred —
- (a) a *protocol* is *active*; or
- (b) *pre-contingent actions* are being taken; or
- (c) a *pre-contingent direction* is in effect; or
- (d) a *constraint direction* is in effect.
- (4) The variables used in rule 235 are —

AP means the *administered price* in \$ /MWh; and

APP means the *administered penalty price* in \$ /MWh; and

|NBTQ| means the absolute value of the *balancing nominee’s negative balancing tolerance quantity* in MWh under rule 233(1); and

|NIQ| means the absolute value of the *balancing nominee’s negative imbalance quantity* in MWh; and

PBTQ means the *balancing nominee’s positive balancing tolerance quantity* in MWh under rule 233(2); and

PIQ means the *balancing nominee’s positive imbalance quantity* in MWh.

235 Balancing – Payment obligations

- (1) This rule 235 applies to determine payment amounts for energy balancing, for each *trading interval* in a *settlement period*.
- (2) Each *balancing nominee* with a *positive imbalance* is a “**payee**”, entitled to be paid a price per MWh for its *positive imbalance* determined as follows —
- (a) generally, that is unless one of rules 235(2)(b) to 0 applies — the *payee* is to be paid —

PIQ × **AP**, for MWh up to PBTQ; and

zero, for MWh above PBTQ;

and

-
- (b) if the *payee* is an *FCESS provider* — it is to be paid —

PIQ × AP;

and

- (c) if the *payee* complied with a *system operations direction* during the *trading interval* — it is to be paid —

PIQ × AP;

{A “system operations direction” does not include a *constraint direction* or a *pre-contingent direction*.}

and

- (d) if the *power system* was in a *non-normal EBAS state* during the *trading interval* — regardless of the above, every *payee* is to be paid —

PIQ × AP.

- (3) Each *balancing nominee* with a *negative imbalance* is a “**payer**”, required to pay a price per MWh for its *negative imbalance* determined as follows —

- (a) generally, that is unless one of rules 235(3)(b) to (d) applies — the *payer* is to pay;

|NIQ| × AP, for MWh up to |NBTQ|; and

|NIQ| × APP, for MWh above |NBTQ|;

and

- (b) if the *payer* is an *FCESS provider* — unless rule 235(3)(d) applies, it is to pay;

|NIQ| × AP, for MWh up to |NBTQ|; and

zero, for MWh above |NBTQ|;

and

- (c) if the *payer* complied with a *system operations direction* during the *trading interval* — unless rule 235(3)(d) applies, it is to pay —

zero;

and

- (d) if the *power system* was in a *non-normal EBAS state* during the *trading interval* — regardless of the above, each *payer* is to pay —

|NIQ| × AP.

236 Balancing – Shortfall of balancing payments

If, for a *settlement period*, the aggregate amount to be paid by all *payers* under rule 235(3) falls short of the aggregate amount to be paid to all *payees* under rule 235(2), then the *ISO* is to —

- (a) make a pro rata reduction to the amount paid to each *payee*; and
- (b) record the amount of short payment for each short-paid *payee* (“**outstanding balance**”); and
- (c) if in a subsequent *settlement period* there is a *surplus* under rule 237(1), allocate the surplus between all previous short-paid *payees*, pro-rata by reference to their *outstanding balances*, in addition to any amounts otherwise payable to them for the *settlement period*.

237 Balancing – Surplus of balancing payments

- (1) If, for a *settlement period*, the aggregate amount to be paid by all *payers* under rule 235(3) exceeds the aggregate amount to be paid to all *payees* under rule 235(2) (“**surplus**”), then the surplus is payable —
 - (a) first, to short-paid *payees* under rule 236; and
 - (b) after all short-paid *payees* have had their *outstanding balances* reduced to zero, to the *ISO* as an additional “**payee**”.
- (2) The *ISO* is to accumulate the amounts paid to it for a *settlement period* under rule 237(1), and rebate or credit the total in equal shares to the *registered NSPs*.

238 Settlement – Payers may allocate payment obligations

- (1) A *payer* (“**original payer**”) may from time to time give the *ISO* a “**payment allocation notice**” for a *settlement period* which designates one or more other persons as *payers* in respect of part or all of the aggregate amount otherwise payable by the *original payer* under this Chapter 8 for the *settlement period* (“**original amount**”).
 - (2) To be valid, a *payment allocation notice* must —
 - (a) subject to rule 238(6), be given before the start of the *settlement period* to which it relates; and
 - (b) allocate the *original amount* between one or more persons (which may include the *original payer*) (each a “**replacement payer**” for the *settlement period*), using an allocation methodology which —
 - (i) ensures that 100% of the *original amount* is allocated; and
 - (ii) otherwise complies with the *EBAS procedure*;
- and

-
- (c) not include a *replacement payer* unless the *ISO* has been notified of the *replacement payer's* identity, its contact and banking details, and such other reasonable details as the *EBAS procedure* may require; and
 - (d) otherwise comply with the *EBAS procedure*.
- (3) The effect of a valid *payment allocation notice* is that the *original payer* ceases to be a “**payer**” in respect of the *original amount*, and a *replacement payer* becomes a “**payer**” in respect of the amount allocated to it by the *payment allocation notice*.
 - (4) A *payer* may give a standing *payment allocation notice* which applies until further notice.
 - (5) A *payer* must not, in a *payment allocation notice*, make an allocation to a proposed *replacement payer* without the person's consent.
 - (6) The *EBAS procedure* may permit a *payment allocation notice* to be given after the start of the *settlement period* to which it relates, and before the *ISO* undertakes its settlement calculations for a *settlement period*, if the *ISO* is satisfied that the *payment allocation notice* is given in good faith.

239 Settlement – ISO to issue payment notes

- (1) The *ISO* must issue notices under this rule 239 (“**payment notes**”) for each *settlement period*, each notice *directing a payer* to pay an amount to a *payee*.
- (2) The *ISO* must calculate the amounts to be specified in *payment notes* in such a way that, for the *settlement period*, and subject to any adjustments permitted or required by these rules —
 - (a) the aggregate amount payable to each *payee* under all such *payment notes* equals the aggregate amount the *payee* is entitled to be paid under this Subchapter 8.3 for all *trading intervals* in the *settlement period*; and
 - (b) the aggregate amount payable by each *payer* under all such *payment notes* equals the aggregate amount the *payer* is required to pay under this Subchapter 8.3 for all *trading intervals* in the *settlement period*.
- (3) Each *payment note* must —
 - (a) identify the *payer*; and
 - (b) identify the *payee* and provide its banking details; and
 - (c) specify the amount to be paid by the *payer* to the *payee* in respect of the *settlement period*; and
 - (d) be given to the *payer* and *payee*.

240 Payment – Payment notes are enforceable

- (1) Each *payer* must comply with a *payment note*, by paying the specified amount to the named *payee* in accordance with the *EBAS procedure*.

- (2) A *payee* may recover an amount payable under rule 240(1) as a debt.
- (3) A contract may limit rule 240(2).

241 Payment – ISO not required to pay

The *ISO* is not required to pay any amount under this Subchapter 8.3.

242 Corrections and adjustments

- (1) The *EBAS procedure* is to set out how corrections and adjustments to settlements under this Subchapter 8.3 are to be managed and resolved.
- (2) Without limiting rule 242(1), if a breach of rules 220(5), 222(4) or 238(5) results in a person becoming a *payer* or a *payee* without having given their consent, then the *ISO* may issue *payment notes* under this rule 242 to make the necessary corrections and adjustments to remedy the breach.

243 Settlement disputes

Despite rule 242 and anything in the *EBAS procedure*, a matter arising under this Subchapter 8.3 may be the subject of a rules *dispute*.

Subchapter 8.4 – Miscellaneous

244 EBAS procedure

The *ISO* must develop a *procedure* for energy balancing and for settlement of balancing and *essential system service* payments (“**EBAS procedure**”) setting out requirements relating to Subchapter 8.2 and Subchapter 8.3.

245 ISO to develop and maintain EBAS engine

The *ISO* must develop and *maintain* a computer system for energy balancing and settlement in accordance with Subchapter 8.2 and Subchapter 8.3.

246 ISO may take planning criteria interactions into account

The *ISO* and *ISO control desk*, in performing their functions under this Chapter 8, may take into account any *credible planning criteria interactions* identified under rule 72.

247 Review of ESS, balancing and settlement arrangements

- (1) From time to time the *ISO* may, and at least once every 5 years the *ISO* must, conduct a review of the arrangements in and under this Chapter 8, their effectiveness and efficiency in achieving the *Pilbara electricity objective*, the *system security objective* and the objective in rule 199 {ESS objectives}.

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- (2) The *ISO* may *direct* the *Authority* and one or more *registered NSPs* to give the *ISO* such assistance in a review under rule 247(1) as the *ISO* may reasonably request, having first had regard to the cost and other burdens on the requestee of giving such assistance (and, if the requestee is the *Authority*, any likely resulting impact on the *Authority fee*).
 - (3) The *ISO* must undertake at least the *expedited consultation process* in respect of any review.
 - (4) After each review, the *ISO* must *publish* a report containing any changes it recommends to the *EBAS procedure*, this Chapter 8 or to anything done under either of them.
 - (5) If the *ISO* recommends any changes to these rules or a *procedure*, it must make an appropriate *rule change proposal* or *procedure change proposal*.

Chapter 9 – Network matters

Subchapter 9.1 – Constrained network access

248 Application – Initial covered networks only

- (1) This Subchapter 9.1 —
 - (a) applies only in respect of the *Horizon Power coastal network* and the *Alinta Port Hedland network*; and
 - (b) does not apply in respect of a *non-covered network*.
- (2) If a *network* other than the *Horizon Power coastal network* and the *Alinta Port Hedland network* is to become a *covered network*, then the *Coordinator* is to conduct a review of how constrained access should be implemented for the *network*, taking into account —
 - (a) the *Pilbara electricity objective*; and
 - (b) the operational and technical requirements necessary for the safe, *secure* and *reliable* operation of —
 - (i) the *network*; and
 - (ii) if the *network* is an *integrated mining network* — the *integrated mining system* of which it forms part;and
 - (c) the legitimate business interests of the *NSP* and of *network users* who are *associates* of the *NSP*, including whether any legacy priority rights are needed —
 - (i) in respect of the *network*; and
 - (ii) if the *network* is an *integrated mining network* — in connection with their use of the *integrated mining system* of which it forms part;and if so how those legacy priority rights are to be implemented and managed; and
 - (d) the interests of all other *network users*; and
 - (e) the interests of current or future *access seekers*; and
 - (f) any other matters the *Coordinator* considers relevant.

249 Definitions

In this Subchapter 9.1 —

- (a) a reference to “**firm**” contracted rights is to be read subject to rule 250(1)(b), and otherwise is to be read as that word is understood in normal commercial terms in the electricity industry;

{Example — A service does not necessarily cease to be “firm” simply because a *network access contract* or *ESA* specifies circumstances in which the service may be curtailed or interrupted.}

and

- (b) “**legacy contract**” means a *network access contract* (which includes an *associate arrangement*) which was in effect on 15 March 2019; and
- (c) “**legacy right**” means a right to be afforded priority in a *limit advice* or *constraint rule*, and in the issuing of a *constraint direction*, in accordance with this Subchapter 9.1, for *injections* at an *entry balancing point* or, if applicable, at an *interconnection point* between *covered networks*; and
- (d) “**legacy user**” means the *network user* who on the *rules commencement date* was a party to the *network access contract* referred to in rule 250(1)(a).

250 Legacy priority rights

(1) A legacy right —

- (a) is to be derived from the *network user’s firm* entitlements to an *entry service* under the *legacy contract* as those entitlements were in effect at 15 March 2019; and
- (b) cannot reflect more than the *network user’s* entitlements under the contract or arrangement at that time; and
- (c) is subject to all constraints and other limitations on those entitlements which were in existence on 15 March 2019; and
- (d) is available only if and to the extent that the *network access contract* (or *associate arrangement*) remains in effect and in use at the *rules commencement date*; and
- (e) is available only for the duration of the *network access contract* as it was in effect on 15 March 2019, and as extended by any explicit right to extend its duration which was in existence on 15 March 2019.

(2) A *legacy right* created, identified or otherwise determined under these rules is not a proprietary right, and may without compensation be cancelled, reduced, lost or disregarded under these rules including *amending* rules.

(3) A *legacy right*:

- (a) may be transferred to, subcontracted to, or otherwise used for the benefit of, an *associate* of the *legacy user*; but

- (b) cannot otherwise be transferred to, subcontracted to, or used for the benefit of, another *entity*.

251 Hierarchy of legacy, build-out and other rights

- (1) The objectives in this rule 251 —
- (a) apply only to the extent reasonably practicable to a *GEIP* standard; and
 - (b) apply subject to the *system security objective*; and
 - (c) may be explicitly waived by contract.
- (2) The objective of this rule 251 is that —
- (a) if the *ISO control desk* issues one or more *constraint directions*, the effect of those *directions* should be apportioned so that all *generators* assigned lower priority in the table to this rule are *constrained off* before any *generator* assigned a higher priority; and
 - (b) within a tranche in the table, *directions* should so far as practicable be apportioned —
 - (i) in accordance with *GEIP*; and
 - (ii) with a view to sharing the financial and operational impacts of *constraining off* equitably over time.

Table to rule 251

Row	Priority class	Tranche	Constrained off
1	Highest	<i>Generators with legacy rights</i>	Last
2	Middle	<i>Generators with build-out priority rights</i>	Second
3	Lowest	All other <i>generators</i>	First

252 Legacy rights – Reduction or cancellation

- (1) The *ISO* may, on application by any person, reduce or cancel a *legacy right*, to the extent the *ISO* considers appropriate to reflect the extent to which the *legacy user* has, for a sustained period (or, at the time of application, had, for a sustained period) not been utilising the *legacy right*.
- (2) Before making a reduction or cancellation under rule 252(1), the *ISO* must undertake the *standard consultation process*.

253 Legacy rights – Disputes

Without limiting Chapter 13, a determination of, and in connection with, *legacy rights* may be the subject of a rules *dispute*.

254 Limit advice – Covered NSP to provide to the ISO

- (1) A *covered NSP* must develop and give to the *ISO* the following information (“**limit advice**”) for its *covered network* —
 - (a) all necessary *limit* rules in respect of *network limits*; and
 - (b) the rating for each *listed network element*; and
 - (c) if applicable, other *constraint* information for any *facility* or *network element* in its *covered network*.
- (2) A *covered NSP* must, in consultation with the *ISO*, use reasonable endeavours to ensure that the *limit advice* held by the *ISO* is complete, current and accurate.
- (3) The *limit advice* must seek to promote the *system security objective* and must comply with these rules and must be developed and *maintained* in accordance with *GEIP* and the *Pilbara electricity objective*.
- (4) The *limit advice* —
 - (a) may reflect the *NSP’s* network planning criteria;

{Example — In the Pilbara, some *transmission elements* are designed with N-0 redundancy.}
 - and
 - (b) may make provision for *contingencies*, *islanding events* and *pre-contingent actions*; and
 - (c) unless the *network user* agrees otherwise, must preserve a *network user’s legacy rights* and a *network user’s build-out priority rights* in accordance with rule 251; and
 - (d) may take into account any *credible planning criteria interactions* identified under rule 72 {Network planning criteria interactions}.
- (5) To the extent an *NSP* is required when preparing a *limit advice* to determine *legacy priority rights*, and the matters referenced in rule 250(1) are not adequately documented (for example in an *associate arrangement*), the *NSP* is to determine them —
 - (a) acting reasonably in consultation with the *ISO*; and
 - (b) in accordance with *GEIP* and the *Pilbara electricity objective*; and
 - (c) having regard to —
 - (i) the legitimate business interests of the *NSP* and of all *network users* who are *associates* of the *NSP*; and

-
- (ii) the interests of all other *network users*.

255 Limit advice – Must not discriminate

Except as permitted under rule 251, a *limit advice* —

- (a) must not reflect or create any priority or other favourable rights for one *network user* (including an *associate* of the *NSP*) over another *network user*, which are not directly referable to the physical characteristics of *network elements* or of other *facilities* or *equipment*; and
- (b) without limiting rule 255(a), must not treat *network users* differentially by reference to the date of their *network access contract*, the date on which a *connection point* was first energised, or any other first-in-time criterion.

256 Constraint rules – ISO to publish

- (1) The *ISO*, in consultation with the *covered NSPs*, must —
 - (a) develop and *publish* all necessary *constraint rules* for the *covered networks* in the *power system*; and
 - (b) use reasonable endeavours to ensure that *constraint rules* are complete, current and accurate.
- (2) The *constraint rules* must —
 - (a) seek to promote the *system security objective*; and
 - (b) be consistent with these rules; and
 - (c) otherwise be developed in accordance with *GEIP* and the *Pilbara electricity objective*; and
 - (d) to the extent practicable and consistent with rules 256(2)(a), 256(2)(b) and 256(2)(c), be consistent with the relevant *limit advice* and, if necessary, rule 251.
- (3) The *constraint rules* may make provision for *contingencies*, *islanding events* and *pre-contingent actions*.

257 ISO control desk to monitor network constraints

The *ISO control desk* must, to the extent it has *visibility*, monitor the *power system*, to determine whether a *constraint rule* is, or is likely, to be violated.

258 Constraint directions – ISO control desk may issue

- (1) If the *ISO control desk* determines that a *constraint rule* is, or is likely in the near future, to be violated, it may issue a *direction* (“**constraint direction**”) to a *registered controller* at a *connection point*, requiring it to ensure that the energy *injected* into or *withdrawn* from the *power system* at the *connection point* does not exceed the limits specified in the *constraint direction*.

- (2) A *constraint direction* must specify —
 - (a) the *constraint rule* being relied upon; and
 - (b) the part or parts of the network to which the *constraint rule* relates; and
 - (c) the following, determined in accordance with rule 259 —
 - (i) each *connection point* to which the *direction* relates; and
 - (ii) the maximum quantity of the energy which may be *injected* into or *withdrawn* from the *power system* at each *connection point* while the *direction* is in effect.
- (3) A *constraint direction* may —
 - (a) specify the time or period after which, or the conditions under which, the *direction* ceases to have effect — in which case the *direction* is withdrawn when the time passes, or the conditions occur; and
 - (b) specify that it applies until withdrawn by further *notice*.
- (4) So far as practicable consistent with its other obligations under these rules, the *ISO control desk* must endeavour to minimise the extent and duration of *constraint directions*.
- (5) The *ISO control desk* may give more than one *constraint direction* at a time in respect of a *constraint event*.

259 Constraint directions – Priority and apportionment

- (1) The priority and apportionment obligations in this rule 259 apply —
 - (a) only to the extent reasonably practicable to a *GEIP* standard; and
 - (b) only to the extent consistent with maintaining or restoring a *secure system state*.
- (2) In issuing *constraint directions*, the *ISO control desk* must —
 - (a) if a *constraint rule* gives priority to a *generator* — seek to reflect that priority; and
 - (b) otherwise — endeavour to give effect to the objectives in rule 251.

260 Constraint directions – Registered controller must comply

The *registered controller* for a *connection point* named in a *constraint direction* must comply with the *constraint direction*, by ensuring that the quantity of energy *injected* into or *withdrawn* from the *power system* at the *connection point* does not exceed a limit specified in the *constraint direction*.

261 Balancing during constraints – Constrained-off parties must still endeavour to balance

- (1) The *ISO control desk* issuing a *constraint direction* does not relieve any person of its obligations under rule 169 {Obligation to balance}.
- (2) If the *ISO* considers that the *credible* periods and *credible* quantities of energy for which a *registered controller* may be *constrained off* are sufficiently material to justify the intervention, the *ISO* may —

- (a) require the *registered controller* to give it reasonable operational details (but not commercial details) of the arrangements in place to ensure that the relevant persons continue to comply with rule 169 should a *constraint direction* be issued;

{The “relevant persons” referred to in rule 261(2)(a) and 262 will be the network user, nominator and balancing nominees associated with the exit balancing points with whom the constrained-off generator has direct or indirect energy supply arrangements.}

{Example — A gentailer, “Homer Ltd”, generates and injects energy at Port Hedland, and sells energy to “Flanders Ltd” in Karratha. If Homer’s Port Hedland injections are constrained off due to a constraint on the 220 kV line between Port Hedland and Karratha, the “relevant persons” referred to in rule 261(2)(a) and 262 will be whoever is responsible for managing negative imbalances at Flanders’ Karratha balancing point.}

and

- (b) if dissatisfied with those arrangements, *direct* the *registered controller* to procure that satisfactory arrangements are put in place.

262 Balancing during constraints – ISO may constrain off loads to preserve balance if necessary

If the *ISO control desk*, having issued a *constraint direction* to a *generator*, determines that —

- (a) the relevant person or persons are not complying sufficiently with rule 169; and
- (b) the non-compliance might reasonably be expected to jeopardise *the system security objective*,

then the *ISO control desk* may issue a further *constraint direction* to —

- (c) the *controller* of a *consumer facility* which the *generator* is directly or indirectly contracted to supply; or
 - (d) the *registered NSP* of the *network* in which that *consumer facility* is located,
- or both, with a view to managing and minimising the relevant *imbalances*.

263 Network access contracts must reflect constrained access

- (1) It is a term of any *network access contract* for an *entry service* at a *connection point* on a *covered network* entered into after 15 March 2019 that —
 - (a) the *network user's injection* of electricity into the *covered network* at a *connection point*, may be limited by or in accordance with a *constraint direction*; and
 - (b) the *network user* must comply with a *constraint direction* which applies to any of its contracted *connection points*, and if the *network user* is not the *registered controller* at a *connection point*, must procure the *registered controller's* compliance with a *constraint direction*; and
 - (c) the *NSP* may from time to time give the *ISO* a *limit advice*, and may consult with the *ISO*, and make recommendations to the *ISO*, upon *constraint rules*, which may result in a limitation under rule 263(1)(a); and
 - (d) for the purposes of rule 263(1)(a), a *limit advice*, a *constraint rule* and a *constraint direction* may take account of a thing which occurs anywhere in the *power system* before or after the date of the relevant contract, including —
 - (i) a *network access contract* being entered into; and
 - (ii) a change in *generation* or *load*; and
 - (iii) the addition, modification, rerating, disconnection or removal of a *facility* or *network element*; and
 - (iv) an *NSP* giving the *ISO* new or revised *limit advice*; and
 - (v) the *ISO* adopting a new or revised *constraint rule*.
- (2) It is a term of any *network access contract* on a *covered network* entered into after 15 March 2019 that to the extent reasonably necessary for the purposes of performing the *NSP's*, the *ISO's* and the *ISO control desk's* functions under this Subchapter 9.1 —
 - (a) the *NSP* may use, and may disclose to the *ISO*, information about the past and anticipated quantities and patterns of electricity *injection* or *withdrawal* at any *connect point* to which the contract relates; and
 - (b) the *ISO* may reflect this information in *constraint rules*; and
 - (c) the *ISO control desk* may issue *constraint directions* which reflect this information.
- (3) A *covered NSP* and a *network user* must not enter into a *network access contract* which is inconsistent with rule 263(1) or 263(2).
- (4) An *arbitrator* resolving an *access dispute* or *rules dispute* cannot make a determination which is inconsistent with rule 263(1) or 263(2).
- (5) A purported provision of a contract or determination which is inconsistent with rule 263(2) or 263(4) is of no effect.

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- (6) Nothing in rules 258 or 263(1) limits the other interruption or curtailment powers, rights or obligations which may be included in a *network access contract* by agreement or determination.

264 Building out constraints

- (1) A *network access contract* entered into after 15 March 2019 may provide for works to remove or reduce a *network limit* in a *covered network*.
- (2) If a *network user* contributes to the funding of those works (by way of capital contribution, underwriting, increased tariffs, risk allocation or otherwise), then without limiting rule 263(1) —
- (a) the *network access contract* may, to an extent which is reasonable having regard to the nature and scale of the contribution, provide for the *network user* or a *registered controller* to have priority rights of access to the additional *network capacity* which results from the works (“**build-out priority rights**”); and
 - (b) the *limit advice* for the *covered network* may reflect the *build-out priority rights*.

265 Constraint information

- (1) This rule 265’s objective is to provide information in a cost-effective manner, and in as timely a manner as is reasonably practicable and affordable, to *access applicants* and other interested persons to enable them to understand patterns of *network constraint* in *covered networks*.
- (2) The *ISO* must *publish* from time to time information for the *covered networks* in a *power system* which sets out at least —
- (a) the *constraint rules* that apply in the *covered networks*; and
 - (b) each *covered network’s limit rules* and *network constraints*; and
 - (c) reasonable information regarding the frequency, duration and magnitude of *constraint directions* given in the preceding year; and
 - (d) to the extent known to *the ISO* at the time of the report, any information which suggests that the material set out under rules 265(2)(a) or (c) may change in the future, including (subject to Subchapter 11.2 {Confidential information}) information regarding anticipated or proposed —
 - (i) new connections to the *power system*; and
 - (ii) augmentations of the *power system*; and
 - (iii) derating or decommissioning of a *generation facility*, *consumer facility* or a *network element*; and
 - (iv) changes to *network elements*;and

-
- (e) such other information as the *ISO*, in its reasonable opinion and subject to Subchapter 11.2 (Confidential information), considers relevant to implement the objective in rule 265(1).
 - (3) In preparing information under this rule 265, *the ISO* must consult with each *covered NSP*.
 - (4) Each *covered NSP* must do all things reasonably necessary to support *the ISO* in carrying out its obligations under this rule 265, including providing *the ISO* with any information or data that *the ISO* reasonably requires.

266 Constrained access procedure

The *ISO* may develop a *procedure* for the purposes of this Subchapter 9.1, having regard to the *Pilbara electricity objective*.

Subchapter 9.2 – Access and connection

267 Definitions

- (1) In this Subchapter 9.2 —
 - (a) “**new connection**” means any situation in which a person (“**connection applicant**”) seeks a *registered NSP*’s approval regarding —
 - (i) the creation of a new *connection point* on the *registered NSP*’s network; or
 - (ii) in respect of an existing *connection point* — any change in the level of permitted *injection* or *withdrawal* of electricity, or in the technical characteristics of *facilities connected*, or to be *connected*, at the *connection point*,
 - and
 - (b) “**exempt connection**” means a *new connection* which satisfies the requirements set out in the *access and connection procedure* to be exempted from *ISO* supervision under rule 270.

268 ISO’s access and connection function

- (1) The *ISO* has the functions of —
 - (a) supervising the standards being applied by *registered NSPs* for *new connections*; and
 - (b) assisting the *access seeker* and *registered NSP* in connection with the preparation and processing of *access applications* and negotiation of *network access contracts*; and

-
- (c) providing modelling services for the preparation and processing of access applications and negotiation of *network access contracts* and, if applicable, resolution of *access disputes*.

269 Connection standards are NSP's responsibility

A *registered NSP* must not permit a *new connection* to be *energised* unless —

- (a) all *facilities connected*, or to be *connected*, at the *new connection* comply with these rules including the *harmonised technical rules*; and
- (b) the requirements in these rules and the *harmonised technical rules* regarding the approval and *connection* process for a *new connection* have been complied with; and
- (c) if necessary, it has determined and updated its *limit advice*; and
- (d) if necessary, it has consulted with the *ISO* regarding any new or revised *constraint rules*; and
- (e) any requests by the *connection applicant* for one or more exemptions have been managed and assessed in accordance with these rules.

270 ISO supervision of connection standards

- (1) For every *new connection* which is not an *exempt connection*, before the *connection point* is *energised*, the *registered NSP* must give to the *ISO* a notice which —
 - (a) certifies that the *NSP* has diligently complied with rule 269 regarding the *new connection*; and
 - (b) provides all information required by, and otherwise complies with, the *access and connection procedure*.
- (2) The *ISO*, on receipt of a notice under rule 270(1) must assess the *new connection's* impact on *security* and *reliability* and either —
 - (a) certify that the *new connection* may proceed; or
 - (b) notify the *NSP* that the *new connection* cannot proceed.
{In the course of considering a *new connection* application for a major *load*, the *ISO* would consider whether any notice under rule 151 (suspending the generation adequacy mechanism) may need to be withdrawn or modified.}
- (3) In making an assessment under rule 270(2) the *ISO* must have regard to —
 - (a) the *Pilbara electricity objective*; and
 - (b) *GEIP*; and
 - (c) without limiting rule 270(3)(b), and to the extent the *ISO* is made aware of them, the *registered NSP's* existing obligations under *network access contracts* and the existing contractual entitlements of any potentially-affected *network users*, but the fact that the *new connection* may impact how

constraint rules operate for those other *network users* is not a relevant consideration; and

- (d) the possibility of any exemption being granted under these rules.
- (4) If the *ISO* gives the *registered NSP* a notice under rule 270(2)(a), the *NSP* may energise, or approve the *energisation* of, the *new connection*.
- (5) If the *ISO* gives the *registered NSP* a notice under rule 270(2)(b) —
 - (a) the *ISO* and the *NSP*, and if applicable the *connection applicant*, must collaborate to find a solution to address the *ISO's* concerns; and
 - (b) in developing a solution, the parties must have regard to the matters listed in rule 270(3); and
 - (c) the solutions may include a suitable *constraint rule*; and
 - (d) when a solution has been found, the *NSP* may give a revised notice under rule 270(1) and this rule 270 applies afresh to the revised notice.
- (6) The *ISO's* decision to give a notice under rule 270(2)(b) may be the subject of a *rules dispute* or, if applicable, an *access dispute*, brought by the *registered NSP* or the *connection applicant*.
- (7) Except to the extent that the *ISO*, the *registered NSP* or another person has caused or contributed to the cost of a solution under rule 270(5) through conduct which is in breach of these rules or *GEIP*, the cost of the solution is to be met by the *connection applicant*.

271 Modelling in connection with access applications

- (1) If the *registered NSP* requests it, but subject to these rules and the *access and connection procedure*, the *ISO* must undertake system modelling for the *registered NSP* —
 - (a) to assist the *registered NSP* and an *access seeker* in connection with preparation and processing of *access applications* and negotiation of *network access contracts*; and
 - (b) if applicable and if requested by the *arbitrator* of an *access dispute*, to assist the *arbitrator* to resolve the *access dispute*.

272 Facilitation and assistance in connection with access applications

Subject to these rules and the *access and connection procedure*, the *ISO* may confer with, and may make recommendations or provide guidance to, either or both of the *registered NSP* and an *access seeker* in connection with an *access application*.

273 ISO to remain independent

The ISO's activities under rules 271 and 272 are to be undertaken —

- (a) as an independent person, not subject to *direction* or control by, or any duty of loyalty to, any of the *registered NSP*, the *access seeker* or (except as to procedural matters) the *arbitrator*; and
- (b) in accordance with the *Pilbara electricity objective*; and
- (c) with a view to maintaining and improving *security* and *reliability*.

274 ISO to develop procedure

The ISO may develop a *procedure* (“**access and connection procedure**”) in connection with its functions under this Subchapter 9.2.

Chapter 10 – Planning and reporting

Subchapter 10.1 – Long term coordination and planning

275 Application of this Subchapter 10.1

This Subchapter 10.1 applies in respect of every *Pilbara network*, but subject to rule 276.

276 Reporting evolution

- (1) The scope and content of reporting under this Subchapter 10.1 is expected to start with a focus on the *NWIS*, and in particular (but not exclusively) *covered NWIS networks*, and to evolve over time as the *ISO*, *NSPs* and others collaborate to determine what will best meet the *Pilbara electricity objective*, and best balance the advantages and disadvantages of the reporting process.
- (2) *Rules participants'* obligations under this Subchapter 10.1 are to be construed in light of rule 276(1), and in light of any limitations in the information the *ISO* is able to obtain from *NSPs* and others, or to *publish*, including rule 298.

277 Network coordination and planning objectives

- (1) Subject to rule 276, the primary objective of this Subchapter 10.1 is to produce reports which —
 - (a) provide credible, independent information over substantial forecast periods for potential developers of *electricity networks*, *generating works* and *loads* in the Pilbara, with the aim of —
 - (i) promoting efficient use of and investment in; and
 - (ii) facilitating efficient and coordinated development of,
existing, new and *augmented Pilbara networks*; and
 - (b) to facilitate access under the *Access Code* to the services of *covered networks*.
- (2) The secondary objective of this Subchapter 10.1 is to pursue the primary objective in a manner which —
 - (a) so far as reasonably practicable, minimises cost and disruption to *rules participants*; and
 - (b) in connection with an *integrated mining network* — has regard to rule 5, but only until evolution occurs as contemplated by rule 276.

278 Reports are for information only

Reports under this Subchapter 10.1 are for information only, and no person is obliged to implement any recommendations in a report.

{For covered networks, an arbitrator may take the reports into account in assessing whether expenditure is prudent.}

279 ISO to prepare and publish biennial NCP reports

Every 2 years, the *ISO* must prepare and *publish*, in accordance with this Subchapter 10.1 and the *planning and reporting procedure*, the following network coordination and planning reports (“**NCP reports**”) —

- (a) a *transmission development plan* under rule 281; and
- (b) a *Pilbara GenSOO* under rule 282.

280 NCP planning horizon

- (1) The *NCP reports* are to cover a period specified in the *planning and reporting procedure* (“**NCP planning horizon**”).

281 Transmission development plan – NWIS

A *transmission development plan* is to set out, across the *NCP planning horizon* —

- (a) a description of the *NWIS*’s current *covered transmission elements*; and
- (b) a range of credible scenarios for the locations and quantities of electricity supply and demand in *NWIS covered networks* (including locations which the *NWIS* is reasonably capable of servicing if it is suitably *augmented*); and
- (c) for each *covered network* in the *NWIS*, a consolidated summary of the *covered NSP*’s most-recently-published proposed and contemplated *augmentations*; and
- (d) having regard to the supply and demand scenarios developed under rule 281(b) and *augmentation* information published under rule 281(c) —
 - (i) current and projected areas of *network constraint* in the *NWIS covered networks*; and
 - (ii) possible efficient development strategies for extension or expansion of the *NWIS covered networks* including opportunities for co-optimisation of *network* and non-*network* investment, and opportunities for private investment; and
 - (iii) possible opportunities for new, extended or expanded *Pilbara networks* which may *interconnect* with the *NWIS*;

and

-
- (e) any other information required by the *planning and reporting procedure* or which the ISO considers appropriate.

282 Pilbara GenSOO

- (1) A generation statement of opportunity for the Pilbara (“**Pilbara GenSOO**”) is to set out —
 - (a) possible efficient investment opportunities in new or expanded *generation facilities* and (if applicable) *storage works* for supply into the *NWIS covered networks* (including from locations which could supply into the *NWIS* if it is suitably *augmented*) over the *NCP planning horizon*; and
 - (b) the *ISO*’s projections of generator fuel availability, new fuel sources, and renewable and intermittent energy developments over the *NCP reports planning horizon*; and
 - (c) a report on *essential system services* acquired by the *ISO* for the *NWIS* since the last *NCP reports publication date*; and
 - (d) an assessment of the adequacy of system capacity in the *NWIS covered networks* over the *NCP planning horizon*, having regard to the *generation adequacy objective*; and
 - (e) any other information required by the *planning and reporting procedure* or which the *ISO* considers appropriate.

283 Reports to consider broader Pilbara to the extent practicable

- (1) A transmission development plan or a Pilbara GenSOO, or both, may —
 - (a) to the extent reasonably practicable weighing —
 - (i) the advantages contemplated by the objective in rule 276;
 - (ii) against —
 - (A) the disadvantages associated with gathering, analysing and reporting the information; and
 - (B) Subchapter 11.2;
- and
- (b) subject to rule 283(2); and
- (c) in accordance with the *planning and reporting procedure*,

include information of the sort contemplated by rules 281 and 282 respectively, in respect of existing, or potential new, extended or expanded, *non-covered networks* which do not form part of the *NWIS*.

-
- (2) For the first 5 years after the *rules commencement date*, for a *generation facility* which is connected to a *non-covered network* which does not form part of the *NWIS* —
- (a) the *ISO* may require the *controller* of the *generation facility* to give the *ISO* the following information for the purposes of this Chapter 10, namely for each *generating unit* in the *power station* —
- (i) its manufacturer and model; and
 - (ii) its nameplate capacity in MW; and
 - (iii) its fuel type; and
 - (iv) the date it was first commissioned;
- and
- (b) the *ISO* cannot require the *controller* to give it any other information for the purposes of this Chapter 10.

284 Consultation

- (1) The *ISO* must undertake the *standard consultation process* in respect of a *transmission development plan* and a *Pilbara GenSOO*, including seeking submissions on —
- (a) the principal inputs that it proposes to use for the preparation or revision of the *NCP reports*; and
- (b) the principal risks and issues over the *NCP planning horizon* relevant to the matters to be considered under rules 281 and 282.

285 ISO may inform itself as it sees fit

In preparing the *NCP reports*, subject to the *planning and reporting procedure*, the *ISO* may inform itself in any manner it sees fit.

286 Review of this Subchapter 10.1's scope and objective

- (1) From time to time, on the first occasion within 2 years after the *rules commencement date* and thereafter at least once every 5 years, the *ISO* must conduct a review of the processes and reports set out in this Subchapter 10.1 against the objective in rule 276 and the *Pilbara electricity objective*, and *publish* a report on the subject.
- (2) The review must include consultation with *registered NSPs* and public consultation following at least the *expedited consultation process*.
- (3) If the *ISO* recommends any changes to these rules or a *procedure* in the report, it must either submit a *rule change proposal* or initiate a *procedure change process*, as the case may be.

- (4) Nothing in this rule 286 limits a person's right to submit a *rule change proposal* or *procedure change proposal* in respect of a matter relating to this Subchapter 10.1 at any time.

Subchapter 10.2 – Medium term planning

287 Medium Term PASA

- (1) Unless the *planning and reporting procedure* provides otherwise, the *ISO* is not required to undertake or *publish* a projected assessment of system adequacy (PASA) study.
- (2) If the *planning and reporting procedure* provides for the *ISO* to undertake such a study, it may set out —
- (a) the study's planning horizon; and
 - (b) the information which must be provided by *rules participants*, and the timeframes within which it must be provided; and
 - (c) the form and content of any *publication* resulting from the study.
- (3) In conducting the study, subject to the *planning and reporting procedure*, the *ISO* may inform itself in any manner it sees fit.

Subchapter 10.3 – Operational reporting

288 ISO to publish system coordination bulletin from time to time

- (1) For the benefit of other *rules participants* and the public, the *ISO* must periodically, at least once every quarter and more frequently as circumstances require, *publish* a bulletin giving brief information about matters discussed in *system coordination reports* which may impact the operational and commercial decisions of Pilbara electricity market participants.
- (2) Subject to rule 288(3), the report is to include details of —
- (a) the incidence and extent of *constraint directions* issued; and
 - (b) the incidence and extent of *system operations directions* and *pre-contingent direction* issued; and
 - (c) the incidence and extent of non-compliances with *directions*; and
 - (d) the incidence and extent of noteworthy incidents in the *power system* (including *contingencies*, *pre-contingent actions*, shortfalls in *essential system services*, and occasions on which the *power system* was not in a *secure state* or was *outside the technical envelope*), together with, for each such incident —
 - (i) information about the circumstances that caused the incident; and

- (ii) information about the actions that the *ISO* and *registered NSPs* took in response to the incident; and
 - (iii) the results of any post-incident discussion or investigation under Subchapter 7.6.
- (3) The *ISO* must not include in the bulletin any information that cannot be made *public* under Subchapter 11.2 {Confidential information}, or which it considers should not be made *public*.
- (4) The *ISO* is to balance transparency with efficiency and cost effectiveness in determining what to include in the bulletin.

Subchapter 10.4 – Miscellaneous

289 Procedures for Chapter 10

The *ISO* may develop a *procedure* (“**planning and reporting procedure**”) in relation to this Chapter 10.

Chapter 11 – Information

Subchapter 11.1 – Notices, publication and records

290 Publication

- (1) Where the *ISO* is required by these rules to *publish* or release a document or information, then the *ISO* must make that document or information available on the *ISO website*, but must ensure that *confidential information* is only accessible by persons, and to the extent, permitted under these rules.

{*Confidential information* is generally protected under Subchapter 11.2, but these rules do permit it to be disclosed in some circumstances.}

- (2) Where the *Authority* or the *Coordinator* is required by these rules to *publish* or release a document or information, the *Authority* or *Coordinator* must make that document or information available on its web site, but must ensure that *confidential information* is only accessible by persons, and to the extent, permitted under these rules.

291 Authority's subscriber database

- (1) Any person may make a request to the *Authority* to receive all notices *published* by the *Authority* under these *rules* by providing the *Authority* with their —
 - (a) name; and
 - (b) email address.
- (2) Within one month of the *rules commencement date*, the *Authority* must *publish* a notice on its website inviting requests under rule 291(1).
- (3) The *Authority* must establish and maintain a database containing the name and email address of each person who has requested to receive all notices *published* by the *Authority* under these rules under rule 291(1) by —
 - (a) as soon as practicable after receiving a request under rule 291(1) — adding the person's name and email address to the database; and
 - (b) as soon as practicable after receiving a written request from a person to remove their name and email address from the database — removing the person's name and email address from the database; and
 - (c) removing a person's name and email address from the database if the *Authority* reasonably believes that emails sent to the email address are not successfully delivered.

292 Rules participant may combine publications, reports, lists, etc

- (1) If under these rules a *rules participant* is required to provide or *publish* information or a report on any matter or thing, or maintain a list, or issue a notice, or is under any similar obligation, then the *rules participant* may combine or divide any provision,

publication, report, list, notice or other instrument as it sees fit, and may undertake the function or process of preparing and providing it concurrently with any other function or process, with a view to maximising efficiency and minimising duplication.

- (2) Rule 292(1) does not limit the *rules participant's* discretion.

293 Record retention

- (1) The *ISO* must develop and *publish* a list of all information and documents that relate to the *power system* activities that *rules participants* must retain.
- (2) Effective from the date that the *ISO* publishes the list, *rules participants* must retain the specified information for seven years from the date it is created, or such longer period as may be required by law.

Subchapter 11.2 – Confidential information

294 Confidentiality objective

- (1) The primary objective of this Subchapter 11.2 is —
- (a) to preserve the confidentiality of *confidential information* to the greatest extent practicable consistent with —
- (i) persons' performance of their functions under the *Pilbara regime*; and
- (ii) the *Pilbara electricity objective* and any applicable *objective* stated in these rules;
- and
- (b) if a *recipient* receives *confidential information* in connection with the *Pilbara regime*, to ensure that a *recipient* uses it only for —
- (i) the *recipient's* performance of their functions under the *Pilbara regime*; and
- (ii) in accordance with the *Pilbara electricity objective* and any applicable *stated objective*.
- (2) A secondary objective of this Subchapter 11.2 is to achieve the primary objective as quickly, simply, and with as little compliance burden and cost, as practicable.

295 Definitions

In this Subchapter 11.2 —

- (a) “**confidential information**” means, subject to rule 296, information that —
- (i) by its nature is confidential; or
- (ii) is specified to be confidential by the *discloser*;

and

- (b) “**discloser**” means a person who discloses *confidential information* to a *recipient* under the *Pilbara regime*, and includes an *information owner*; and
- (c) “**information owner**”, for an element of *confidential information*, means the person whose confidence would be breached by the element’s disclosure;
{This will often be the person who first discloses confidential information under the Pilbara regime, or the person who owns the *confidential information*.}

and

- (d) “**Pilbara regime**” means Parts 8A and 9B of the Act, Parts 8 and 10 of the Act applying in respect of a *Pilbara network*, these rules and the *PNAC*; and
- (e) “**recipient**” means a person to whom *confidential information* is disclosed under the *Pilbara regime*.

296 Information which is not confidential

The following is not *confidential information* for the purposes of these rules —

- (a) information which is in the public domain or ascertainable from public domain sources; and
- (b) information which came into the *recipient’s* hands by means which did not create a duty of confidentiality under the *Pilbara regime*; and
- (c) information which the *recipient* already possessed at the time it was disclosed to the *recipient* by the *discloser*; and
- (d) information which the *recipient* develops independently.

297 Restriction on use of confidential information

- (1) A *recipient* may use *confidential information* —
 - (a) for the purposes of performing a function under the *Pilbara regime*; and
 - (b) as required or permitted by these rules or the *Pilbara regime*.
- (2) A *recipient* must not use *confidential information* for any other purpose, without the *information owner’s* written consent.

298 Restriction on disclosure of confidential information

Except as permitted under rules 299, 300 and 301, a *recipient* must not disclose *confidential information*.

299 Permitted disclosure – In performance of a function

- (1) A *recipient* may disclose *confidential information* to the extent the *recipient* in good faith determines is reasonably necessary for performing a function under the *Pilbara regime*.
- (2) Rule 303 {Pre-disclosure process} applies to a disclosure under this rule 299.

300 Permitted disclosure – General

- (1) A *recipient* may disclose *confidential information* —
 - (a) with the *information owner's* written consent, in accordance with any conditions in that consent; or
 - (b) on a confidential basis to its legal and other professional advisers; or
 - (c) as required under a written law, the listing rules of the Australian securities exchange or the rules of any other applicable financial market; or
 - (d) to, or as directed by, a court, arbitrator or other tribunal established under a written law, on a confidential basis unless the court, arbitrator or other tribunal directs otherwise; or
 - (e) if —
 - (i) the *recipient* does not disclose any elements of the information that could lead to the identification of the *information owner*; or
 - (ii) the manner in which the *recipient* discloses the information does not identify the *information owner* and could not reasonably be expected to lead to the *information owner* being identified.

{Example — Confidential information may be combined or arranged with other information to prevent the identification of the person to whom the confidential information relates.}
- (2) Rule 303 {Pre-disclosure process} applies to a disclosure under this rule 300.

301 Permitted disclosure – To a governance entity

A *recipient* may disclose *confidential information* on a confidential basis to the ISO, the *Authority*, the Coordinator or the Minister (a “**governance entity**”), and the *governance entity* may use the information, for the purposes of, or in connection with, the *governance entity's* performance of a function under the *Pilbara regime* or another written law.

302 Permitted disclosure – Non-confidential parts of documents

If a document contains both *confidential information* and other information, a *recipient* may disclose the document if —

- (a) the *confidential information* is omitted or obscured; and
- (b) the omission is evident from a mark or note at the place in the document from which the *confidential information* is omitted.

303 Pre-disclosure process

- (1) The process in this rule 303 applies if called for by, and as modified by, a rule in these rules.
- (2) If a *person* (“**intending discloser**”) proposes to disclose *confidential information* (“**proposed disclosure**”) then the person must first have regard to the primary and secondary objectives in rule 294, and consider the balance between —
 - (a) the benefits associated with the *proposed disclosure*; and
 - (b) any likely detriment to the relevant *information owner* or *information owners* from the *proposed disclosure*.
- (3) The *intending discloser*, acting reasonably and in good faith, may abridge or modify the process in this rule 303 having regard to the factors in rule 303(2).
- (4) Subject to rule 303(3), the *intending discloser* must, before making the *proposed disclosure* —
 - (a) notify the *information owner* of the *proposed disclosure*, describing the information proposed to be disclosed and, if practicable, the circumstances of the disclosure; and
 - (b) allow the *information owner* an opportunity to express its views and to request redactions or other changes in order to minimise disclosure of the *confidential information*; and
 - (c) have regard to the *information owner’s* views and requests; and
 - (d) if the *proposed disclosure* is being compelled through a process under a written law or otherwise —
 - (i) make reasonable endeavours (so far as is permitted) to minimise what is disclosed; and
 - (ii) if the *information owner* is able to intervene in the process and seeks to do so, not seek to hinder, or impose unreasonable conditions on, that intervention.

304 Intermediate disclosers

If the *discloser* is not the *information owner*, it must give the *recipient* reasonable information to enable the *recipient* to identify the *information owner*.

305 Protection for disclosure under these rules

{This rule 305 is made under section 120O(2) of the Act.}

- (1) A disclosure or use of confidential or commercially sensitive information which is required or permitted by these rules, is authorised by these rules.
- (2) If the disclosure or use of confidential or commercially sensitive information is authorised by these rules —
 - (a) no civil or criminal liability is incurred in respect of the use or disclosure; and
 - (b) the use or disclosure is not to be regarded as —
 - (i) a breach of any duty of confidentiality or secrecy imposed by law or contract; or
 - (ii) a breach of professional ethics or standards or any principles of conduct applicable to a person's employment; or
 - (iii) unprofessional conduct.

Subchapter 11.3 – ISO's power to request information

306 ISO may request information

- (1) The *ISO* may, for the purposes of performing its functions, request a *rules participant* to give specified information to the *ISO*.
- (2) The request must —
 - (a) be in writing; and
 - (b) specify the information; and
 - (c) specify the occasion or occasions on which, or the frequency at which the information is to be given; and
 - (d) specify the time within which the information is to be given.
- (3) A *rules participant* must comply with a request under this rule 306.

Chapter 12 – Compliance, enforcement and audit

Subchapter 12.1 – Monitoring and enforcement

307 ISO compliance function

- (1) The ISO must monitor *rules participants'* behaviour (including its own) for compliance with the rules and may take enforcement action under this this Subchapter 12.1.

{Because rule 85 requires compliance with *procedures*, the expression “compliance with the rules” includes compliance with the *procedures*.}
- (2) The ISO must endeavour to perform its functions under this Subchapter 12.1 with as little formality and as much expedition as reasonably practicable.

308 Compliance procedure

The ISO is to develop a *procedure* (“**compliance procedure**”) for the purposes of this Subchapter 12.1.

309 Proportionate approach to investigations

- (1) The *compliance procedure* may —
 - (a) specify which non-compliances must be reported to the *ISO*; and
 - (b) specify a tolerance range for a *facility* or *network element*, or a class of either, such that operation which does not comply with these rules but is within the tolerance range, is not a breach of these rules; and
 - (c) provide the circumstances in which self-reported non-compliances are not a breach of these rules, for example if they have been or are being rectified (if capable of rectification) and, where appropriate, steps are in place or planned to reduce the risk of recurrence; and
 - (d) permit the *ISO* to decide, based on specified criteria such as the materiality, frequency, duration and recurrence of non-compliances, whether a breach of these rules should be investigated or merely logged; and
 - (e) for logged breaches, permit the *ISO* to decide the circumstances (for example a further non-compliance) in which a matter should be investigated or otherwise escalated.
- (2) Rule 309(1) does not limit the matters the *compliance procedure* may deal with.

310 Reporting breaches

- (1) Subject to the *compliance procedure*, a *rules participant* must inform the *ISO* in writing if it considers that it has breached the rules, or has reasonable cause to suspect that it may have breached the rules, and must provide details of the breach.

- (2) Subject to the *compliance procedure*, a *rules participant* or other person —
 - (a) may inform the *ISO* in writing, if it considers that another *rules participant* has breached the rules or a *procedure*, and may provide evidence of the breach; and
 - (b) may inform the *Authority* and the *ISO* in writing, if it considers that the *ISO* has breached the rules, and may provide evidence of the breach.
- (3) The *compliance procedure* may specify how and when information provided under rules 310(1) or 310(2) is to be updated.

311 ISO must record and may investigate

If the *ISO* becomes aware of an alleged breach of the rules, then —

- (a) it must record the alleged breach; and
- (b) if required by the *compliance procedure* it must, and otherwise it may, investigate the alleged breach; and
- (c) it may meet with the *rules participant* on one or more occasions to discuss the alleged breach and possible actions to remedy the alleged breach and prevent its recurrence.

312 Investigation and enforcement

- (1) This rule 312 applies if the *compliance procedure* requires the *ISO* to investigate a non-compliance, or the *ISO* elects to do so.
- (2) The *ISO* —
 - (a) must record the results of the investigation; and
 - (b) where it reasonably believes a breach has taken place — may in accordance with the *compliance procedure* issue a warning to the *rules participant* to rectify the alleged breach; and
 - (c) if does so — must record the *rules participant's* response to any such warning.
- (3) The *ISO* may —
 - (a) require information and records from any *rules participant*, which the *rules participant* must provide; and
 - (b) conduct an inspection of any *rules participant's* equipment, and the *rules participant* must allow the *ISO* reasonable access to do so.
- (4) A *rules participant* must —
 - (a) cooperate with an investigation by the *ISO* into an alleged breach; and

-
- (b) not engage in materially false or misleading conduct in connection with an investigation.
- (5) If a *rules participant* fails to comply with rule 312(4), the ISO may appoint a person to investigate the breach and provide a report or such other documentation as the ISO requires, and the ISO may recover the cost of the investigator from the *rules participant*. The *rules participant* must cooperate with and assist the investigator.
- (6) Following the investigation, the ISO must determine either —
- (a) that a breach has occurred, in which case the ISO —
 - (i) must publish a notice identifying the breaching *rules participant* and, subject to rule 316, setting out reasonable details of the breach; and
 - (ii) may *direct* the *rules participant* do or refrain from doing a thing in order to remedy the breach or prevent its recurrence;
 - or
 - (b) that no breach has occurred, in which case the ISO must give notice of that decision —
 - (i) to the *rules participant* that was alleged to have breached; and
 - (ii) to any *rules participant* who notified the ISO of the alleged breach; and
 - (iii) if the *rules participant* that was alleged to have breached is the ISO — to the Minister.

313 Referral of ISO breaches to the Authority

- (1) Any person may refer an alleged rules breach by the ISO to the *Authority*, by *notice* given to the *ISO* and the *Authority*.
- (2) A notice under rule 313(1) may be given at any time, before or after the *ISO* makes a determination under rule 312(6).
- (3) Unless it considers the referral to be frivolous, vexatious or not made in good faith, the *Authority* must investigate a matter referred to it under rule 313(1).
- (4) Rule 312 applies to the *Authority's* investigation under rule 313(3), and references in that rule to the *ISO's* powers and functions in undertaking the investigation are to be read as references to the *Authority's* powers and functions.

314 Review by the Board

A notice under rule 312(6) given by the *ISO*, or by the *Authority* under rule 313(4), may be challenged before the *Electricity Review Board*.

315 Annual and ad hoc reporting

- (1) The ISO must annually provide to the Minister and, subject to rule 316, *publish* a report of, for the preceding year —

-
- (a) all alleged breaches (including its own); and
 - (b) the outcome of each investigation; and
 - (c) any matters referred to the *Authority* under rule 313(1); and
 - (d) any proceedings that have been brought before the *Electricity Review Board* in connection with this rule 307 and the *Electricity Review Board's* findings and final orders in connection with those matters.
- (2) In addition to the annual report under rule 315(1), the ISO may from time *publish* a report on any one or more matters referred to in rule 315(1).

316 Confidentiality of compliance matters

- (1) If the *ISO* determines that a notice under rule 312(6)(a)(i) or a report under rule 307 needs to contain *confidential information*, then —
- (a) it must give the *Coordinator* and the *Authority* an unredacted copy of the notice or *report*; and
 - (b) it may, if it considers it appropriate, identify in the unredacted copy any *confidential information* or any other information which the ISO considers should not be made *public*; and
 - (c) it must *publish* a version of the notice or report which complies with Subchapter 11.2 {Confidential information}; and
 - (d) for the purposes of rule 299 {Permitted disclosure}, it may in the *published* notice or report disclose *confidential information* if, and to the extent, it determines that doing so is necessary or convenient —
 - (i) to achieve effective monitoring and compliance; or
 - (ii) to maintain and improve *security* and *reliability*; or
 - (iii) otherwise to progress the *Pilbara electricity objective*.
- (2) If the *ISO* proposes to disclose *confidential information* in reliance on rule 316(1)(d), it must first comply with rule 303 {Pre-disclosure process}, but —
- (a) it may abridge or suspend the process in rule 303 to the extent it judges necessary or convenient in the circumstances of a breach; and
 - (b) for the purposes of the balancing in section 303(2), it may disregard any detriment to a non-compliant person by way of reputational harm or embarrassment.

317 Authority to support ISO

- (1) The *Authority* must to the extent reasonably requested by the ISO give the *ISO* such information and other assistance as the *ISO* reasonably considers necessary or convenient to facilitate its performance of its function under this Subchapter 12.1.

- (2) Before making a request under rule 317(1), the *ISO* must first have regard to the cost and other burdens on the *Authority* of giving such assistance, and any likely resulting impact on the *Authority fee*.

Subchapter 12.2 – ISO Audit

318 ISO Audit

- (1) The *ISO* must appoint an auditor to undertake an audit, within the time limit required by rule 318(2), of —
- (a) the *ISO*'s internal procedures and business processes' compliance with the rules; and
 - (b) the *ISO*'s compliance with the rules and *procedures*; and
 - (c) the *ISO*'s software systems and processes for software management; and
 - (d) any other matter the *ISO* considers appropriate.
- (2) The first audit is to be conducted no later than 2 years after the *rules commencement date*. In that each subsequent audit report, the auditor, having regard to the findings of its audit, is to recommend a period of no more than 5 years, within which the next audit must be conducted.
- (3) Within 30 *business days* after receiving the auditor's report the *ISO* must *publish* it, and must either —
- (a) accept the report and any recommendations it contains; or
 - (b) publish a separate report setting which of the matters raised in the auditor's report the *ISO* accepts and which it does not accept, and give reasons for that view.

Chapter 13 – Disputes

{The arbitrator has limited discretion under these rules in relation to the disputes as to the ESS contracting process – see rule 200(3).}

{A *rules dispute* which arises in connection with an *access application* or otherwise under the *Access Code*, may also be an *access dispute*. The *complainant* may choose how to approach this.}

Subchapter 13.1 – Administration

319 Meaning of “arbitrator’s determination”

In these rules “**arbitrator’s determination**” means an *expedited determination*, an *interim determination*, or a *final determination*.

320 Authority’s role

- (1) The *Authority's* functions include —
 - (a) establishing a pool of potential *arbitrators*; and
 - (b) in respect of a *dispute notice* — appointing an *arbitrator* and referring the *rules disputes* the subject of the notice to it; and
 - (c) publishing information about *rules disputes* and *arbitrator’s determinations*; and
 - (d) any other function expressly set out in these *rules*.
- (2) The *Authority* has the power to do all things necessary or convenient to be done for or in connection with the performance of its functions.

321 Authority to maintain pool of potential arbitrators

- (1) The *Authority* must —
 - (a) establish and *maintain* a pool of at least 3 commercial arbitrators from which an *arbitrator* may be appointed; and
 - (b) ensure that each *pool member* —
 - (i) is an “Australian legal practitioner” as defined in the *Legal Profession Act 2008*; and
 - (ii) has been admitted to practice in Australian for at least 10 years; and
 - (iii) has practiced primarily in arbitration or litigation; and
 - (iv) is suitably qualified to act as *arbitrator*.

-
- (2) The *Authority* may at any time add a person to, or remove a person from, the pool established under rule 321(1)(a), and in doing so may consult with any person it considers appropriate including a current *pool member*.
 - (3) The *Authority* must *publish* a list of *pool members*, setting out each *pool member's* name, contact details and (where provided by the *pool member*) curriculum vitae.
 - (4) The *Authority* may determine in its discretion from time to time the process for identifying candidates to be *pool members*.
 - (5) The pools created under this rule 321 and under the *Access Code* can be the same.

322 Publication of information

- (1) Within 5 *business days* after it receives the publication version of an *arbitrator's determination* from an arbitrator, the *Authority* must —
 - (a) *publish* the following information —
 - (i) the parties' names; and
 - (ii) the name of the *arbitrator* and, if applicable, the other members of the *arbitral panel*; and
 - (iii) the time elapsed between the *rules dispute* being referred to the *arbitrator* and the making of the *arbitrator's determination*; and
 - (iv) the publication version of the *arbitrator's determination*;and
 - (b) email a copy of, or a hyperlink to, the information under rule 322(1) to each email address listed on the *Authority's subscriber database*.
- (2) At least once a year on a date of its choosing, the *Authority* must —
 - (a) *publish* information about —
 - (i) the number of *dispute notices* lodged; and
 - (ii) in respect of each *dispute notice* — whether it was —
 - (A) withdrawn; or
 - (B) resolved by a *final determination*; or
 - (C) resolved in some other manner;and
 - (b) email a copy of, or a hyperlink to, the information under rule 322(2) to each email address listed on the *Authority's subscriber database*.

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- (3) A good faith disclosure of information by the *Authority* under or purportedly under this rule 322 is a permitted disclosure under rule 299, and rule 303 {Pre-disclosure process} does not apply to it.

323 Confidentiality

- (1) Without limiting the definition of *confidential information*, for the purposes of this Chapter 13 “**confidential information**” includes information that is prepared, filed, lodged, or served on another party, in the course of the *arbitration* and specifically includes the following —
- (a) statements in the nature of pleadings or submissions, and other information supplied to the *arbitrator* by a party to the *rules dispute*; and
 - (b) any information supplied by a party to another party in compliance with a direction of the *arbitrator*; and
 - (c) any evidence (whether documentary or otherwise) supplied to the *arbitrator*; and
 - (d) any notes made by the *arbitrator* of oral evidence or submissions given before the *arbitrator*; and
 - (e) any transcript of oral evidence or submissions given before the *arbitrator*; and
 - (f) any ruling or *arbitrator’s determination* which is not required to be *published* under this Chapter 13; and
 - (g) any other thing declared by the *arbitrator* to be *confidential information* (whether of the *arbitrator’s* own motion or on the request by a party).
- (2) Subject to this this rule 323, a person must comply with Subchapter 11.2 in respect of this Chapter 13.
- (3) The *arbitrator* may give an oral or written order to any person not to disclose specified information that was given to the person in the course of an *arbitration* without the *arbitrator’s* permission.
- (4) An order under rule 323(3), prevails over, and may modify the effect of, Subchapter 11.2 of these rules as it applies in respect of this Chapter 13.
- (5) Without limiting rule 323(4), rule 303 {Pre-disclosure process} applies subject to any order under rule 323(3).

324 Functions

It is a function of each of —

- (a) the *Authority*; and
- (b) a *pool member*; and
- (c) an *arbitrator*; and

- (d) a *panel expert*; and
 - (e) the *ISO*; and
 - (f) an independent expert appointed under rule 356,
- respectively, to do each thing required of them under this Chapter 13.

325 Commercial Arbitration Act does not apply

An *arbitration* under this Chapter 13 is not an arbitration within the meaning of the Commercial Arbitration Act 2012.

Subchapter 13.2 – Commencement and termination

326 Dispute notice

- (1) At any time, a *rules participant* may lodge a *dispute notice* with the *Authority*.
- (2) The *dispute notice* must state —
 - (a) the rule or rules of these *rules* or the *harmonised technical rules* to which the *dispute notice* relates; and
 - (b) the matters (if any) on which agreement has been reached; and
 - (c) each matter that is in dispute and, if the *complainant* proposes that a matter or matters be dealt with as an *expedited matter*, that proposal; and
 - (d) the *complainant's* name and address, and contact details for a contact person; and
 - (e) the name and address of the other party to the *rules dispute*; and
 - (f) the name and address of each other person that the *complainant* reasonably believes may have an interest in being joined as a party to, or otherwise heard in, the *rules dispute*.

327 Notifications following dispute notice

- (1) As soon as practicable, and in any event within 2 *business days* after a *dispute notice* is lodged under rule 326(1), the *complainant* must —
 - (a) serve it on the other party; and
 - (b) give a copy of the notice to the *ISO* and to each person it named under rule 326(2)(f).
- (2) Upon receipt of a *dispute notice* the *Authority* must —
 - (a) *publish* a notice setting out —

- (i) the parties to the *rules dispute*; and
 - (ii) the complainant's contact details;
- and
- (b) email a copy of, or a hyperlink to, the *published* notice to each email address in the *Authority's subscriber database*.

328 Trivial, vexatious etc claims

- (1) Subject to rule 343, at any time, the *arbitrator* may of their own motion or on the application of a party to a *rules dispute* (other than the *complainant*) terminate an *arbitration* without making an *arbitrator's determination* if the *arbitrator* considers that —
 - (a) the *complainant* lodged the *dispute notice* frivolously, vexatiously, prematurely or not in good faith; or
 - (b) before lodging the *dispute notice*, the *complainant* failed to negotiate in good faith regarding the matters now subject to the *dispute notice*; or
 - (c) the subject matter of the *rules dispute* is trivial, misconceived or lacking in substance.
- (2) The *arbitrator* terminates an *arbitration* under rule 328(1) by giving notice of the termination to the parties, the *ISO* and the *Authority*.
- (3) A notice under rule 328(2) —
 - (a) must include the *arbitrator's* reasons for the termination; and
 - (b) takes effect from the later of —
 - (i) the time the parties receive the notice; or
 - (ii) the time (if any) specified in the notice.
- (4) The termination of an *arbitration* under rule 328(2) is final and binding on the parties.
{Rule 365 deals with costs of the *arbitration*.}

329 Withdrawal of a dispute notice

- (1) A *complainant* may withdraw a *dispute notice* at any time before the *arbitrator* makes a *final determination*.
- (2) If a *dispute notice* is withdrawn under this rule 329 —
 - (a) the *arbitration* terminates on the date on which the *dispute notice* is withdrawn; and
{Rule 365 deals with costs of the *arbitration*.}
 - (b) within 5 *business days* after the notice is withdrawn under this rule 329, the *arbitrator* must notify the *Authority* that the *arbitration* has terminated.

330 Mediation

- (1) If a party to an *rules dispute* is not —
- (a) the *ISO*; or
 - (b) a party joined under rule 333(6),

it may request that the *arbitrator direct* some or all of the parties to attend mediation to attempt to resolve some or all of the issues in dispute.

- (2) The *arbitrator* —
- (a) may, of its own motion or at the request of a party, under section 330(1), having regard to the objective in rule 342(1); and
 - (b) must, if two or more parties make a joint request under section 330(1),
- direct any or all of the parties to attend mediation to attempt to resolve some or all of the issues in dispute.
- (3) The *arbitrator's* direction under this rule 330 may set out timeframes and procedures for the mediation.
- (4) Within 2 *business days* after a mediation terminates, the parties which attended mediation must give notice to the *arbitrator* setting out the issues in dispute (if any) which were resolved at mediation.

331 Determination of an expedited matter

- (1) In this rule 331, “**expedited matter**” means a matter (including a discrete matter arising in the course of an *arbitration*) —
- (a) which is capable of being fairly determined within the timeframe set out under this rule 331; and
 - (b) the resolution of which may permit the negotiation or other process to which the matter relates to be further progressed without the parties having to resort to a longer or full-scale dispute process.
- (2) At any time, a *rules participant* may apply to the *arbitrator* for the determination of an *expedited matter* under this rule by giving notice —
- (a) requesting expedited hearing of the matter; and
 - (b) setting out the grounds for why the expedited hearing and resolution of the matter may permit the negotiation or other process to which the matter relates to be further progressed without the parties having to resort to a longer or full-scale dispute process.
- (3) Within 2 *business days* after receiving a notice under rule 331(2), the *arbitrator* must give notice to each other party of the request —
- (a) attaching a copy of the notice under rule 331(2); and

-
- (b) inviting the party to make a submission in response to the notice under rule 331(2) within the timeframe under rule 331(4).
- (4) Within 5 *business days* after receiving a notice under rule 331(3), a party may lodge a submission with the *arbitrator* —
- (a) supporting or opposing the request; and
- (b) giving reasons for its position; and
- (c) whether or not the party supports or opposes the request — setting out the party’s position in relation to the matters under rule 331(7).
- (5) Within 10 *business days* after receiving a notice under 331(3), the *arbitrator* must consider any submissions lodged under rule 331(4) and either —
- (a) if, the *arbitrator* determines that the expedited hearing and resolution of the matter may permit the *access application* or negotiation to which the matter relates to be further progressed without the parties having to resort to a longer or full-scale dispute process — direct that the hearing and determination of an *expedited matter* proceed under rules 331(7) and 331(8); and
- (b) otherwise — direct that the matter continue as a normal *arbitration*.
- (6) Upon making a direction under rule 331(5), the *arbitrator* must immediately give the parties notice of the direction.
- (7) If the *arbitrator* makes a direction under rule 331(5)(a) —
- (a) unless the *arbitrator* directs otherwise, the parties are restricted to —
- (i) one round of written submissions and evidence; and
- (ii) one round of written submissions and evidence in reply,
- which cannot be amended except with the *arbitrator’s* leave; and
- (b) unless the *arbitrator* directs otherwise, any hearing is to be conducted without legal representation (but a party may obtain legal advice in preparing the written submission); and
- (c) the *arbitrator* may elect to dispense with a hearing and determine the matter on the papers; and
- (d) the *arbitrator* is to treat the objective of informality and expedition as paramount; and
- (e) the *arbitrator* must endeavour to determine the *expedited matter* within 10 *business days* after the issue of the notice under rule 331(6); and
- (f) the parties must take all reasonable steps to assist the *arbitrator* to determine the *expedited matter* within 10 *business days* after the issue of the notice under rule 331(6).

{Rule 360 sets out general requirements in respect of an *arbitrator’s* determination.}

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- (8) If in the course of an expedited hearing the *arbitrator* determines that it is not possible to determine the *expedited matter* in the time, or on the materials, available under rule 331(7), the *arbitrator* may do one or more of the following —
- (a) determine the matter as soon as practicable within a longer period not exceeding 20 *business days* after the expedited process is commenced; or
 - (b) direct that the matter cease being expedited, and continue as a normal *arbitration*; or
 - (c) make an *interim determination*.
- (9) An *expedited determination* is binding on the parties.

Subchapter 13.3 – Parties

332 Parties to an arbitration

- (1) The parties to an *arbitration* are —
- (a) the *complainant* and a *rules participant* identified by the *complainant*; and
 - (b) if the *arbitrator* permits a person to be joined as a party under rule 333(6) or *directs* the *ISO* to join under rule 334 — that person or the *ISO*, from the time they are joined.
- (2) A party to an *arbitration* must comply with any direction or order of the *arbitrator*.

333 Consolidation, joinder and other third party participation

- (1) Within 5 *business days* after the *Authority publishes* information under rule 335(7)(c), a person who is not a party may apply to the *arbitrator* to —
- (a) consolidate part or all of the *arbitration* with part or all of another *arbitration* (**‘second arbitration’**) to which the person is a party; or
 - (b) be joined as a party; or
 - (c) be heard in, or participate in, the *arbitration*; or
 - (d) otherwise have their views or interests considered in the *arbitration*.
- (2) An application under rule 333(1) must —
- (a) set out the applicant’s name and address, and contact details for a contact person; and
 - (b) set out the order or orders sought under rule 333(1); and
 - (c) be accompanied by —
 - (i) submissions in support of the application; and

-
- (ii) any evidence in support of the application;
 - and
 - (d) in the case of an application under rule 333(1)(a) — set out the name and address and contact details for —
 - (i) the arbitrator appointed in the *second arbitration*; and
 - (ii) each party to the *second arbitration*.
 - (3) Within 2 *business days* after receipt of an application under rule 333(1), the *arbitrator* must give notice of the application to each party and each person listed under rule 333(2)(d) (if applicable) —
 - (a) enclosing a copy of the application; and
 - (b) inviting submissions and evidence in response to the application within 5 *business days*.
 - (4) Within 5 *business days* after receiving notice under rule 333(3), a person may lodge submissions and evidence in response to an application under rule 333(1).
 - (5) Within 10 *business days* after the *arbitrator* gives notice under rule 333(3), the *arbitrator* may convene a hearing in relation to an application under rule 333(1) and each person who received a notice under rule 333(3) may participate in the hearing.
 - (6) As soon as practicable after receiving an application under rule 333(1) and in any event within 20 *business days* after the *arbitrator* gives notice under rule 333(3), the *arbitrator* must —
 - (a) make such orders (if any) regarding the conduct of the *arbitration* (including the applicant's participation in the *arbitration*) as the *arbitrator* considers appropriate; and
 - (b) give notice of the orders to the parties; and
 - (c) in the case of an application under rule 333(1)(a) — give notice of the orders to each person listed under rule 333(2)(d).
 - (7) In determining an application under rule 333(1), the *arbitrator* must have regard to —
 - (a) the objective in rule 342(1); and
 - (b) any submissions received under rule 333(4); and
 - (c) if the person has applied under rule 333(1)(a) —
 - (i) whether there is a compelling case for the application to be granted; and
 - (ii) the benefits of the application being granted; and
 - (iii) the disadvantages of the application being granted, including —
-

- (A) any delay in determining the *rules dispute* or the *second arbitration*; and
 - (B) any additional cost to the *parties* to the *rules dispute* or the *second arbitration*;
- and
- (iv) whether the request can be addressed by allowing participation in some other form;
- and
- (d) if the person has applied under rule 333(1)(b) to 333(1)(d) —
 - (i) whether there is a compelling case for the application to be granted; and
 - (ii) the benefits of the application to be granted; and
 - (iii) the disadvantages of the application to be granted, including —
 - (A) any delay in determining the *rules dispute*; and
 - (B) any additional cost to the *parties*;
- and
- (iv) whether the person's participation should be limited in any way; and
 - (v) whether the request can be addressed by allowing participation in some other form;
- and
- (e) the extent to which allowing the person's participation in this *rules dispute* may avoid another *rules dispute*, and any resulting efficiencies.
- (8) If an *arbitrator* determines under rule 333(6) that part or all of an *arbitration* is to be consolidated with part or all of another *arbitration*, within 5 *business days* after giving notice under rule 333(6), the two arbitrators must —
 - (a) confer in relation to procedural steps consequent upon the consolidation of the *arbitrations*, including which of them will hear and determine the consolidated *arbitration*;

{Section 342 applies to a consolidated arbitration.}
- and
- (b) If the arbitrators agree on the procedural steps consequent upon the consolidation of the *arbitrations* — give *notice* of the steps to the parties to the consolidated *arbitration*.

- (9) If the arbitrators do not agree on the procedural steps consequent upon the consolidation of the *arbitrations* under rule 333(8) —
- (a) within 1 *business day* after the expiry of the period under rule 333(8) —
 - (i) the *arbitrator* must immediately give notice to the *Authority* to that effect; and
 - (ii) each arbitrator must give notice to the *Authority* of proposed procedural steps consequent upon the consolidation of the *arbitrations* and the *reasons* for the proposed steps;
- and
- (b) within 5 *business days* after the *Authority* receives notice under rule 333(9)(a), the *Authority* must determine the procedural steps consequent upon the consolidation of the *arbitrations* and give notice of them to the parties to the consolidated *arbitration*.
- (10) The *arbitrator* may at any time —
- (a) *direct* a party to provide the *arbitrator* with sufficient information to enable it to identify other persons who might wish to apply under rule 333(1); and
 - (b) notify any person identified by it under rule 333(10)(a) of the *rules dispute* and the parties to the *rules dispute*.
- (11) A party must promptly comply with a direction under rule 333(10)(a).

334 Arbitrator may join the ISO as a party if absolutely necessary

- (1) Subject to this rule 334, the *arbitrator* may, on its own initiative or at a party's request, consider joining the *ISO* as a party.
- (2) Before joining the *ISO* as a party, the *arbitrator* must give notice to each party and the *ISO* —
 - (a) proposing the joinder of the *ISO*; and
 - (b) setting out its *reasons* for the potential joinder; and
 - (c) inviting them to make a submission on the proposal within the timeframe under rule 334(3).
- (3) As soon as practicable, and in any event within 5 *business days*, after receiving the *arbitrator's* notice under rule 334(2), each of the parties and the *ISO* may make a submission to the *arbitrator* —
 - (a) supporting or opposing the proposal; and
 - (b) giving reasons including its views on the matters set out under section rules 334(4) and 334(5).

-
- (4) The *arbitrator* may only join the ISO as a party if —
- (a) having regard to the objective at rule 342(1), and the benefits of preserving the ISO's independence, the *arbitrator* considers it absolutely necessary to join the ISO as a party, to enable the *arbitrator* to properly determine the *rules dispute*; and
 - (b) the *arbitrator* determines that there is no other practicable way in which to obtain the necessary information or assistance, including any combination of requests under rule 351(1), engagement under rule 357(1), and independent experts under rule 356.
- (5) The *arbitrator* cannot join the ISO as a party solely on the ground that an act or omission of the ISO is in dispute.
- (6) Within 10 *business days* after giving notice under rule 334(2), the *arbitrator* —
- (a) may direct the ISO to become a party to an *arbitration*; and
 - (b) must give the parties and the ISO notice of its decision on the joinder of the ISO.
- (7) A direction under rule 334(6) is final and binding on the parties (including the ISO).

Subchapter 13.4 – The arbitrator and the arbitral panel

335 Appointing the arbitrator

- (1) As soon as practicable, and in any event within 5 *business days*, after a *dispute notice* is served, each party must give a notice to the other party —
- (a) nominating two or more *pool members* to determine the *rules dispute*; and
 - (b) attaching a notice from each nominated pool member—
 - (i) confirming the *pool member's* availability to determine the *rules dispute*; and
 - (ii) setting out the *pool member's* indicative schedule of fees; and
 - (iii) disclosing any matters likely to give rise to justifiable doubts as to the *pool member's* impartiality or independence to determine the *rules dispute*.
- (2) Upon receipt of the notice under rule 335(1) the parties must negotiate in good faith with a view to agreeing one or more *pool members* they will jointly nominate to the *Authority* to determine the *rules dispute*.

-
- (3) As soon as practicable, and in any event within 10 *business days*, after a *dispute notice* is served —
- (a) if the parties have agreed the *pool member* to determine the *rules dispute* — the parties must give a joint notice to the *Authority* of the agreed *pool member* and attaching a copy of the *pool member's* notice under rule 335(1)(b); or
 - (b) if the parties have not agreed the *pool member* to determine the *rules dispute*, each party must give a notice to the *Authority* —
 - (i) setting out —
 - (A) the *pool members* the party nominated under rule 335(1); and
 - (B) if applicable, any submissions the party wishes to make about a nominated *pool member*, including regarding any matters disclosed under rule 335(1)(b)(iii);
- and
- (ii) attaching each nominated *pool member's* notice under rule 335(1)(b).
- (4) Subject to rule 335(5), within 2 *business days* after receipt of a notice under rule 335(3)(a), the *Authority* must appoint the *pool member* jointly nominated by the parties to determine the *rules dispute*.
- (5) If the *Authority* considers there to be justifiable doubts as to the impartiality or independence of a *pool member* jointly nominated in a notice under rule 335(3)(a) to determine the dispute —
- (a) it cannot appoint the *pool member* to determine the *rules dispute*; and
 - (b) as soon as practicable, the *Authority* must give the parties notice that it will not appoint the *pool member*; and
 - (c) within 3 *business days* after the issue of notice under rule 335(5)(b), each party must give a notice to the *Authority* setting out the information under rule 335(3)(b); and
 - (d) within 5 *business days* after the issue of notice under rule 335(5)(b), the *Authority* must —
 - (i) have regard to any notices it receives under rule 335(5)(c); and
 - (ii) consider whether there are justifiable doubts as to the impartiality or independence of any *pool member* to determine the *rules dispute*; and
 - (iii) appoint a *pool member* to determine the *rules dispute*.
- (6) If the parties give notice under rule 335(3)(b) or fail to give any notice under rule 335(3) — within 15 *business days* after service of the *dispute notice* under rule 327(1), the *Authority* must —
- (a) where applicable — have regard to any notices under rule 335(3)(b); and

- (b) consider whether there are justifiable doubts as to the impartiality or independence of any *pool member* to determine the *rules dispute*; and
 - (c) appoint a *pool member* to determine the *rules dispute*.
- (7) Within 1 *business day* of appointing a *pool member*, the *Authority* must —
- (a) give a notice to the parties and the selected *pool member* —
 - (i) confirming the appointment of the selected *pool member* as *arbitrator* to determine the *rules dispute*; and
 - (ii) attaching the *dispute notice*; and
 - (iii) referring the *rules dispute* to the *arbitrator* for determination under this Chapter 13;and
 - (b) give notice of the *arbitrator's* contact details to —
 - (i) the *ISO*; and
 - (ii) each person named under rule 326(2)(f);and
 - (c) *publish* the following information —
 - (i) the rule or rules of these *rules* or the *harmonised technical rules* to which the *dispute notice* relates; and
 - (ii) the parties' names; and
 - (iii) the name and contact details of the *arbitrator*; and
 - (iv) the timeframe for a person who is not a party to apply under rule 333(1);and
 - (d) email a copy of, or a hyperlink to, the *published* notice to each email address in the *Authority's subscriber database*.
- (8) Subject to rules 338 and 340, the *Authority's* appointment of an *arbitrator* under this rule 335 is final and binding on the parties.

336 Arbitrator may convene an arbitral panel

- (1) Within 5 *business days* after receipt of a *notice* under rule 335(7), a party may apply to the *arbitrator* to convene an *arbitral panel*, comprising the *arbitrator* and up to two experts, to hear the *rules dispute*.

- (2) An application under rule 336(1) must —
 - (a) set out the party's view on —
 - (i) the expertise required on the *arbitral panel*; and
 - (ii) the number of experts to serve on the *arbitral panel*; and
 - (iii) the identity of the expert or experts to serve on the *arbitral panel*;
and
 - (b) set out the party's submissions in support of the application; and
 - (c) be accompanied by any evidence in support of the application.
- (3) Within 10 *business days* after receipt of a notice under rule 335(7), the *arbitrator* —
 - (a) may of its own motion; and
 - (b) must on receipt of an application under rule 336(1),
give notice to each party —
 - (c) informing it of the proposal that the *rules dispute* be heard by an *arbitral panel*; and
 - (d) in the case of the *arbitrator* proposing of their own motion that an *arbitral panel* hear the *rules dispute* — setting out its *reasons* for the proposal; and
 - (e) in the case of an application under rule 336(1) — attach a copy of the application and all material lodged in support of the application; and
 - (f) inviting a submission on the proposal within the timeframe under rule 336(4).
- (4) As soon as practicable, and in any event within 10 *business days*, after receiving the *arbitrator's* notice under rule 336(3), each party may make a submission to the *arbitrator* —
 - (a) supporting or opposing the proposal, and giving reasons for its position; and
 - (b) setting out the party's views on —
 - (i) the expertise required on the *arbitral panel*; and
 - (ii) the number of experts to serve on the *arbitral panel*; and
 - (iii) the identity of the expert or experts to serve on the *arbitral panel*.
- (5) Within 15 *business days* after giving notice under rule 336(3), the *arbitrator* must —
 - (a) consider any submissions provided under rule 336(4); and

-
- (b) if the *arbitrator* considers it appropriate that the *rules dispute* be heard by an *arbitral panel* —
- (i) obtain, from each person it proposes as an expert member, a notice —
- (A) confirming their availability to hear the *rules dispute*; and
- (B) disclosing any matters likely to give rise to justifiable doubts as to their impartiality or independence to hear the *rules dispute*; and
- (C) attaching the proposed expert member's current curriculum vitae;
- and
- (ii) give a notice to the parties —
- (A) setting out —
1. the identity of any proposed expert members; and
 2. the relevance of the proposed expert member's expertise to the *rules dispute*; and
 3. the fee each expert member will charge for the engagement or the manner in which that fee will be determined;
- and
- (B) attaching each notice under rule 336(5)(b)(i); and
- (C) inviting the parties to may make submissions in response to the notice within the period under rule 336(6).
- (6) Within 5 *business days* after receipt of the notice under rule 336(5)(b)(ii), a party may lodge submissions in response to the notice.
- (7) The *arbitrator* must only appoint a proposed expert member to an *arbitral panel* if —
- (a) the *arbitrator* considers that the person has professional expertise or experience that will assist the *arbitrator* to determine the *rules dispute* efficiently and in accordance with the *Pilbara electricity objective*; and
- (b) the *arbitrator* is satisfied that there are no justifiable doubts as to the person's impartiality or independence to hear the *rules dispute*.
- (8) Within 10 *business days* after issuing the notice under rule 336(5)(b)(ii), the *arbitrator* must —
- (a) consider any submissions provided under rule 336(6) and either —
- (i) decide to hear the *rules dispute* as a single *arbitrator*; or
 - (ii) decide to convene and chair an *arbitral panel*;

and

- (b) in the case of a decision to convene an *arbitral panel* — give notice to each proposed expert member appointed to the *arbitral panel* of their appointment; and
 - (c) give notice to the parties of the *arbitrator's* decision and (if applicable) the names of any *panel expert* appointed to hear the *rules dispute*.
- (9) The *arbitrator's* decisions to convene an *arbitral panel* and appoint expert members are final and binding on the parties.

337 Operation of the arbitral panel

- (1) If a *rules dispute* is to be heard by an *arbitral panel*, it is to be determined by the *arbitrator* in the same manner as though the *arbitrator* is sitting as an *arbitrator* alone, except that the *arbitrator* must —
- (a) consider how the expertise of each *panel expert* could assist the *arbitrator* to determine a matter in the dispute; and
 - (b) to the extent it determines that the expertise of a *panel expert* could assist, seek that person's views on the matter and have regard to those views in determining the dispute.
- (2) The *arbitrator* is to chair the *arbitral panel* and may determine its procedures.

338 Impartiality and independence of arbitral panel member

- (1) In this rule 338, “**arbitral panel member**” means, collectively —
- (a) an *arbitrator* hearing a dispute as a single arbitrator or as chair of an *arbitral panel*; and
 - (b) a *panel expert* appointed under rule 336(8)(b).
- (2) An *arbitral panel member* must promptly disclose to the parties any circumstance likely to give rise to justifiable doubts as to the member's impartiality or independence, which the member has not previously disclosed to the parties.
- (3) Subject to rules 338(4) and 338(5), if a party becomes aware that circumstances exist that give rise to justifiable doubts as to an *arbitral panel member's* impartiality or independence, it must within 3 *business days* after becoming aware of those circumstances give notice to the *arbitrator* and the other parties —
- (a) challenging the *arbitral panel member's* impartiality or independence; and
 - (b) setting out the circumstances that give rise to justifiable doubts as to the *arbitral panel member's* impartiality or independence.
- (4) If a party was aware of circumstances that give rise to justifiable doubts as to an *arbitral panel member's* impartiality or independence before their appointment as an *arbitral panel member* — the party cannot give notice under rule 338(3) in respect of those circumstances.

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- (5) In this rule 338, there are justifiable doubts as to the impartiality or independence of an *arbitral panel member* only if there is a real danger of bias on the part of the person in hearing or determining the *arbitration* (as the case may be).
- (6) Within 5 *business days* after receipt of a notice under rule 338(3), a party may give notice to the *arbitrator* and the other parties stating whether the party —
- (a) supports the challenge; or
 - (b) does not support the challenge.
- (7) Within 10 *business days* after the *arbitrator* receives a notice under rule 338(3), the *arbitral panel member* the subject of the notice —
- (a) must give notice of their withdrawal from office if all the other parties give notices supporting the challenge; and
 - (b) otherwise — may give notice of their withdraw from office.
- (8) A notice of withdrawal under rule 338(7) must be given to —
- (a) in the case of the withdrawal of a *panel expert* — the *arbitrator* and the parties; and
 - (b) in the case of the withdrawal of the *arbitrator* — the *Authority* and the parties.
- (9) An *arbitral panel member's* appointment in respect of a *rules dispute* terminates immediately upon them giving notice under rule 338(7).
- {Rule 339 deals with change of *panel expert* and rule 340 deals with change of *arbitrator*.}
- (10) If an *arbitral panel member* does not withdraw from office under rule 338(7)(b) —
- (a) within 10 *business days* after the *arbitrator* receives a notice under rule 338(3) — the *arbitral panel member* must prepare *reasons* for the decision to not withdraw from office and (in the case of a *panel expert* provide a copy to the *arbitrator*); and
 - (b) within a further 2 *business days* — the *arbitrator* must give the parties notice that the *arbitrator* rejects the challenge and give the parties a copy of the *reasons* under rule 338(10)(a).
- (11) If the *arbitrator* rejects a challenge under rule 338(10)(b), the challenging party may, within 10 *business days* after receiving notice of the rejection, request the Chair of Resolution Institute ACN — 008 651 232 (or, if Resolution Institute no longer exists or refuses the request — the President of the Law Society of Western Australia) to decide on the challenge.
- (12) A decision on a request under rule 338(11) is final.
- (13) While a request under rule 338(11) is pending, the *arbitrator* cannot progress the course of the *arbitration* and cannot make an *arbitrator's determination*.
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339 Change of panel expert

- (1) If for any reason a *panel expert* abandons the hearing of a *rules dispute* or is unable to continue hearing the *rules dispute*, the *panel expert* or any party may give notice to the other parties and the *arbitrator* —
 - (a) requesting that a new *panel expert* be appointed; and
 - (b) setting out the basis for the request.
- (2) Within 5 *business days* after receiving a notice under rule 339(1), the *panel expert* and each party may make a submission to the *arbitrator* —
 - (a) supporting or opposing the request; and
 - (b) giving reasons for its position.
- (3) Within 5 *business days* after expiry of the time for the lodgement of a submission under rule 339(2), the *arbitrator* must give notice to the *panel expert* and the parties of its decision whether to terminate the appointment of the *panel expert* and appoint a new *panel expert*.
- (4) Where the *arbitrator* receives a notice under rule 338(8)(a) or decides to appoint a new *panel expert* under rule 339(3) — the *arbitrator* and the parties must follow the process in rule 336(5)(b) to 336(8) to appoint a new *panel expert*.
- (5) Where a new *panel expert* is appointed in place of a previous *panel expert* —
 - (a) the *arbitrator* may, having regard to the objective at rule 342(1), order the proceeding to be reheard —
 - (i) in full, in which case all evidence heard by the previous *arbitral panel* is to be disregarded by the *arbitrator* unless resubmitted or retendered; or
 - (ii) in part, in which case any evidence heard by the *arbitral panel* during the parts of the *arbitration* which are reheard is to be disregarded by the *arbitrator* unless resubmitted or retendered;
 - and
 - (b) if no order is made under rule 339(5)(a), then the *arbitration* is to continue as though the new *panel expert* had been present from the commencement of the *arbitration*.

340 Change of arbitrator

- (1) If for any reason the *arbitrator* —
 - (a) does not make a *final determination* within the time provided for under rule 362(3) (as extended, if applicable); or
 - (b) abandons the *arbitration*; or
 - (c) is unable to continue the *arbitration*,

then the *arbitrator* or any party may give notice to the other parties and the *Authority* —

- (d) requesting that a new *arbitrator* to be appointed; and
 - (e) setting out the basis for the request.
- (2) Within 5 *business days* after receiving notice under rule 340(1), the *arbitrator* and each party may make a submission to the *Authority* —
- (a) supporting or opposing the request; and
 - (b) giving reasons for its position.
- (3) Where the *Authority* receives a notice under rule 340(1)(a)
- (a) within 5 *business days* after expiry of the time for the lodgement of a submission under rule 340(2), the *Authority* must —
 - (i) decide whether to allow further time (not exceeding 2 months) for the *arbitrator* to make a *final determination*; and
 - (ii) give notice of its decision to the *arbitrator* and the parties;and
 - (b) if the *Authority* does not allow further time under rule 340(3)(a), it must follow terminate the appointment of the *arbitrator* and follow the process in rule 335 to appoint a new *arbitrator*, for which purpose time is to be calculated from the date of the notice as if it were a *dispute notice*; and
 - (c) if the existing *arbitrator* makes a *final determination* before a new *arbitrator* is appointed, then the notice under rule 340(1) lapses and the *Authority* cannot appoint a new *arbitrator*.
- (4) If —
- (a) the *Authority* decides under rule 340(3)(a) to allow further time for an *arbitrator* to make a *final determination*; and
 - (b) the *Authority* considers in its absolute discretion that the *arbitrator* is unable to make a *final determination* within the extended time period,
- the *Authority* must give notice to the *arbitrator* and the parties terminating the appointment of the *arbitrator* and follow the process in rule 335 to appoint a new *arbitrator*, for which purpose time is to be calculated from the date of the notice as if it were a *dispute notice*.
- (5) Where the *Authority* receives a notice under rule 340(1)(b) or 340(1)(c) —within 5 *business days* after expiry of the time for the lodgement of a submission under rule 340(2), the *Authority* must —
- (a) decide whether to terminate the *arbitrator's* appointment and appoint a new *arbitrator*, and

-
- (b) give notice of its decision to the *arbitrator* and the parties.
 - (6) An *arbitrator's* appointment in respect of a *rules dispute* terminates immediately upon the *Authority* giving notice under rule 340(5).
 - (7) Where an *arbitrator* gives a notice of withdrawal under rule 338(7) or an *arbitrator's* appointment is terminated — the *Authority* must follow the process in rule 335 to appoint a new *arbitrator*, for which purpose time is to be calculated from the date of the notice as if it were a *dispute notice*.

341 Effect of appointment of new arbitrator on evidence previously given and awards and determinations previously made

- (1) Where a new *arbitrator* is appointed in place of a previous *arbitrator* —
 - (a) the new *arbitrator* may, having regard to the objective at rule 342(1), order the *dispute* to be re-heard —
 - (i) in full, in which case all evidence heard by the previous *arbitrator* is to be disregarded by the new *arbitrator* unless resubmitted or retendered; or
 - (ii) in part, in which case any evidence heard by the previous *arbitrator* during the parts of the arbitration which are re-heard is to be disregarded by the new *arbitrator* unless resubmitted or retendered;and
 - (b) if no order is made under rule 341(1)(a), then the *arbitration* is to continue as though the new *arbitrator* had been present from the commencement of the arbitration; and
 - (c) if an order is made under rule 341(1)(a)(ii), then —
 - (i) the *arbitration* is to continue as though the new *arbitrator* had been present during the *earlier arbitration*; and
 - (ii) the new *arbitrator* is to treat any evidence given, document produced or thing done in the course of the *earlier arbitration* in the same manner in all respects as if it had been given, produced or done in the course of the *arbitration* conducted by the new *arbitrator*;and
 - (d) any *interim determination* made in the course of the *earlier arbitration* is to be taken to have been made by the new *arbitrator*; and
 - (e) the new *arbitrator* may adopt and act on any *determination* of a matter made in the course of the *earlier arbitration* without applying the new arbitrator's own judgment to the matter.
- (2) In rule 341(1), “**earlier arbitration**” means the *arbitration* or parts of the *arbitration* which the new *arbitrator* does not order to be re-heard under rule 341(1)(a)(ii).

Subchapter 13.5 – Procedure

342 Expedition, informality and efficiency

- (1) The *arbitrator* must resolve *rules disputes* with as little formality and technicality, and as much expedition and efficiency, as the requirements of this Chapter 13, and a proper hearing and determination of the *rules dispute*, permit.
- (2) The parties must do all things necessary for the proper and expeditious conduct of the *arbitration*, and must not seek to delay or frustrate proceedings.
- (3) Without limiting rule 342(1) but subject to rule 343, the *arbitrator* —
 - (a) is not bound by technicalities, legal forms or rules of evidence; and
 - (b) may determine such procedures for the *arbitration*, and conduct the *arbitration* in such manner, as it considers appropriate from time to time.

343 Natural justice

The *arbitrator* must afford the parties natural justice.

344 Arbitrator's procedural powers

- (1) The *arbitrator* may do any of the following things for the purpose of determining a *rules dispute* —
 - (a) may from time to time — give directions and make orders regulating the conduct of, and regulating the conduct of a party or third party in relation to, the *rules dispute* including orders directed towards achieving the objective in rule 342(1); and
 - (b) make an *interim determination* under rule 361; and
 - (c) hear and determine the *arbitration* in the absence of a party who has been given notice of the hearing; and
 - (d) refer matters for determination as an “access dispute” under the *Access Code*.
- (2) Subject to the timeframes expressly set out in this Chapter 13 and rule 344(4), the *arbitrator* may determine the periods that are reasonably necessary for the fair and adequate presentation of the respective cases of the parties in the *arbitration* hearing, and may require that the cases be presented within those periods.
- (3) The *arbitrator* may require evidence or argument to be presented in writing, and may decide the matters (if any) on which the *arbitrator* will hear oral evidence or argument, and the matters (if any) on which a party may put forward expert evidence.
- (4) Subject to rule 344(5), an *arbitrator* may, upon application by a party or of its own motion, extend a deadline applying under this Chapter 13 to —
 - (a) a party; or

- (b) a third party; or
- (c) the *ISO*; or
- (d) the *arbitrator*, or
- (e) a *panel expert*,

by a reasonable period and on more than one occasion, but only if, and to the extent that a longer period of time is essential for due consideration of all the matters under consideration.

- (5) In deciding whether to extend any deadline under rule 344(4), the *arbitrator* must have regard to —
 - (a) rule 342; and
 - (b) whether there is a compelling case for extending the deadline; and
 - (c) the benefits and disadvantages of extending the deadline.

345 Precedent

- (1) A party may request the *arbitrator* to take into account a precedent set by a previous *final determination*.
- (2) If a party makes a request under rule 345(1) —
 - (a) the *arbitrator* must consider the extent to which the precedent is relevant to the current *rules dispute*; and
 - (b) to the extent the *arbitrator* considers the precedent relevant, it must take the precedent into account when making the current *arbitrator's determination*; and
 - (c) the *arbitrator* may decide to not follow a relevant precedent, but —
 - (i) if so, must with its *final determination* give reasons for not following the precedent; and
 - (ii) before making the decision, must have regard to the desirability of promoting predictability in regulatory outcomes.

346 Programming

- (1) As soon as practicable, and in any event within 10 *business days* after receipt of the notice under rule 335(7)(a), the parties must confer on a proposed timetable of steps to determine the *rules dispute*.
- (2) Within 10 *business days* after receipt of the notice under rule 335(7)(a), each party must either —

-
- (a) if the *parties* have agreed a proposed timetable of steps to determine the *rules dispute* — ensure that the agreed proposed timetable is lodged with the *arbitrator*, or
 - (b) otherwise — lodge with the *arbitrator* —
 - (i) its proposed timetable of steps to determine the *rules dispute*; and
 - (ii) its submissions in support of its proposed timetable.
- (3) The *arbitrator* may convene a hearing for the purposes of this rule 346.
 - (4) Within 15 *business days* after the issue of the notice under rule 335(7)(a), the *arbitrator* must —
 - (a) determine the procedures and timetable of steps for the *arbitration* of the *rules dispute*; and
 - (b) notify the parties of the determination.
 - (5) The *arbitrator* may from time to time in its discretion amend the procedures and timetable of steps under rule 346(4).

347 Hearing to be in private

- (1) Unless the parties to a *rules dispute* agree otherwise, the *rules dispute* must be heard by the *arbitrator* in private.
- (2) The *arbitrator* may give written directions as to the persons who may be present at a dispute hearing that is conducted in private.
- (3) In giving *directions* under rule 347(2), the *arbitrator* must have regard to the wishes of the parties and the need for commercial confidentiality.

348 Contempt

A person must not do any act or thing in relation to the *arbitration* of a *rules dispute* that would be a contempt of court if the *arbitrator* were a court of record.

Subchapter 13.6 – Evidence and experts

349 Arbitrator may inform itself as it sees fit

- (1) Subject to rule 343, the *arbitrator* may gather information about any matter relevant to the *rules dispute* in any way the *arbitrator* thinks appropriate, including by seeking (by whatever means the *arbitrator* considers appropriate) written submissions from persons who are not parties.
- (2) If a person (including a party) provides information to the *arbitrator* pursuant to rule 349(1) which is *confidential information* of that person, it must at the time of providing that information to the *arbitrator* make a submission to the *arbitrator* —

-
- (a) identifying the *confidential information*; and
 - (b) stating whether the person consents to or objects to the information being provided to the other parties; and
 - (c) if the person objects to the information being provided to the other parties — setting out a proposal for dealing with the information so that the *arbitrator* may provide it to the parties, which proposal may include redacting material or the *arbitrator* making an order under rule 323(3).
- (3) If a person (including a party) provides information to the *arbitrator* pursuant to rule 349(1) which is *confidential information* of another person who is the *information owner* for the *confidential information*, it must at the time of providing that information to the *arbitrator* give a *notice* to the *information owner* and the *arbitrator* —
- (a) identifying any material which the person believes is *confidential information* of the *information owner*; and
 - (b) providing current contact details for the *information owner* and the *arbitrator*.
- (4) Nothing in rule 349(3) authorises a person to provide an *information owner's confidential information* to a party or to any other person.
- (5) Within 5 *business days* after an *information owner* receives a notice under rule 349(3), it may make a submission to the *arbitrator* —
- (a) identifying information which is *confidential information*; and
 - (b) stating whether it consents to or objects to the *confidential information* being provided to the parties; and
 - (c) if it objects to the *confidential information* being provided to the parties — setting out a proposal for dealing with the material so that the *arbitrator* may provide it to the parties, which proposal may include redacting *confidential information* or the *arbitrator* making a direction under rule 323(3).
- (6) To the extent necessary to comply with the rules of natural justice, the *arbitrator* may, having regard to submissions received under rule 349(2) or rule 349(5), disclose to the parties information it gathers under rule 349(1) —
- (a) in such form as the *arbitrator* determines; and
 - (b) subject to such conditions or directions as the *arbitrator* determines.

350 Submissions

The *arbitrator* —

- (1) must have regard to a submission from a party received within the time allowed for the submission (whether under these *rules* or under a direction by the *arbitrator*); and
- (2) without limiting rule 350(1) may have regard to any other submission.

351 Arbitrator may obtain information from Authority or ISO

- (1) Without limiting rule 350(1), the *arbitrator* may request the *Authority* or the *ISO* (called the “**relevant agency**” in this rule 351) to give the *arbitrator* any information in the *relevant agency’s* possession that is relevant to the *rules dispute*.
- (2) If the *arbitrator* issues a request under rule 351(1) —
 - (a) the *relevant agency* must give the *arbitrator* any information requested, whether or not it is *confidential information* and whether or not it came into the *relevant agency’s* possession for the purposes of the *arbitration*; and
 - (b) if the *relevant agency* gives the *arbitrator confidential information*, it must identify to the *arbitrator* the nature and extent of the confidentiality or commercially sensitivity and, subject to rule 351(2)(c), the *arbitrator* is to treat the information accordingly; and
 - (c) to the extent necessary to comply with the rules of natural justice, the *arbitrator* may disclose to the parties any information provided by the *relevant agency* whether or not it is *confidential information*, but may make an order under rule 323(3) in respect of such information.

352 Power to take evidence on oath or affirmation, issue summons

- (1) The *arbitrator* may take evidence on oath or affirmation and for that purpose may administer an oath or affirmation.
- (2) The *arbitrator* may summon a person to appear before the *arbitrator* to give evidence and to produce such documents (if any) as are referred to in the summons.
- (3) The powers contained in rules 352(1) and 352(2) may only be exercised for the purposes of arbitrating a *rules dispute*.

353 Failing to attend as a witness, answer questions, etc

- (1) A person who is served with a summons to appear as a witness before the *arbitrator* must not, without reasonable excuse —
 - (a) fail to attend as required by the summons; or
 - (b) fail to appear and report herself or himself from day to day unless excused, or released from further attendance, by the *arbitrator*.
- (2) A person appearing as a witness before the *arbitrator* must not, without reasonable excuse —
 - (a) refuse or fail to be sworn or to make an affirmation; or
 - (b) refuse or fail to answer a question that the *arbitrator* directs the person to answer; or
 - (c) refuse or fail to produce a document that a summons served on the person requires the person to produce.

-
- (3) Subject to section 353(4), the determination as to what is a reasonable excuse for the purposes of this rule 353 is solely in the *arbitrator's* discretion.
 - (4) It is a reasonable excuse for the purposes of rule 353(2) for an individual to refuse or fail to answer a question or produce a document if the *arbitrator* determines that the answer or the production of the document might tend to incriminate the individual or to expose the individual to a penalty.
 - (5) Rule 353(4) does not limit what is a reasonable excuse for the purposes of rule 353(2).

354 Intimidation etc

- (1) A person must not —
 - (a) threaten, intimidate or coerce another person; or
 - (b) cause or procure damage, loss or disadvantage to another person,
because that other person —
 - (c) proposes to produce, or has produced, documents to the *arbitrator*, or
 - (d) proposes to appear, or has appeared, as a witness before the *arbitrator*.

355 Documents and evidence

- (1) If documents are produced to an *arbitrator*, the *arbitrator* may take possession of, make copies of, and take extracts from, the documents and may keep the documents for as long as is necessary for the purposes of the *arbitration*.
- (2) Subject to rule 323 and rule 349, all statements, documents or other information supplied to the *arbitrator* by a party must be supplied to the other parties at the same time.
- (3) Subject to rule 323 and rule 349, any expert report or evidentiary document on which the *arbitrator* may rely in making its decision must be communicated to the parties.

356 Procedure if arbitrator appoints expert

- (1) The *arbitrator* may refer any matter to an independent expert under this rule 356.
- (2) Before appointing an independent expert, the *arbitrator* must —
 - (a) obtain from the proposed independent expert —
 - (i) a current curriculum vitae; and
 - (ii) a written statement —
 - (A) confirming their availability to act as independent expert in relation to the *rules dispute*; and

-
- (B) disclosing any matters likely to give rise to justifiable doubts as to its impartiality or independence to act as an independent expert in relation to the *rules dispute*;
- and
- (b) notify the parties of —
- (i) the *arbitrator's* intention to appoint an independent expert; and
 - (ii) the *arbitrator's reasons* for appointing an independent expert; and
 - (iii) the proposed independent expert; and
 - (iv) the amount the independent expert will charge or the manner in which that amount will be determined;
- and
- (c) provide the parties with a copy of the curriculum vitae and the statement under rule 356(2)(a); and
- (d) obtain the parties' consent to the maximum amount that may be charged by the independent expert in connection with the reference.
- (3) A party must not unreasonably withhold its consent under rule 356(2)(b)(i).
- (4) Once the *arbitrator* has obtained the parties' consent under section 356(2)(d), the *arbitrator* may —
- (a) appoint the independent expert and
 - (b) accept the independent expert's written or oral report as evidence in the *arbitration*.
- (5) The *arbitrator* must only appoint an independent expert if the *arbitrator* is satisfied that there are no justifiable doubts as to the person's impartiality or independence in relation to the *rules dispute*.
- (6) Unless otherwise agreed by the parties, the *arbitrator* may require a party to give the independent expert any relevant information or to produce, or to provide access to, any relevant documents or places for the expert's inspection.
- {Rule 323 deals with confidentiality.}
- (7) The *arbitrator* may, of their own motion, or on the application of a party, direct the independent expert to participate in a hearing where the *parties* have the opportunity to —
- (a) put questions to the expert; and
 - (b) if the *arbitrator* so permits — present expert witnesses in order to testify on the points at issue.
- (8) An independent expert must comply with a direction under section 356(7).
-

357 Arbitrator may engage the ISO's assistance

- (1) At any time, a party may request that the *arbitrator*, or the *arbitrator* may on the *arbitrator's* own motion, engage the *ISO* to —
 - (a) present a report to the *arbitrator* in relation to a matter in the *access dispute*; or
 - (b) appear as a witness in the *arbitration*; or
 - (c) otherwise provide information to the *arbitrator* relevant to a matter in the *access dispute*; or
 - (d) undertake modelling or other analyses as reasonably necessary to assist in any of the above,and the *ISO* must accept the engagement.
- (2) Subject to rule 357(3), before engaging the *ISO* under rule 357(1), the *arbitrator* must —
 - (a) notify the parties and the *ISO* of —
 - (i) the proposed scope of the engagement; and
 - (ii) the *reasons* for proposing the engagement;and
 - (b) specify a time by which a party or the *ISO* may make a written submission in response to the proposal.
- (3) If a party has made a request under rule 357(1), the *arbitrator* must issue the notice under rule 357(2) within 2 *business days* after receipt of the request.
- (4) Within 15 *business days* after issuing the notice under rule 357(2), the *arbitrator* must, after considering any submissions provided on the proposal under rule 357(2) —
 - (a) decide whether to engage the *ISO* for any of the purposes under rule 357(1)(a) to 357(1)(d), in a manner consistent with the objective in rule 342(1) and accept the *ISO's* written or oral report as evidence in the *arbitration*; and
 - (b) give notice to the *ISO* and the parties of its decision.
- (5) The *arbitrator* may consult with the *ISO* before and after engaging it under rule 357(1), including as to the content and timing of the engagement and the manner in which the *ISO* may undertake the engagement.
- (6) The *arbitrator* may from time to time, after consulting with the parties and the *ISO*, revise or withdraw an engagement under rule 357(1).
- (7) If the *arbitrator*, of its own motion or at a party's request, so directs, after the *ISO* has delivered its report on any matter referred to it under rule 357(1), the *ISO* must attend at a hearing where each party has the opportunity to put questions to it and, if the

arbitrator so permits, present expert witnesses in order to testify on the points at issue.

Subchapter 13.7 – Determinations

358 Factors the arbitrator must take into account

When making an *arbitrator's determination*, the *arbitrator* must take the following matters into account, to the extent applicable —

- (a) the *Pilbara electricity objective*; and
- (b) the operational and technical requirements necessary for the safe, *secure* and *reliable* operation of the *power system*; and
- (c) the interests of all users of the *power system*; and
- (d) any other matters the *arbitrator* considers relevant.

359 Determinations which may be made

- (1) An *interim determination* or a *final determination* may deal with any matter the subject of the *rules dispute*.
- (2) Without limiting rule 359(1), an *interim determination* or a *final determination* may —
 - (a) require a party to the *rules dispute* to do all or any of the following —
 - (i) to take specified action; and
 - (ii) to cease or refrain from taking specified action; and
 - (iii) to pay a monetary amount to another party to the *rules dispute*;and
 - (b) grant any other form of relief that may be appropriate in the circumstances; and
 - (c) fix the time for compliance with the *arbitrator's determination*.

360 General requirements for determinations

{Rule 361 sets out specific requirements in respect of an *interim determination*.
Rule 362 sets out specific requirements in respect of a *final determination*.}

- (1) An *arbitrator's determination* must —
 - (a) be in writing, dated and signed by the *arbitrator*, and
 - (b) identify the parties and the place where the *arbitrator's determination* is made; and

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- (c) specify the time and day on which it takes effect; and
 - (d) include *reasons* for the decision set out in the *arbitrator's determination*; and
 - (e) set out any matters the subject of the *arbitrator's determination* which —
 - (i) were in dispute but were agreed by the parties; and
 - (ii) remained in dispute between the parties;and
 - (f) set out how the *arbitrator* took into account the matters in rule 358 in making the *arbitrator's determination*;
- (2) Within 2 *business days* after making an *arbitrator's determination*, the *arbitrator* must communicate the *arbitrator's determination* to the parties and the *Authority*.
 - (3) An *arbitrator's determination* takes effect from the time and date specified under rule 360(1)(c), and if no time or date is specified, from the time it is received by the *Authority*.

361 Interim determinations

{Rule 360 sets out general requirements in respect of an *arbitrator's determination*.}

- (1) An *interim determination* may deal with any matter which may be dealt with in a *final determination*.
- (2) Subject to a *final determination* and any order of the *arbitrator* to the contrary, an *interim determination* is binding on the parties.

362 Final determinations

{Rule 360 sets out general requirements in respect of an *arbitrator's determination*.}

- (1) Subject to rules 362(4) to 362(5), the *arbitrator* must, as soon as possible make a *final determination*.
- (2) If an *arbitrator* makes an *interim determination*, the *final determination* must provide for adjustments to reflect any differences between the *interim determination* and the *final determination* in respect of the period prior to the *final determination* taking effect.
- (3) Subject to rule 362(4), the *arbitrator* must make the *final determination* within 7 months after the date on which notice was given under rule 335(7)(a).
- (4) The *arbitrator* may, of their own motion or on the joint application of the parties, extend the time period under rule 362(3) by up to 90 *business days* if the *arbitrator* considers that an extension is necessary in order to determine the *rules dispute*.
- (5) When calculating a timeframe under rule 362(3) or 362(4), the following time periods must be excluded to the extent applicable —

-
- (a) **{arbitral panel}** the time between the issue of a notice under rule 336(3) and the issue of notice under rule 336(8)(b); and
- (b) **{other parties joining or otherwise participating}** the time between the issue of a notice under rule 333(3) and the issue of a notice under rule 333(6)(b); and
- (c) **{joinder of ISO}** the time between the issue of a notice under rule 334(2) and the issue of a notice under rule 334(6)(b); and
- (d) **{impartiality and independence}** the time between the issue of a notice under rule 338(3) and the last to occur of —
- (i) the issue of a notice under rule 338(7)(b); and
 - (ii) the issue of a notice under rule 338(10)(b); and
 - (iii) a decision under rule 338(11);
- and
- (e) **{change of panel expert}** the time between the issue of a notice under rule 339(1) and either —
- (i) the *arbitrator* giving notice of their decision under rule 339(3) to not terminate the appointment of the *panel expert*; or
 - (ii) the appointment of a new panel expert under rule 339(4);
- and
- (f) **{change of arbitrator}** the time between the issue of a notice under rule 340(1) and either —
- (i) the *Authority* giving notice under rule 340(3)(a); or
 - (ii) the appointment of a new *arbitrator* under rule 340(3)(b), 340(4) or 340(7);
- and
- (g) **{mediation}** the time between a referral to mediation under rule 330(2) and the notice under rule 330(4); and
- (h) **{expedited determination}** the time between an application under rule 331(3) and the direction under rule 331(5); and
- (i) **{independent expert}** the time between the issue of a notice under rule 356(2)(b) and the appointment of an independent expert under rule 356(4); and
- (j) **{engaging the ISO}** the time between the issue of a notice under rule 357(2) and a decision under rule 357(4).

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- (6) Within 20 *business days* of making a *final determination*, the *arbitrator* must give the parties a notice —
- (a) inviting each party to make a submission on the *arbitrator's* proposed publication version of the documents under rule 362(6)(b) within the timeframe under rule 362(7); and
 - (b) attaching the *arbitrator's* proposed publication versions of the *final determination* from which the *arbitrator* has redacted *confidential information* to the extent it considers reasonably necessary to protect the parties' legitimate business interests.
- (7) Within 10 *business days* after receiving notice under rule 362(6), a party may make a submission to the *arbitrator* regarding the proposed publication versions of the documents under rule 362(6)(b).
- (8) The *arbitrator* must take into account any submissions made under rule 362(7), and may make further redactions or remove redactions in respect of the proposed publication version of the documents under rule 362(6)(b).
- (9) Within 20 *business days* after giving notice under rule 362(6), the *arbitrator* must give to the *Authority* a final publication version of the *final determination* for publication under rule 322(1)(a)(iv).

363 Determination is binding

Subject to rule 364, each of an *interim determination* and a *final determination* is binding upon the parties.

364 Correction of errors

- (1) Within 10 *business days* after the *arbitrator* provides an *arbitrator's determination* to the parties, it may, on its own initiative or at the request of a party, give notice to the parties and to the *Authority* —
- (a) proposing to correct the *arbitrator's determination* or any accompanying instrument (including *reasons*) to remedy —
 - (i) a clerical mistake; or
 - (ii) an accidental slip or omission or an error arising therefrom; or
 - (iii) a material miscalculation of figures or a material mistake in the description of any person, thing or matter; or
 - (iv) a defect in form;
- and
- (b) inviting the parties and the *Authority* to make a submission on the proposal within the timeframe under rule 364(2)

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- (2) Within 5 *business days* after receipt of a notice under rule 364(1), the parties and the *Authority* may make a submission to the *arbitrator* on the *arbitrator's* proposal to correct the *arbitrator's determination* or any accompanying instrument.
 - (3) Within 10 *business days* after giving notice under rule 364(1), the *arbitrator* may make a correction under rule 364(1), having regard to each submission received under rule 364(2).
 - (4) In the case of *publishing* a correction to an *arbitrator's determination* —
 - (a) rules 362(6)(b), 362(7), 362(8) and 322(1)(a)(iv) apply with appropriate modifications; and
 - (b) the *arbitrator* may reduce the timeframes set out under those rules.

Subchapter 13.8 – Costs and appeal

365 Costs

- (1) This rule 365 applies even if —
 - (a) a *complainant* withdraws a dispute notice under rule 329; or
 - (b) an *arbitration* has terminated by way of *final determination* or otherwise.
- (2) Subject to rule 365(3), the parties must —
 - (a) bear their own costs of *arbitration*; and
 - (b) each pay an equal share of the following costs of the *arbitration* —
 - (i) the fees and expenses of the *arbitrator* and *arbitral panel*; and
 - (ii) the costs of room hire; and
 - (iii) the cost of any additional input agreed by the parties to be necessary to the conduct of the *arbitration*; and
 - (iv) the cost of an independent expert appointed under rule 356.
- (3) At the time of, or within 30 *business days* after —
 - (a) the *arbitrator* terminates an *arbitration* under rule 328(2); or
 - (b) a complainant withdraws a *dispute notice* under rule 329; or
 - (c) the *arbitrator* makes the *final determination*,

the *arbitrator* may direct a party to pay part or all of another party's costs of the *arbitration* or to pay part or all of the costs referred to in rule 365(2)(b), taking into account —

-
- (d) if applicable —
- (i) the *reasons* for terminating the arbitration under rule 328(2); and
 - (ii) the circumstances of the *complainant* withdrawing a *dispute notice* under rule 329;
- and
- (e) whether a party has conducted itself in the *arbitration* in a way that unnecessarily disadvantaged another party by conduct such as —
- (i) failing to comply with an order or direction of the *arbitrator* without reasonable excuse; or
 - (ii) failing to comply with the Act, these *rules* or the *Access Code*; or
 - (iii) requesting an extension of time without a reasonable basis; or
 - (iv) causing an adjournment; or
 - (v) attempting to deceive another party or the *arbitrator*;
- and
- (f) whether a party has been responsible for unreasonably prolonging the time taken to progress or complete the *arbitration*; and
- (g) in the case of a party other than a party specified in rule 326 — the role of the party in the *rules dispute* and the *arbitration*; and
- (h) any agreement between any or all of the parties in respect of costs; and
- (i) any other matter the *arbitrator* considers relevant.
- (4) Costs payable under this rule are a debt due by the party to the *arbitrator*, or the person to whom the *arbitrator* has ordered that they be paid.

366 Appeal to Court

- (1) A party may appeal a *final determination* to the *Supreme Court*, on a question of law.
- (2) An appeal must be instituted —
- (a) not later than one month after the day on which the *final determination* is *published* under rule 322(1) or within such further period as the *Supreme Court* (whether before or after the end of that period) allows; and
 - (b) in accordance with the applicable rules of the *Supreme Court* (if any).
- (3) The parties to an appeal under this rule are the parties to the *arbitration* in respect of which the appeal is instituted.
- (4) Within 2 *business days* after instituting an appeal, the party appealing the *final determination* must give notice to the *Authority* of the appeal.

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- (5) On the determination of an appeal under this section the *Supreme Court* may by order —
 - (a) confirm the *final determination*; or
 - (b) vary the *final determination*; or
 - (c) remit the *final determination*, together with the *Supreme Court's* opinion on the question of law which was the subject of the appeal, to the *arbitrator* for reconsideration; or
 - (d) set aside the *final determination* in whole or in part.
 - (6) The *Supreme Court* cannot exercise its power to set aside a *final determination*, in whole or in part, unless it is satisfied that it would be inappropriate to remit the matters in question to the *arbitrator* for reconsideration.
 - (7) Where the *final determination* is remitted under rule 366(5)(c), the *arbitrator* must, unless the order otherwise directs, make the remitted *final determination* within 2 months after the date of the order.
 - (8) Where the *final determination* of an *arbitrator* is varied on an appeal under this rule, the *final determination* as varied has effect (except for the purposes of this rule) as if it were a *final determination* of the *arbitrator*.
 - (9) Within 5 *business days* after the *Supreme Court* makes an order under rule 366(5), the *arbitrator* must give notice of the order to the *Authority*.

Subchapter 13.9 – Enforcement of this Chapter 13

367 Supreme Court may make orders

- (1) For the purposes of this section, a person is a “**person in default**” in relation to proceedings before an *arbitrator* if the person breaches a provision of this Chapter 13.
- (2) Unless otherwise agreed by the parties, the *Supreme Court* may, on the application of a party or the *arbitrator*, order a *person in default* to do any or all of the following —
 - (a) retrieve, destroy or otherwise deal with information disclosed in breach of rule 323(2) or 323(3); and
 - (b) attend the *Supreme Court* to be examined as a witness; and
 - (c) produce a relevant document to the *Supreme Court*; and
 - (d) comply with a provision of this Chapter 13.
- (3) A party may only make an application to the *Supreme Court* under rule 367(2) with the permission of the *arbitrator*.

- (4) The *Supreme Court* cannot make an order under rule 367(2) in relation to a person who is not a party unless —
 - (a) before the order is made, the person is given an opportunity to make representations to the *Supreme Court*; and
 - (b) the *Supreme Court* is satisfied that it is reasonable in all the circumstances to make the order.
- (5) A person cannot be compelled under an order made under rule 367(2) to answer any question or produce any document which the person could not be compelled to answer or produce in a proceeding before the *Supreme Court*.
- (6) If the *Supreme Court* makes an order under rule 367(2), it may in addition make orders for the transmission to the *arbitrator* of any of the following —
 - (a) a record of any evidence given under the order; and
 - (b) any document produced under the order or a copy of any such document; and
 - (c) any order made by the *Supreme Court*.
- (7) Any evidence, document or thing transmitted under rule 367(6) is taken to have been given, produced or done (as the case requires) in the course of the *rules dispute*.
- (8) If the *Authority* or an *arbitrator* fails to meet an obligation under a timeframe specified in this Chapter 13 —
 - (a) they are not the *person in default* as defined in rule 367(1) by reason only of the failure; and
 - (b) the failure does not affect the validity of the *arbitration* or the *arbitrator's determination*.

Chapter 14 – Miscellaneous

Subchapter 14.1 – Consultation

368 Consultation

- (1) If these rules require a *decision* maker to deal with a proposal in accordance with the *standard consultation process* or the *expedited consultation process*, the *decision* maker must proceed in accordance with Appendix 1.
- (2) A *decision* maker must —
 - (a) conduct any consultation processes required by these rules in good faith; and
 - (b) ensure that those consultation processes allow a reasonable opportunity for relevant stakeholders to present their views.

Subchapter 14.2 – Monitoring the regime’s effectiveness

369 ISO to monitor and report on the Pilbara networks regime’s effectiveness

- (1) The *ISO* is to collect and analyse data, and *publish* a report within a time limit required by rule 369(2), regarding the operation and effectiveness of —
 - (a) the *interconnected Pilbara networks*; and
 - (b) the regulatory arrangements established for *Pilbara networks* under Part 8A of the Act (including the *Access Code* and these rules),

in maintaining and improving *security* and *reliability* and the *Pilbara electricity objective*.
- (2) The first report is to be published no later than 2 years after the *rules commencement date*. In that each subsequent report, the *ISO*, having regard to the findings of the report, is to recommend a period of no more than 5 years, within which the next report must be *published*.
- (3) The *ISO* may develop a *procedure* in connection with its function under rule 369(1).
- (4) Where the *ISO* considers that it is necessary or desirable for the performance of its functions under these rules, it may collect additional information from *rules participants* or the *Coordinator* as follows —
 - (a) the *ISO* may issue a notice to a *rules participant* or the *Coordinator* requiring it to provide specified data by a reasonable date; and
 - (b) the *rules participant* or the *Coordinator* must comply with the notice.
- (5) It is a function of the *Authority*, to the extent reasonably requested by the *ISO*, to give the *ISO* such information and other assistance as the *ISO* reasonably considers

-
- necessary or convenient to facilitate the *ISO's* performance of its function under rule 369(1).
- (6) Before making a request under rule 369(5), the *ISO* must first have regard to the cost and other burdens on the *Authority* of giving such assistance, and any likely resulting impact on the *Authority fee*.
- (7) If the *ISO* determines that a report under this rule 369 needs to contain *confidential information*, then —
- (a) it must give the Minister an unredacted copy of the *report*; and
 - (b) it may, if it considers it appropriate, identify in the unredacted copy any *confidential information* or any other information which the *ISO* considers should not be made *public*; and
 - (c) it must *publish* a version of the report which complies with Subchapter 11.2 {Confidential information}; and
 - (d) for the purposes of rule 299 {Permitted disclosure}, it may in the *published* report disclose *confidential information* but only if, and only to the extent, it determines that doing so is necessary to —
 - (i) achieve the objectives of this rule 369; or
 - (ii) otherwise progress the *Pilbara electricity objective*.
- (8) If the *ISO* proposes to disclose *confidential information* in reliance on rule 369(7)(d), it must first comply with rule 303 {Pre-disclosure process}.

Subchapter 14.3 – Reviewable decisions

370 Reviewable decisions

- (1) Decisions by the *Coordinator*, the *ISO* or the *Authority*, as applicable, made under the following rules are “**reviewable decisions**” —
- (a) a decision by the *ISO* under rule 57 {Exemptions from these rules}; and
 - (b) a decision by the *ISO* under rule 93 {Requirement to register}; and
 - (c) a decision by the *ISO* under rule 152(3) {Removing generation adequacy exemption for non-covered networks}; and
 - (d) a decision by the *ISO* under rule 160(4) {Generation adequacy enforcement}; and
 - (e) a decision by the *ISO* to disclose *confidential information* under rule 197(7)(d) {Reporting on investigations}; and
 - (f) a decision by the *ISO* under rule 256(2)(d), applying rule 251 {Legacy priority rights in constrained access}; and

- (g) a decision by the *ISO* to disclose *confidential information* under rule 316(1)(d) {Reporting on non-compliances}; and
 - (h) a decision listed as a *reviewable decision* in clause A2.17 of Appendix 2; and
 - (i) a decision by the *ISO* to modify or withdraw legacy arrangements under Appendix 3 {HTR legacy arrangements}.
- (2) In accordance with the *regulations*, a *rules participant* may apply to the *Electricity Review Board* for a review of *reviewable decisions* or a decision made under clauses subject to *procedural review*.

Subchapter 14.4 – Transition

371 Transitional rules appear in Appendix 4

Appendix 4 {Transition} has effect.

Appendix 1 – Standard and expedited consultation processes

{The timings in this Appendix 1 can be displaced by timings in the rule or procedure which refers to it – see clause A1.2.}

Introduction

- A1.1 If these rules require a *decision* maker to deal with a proposal in accordance with the *standard consultation process* or the *expedited consultation process*, the *decision* maker must proceed in accordance with this Appendix 1.
- A1.2 The timings in this Appendix 1 apply, unless the *rule* or *procedure* which refers to this Appendix 1 provides otherwise

Expedited consultation process

- A1.3 If required to proceed in accordance with the ***expedited consultation process***, the *decision* maker must proceed as follows —
- (a) the *decision* maker must, after such consultation (if any) as the *decision* maker considers appropriate (and any revision of the *proposal* that results from that consultation), make a ***draft decision***;
 - (b) the *decision* maker must then publish, on its website and in any other way the *decision* maker considers appropriate —
 - (i) the *draft decision*; and
 - (ii) a notice inviting written submissions and comments on the *draft decision*, within a period (at least 15 *business days*) stated in the notice;
- and
- (c) the *decision* maker must, within 20 *business days* after the end of the period allowed for making submissions and comments on the *draft decision*, consider all submissions and comments made within the time allowed (and may consider any other material including any late submission) and make its ***final decision***.

Standard consultation process

- A1.4 If required to proceed in accordance with the ***standard consultation process***, the *decision* maker must proceed as follows —
- (a) Issues paper — the *decision* maker may produce and *publish* an issues paper examining the issues relating to the proposal.
 - (b) First round public submissions —
 - (i) The *decision* maker must *publish* an invitation for submissions on the proposal.
 - (ii) The *decision* maker must specify in its invitation for submissions under clause A1.4(b)(i) the length of time it will allow for the making of submissions on a proposal in accordance with clause A1.4(b)(iv).

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- (iii) A person may make a submission on a proposal within the period of time specified by the *decision* maker.
 - (iv) The time specified by the *decision* maker for the making of submissions must be at least 10 *business days* after any issues paper was *published* under clause A1.4(a).
- (c) Draft *decision* by the *decision* maker —
- (i) Subject to clause A1.6, the *decision* maker must consider any submissions made on the proposal.
 - (ii) The *decision* maker may make a **draft decision** if, in the opinion of the *decision* maker the circumstances warrant the making of a draft *decision*.
 - (iii) If the *decision* maker determines that a draft *decision* is warranted, the *decision* maker must *publish* the draft *decision* within 2 months after the due date for submissions under clause A1.4(b)(ii).
- (d) Second round public submissions (if applicable) —
- (i) Clauses A1.4(d)(ii) to A1.4(d)(v) apply only if the *decision* maker makes a draft *decision* under clause A1.4(c)(ii).
 - (ii) The *decision* maker must *publish* an invitation for submissions on the draft *decision* at the time it *publishes* the draft *decision*.
 - (iii) A *decision* maker must specify in its invitation for submissions under clause A1.4(d)(ii) the length of time it will allow for the making of submissions on the proposal in accordance with clause A1.4(d)(v).
 - (iv) A person may make a submission on the draft *decision* to the *decision* maker within the period of time specified by the *decision* maker.
 - (v) The time specified by the *decision* maker for the making of submissions on the draft *decision* must be at least 10 *business days* after the draft *decision* is *published*.
- (e) Final *decision* by *decision* maker —
- (i) Subject to clause A1.6, the *decision* maker must consider any submissions and make a **final decision** in relation to the proposal.
 - (ii) The time for the *decision* maker to make and *publish* its final *decision* is —
 - (A) where a draft *decision* has been made, within 30 *business days* after the due date for submissions under clause A1.4(d)(iii); or
 - (B) otherwise within 2 months after the due date for submissions under clause A1.4(b)(ii).

Publication of submissions

- A1.5 Subject to clause A1.8 and A1.9, the *decision* maker must *publish* all submissions made under this Appendix 1.

Late submissions

A1.6 The *decision* maker may, but does not have to, consider any submission made after the time for making that submission has expired.

Additional consultation

A1.7 The *decision* maker may undertake additional consultation at any point during the process if required.

Confidential information

A1.8 If the *decision maker* determines that a draft *decision*, final *decision* or any other material it may *publish* needs to contain *confidential information*, then —

- (a) it must in *publishing* the *decision* or material comply with Subchapter 11.2 {Confidential information}; and
- (b) for the purposes of rule 299 {Permitted disclosure}, it may in the *published decision* or material disclose *confidential information* but only if, and only to the extent, it determines that doing so is necessary to —
 - (i) achieve the purpose for which the *decision* in question was required; or
 - (ii) otherwise progress the Pilbara electricity objective.

A1.9 If the *decision maker* proposes to disclose *confidential information* in reliance on clause A1.8(b), it must first comply with rule 303 {Pre-disclosure process}.

Vexatious etc submissions may be disregarded

A1.10 Without otherwise limiting a *decision* maker's discretion, a *decision* maker may disregard all or any part of a submission which the *decision* maker reasonably determines to be frivolous, vexatious or not made in good faith.

When final decision takes effect

A1.11 Subject to these rules, a *decision* made in accordance with this rule takes effect on the date provided for its commencement under the terms of the *decision* or, if no date is so provided, 10 business days after the date of the *decision*.

Extension of deadlines

A1.12 The *decision* maker may on one or more occasions extend any time limit specified in this Appendix 1 for a period determined by the *decision* maker if, and only to the extent that, the *decision* maker first reasonably determines that —

- (a) a longer period of time is essential for due consideration of all matters under consideration or satisfactory performance of its obligations under these *rules*, or both; and
- (b) the *decision* maker has taken all reasonable steps to fully utilise the times and processes provided for in this Appendix 1.

A1.13 The *decision* maker must not exercise the power in clause A1.12 to extend a time limit unless, before the day on which the time would otherwise have expired, it *publishes* notice of, and *reasons* for, its *decision* to extend the time limit.

Appendix 2 – Rule and procedure change

{Note on clause numbering — The rule change and procedure change regimes described in this Appendix and in the *WEM* Rules are similar but not identical. To help the reader find comparable clauses in the two regimes, this Appendix uses similar numbering.}

Sub-appendix 2.1 – Rule and procedure change governance

Coordinator's rule and procedure change functions

A2.2D.1 The functions conferred on the Coordinator are to —

- (a) [blank]
- (b) [blank]
- (c) develop *procedures*, and amendments to and replacements for them, as required by these rules;
- (d) do anything that the Coordinator determines to be conducive or incidental to the performance of the functions set out in this clause A2.2D.1;
- (e) [blank]
- (f) administer these rules;
- (g) develop amendments to these rules and replacements for them;
- (h) consider and, in consultation with the *Pilbara advisory committee*, progress the evolution and development of the regime under Part 8A of the Act and these rules;
- (i) provide *PAC secretariat* services to the *Pilbara advisory committee* and support its *Independent Chair*;
- (j) undertake reviews and consultation as required under these rules; and
- (k) carry out any other functions conferred, and perform any other obligations imposed, on the Coordinator under these rules.

The Pilbara advisory committee (PAC) is formed

A2.3.1. The *Pilbara advisory committee* is a committee of industry representatives convened by the Coordinator —

- (a) to advise the Coordinator regarding *rule change proposals* and, if applicable under clause A2.10.6A, *procedure change proposals*;
- (b) to advise *custodians* regarding *procedure change proposals*;
- (c) to advise the Coordinator, the *ISO* and the *Authority* on the development of *rule change proposals* where requested by the Coordinator, the *ISO* or the *Authority* in accordance with clauses A2.5.1A or A2.5.1B or A2.5.1C;

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- (d) to advise the Coordinator regarding matters concerning, and the Coordinator's plans for, the evolution and development of the regime under Part 8A of the Act and these rules; and
 - (e) [not used].

How the PAC makes decisions

- A2.3.1A. The *Pilbara advisory committee* is a non-voting committee.
- A2.3.1B. The *Pilbara advisory committee* must endeavour where practicable to reach a consensus position on any issue before it.
- A2.3.1C. If, after allowing a reasonable time for discussion, the *Independent Chair* determines that a consensus position either will not be achieved, or is unlikely to be achieved within a time which is reasonable in the circumstances, then the *Independent Chair* must provide advice to the Coordinator which reflects any majority view, and which includes or is accompanied by the dissenting views.

Coordinator to develop PAC governing documents

- A2.3.A2. The Coordinator must develop, *publish* and *maintain* a constitution for the *Pilbara advisory committee* detailing matters including —
 - (a) the process for convening the *Pilbara advisory committee*;
 - (b) the terms of reference of the *Pilbara advisory committee*;
 - (c) the membership terms of *Pilbara advisory committee* members;
 - (d) the process for appointing and replacing *Pilbara advisory committee* members by the Coordinator;
 - (e) the conduct of *Pilbara advisory committee* meetings, including wholly or partially remotely by electronic means;
 - (f) the role of the *PAC secretariat* in respect of the *Pilbara advisory committee*;
 - (g) the interaction between the *Pilbara advisory committee* and the Coordinator, the *ISO*, the *Authority* and *NSPs*;
 - (h) the ability of the *Pilbara advisory committee* to delegate any of its roles to a *working group*; and
 - (i) the governance arrangements to apply between the *Pilbara advisory committee* and any *working groups*; and
 - (j) such other matters as the *Coordinator* considers necessary or convenient.
- A2.3.3. The constitution of the *Pilbara advisory committee* must be consistent with the rules.
- A2.3.4. The Coordinator must invite public submissions when developing or amending the constitution of the *Pilbara advisory committee*.

Who is to be members of the PAC

- A2.3.5. Subject to clause A2.3.13, the *Pilbara advisory committee* must comprise —
- (a) at least 1 and not more than 6 members representing *rules participants* not listed in the following paragraphs;
 - (b) at least one independent member nominated by the Minister to represent the interests of *contestable customers*;
 - (c) for each *registered NSP*, a member to represent the NSP;
 - (d) for each *excluded NSP*, if the *NSP* so chooses, a member to represent the *NSP*;
 - (e) at least one independent member nominated by the Minister to represent the interests of small-use customers;
 - (f) [blank]
 - (g) a member to represent the *ISO*;
 - (h) [blank]
 - (i) an *Independent Chair*, to be appointed by the Minister under clause A2.3.8A.
- A2.3.5A. [Blank]
- A2.3.5B. The same *entity* cannot be represented by more than one member on the *Pilbara advisory committee* simultaneously.
- A2.3.5C. Candidates for appointment under clause A2.3.5(c), (d) and (g) must be proposed to the Coordinator by the *entity* the candidate is to represent.
- A2.3.6. The Minister may appoint a representative to attend *Pilbara advisory committee* meetings as an observer.
- A2.3.7. The *Authority* may appoint a representative to attend *Pilbara advisory committee* meetings as an observer.
- A2.3.7A. The Coordinator or the *Independent Chair* of the *Pilbara advisory committee* may invite a person to attend *Pilbara advisory committee* meetings as an observer, either for a specified meeting or meetings or until further notice.
- A2.3.8. The Coordinator may, after consulting with the *Independent Chair*, appoint members of the *Pilbara advisory committee*. In the case of members to be appointed under clause A2.3.5(c), (d) or (g), the Coordinator cannot appoint a person who has not been proposed to the Coordinator under rule A2.3.5C by the *entity* the candidate is to represent.

PAC to have an Independent Chair

- A2.3.8A. The Minister must appoint a person to be the independent Chair of the *Pilbara advisory committee*, who in the opinion of the Minister —
- (a) is free from any business or other relationship that could materially interfere with the independent exercise of the *Independent Chair's* judgment; and
 - (b) has the skills and experience necessary to carry out the responsibilities and functions of the *Independent Chair* of the *Pilbara advisory committee*.

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- A2.3.8B. The Independent *Chair* will be appointed for a term of three years, with the possibility of one three-year extension.
- A2.3.8C. The Minister may remove an *Independent Chair* at any time in the following circumstances —
- (a) the person becomes an undischarged bankrupt; or
 - (b) the person becomes of unsound mind or his or her estate is liable to be dealt with in any way under law relating to mental health;
 - (c) an event specified in the *Independent Chair's* terms of engagement; or
 - (d) in the Minister's opinion the person no longer adequately meets the criteria in clause A2.3.8A.
- A2.3.8D. The Minister may appoint an interim Chair of the *Pilbara advisory committee* in the event that the *Independent Chair* becomes temporarily unavailable or the position is otherwise vacant for any reason. The interim Chair may be appointed for an initial term of up to six months and may be reappointed for further six months. The interim Chair must meet, so far as is practicable, the criteria in clause A2.3.8A.

Interim PAC members

- A2.3.8E. The Coordinator may appoint an interim member representing small-use consumers if the position under clause A2.3.5(e) is vacant for any reason.

Review and removal of PAC members

- A2.3.9. The Coordinator must review the composition of the *Pilbara advisory committee* at least every 2 years in consultation with the *Independent Chair*.
- A2.3.10. When appointing and removing members of the *Pilbara advisory committee*, the Coordinator must consult with the *Independent Chair*, and (except in the case of candidates for appointment under clause A2.3.5(c), (d) and (g), to whom clause A2.3.5C applies) take nominations from *rules participants* and industry groups, that it considers relevant to the regime under Part 8A of the Act, and, if practicable, must choose members from persons nominated.
- A2.3.11. The Coordinator may remove a member of the *Pilbara advisory committee* at any time in the following circumstances —
- (a) the person becomes an undischarged bankrupt;
 - (b) the person becomes of unsound mind or his or her estate is liable to be dealt with in any way under law relating to mental health; or
 - (c) an event specified for this purpose in the constitution for the *Pilbara advisory committee* occurs; or
 - (d) in the Coordinator's opinion, after consulting with the *Independent Chair*, the person no longer represents the person or class of persons that they were appointed to represent in accordance with clause A2.3.5.

Resignation of PAC members

- A2.3.1A2. A member of the *Pilbara advisory committee* may resign by giving notice to the Coordinator in writing.

PAC vacancies

A2.3.13. Where a position on the *Pilbara advisory committee* is vacant at any time, the Coordinator must use its reasonable endeavours to appoint a person to fill the position, but the *Pilbara advisory committee* may continue to perform its functions under this clause A2.3 despite any vacancy.

A2.3.14. [Blank]

When PAC is to be convened

A2.3.15. The *Independent Chair* must convene the *Pilbara advisory committee* —

- (a) on any occasion where these rules require a meeting to discuss a *rule change proposal*;
- (aA) on any occasion where these rules require a meeting to discuss a *procedure change proposal*;
- (b) on any occasion where a *rule change proposal* involves an amendment to the *harmonised technical rules*; and
- (c) on any occasion when two or more members of the *Pilbara advisory committee* have informed the *Independent Chair* in writing that they wish to bring a matter regarding the evolution or the development of the regime under Part 8A of the Act or these rules before the *Pilbara advisory committee* for discussion; and
- (d) on any occasion when the Coordinator has informed the *Independent Chair* that she or he wishes to bring a matter regarding the evolution or the development of the regime under Part 8A of the Act or these rules before the *Pilbara advisory committee* for discussion.

{The *Independent Chair* can also make her or his own *rule change proposals*, see clause A2.5.3B.}

Coordinator to provide information to PAC

A2.3.16. Subject to her or his obligations of confidentiality under these rules and otherwise, the Coordinator must use reasonable endeavours to provide the *Pilbara advisory committee* any information in the Coordinator's possession obtained in the course of performing a function under these rules that is pertinent to the issues being addressed by the *Pilbara advisory committee*.

PAC working groups

A2.3.17. The *Pilbara advisory committee* may —

- (a) establish one or more *working groups* comprising *representatives of rules participants* and other interested persons, to assist the *Pilbara advisory committee* in advising the Coordinator, *Authority*, the *ISO* and *NSPs* on any of the matters listed in clause A2.3.1 of these rules; and
- (b) disband any *working groups* where it considers that the *working group* is no longer required, or will no longer be required, to assist the *Pilbara advisory committee* in advising the Coordinator, *Authority* and the *ISO* on any of the matters listed in clause A2.3.1 of these rules.

A2.3.17A The *Pilbara advisory committee* may establish a *working group* comprising *representatives of rules participants* and other interested stakeholders who are appropriately qualified

technical experts to assist the *Pilbara advisory committee*, including on any occasion when it is consulted on an amendment to the *harmonised technical rules*.

Confidentiality

- A2.3A.1 Subchapter 11.2 {Confidential information} applies in respect of information provided in connection with this Appendix 2.
- A2.3A.2 For the purposes of rule 299 {Permitted disclosure}, the *Coordinator* or a *custodian* may disclose *confidential information* but only if, and only to the extent, it determines that doing so is necessary to —
- (a) allow other persons to adequately assess, as applicable, the *Coordinator's* or the *custodian's* decision; or
 - (b) otherwise progress the *Pilbara electricity objective*.

Sub-appendix 2.2 – Rule change process

{In addition to the rule change process set out below, the Minister has a transitional power to make rules for the first 2 years of the regime — regulation 9(6).}

Rules made by the Coordinator

- A2.4.1. The Coordinator —
- (a) is responsible for maintaining and publishing the rules;
 - (b) is responsible for ensuring the development of amendments of, and replacements for, the rules; and
 - (c) may make *amending* rules in accordance with this Chapter.
- A2.4.A2. The Coordinator cannot make *amending* rules unless it is satisfied that the rules, as proposed to be amended or replaced, are consistent with the *Pilbara electricity objective*.
- {Regulation 4 sets out a non-exclusive list of factors to which regard should be had, when considering the *Pilbara electricity objective*.}
- A2.4.3. In deciding whether to make *amending* rules, the Coordinator must have regard to the following —
- (a) any applicable statement of policy principles given to the Coordinator under clause A2.5.2;
 - (aA) any advice provided by the *Pilbara advisory committee* regarding the evolution or the development of the regime under Part 8A of the Act or these rules;
 - (b) the practicality and cost of implementing the *rule change proposal*;
 - (c) the views expressed in any submissions on the *rule change proposal*;
 - (d) any advice by the *Pilbara advisory committee* where the *Pilbara advisory committee* met to consider the *rule change proposal*;
 - (dA) whether advice from the *Pilbara advisory committee* provided under clause A2.4.3(aA) or A2.4.3(d) reflects a consensus view or a majority view, and, if the latter, any dissenting views included in or accompanying the advice and how these views have been taken into account by the Coordinator;

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- (e) any technical studies that the Coordinator considers are necessary to assist in assessing the *rule change proposal*.
- A2.4.3A. Without limiting clause A2.4.3, in deciding whether or not to make *amending* rules, the Coordinator may seek information or advice, and the Coordinator may have regard to that information or advice, from any person that the Coordinator considers is appropriate to assist it in assessing the relevant *rule change proposal*.
- A2.4.4. The Coordinator must maintain and *publish a rule change proposal* form which must include —
- (a) contact details for proposing rule changes; and
- (b) information that must be provided in proposing a change, including —
- i. the name of the person submitting the *rule change proposal*, and where relevant, details of the organisation that person represents;
 - ii. the issue to be addressed;
 - iii. the degree of urgency of the proposed change;
 - iv. any proposed specific changes to particular rules;
 - v. a description of how the rule change would allow the rules to better address the *Pilbara electricity objective*; and
 - vi. any identifiable costs and benefits of the change.

Rule change proposals

- A2.5.1. Any person may make a *rule change proposal* by completing a *rule change proposal* form and submitting it to the Coordinator.
- A2.5.1A. The *ISO, Authority or Coordinator* (“**funded proponent**”) must, before commencing the development of a *rule change proposal* or providing material support or assistance to another party to develop a *rule change proposal*, consult with the *Pilbara advisory committee* on —
- (a) the matters to be addressed by the *rule change proposal* and if applicable the nature and scope of the support or assistance requested by the other party;
 - (b) what options exist to resolve the matters to be addressed by the *rule change proposal*;
 - (c) the *funded proponent’s* estimated costs to be recovered through *fees* of developing the *rule change proposal* or providing the support or assistance requested by the other party;
 - (d) whether and when the *funded proponent* should develop the *rule change proposal* or if the *funded proponent* should provide the support or assistance requested by the other party; and
 - (e) whether and how the *Pilbara advisory committee* will be consulted during the development of the *rule change proposal*,

and must take into account any advice, comments or objections provided by any member or observer of the *Pilbara advisory committee* in deciding whether, when and how to

-
- develop the *rule change proposal* or provide material support or assistance to another party to develop the *rule change proposal*.
- A2.5.1B. [Blank – now in clause A2.5.1A]
- A2.5.1C. [Blank – now in clause A2.5.1A]
- A2.5.A2. The Minister may issue a statement of policy principles to the Coordinator with respect to the development of the regime under Part 8A of the Act. The statement of policy principles must not be inconsistent with the *Pilbara electricity objective*. Before giving a statement of policy principles, the Minister may provide a draft of the proposed statement to the *Pilbara advisory committee* and seek the *Pilbara advisory committee's* views on it.
- A2.5.3. The Coordinator must have regard to any statement of policy principles given by the Minister in making *amending* rules in accordance with this Chapter.
- A2.5.3A. The Coordinator must have regard to any advice received from the *Pilbara advisory committee* regarding the evolution or the development of the regime under Part 8A of the Act or these rules.A2.5.3B. The *Independent Chair* may develop and submit *rule change proposals* based on advice received from the *Pilbara advisory committee* regarding the evolution or the development of the regime under Part 8A of the Act or these rules.
- A2.5.4. Subject to clause A2.5.1A, where the Coordinator considers that a change to the rules is required, the Coordinator may develop a *rule change proposal* and must publish it in accordance with clause A2.5.7.
- A2.5.5. Where necessary, the Coordinator may contact the person submitting a *rule change proposal* and request clarification of any aspect of the *rule change proposal*. Any clarification received is to be deemed to be part of the *rule change proposal*.
- A2.5.6. Within five *business days* of the later of —
- (a) receiving the *rule change proposal*; and
 - (b) any clarification under clause A2.5.5,
- the Coordinator must —
- (c) decide whether or not to progress the *rule change proposal* any further; and
 - (d) notify the person who submitted the *rule change proposal* of the decision.
- A2.5.6A. The Coordinator may decide not to progress the *rule change proposal* on the following grounds and no others, namely if the *rule change proposal* is —
- (a) materially incomplete; or
 - (b) manifestly inconsistent with the *Pilbara electricity objective*; or
 - (c) materially the same as another *rule change proposal* considered by the Coordinator in the 12 months prior to the date of the *rule change proposal*.
- A2.5.6B. The Coordinator must consult with the *Pilbara advisory committee* before finalising a decision not to progress the *rule change proposal*. This consultation may be conducted out of session.
- A2.5.7. When it has developed a *rule change proposal*, or within seven *business days* of receiving a *rule change proposal* under clause A2.5.1, the Coordinator must *publish* notice of the
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rule change proposal and provide a copy of the notice to the *Pilbara advisory committee*. The notice must include —

- (a) the date that the *rule change proposal* was submitted, if applicable;
- (b) the name, and where relevant, the organisation, of the person who made the *rule change proposal*;
- (c) details of the *rule change proposal*, including relevant references to provisions of the rules and any proposed specific changes to those rules;
- (d) the description of how the rule change would allow the rules to better address the *Pilbara electricity objective* given by the person submitting the proposed rule change;
- (e) whether the *rule change proposal* will be progressed and the reason why the *rule change proposal* will or will not be progressed; and
- (f) if the *rule change proposal* will be progressed —
 - i. whether the *rule change proposal* is to be subject to the *fast track rule change process*, the *standard rule change process* or the *abridged standard rule change process* and the reasons for this decision;
 - ii. if the *rule change proposal* is subject to the *fast track rule change process*, and the *rule change proposal* did not include proposed specific changes to rules, the Coordinator's proposed *amending* rules to implement the *rule change proposal*; and
 - iii. if the Rule Change is subject to the *standard rule change process* or the *abridged standard rule change process*, a call for submissions in relation to the *rule change proposal*.

A2.5.8. Where a *rule change proposal* that will be progressed relates to a *protected provision* the Coordinator must notify the Minister at the same time as it gives the notice described in clause A2.5.7.

A2.5.8A. A decision by the Coordinator to accept a *rule change proposal* (in proposed or modified form), which was initiated by the Coordinator, does not take effect until it receives the Minister's approval.

Coordinator to select rule change process

A2.5.8B The Coordinator must, where reasonably practicable, first notify the *Pilbara advisory committee* of the *rule change proposal* and give the *Pilbara advisory committee* an opportunity to comment on the process to be used before making a decision under clauses A2.5.9, A2.5.9A and A2.5.9B.

A2.5.9. **{Fast track process}** The Coordinator may decide to subject a *rule change proposal* to the *fast track rule change process* if —

- (a) in her or his opinion, the *rule change proposal* is of a minor or procedural nature; or
- (b) the *Pilbara advisory committee* requests the use of the *fast track rule change process*.

A2.5.9A **{Abridged standard process}** The Coordinator may decide to subject a *rule change proposal* to the *abridged standard rule change process* if —

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- (a) the *Pilbara advisory committee* requests the use of the *abridged standard rule change process*; or
 - (b) in the Coordinator's opinion, the *rule change proposal* is not of a minor or procedural nature but is —
 - (i) required to correct a manifest error; or
 - (ii) urgently required and is essential for either —
 - (i) the safe operation; or
 - (ii) the effective operation; or
 - (iii) the *reliable* operation,
of a *power system*.

A2.5.9B {**Standard process**} Unless the Coordinator decides to subject a *rule change proposal* to the *fast track rule change process* or the *abridged standard rule change process*, the Coordinator must subject the *rule change proposal* to the *standard rule change process*.

Objection to Coordinator's process decision

A2.5.9C A *rules participant* may notify the Coordinator of its objection, with reasons, to a *rule change proposal* being subjected to the *fast track rule change process* within five business days after the Coordinator publishes a notice under clause A2.5.7(f)(i) to that effect.

A2.5.9D If a *rules participant* notifies the Coordinator of an objection in accordance with clause A2.5.9C then unless the Coordinator considers the objection to be frivolous, vexatious or not made in good faith, the Coordinator must reclassify the *rule change proposal* as not being subject to the *fast track rule change process*, and must progress it in accordance with the *standard rule change process*.

Extensions of time

A2.5.10. Subject to clause A2.5.12, the Coordinator may at any time after deciding to progress a *rule change proposal* decide to extend the normal timeframe for processing the *rule change proposal*. If the Coordinator decides to do so, then she or he may modify the times and time periods under clauses A2.6, A2.7, A2.7A or A2.8 in respect of the *rule change proposal* and publish details of the modified times and time periods.

A2.5.11. If a *rule change proposal* is subject to the *fast track rule change process*, and the Coordinator decides to extend the timeframe, she or he must either —

- (a) extend the timeframe by no more than 15 *business days*; or
- (b) reclassify the *rule change proposal* as not being subject to the *fast track rule change process*, and must progress it in accordance with the *standard rule change process*.

A2.5.12. The Coordinator must publish a notice of an extension determined in accordance with clause A2.5.10, and must update any information already published in accordance with clause A2.5.7(f).

A2.5.13. A notice of extension must include —

- (a) the reasons for the proposed extension;

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- (b) the views of any *rules participants* consulted on the extension;
 - (c) the proposed length of any extension; and
 - (d) the proposed work program.

Objection to Coordinator's decision to extend time

A2.5.13A A *rules participant* may notify the Coordinator of its objection, with reasons, to an extension under clause A2.5.11(a) within five business days after the Coordinator publishes the notice under clause A2.5.12.

A2.5.13B If a *rules participant* notifies the Coordinator of an objection in accordance with clause 2.5.13A then, unless the Coordinator considers the objection to be frivolous, vexatious or not made in good faith, the Coordinator must reclassify the *rule change proposal* as not being subject to the *fast track rule change process*, and must progress it in accordance with the *standard rule change process*.

Rules change proposals to be progressed using selected process

A2.5.14. A *rule change proposal* that the Coordinator decides under clause A2.5.9 is subject to the *fast track rule change process* is to be progressed in accordance with clause A2.6, and clauses A2.7 and A2.7A do not apply.

A2.5.14A. A *rule change proposal* that the Coordinator decides under clause A2.5.9A is subject to the *abridged standard rule change process* is to be progressed in accordance with clause A2.7A, and clauses A2.6 and A2.7 do not apply.

A2.5.15. If the Coordinator does not decide that a *rule change proposal* is subject to the *fast track rule change process* or the *abridged standard rule change process*, the *rule change proposal* is to be progressed in accordance with clause A2.7, and clauses A2.6 and A2.7A do not apply.

Fast track rule change process

A2.6.1. Within five *business days* of publishing the notice referred to in clause A2.5.7, the Coordinator must notify those *rules participants*, members of the *Pilbara advisory committee* that she or he considers have an interest in the *rule change proposal*, and may notify other persons, of her or his intention to consult with them concerning the *rule change proposal*.

A2.6.2. Within five *business days* of the notice referred to in clause A2.5.7 being *published*, a person may notify the Coordinator that they wish to be consulted concerning the *rule change proposal*.

A2.6.3. Within 15 *business days* of publishing the notice referred to in clause A2.5.7, the Coordinator must have completed such consultation as the Coordinator considers appropriate in the circumstances with the persons described in clauses A2.6.1 and A2.6.A2.

A2.6.3A. Within 20 *business days* of publishing the notice referred to in clause A2.5.7, the Coordinator must —

- (a) after taking into account the views received during consultation, decide whether to —
 - i. accept the *rule change proposal* in the proposed form; or
 - ii. accept the *rule change proposal* in a modified form; or

- iii. reject the *rule change proposal*; and
 - (b) prepare and publish a *final rule change report* on the *rule change proposal*.
- A2.6.4. The *final rule change report* must contain —
- (a) the information in the notice of the *rule change proposal* under clause A2.5.7;
 - (b) any analysis of the *rule change proposal* that the Coordinator has carried out;
 - (c) the identities of persons that were consulted;
 - (d) information on any objections expressed by the persons consulted, and the Coordinator's response to the objections;
 - (e) the Coordinator's assessment of the *rule change proposal*, after taking into account the views expressed during consultation, in light of clauses A2.4.2 and A2.4.3;
 - (f) the decision made by the Coordinator under clause A2.6.3A(a) on the *rule change proposal*;
 - (g) the Coordinator's reasons for the decision; and
 - (h) if the Coordinator decides to make *amending* rules arising from the *rule change proposal* —
 - i. the wording of the *amending* rules; and
 - ii. the proposed date and time that the *amending* rules will commence.

Standard rule change process

- A2.7.1A If the Coordinator subjects a *rule change proposal* to the *standard rule change process*, then the due date for submissions is —
- (a) 30 business days after the date of the notice under clause A2.5.7; or
 - (b) if a longer timeframe is determined in accordance with clause A2.5.10, at a time that is consistent with that timeframe.
- A2.7.1. Any person may make a submission to the Coordinator relating to a *rule change proposal* within the time frame specified under clause A2.5.7(f)(iii).
- A2.7.2. Subject to its obligations of confidentiality under these rules and otherwise, the Coordinator must release to the public all information submitted under clause A2.7.1.
- A2.7.3. The Coordinator may —
- (a) hold public forums or workshops concerning a rule change proposal; and
 - (b) engage in such forms of communication with *rules participants*, the *Pilbara advisory committee* and others as the *Coordinator* deems efficient for the progression of the *rule change proposal*.
- A2.7.4. [Blank]

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- A2.7.5. The Coordinator must consult with the *Pilbara advisory committee* concerning a *rule change proposal*, unless the *Independent Chair* first notifies the Coordinator that all members of the *Pilbara advisory committee* have agreed to waive consultation.
- A2.7.6. Within 20 *business days* following the close of submissions, the Coordinator must —
- (a) prepare and publish a *draft rule change report* on the *rule change proposal*; and
 - (b) publish a deadline for further submissions in relation to the *rule change proposal*, where that deadline must be at least 20 *business days* after the date the deadline is published.
- A2.7.7. The *draft rule change report* must contain —
- (a) the information in the notice of the *rule change proposal* under clause A2.5.7;
 - (b) all submissions received before the due date for submissions, a summary of those submissions, and the Coordinator's response to issues raised in those submissions (and the report may in the Coordinator's discretion contain any or all of this material in respect of a submission received after the due date);
 - (c) a summary of any public forums or workshops held;
 - (d) a summary of any views expressed by the members of the *Pilbara advisory committee* and, if the *Pilbara advisory committee* has delegated its role to consider the *rule change proposal* to a *working group* under clause A2.3.17(a), a summary of the views expressed by that *working group*;
 - (dAA) whether any advice from the *Pilbara advisory committee* regarding the *rule change proposal* reflects a consensus view or a majority view, and, if the latter, any dissenting views included in or accompanying the advice and how these views have been taken into account by the Coordinator;
 - (dA) reasons if the Coordinator does not propose to follow partially or fully the advice received from the *Pilbara advisory committee*;
 - (e) the Coordinator's assessment of the *rule change proposal*, after taking into the views of *rules participants* and other persons expressed in submissions or during consultation, and in light of clauses A2.4.2 and A2.4.3;
 - (f) a proposal as to whether the *rule change proposal* should be accepted in the form proposed. The proposal may be that —
 - i. the *rule change proposal* be accepted in the proposed form; or
 - ii. the *rule change proposal* be accepted in a modified form; or
 - iii. the *rule change proposal* be rejected; and
 - (g) if the Coordinator proposes to make *amending* rules arising from the *rule change proposal* —
 - i. the wording of the proposed *amending* rules; and
 - ii. a proposed date and time the proposed *amending* rules will commence.
- A2.7.7A. Within 20 *business days* of the deadline specified under clause A2.7.6(b), the Coordinator must —
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- (a) decide whether to —
 - i. accept the *rule change proposal* in the proposed form; or
 - ii. accept the *rule change proposal* in a modified form; or
 - iii. reject the *rule change proposal*; and
 - (b) prepare and publish a *final rule change report* on the *rule change proposal*.
- A2.7.8. The *final rule change report* must contain —
- (a) the information in the *draft rule change report*;
 - (b) all submissions received before the deadline for submissions specified in relation to the relevant *draft rule change report* under clause A2.7.6(b), a summary of those submissions, and the Coordinator's response to the issues raised in those submissions (and the report may in the Coordinator's discretion contain any or all of this material in respect of a submission received after the deadline);
 - (bAA) whether any further advice from the *Pilbara advisory committee* regarding the *rule change proposal* since what was reported in the *draft rule change report* reflects a consensus view or a majority view, and, if the latter, any dissenting views included in or accompanying the advice and how these views have been taken into account by the Coordinator;
 - (bA) reasons if the Coordinator has decided not to follow partially or fully the advice received from the *Pilbara advisory committee*;
 - (c) any further analysis or modification to the *rule change proposal*;
 - (d) the Coordinator's assessment of the *rule change proposal*, after taking into the views of *rules participants* and other persons expressed in submissions or during consultation, and in light of clauses A2.4.2 and A2.4.3;
 - (e) the decision made by the Coordinator under clause A2.7.7A(a) on the *rule change proposal*;
 - (f) the Coordinator's reasons for the decision; and
 - (g) if the Coordinator decides to make *amending* rules arising from the *rule change proposal* —
 - i. the wording of the *amending* rules; and
 - ii. the proposed date and time that the *amending* rules will commence.

Abridged standard rule change process

- A2.7A.1 If the Coordinator subjects a rule change proposal to the *abridged standard rule change process*, then the *standard rule change process* must be followed except —
- (a) the due date for submissions under clause A2.7.1A(a) is a minimum of 10 after the date of the notice under clause A2.5.7; and
 - (b) the due date for submissions under clause A2.7.6(b) is a minimum of 5 business days after the date the deadline is published.

A2.7A.2 The Coordinator must publish the due dates for submissions in the notices published in accordance with clause A2.5.7 and clause A2.7.6(b), as applicable.

Review of Coordinator's rule change decisions

- A2.8.1. A *rules participant* may apply to the *Electricity Review Board* for a *procedural review* of a decision by the Coordinator contemplated by clause A2.5.6(c), A2.5.9, A2.6.3A(a) or A2.7.7A(a) within the time specified in the regulations, on the grounds that the Coordinator has not followed the rule change process set out in clauses A2.5, A2.6 and A2.7.
- A2.8.2. Following an application for a *procedural review* under clause A2.8.1, if the *Board* finds that the Coordinator has not followed the rule change process set out in clauses A2.5, A2.6 and A2.7 the *Board* may set aside the Coordinator's decision and direct the Coordinator to reconsider the relevant *rule change proposal* in accordance with the process set out in clauses A2.5, A2.6 and A2.7.

Ministerial approval of certain rule change decisions

- A2.8.3. The Coordinator must submit a *rule change proposal*, together with the *final rule change report*, to the Minister for approval where *amending* rules in the *final rule change report* —
- (a) amend or replace a *protected provision*, or, in the Coordinator's opinion, would have the effect of changing the meaning or effect of one or more *protected provisions*; or
 - (b) are subject to the requirements in clause A2.5.8A.
- A2.8.4. Subject to clause A2.8.6, the Minister must consider the *rule change proposal* within 20 *business days* and decide whether the rules, as amended or replaced by the proposed *amending* rules, are consistent with the *Pilbara electricity objective*.
- A2.8.5. Where a *rule change proposal* is submitted under clause A2.8.3, the Minister may —
- (a) approve the proposed *amending* rules;
 - (b) not approve the proposed *amending* rules; or
 - (c) send back to the Coordinator the proposed *amending* rules with any revisions the Minister considers are required to ensure the rules, as amended or replaced by the proposed *amending* rules, are consistent with the *Pilbara electricity objective*.
- A2.8.6. The Minister may extend the time for a decision on a *rule change proposal* under clause A2.8.4 by a further period of up to 20 *business days* by notice to the Coordinator. The Minister may extend the time for a decision in respect of a *rule change proposal* more than once.
- A2.8.7. The Coordinator must publish notice of any extension under clause A2.8.6 on the Coordinator's Website.
- A2.8.8. Where the Minister does not make a decision by the original date determined in accordance with clause A2.8.4, or by an extended date determined in accordance with clause A2.8.6, as applicable, then the proposed *amending* rules will be taken to have been approved by the Minister.
- A2.8.9. Where the Minister does not approve the proposed *amending* rules or sends proposed *amending* rules back to the Coordinator under clause A2.8.5(c), the Minister must give reasons, and the Coordinator must publish a notice of the Minister's decision and the reasons given by the Minister.

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- A2.8.10. Where the Minister sends proposed *amending* rules back to the Coordinator in accordance with clause A2.8.5(c), the Coordinator must —
- (a) publish the revised *amending* rules and call for submissions on the revised *amending* rules within 15 *business days* of publication; and
 - (b) provide a revised *final rule change report*, including any submissions received on the Minister's revised *amending* rules to the Minister within 25 *business days* after the close of the consultation period and clauses A2.8.4 to this clause A2.8.10 apply to the revised *final rule change report*.

When rule changes come into force

- A2.8.11. *Amending* rules are made —
- (a) for *rule change proposals* to which clause A2.8.3 applies, when the Minister has either approved, or is taken by clause A2.8.8 to have approved, the *amending* rules; and
 - (b) for *rule change proposals* to which clause A2.8.3 does not apply, when the Coordinator has decided to make the *amending* rules as notified under clause A2.6.3A(b) or clause A2.7.7A(b).
- A2.8.12. Subject to clause A2.8.2, *amending* rules commence at the time and date determined by the Coordinator. The Coordinator must publish notice of the time and date *amending* rules commence.

Protected provisions

- A2.8.13. The following rules are *protected provisions* —
- (a) rule 1(2) {Coordinator's and Minister's power to amend these rules}; and
 - (b) rule 38 {Coordinator's functions}; and
 - (a) rule 128 {Coordinator's costs}; and
 - (a) rules 129 {Determination of fees} and 130 {Payment of fees} to the extent they relate to the Coordinator fee; and
 - (a) rule 248(2) {Coordinator to review how constrained access is to be implemented for a newly-covered network}; and
 - (a) rules 291{Publication} to the extent it relates to the Coordinator; and
 - (a) Subchapter 11.2 {Confidential information} to the extent it relates to the Coordinator; and
 - (a) this Appendix 2 {Rule and procedure change}.

Sub-appendix 2.3 – Procedure change process

Procedures

{Most of clause 2.9 of the *WEM* Rules is addressed in Subchapter 3.6.}

- 2.9.4. The Coordinator may maintain on a website a procedure change submission form.

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- 2.9.5. The Coordinator may develop a *procedure* (“**procedure change procedure**”) setting out the procedure and timetable for developing and amending *procedures*.

Procedure change proposals

- A2.10.1A In these rules, a *procedure*’s “**custodian**” is the person required or permitted by these rules to develop the *procedure*.
- A2.10.1. Any person may initiate the *procedure change process* by developing a *procedure change proposal*.
- A2.10.2. A *rules participant* may notify a *procedure*’s *custodian* that it considers an amendment to or replacement of a *procedure* would be appropriate.
- A2.10.2A. Within 20 *business days* of receipt of a notification under clause A2.10.2, and without limiting any person’s power under clause A2.10.1, the *custodian* must —
- (a) determine whether an amendment to or replacement of a *procedure* is appropriate; and
 - (b) *publish* details of whether the *custodian* will progress a *procedure change proposal* will be progressed with respect to the suggested amendment to or replacement of a *procedure* and the reasons for that decision.
- A2.10.3. If an *amending rule* requires a *custodian* to develop a new *procedure* or to amend or replace an existing *procedure*, then the *custodian* is responsible for the development of, amendment of or replacement for, *procedures* so as to comply with the *amending rule*.
- A2.10.4. [Blank]
- A2.10.5. [Blank]
- A2.10.5A. A *custodian* must publish *procedure change proposals* that the *custodian* develops or that are submitted to the *custodian* by another person.
- A2.10.6. A *procedure change proposal* must include —
- (a) a proposed *procedure* or an amendment to or replacement for a *procedure*, indicating the proposed amended words, or a proposed *procedure*; and
 - (b) the reason for the proposed *procedure* or an amendment to or replacement for a *procedure* or proposed *procedure*.

Procedure change proposals – escalation

- A2.10.6A. Subject to clause A2.10.6B, the Coordinator may, on her or his own initiative, or on application by any person, direct that a *procedure change proposal* be managed by the Coordinator under the *standard rule change process* or the *abridged standard rule change process* (each read with appropriate amendments, including replacing “rule change proposal” with “procedure change proposal”), instead of the process set out in clauses 2.10.7 to 2.10.19.
- A2.10.6B. The Coordinator cannot give a direction under clause A2.10.6A unless satisfied that the additional time and cost involved in applying a rule change process is justified because —
- (a) the *procedure change proposal*, if implemented, will or might have a sufficiently material impact on one or more persons’ operations, costs, rights, obligations or risks; or

(b) there is another sufficient reason.

A2.10.6C The Coordinator may give a direction under clause A2.10.6A at any time before the *custodian publishes a procedure change report* under clause A2.10.10.

Procedure change process

A2.10.6D. The process in clauses 2.10.7 to 2.10.19 applies to a procedure change proposal unless the Coordinator directs otherwise under clause A2.10.6A.

A2.10.7. At the same time as it publishes a *procedure change proposal notice*, the *custodian* must publish a call for submissions on that proposal. The due date for submissions must be 20 *business days* from the date the call for submissions is published. Any person may make a submission to the *custodian* relating to a *procedure change proposal*. A *procedure change submission* may be made using a *procedure change submission* form maintained on the Coordinator's *website* in accordance with clause A2.9.4.

A2.10.8. [Blank]

A2.10.9. The *Independent Chair* must convene a meeting of the *Pilbara advisory committee* concerning any *procedure change proposal* before the due date for submissions in relation to the *procedure change proposal* if —

(a) the Independent Chair, the Coordinator, or the *custodian* considers that advice on the *procedure change proposal* is required from the *Pilbara advisory committee*;

(aA) [blank] or

(b) two or more members of the *Pilbara advisory committee* have informed the *Independent Chair* in writing that they consider that advice on the *procedure change proposal* is required from the *Pilbara advisory committee*.

A2.10.10. Following the closing date for submissions, the *custodian* must within the time set out in the *procedure change procedure* prepare and *publish a procedure change report* on the *procedure change proposal*.

A2.10.11. [Blank]

A2.10.12. [Blank]

A2.10.12A.[Blank]

A2.10.12B.[Blank]

A2.10.12C [Blank]

A2.10.12D. [Blank]

A2.10.13. The *procedure change report* must contain —

(aA) the *custodian's* decision whether to —

- i. accept the *procedure change proposal* in the proposed form; or
- ii. accept the *procedure change proposal* in a modified form; or
- iii. reject the *procedure change proposal*; and

-
- (a) the wording of any proposed *procedure* or amendment to or replacement for the *procedure*;
 - (b) the reasons for its decision under clause A2.10.13(aA);
 - (c) all submissions received before the due date for submissions, a summary of those submissions, and the response of the *custodian* to the issues raised in those submissions (and the report may in the *custodian's* discretion contain any or all of this material in respect of a submission received after the deadline);
 - (d) a summary of any views expressed by the members of the *Pilbara advisory committee* and, if the *Pilbara advisory committee* has delegated its role to consider the *procedure change proposal* to a *working group* under clause A2.3.17(a), a summary of the views expressed by that *working group*;
 - (dA) whether any advice from the *Pilbara advisory committee* regarding the *procedure change proposal* reflects a consensus view or a majority view, and, if the latter, any dissenting views included in or accompanying the advice and how these views have been taken into account by the Coordinator;
 - (e) [blank]
 - (f) [blank]
 - (g) a proposed date and time for the *procedure* or amendment or replacement to commence, which must, in the *custodian's* opinion, allow sufficient time after the date of publication of the Procedure Change Report for *rules participants* to implement changes required by it;
 - (h) [blank – now in A2.10.13(g)]
 - (i) [blank – now in A2.10.13(g)]; and
 - (j) [blank – now in A2.10.13(g)].

A2.10.14. [Blank]

A2.10.15. [Blank]

A2.10.16. [Blank]

A2.10.17. If the Coordinator or the *custodian* considers, at any time after publishing a *procedure change proposal*, that it is necessary to extend the normal timeframes for processing the *procedure change proposal* because —

- (a) issues of sufficient complexity or difficulty have been identified relating to the *procedure change proposal*;
- (b) further public consultation on an issue associated with the *procedure change proposal* is required; or
- (c) the *procedure change proposal* cannot be dealt with adequately without an extension because of any other special circumstance,

then —

- (d) the Coordinator may; or
- (e) subject to the *procedure change procedure*, the *custodian* may,

modify the times and time periods under clause A2.10.7 in respect of the *procedure change proposal* and publish details of the modified times and time periods.

A2.10.18. The *custodian* must publish a notice of an extension determined in accordance with clause A2.10.17 and must update any information already published in accordance with clause A2.10.7.

A2.10.19. A notice of extension under clause A2.10.18 must include —

- (a) the reasons for the proposed extension;
- (b) the views of any *rules participant* consulted on the extension;
- (c) the proposed length of any extension; and
- (d) the proposed work program.

Review of procedure change decisions

A2.11.1. A *rules participant* may apply to the *Electricity Review Board* for a *procedural review* of a decision by a *custodian* contemplated by clauses A2.10.2A(a) or A2.10.13, or by the *Coordinator* under clause A2.10.6A, within the time specified in the regulations, on the grounds that the *custodian* or the *Coordinator*, as applicable, has not followed the process set out in clause A2.10 or the *procedure* specified in clause A2.9.5.

A2.11.2. Following an application for a *procedural review* under clause A2.11.1, if the *Board* finds that the *custodian* or the *Coordinator* has not followed the process set out in clause A2.10 or the *procedure* specified in clause A2.9.5, the *Board* may set aside the *custodian's* or the *Coordinator's* decision, as applicable, and direct the *custodian* or the *Coordinator* to reconsider the relevant *procedure change proposal* in accordance with clause A2.10 and the *procedure* specified in clause A2.9.5.

When procedure changes come into force

A2.11.3. Subject to clauses A2.11.2 and A2.11.4, a *procedure* or an amendment of or replacement for a *procedure* commences at the time and date specified under clause A2.10.13(g).

A2.11.4. If at any time, the *Coordinator* or the *custodian* considers that *rules participants* will not have sufficient time to implement any necessary changes required by the *procedure*, amendment or replacement referred to in clause A2.11.3, then —

- (a) the *Coordinator* may; or
- (b) subject to the *procedure change procedure*, the *custodian* may;

extend the time and date when that *procedure*, amendment or replacement commences by publishing notice of the revised time and date when the *procedure*, amendment or replacement commences.

{Clauses 2.12 to 2.16 of the *WEM Rules* are not included in this Appendix 2.}

Reviewable decisions

A2.17.1. Decisions by a *custodian* or the *Coordinator*, as applicable, made under the following clauses are *reviewable decisions* —

- (a) [blank]
- (b) clauses A2.5.6(c), A2.5.9, A2.5.9A and A2.5.9D;

- (c) clause A2.6.3A(a);
- (d) clause A2.7.7A(a);
- (e) clause A2.10.2A(a);
- (f) clause A2.10.13(aA);
- (g) to (w) [blank]

A2.17.A2. Decisions by a *custodian* or the Coordinator, as applicable, made under the following clauses may only be subject to a *procedural review* —

- (a) clauses A2.5.6(c), A2.5.9, A2.5.9A, A2.5.9D, A2.6.3A(a) and A2.7.7A(a); and
- (b) clauses A2.10.2A(a) and A2.10.13(aA).

A2.17.3. In accordance with the regulations, a *rules participant* may apply to the *Electricity Review Board* for a review of *reviewable decisions* or a decision made under clauses subject to *procedural review*.

Appendix 3 – Legacy arrangements for harmonised technical rules

Definitions

A3.1 In this Appendix 3 —

- (a) “**committed**” in respect of a *facility* is defined in clauses A3.2 and A3.3;

{A *facility* which does not meet the definition of “committed” may still be eligible for general exemptions under rule 64.}

and

- (b) “**HTR application date**” means —

(i) for a *network* —the date the *harmonised technical rules* first apply to the *network* under these rules; and

(ii) for a *facility* — the date the *harmonised technical rules* first apply to the *network* to which the *facility* is connected;

and

- (c) “**previous standards**” means the Technical Rules or other technical standards which applied to a *facility* immediately before the *HTR commencement date*.

A3.2 Subject to clause A3.3, a person has “**committed**” to constructing a *facility* when the person, intending to construct a *facility*, begins to put its intention into effect by doing an act which is more than merely preparatory to undertaking the construction, including by —

- (a) making a substantial financial commitment in respect of the construction, such as committing to —

(i) a significant obligation which is legally binding; or

(ii) an obligation which would have significant commercial repercussions if cancelled, discontinued or dishonoured;

or

- (b) commencing, or procuring the commencement of, construction.

A3.3 A person will not be considered to have committed to constructing a *facility* merely because it has —

- (a) undertaken preparatory system or other studies in respect of the *facility*; or

- (b) engaged in preparatory planning, design or costing activities in respect of the *facility*;
or

- (c) obtained an approval in respect of the *facility*, unless the approval comes within the description in clause A3.2(a) or A3.2(b).

Legacy arrangements for existing and committed facilities

- A3.4 Subject to clauses A3.10, A3.13(b) and A3.17, a *facility* which was constructed or *committed* at the *facility's HTR application date* —
- (a) is exempt from complying with the *harmonised technical rules*; and
 - (b) must instead comply with the *previous standards*.
- A3.5 Clause A3.4 does not relieve the *ISO* or an *NSP* of its obligations in connection with *security* and *reliability*.

Loss of legacy arrangements after major works

- A3.6 In this Appendix 3, a “**potentially relevant modification**” in respect of a *facility*, means a modification to a *facility*, or equipment within the *facility*, which is of such a nature or scale that it has the potential to be judged a *relevant modification*.
- A3.7 The *controller* of a *facility* must notify the *ISO* of any *potentially relevant modification* to its *facility*.
- A3.8 A modification to the *facility*, or equipment within the *facility*, is a “**relevant modification**” if —
- (a) the *ISO* determines that the modification gives the *facility's controller* a reasonable opportunity in accordance with *GEIP*, at reasonable additional cost, to concurrently remedy or mitigate any non-compliance by the *facility* with the *harmonised technical rules*; and
 - (b) the *ISO* gives a notice to the *facility's controller* of that determination.
- A3.9 Before giving a notice under clause A3.8, the *ISO* —
- (a) must consult with the *facility's controller* and the *registered NSPs*; and
 - (b) may consult otherwise as it sees fit; and
 - (c) must consider the balance between the cost to the *facility's controller* of undertaking the remedial or mitigating work, against the resultant benefit in terms of *security*, *reliability* and the *Pilbara electricity objective*.
- A3.10 If the *ISO* gives a notice under clause A3.8, then —
- (a) if in the notice the *ISO* determines that the following differentiation is operationally feasible in accordance with *GEIP* —
 - (i) clause A3.4 continues to apply in respect of the parts of the *facility* specified in the notice (which parts must have been constructed or *committed* before the *facility's HTR commencement date*); and
 - (ii) clause A3.4 ceases to apply in respect of any part of the *facility* not so specified;and
 - (b) otherwise — clause A3.4 ceases to apply in respect of the *facility*.
{A *facility* which loses its legacy arrangements under clause A3.10 may still be eligible for general exemptions under rule 64.}

Withdrawal of legacy arrangements for security or reliability reasons

A3.11 The *ISO* may at any time by notice to the *controller* of a *facility* declare that the operation of the legacy arrangements in clause A3.4 in respect of the *facility* is placing the *security* or *reliability* at risk, or that the *ISO* forecasts a *credible* risk of this occurring within the next 2 years.

{The risk to the *security* or *reliability* need not necessarily arise from anything the *controller* or the *facility* is doing. It could for example stem simply from *load* growth in the *power system*, or the interconnection of a new *facility* or *network* elsewhere in the *power system*.}

A3.12 Before giving a notice under clause A3.11, the *ISO* —

- (a) must consult with the *facility's controller* and the *registered NSPs*; and
- (b) may consult otherwise as it sees fit; and
- (c) must consider the balance between the cost to the *facility's controller* of undertaking the work required to make the *facility* compliant with the *harmonised technical rules*, against the resultant benefit in terms of *security*, *reliability* and the *Pilbara electricity objective*.

A3.13 If the *ISO* gives a notice under clause A3.11, then —

- (a) the notice must specify a time, to be determined by the *ISO* under clause A3.14, on which the notice takes effect; and
- (b) clause A3.4 ceases to apply in respect of the *facility* from the time the notice takes effect.

{A *facility* which loses its legacy arrangements under clause A3.13(b) may still be eligible for general exemptions under rule 64.}

A3.14 In determining a time at which a notice under clause A3.13 takes effect, the *ISO* must —

- (a) prioritise the *system security objective*; and
- (b) subject to clause A3.14(a), allow the *facility's controller* a reasonable time to make the *facility* compliant with the *harmonised technical rules*.

A3.15 The *ISO* may from time to time, acting reasonably, and after undertaking the process in clause A3.12, determine and notify the *facility's controller* of a new time at which a notice under clause A3.13 takes effect.

A3.16 If the *facility's controller* puts in place an acceptable interim solution to mitigate the risk referred to in clause A3.11, the *ISO* may at any time, after undertaking the process in clause A3.12, defer the time at which a notice under clause A3.13 takes effect by a period of up to 5 years from the first date the notice was given.

Opting in to *harmonised technical rules*

A3.17 A *facility's controller* may by notice to the *ISO*, elect for clause A3.4 to cease to apply in respect of the *facility* from a time specified in the notice.

{A *facility* which opts in to the *harmonised technical rules* under clause A3.17 may still be eligible for general exemptions under rule 64.}

Cost of compliance upgrades

A3.18 Except as specified in rule 62 or any contract, the cost of any work required to make a *facility* compliant with either the *previous standards* or the *harmonised technical rules* is to be borne by the *facility's controller*.

Legacy arrangements apply also to equipment etc

A3.19 A reference in this Appendix 3 to a *facility* applies with appropriate amendments in respect of *equipment* forming part of a *facility*, and to a *network element*.

Appendix 4 – Transitional rules

Sub-appendix 4.1 – Introduction

Transition objective

- A4.1 The objective for this Appendix 4 is that during the *transition period* —
- (a) the NWIS will be operated in accordance with the *system security objective*; and
 - (b) third party access to *covered networks* will be facilitated in at least a transitional manner; and
 - (c) NWIS operations on and after 1 July 2021 will continue largely unchanged, until the *ISO* and *NSPs* are ready to implement change; and
 - (d) the three *registered NSPs* will work collaboratively to manage the NWIS, with minimal (and preferably no) resort to *directions*; and
 - (e) rules which have not commenced, are commenced under rule A4.3 as early as reasonably practicable.

These rules apply in the transition period

- A4.2 The transitional rules in this Appendix 4 have effect on and from the *rules commencement date* and cease to have effect at 8:00AM on 1 July 2023 (“**transition period**”).

Earlier commencement of rules

- A4.2A The *ISO* and *rules participants* are to collaborate, to the extent reasonably practicable, to procure that rules commence under A4.3 as early as reasonably practicable.
- A4.3 The Coordinator may at any time publish a notice which amends rule 3, to provide for a rule to commence at an earlier time than is specified in rule 3 immediately before the notice is published.
- A4.4 The *ISO* may by notice to the Coordinator recommend that the Coordinator publish a notice under rule A4.3.
- A4.5 Before making the recommendation, the *ISO* must consult with *registered NSPs* and any other affected *rules participants*.
- A4.6 A notice under rule A4.3 commences at a time specified in the notice.
- A4.7 Appendix 2 {Rule change} does not apply to a notice under rule A4.3.

Things done or required before rules commence

- A4.7A If:
- (a) the *ISO* wishes to take steps in preparation for the commencement of a rule; and

-
- (b) a rule (“**relevant rule**”) which has not commenced would, if it had commenced, require a *rules participant* to do a thing (including providing information to, or consulting or collaborating with, the *ISO*),

{The *relevant rule* may be the rule referred to in subrule (a), or another rule or rules.}

then the *ISO* may *direct* the *rules participant* to do the thing in accordance with the *relevant rule*, as though the *relevant rule* had commenced.

- A4.7B Rule A4.7A applies with appropriate modifications in respect of a rule which has commenced but has its operation affected by this Appendix 4.

Amendment or repeal of transitional rules

- A4.8 A notice under rule A4.3 may make consequential changes to this Appendix 4.

Sub-appendix 4.2 – Managing the ISO’s functions while ISOCco is still developing its capabilities

ISO to perform functions to the extent possible

- A4.9 All *ISO* functions under these rules (including this Appendix 4) are to be read as reasonable endeavours only, having regard to the *ISO*’s processes and available resources (including personnel, technical and modelling).

- A4.10 The *ISO*’s failure to perform a function is not a breach of these rules.

- A4.11 If the *ISO* is unable, or having regard to its processes and available resources the *ISO* is unwilling, to perform a function under the rules, then a reference to the *ISO* in the relevant rule is to be disregarded and the rules are to be read with appropriate amendments.

{Example — If a rule calls for *ISO* approval or consent, but the *ISO* elects not to perform that function, then the rule is to be read without the requirement for the *ISO*’s consent or approval. Rules A4.12 and A4.13 will apply in this instance.}

NSPs to fill the gap

- A4.12 Subject to rule A4.15, to the extent the *ISO* does not perform a function under these rules, then *NSPs* must collaborate in accordance with *GEIP* with a view to achieving the objective of the rule in question.

- A4.13 It is a function of each *NSP*, in accordance with this Appendix 4 and the rules to —

- (a) maintain and improve *security* and *reliability* in its *network*; and
- (b) in accordance with rules A4.12 and A4.18, participate in and contribute to the achievement of the *system security objective* in the *power system*.

Sub-appendix 4.3 – Access and connection

Access and connection

- A4.14 Subchapter 9.2 has commenced but —
- (a) the *ISO* may in its absolute discretion —
 - (i) determine the extent to which it will perform a function under Subchapter 9.2; and
 - (ii) delegate the performance of any such function to any person;and
 - (b) a reference to the *access and connection procedure* is to be read as a reference to a determination by the *ISO* or a *delegate* appointed under rule A4.14(a)(ii) on the matter in question; and
 - (c) rules A4.14(a) and A4.14(b) may be applied on a case by case basis as the *ISO* in its absolute discretion considers appropriate; and
 - (d) Subchapter 2.2 does not apply in respect of the delegation under rule A4.14(a)(ii).
- A4.15 In respect of the *ISO*'s functions under rule A4.14, including under Subchapter 9.2 applying as a result of this rule A4.14 —
- (a) rules A4.9 to A4.11 apply; but
 - (b) rule A4.12 does not apply.

Sub-appendix 4.4 – Power system operation without an *ISO*

No material change in operating practices

- A4.16 A *registered NSP* must not implement or permit a material change in operating practices compared with the period before the *rules commencement date*, without first securing a consensus view with other *registered NSPs* as to —

{This rule A4.16 will limit recontracting if it results in a material change in operating practices. It will not prevent a recontracting which does not have that result.

Example — This rule A4.16 would apply if an *NSP* or its related business wish to materially change its spinning reserve or headroom strategies or procurement, for example because it considers its past practice has been inefficient.}

- (a) the likely impact (if any) of the change on *security* and *reliability* across the *power system*; and
- (b) how any such impact is to be managed; and
- (c) whether any commercial adjustments are needed as a result of conclusions reached under rules A4.16(a) and A4.16(b).

A4.17 A *registered NSP* must procure that its *related bodies corporate* and *related businesses* comply with rule A4.16.

NSPs must cooperate to promote system security

A4.18 *Registered NSPs* must to a *GEIP* standard cooperate with each other and (subject to rules A4.9 to A4.11) with the *ISO*, to promote the *system security objective*.

System operation – NSP responsibilities

A4.19 A *registered NSP* must perform its functions under —

- (a) rule 185(1) {NSP functions in normal operating conditions}; and
- (b) rule 186(2) {NSP and controller pre-contingent functions}; and
- (c) rule 187(2) {NSP and controller functions after contingency}.

A4.20 To the extent that rule A4.19 requires a *registered NSP* to do something in accordance with a *procedure* or *protocol* which the *ISO* has not yet *published*, the *registered NSP* must do so in accordance with *GEIP*.

System operation – Registered controller responsibilities

A4.21 A *registered controller* must perform its operational functions under —

- (a) rule 185(3) {Controller functions in normal operating conditions}; and
- (b) rule 186(2) {NSP and controller pre-contingent functions}; and
- (c) rule 187(2) {NSP and controller functions after contingency}.

Horizon Power has limited ISO control desk function

A4.21A The *ISO* and *Horizon Power* may enter into an interim delegation agreement under rules 39 and 45 for a period commencing 7 January 2022, in respect of a limited form of the *ISO control desk* function, and if they do:

- (a) rules A4.23 to A4.26 do not apply; and
- (b) rule 42 {ISO's responsibility when choosing and monitoring delegate} does not apply in respect of the delegation; and
- (c) *Horizon Power* must comply with the agreement and its ringfencing obligations under the *Pilbara Networks Access Code*, and must not discriminate in favour of itself or a *related body corporate*, or against any person; and
- (d) payments to *Horizon Power* under the agreement must not exceed the amount that would be permitted under rule 125 {ISO control desk costs}; and
- (e) without limiting this Appendix 4, Sub-appendix 4.2 applies in respect of any *ISO control desk* functions not delegated by the agreement.

A4.22 Subject to rule A4.21A(a), during *normal operating conditions* *Horizon Power* is to perform the functions of the *ISO control desk* under rule 185(2).

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- A4.23 Subject to rule A4.21A(a), if circumstances arise which call for a *pre-contingent action*, then *Horizon Power* is to perform the functions of the *ISO control desk* under rule 186(1) (other than rule 186(1)(c)).
- A4.24 Subject to rule A4.21A(a), for the purposes of rules A4.22 and A4.23, *Horizon Power* is a *delegate* of the *ISO*, and Subchapter 2.2 does not apply in respect of the delegation.
- A4.25 Subject to rule A4.21A(a), for the purposes of rule A4.22 references in rule 185(2) to rules which have not yet commenced, are to be disregarded.

System coordination meetings to commence

- A4.26 The *NSPs* and the *ISO* are to commence fortnightly meetings in accordance with rule 174.

No power to give directions

- A4.27 Except as set out in rules A4.27 {Emergency directions} and A4.45 {Headroom directions} and Sub-appendix 4.10 {Constraint directions}, these rules do not give an *NSP* (including *Horizon Power* acting as the *ISO control desk*) the power to give a *direction*.

Directions in emergencies

- A4.28 A *registered NSP* may give a direction to —

- (a) the *controller* of any *facility* connected to its *network*; and
- (b) a network user of its network,

in whatever form and with whatever content it judges necessary, if it believes in good faith that emergency circumstances exist which justify it doing so under *GEIP*, including in order to pursue the *system security objective*, prevent death or injury or damage to equipment, or avoid *load shedding*.

Visibility

- A4.29 If a location was *visible* at 15 March 2019, then it must remain *visible* until the first *visibility list* is *published* under rule 105(2) (not rule A4.57(b)), unless unanimous consent is obtained from all *registered NSPs* and (subject to rules A4.9 to A4.11) the *ISO*.

Sub-appendix 4.5 – Energy balancing and settlement (including ESS payment)

Definitions

- A4.30 In this Appendix 4 —

- (a) “**legacy contract**” means a *network access contract* between a *covered NSP* and a *network user* which is in effect as at the *rules commencement date*; and
- (b) “**legacy user**” means a *network user* with a *legacy contract*; and
- (c) “**legacy point**” means a *balancing point* at which the *legacy user* is entitled under the *legacy contract* to *inject* or *withdraw* electricity; and

-
- (d) “**new contract**”, “**new user**” and “**new point**” have the corresponding meaning in respect of a *network access contract* entered into on or after the *rules commencement date*.

Legacy arrangements apply to existing contracted points only

- A4.31 To the extent an *existing user* seeks to *inject* or *withdraw* electricity at a *balancing point* other than a *legacy point*, then for the purposes of this Appendix 4 —
- (a) the point is to be treated as a “**new point**”; and
 - (b) the user is to be treated, in respect of that point but not in respect of any *legacy point*, as a “**new user**”; and
 - (c) the user’s *network access contract* is to be treated, in respect of that point but not in respect of any *legacy point*, as a “**new contract**”; and
 - (d) to facilitate the operation of paragraphs A4.31(a), A4.31(b) and A4.31(c) and the rest of this Appendix 4, for the purposes of any nomination under Chapter 8 (applying in accordance with this Appendix 4) the *network user* may be treated as two (or more) separate *balancing nominees*, one in its capacity as a *legacy user* in connection with its *legacy point* or points, and the other (or others) in its capacity as a *new user* in connection with its *new point* or points.

Nominations and data provision

- A4.32 To facilitate the operation of rule A4.36 —
- (a) each *legacy user* and each *new user* (including the *network user* responsible for supplying the *notional wholesale meter*) is the *nominator* for its *balancing points*, and must provide its contact details to the *ISO* by no later than 30 July 2021; and
 - (b) the *ISO* must develop a process for *nominators* to make *nominations*, and must make this available to *nominators* on or before it issues the *EBAS readiness notice*; and
 - (c) when the *ISO* or its *delegate* is ready to receive *nominations* and has systems and personnel in place to undertake balancing and settlement as required by rule A4.36, it must give *notice* of that fact to *rules participants* (“**EBAS readiness notice**”); and
 - (d) a *nominator* must within 15 business days after the date of the *EBAS readiness notice* submit to the *ISO*, and thereafter have in place, a valid *nomination* under rule 222 for its *balancing points*, whether they are *legacy points* or *new points*; and
 - (e) each *NSP* must, to the extent necessary, provide information in accordance with rules 138 {Provision of metering data to ISO} and 139 {Provision of metering data to NSP etc}.

Energy balancing and settlement

- A4.33 After it issues the *EBAS readiness notice*, the *ISO* is to determine imbalance quantities in accordance with Subchapter 8.2.
- A4.34 The *ISO* may in its absolute discretion delegate the performance of its function under rule A4.33 to any person. Subchapter 2.2 does not apply in respect of the delegation.
- A4.35 For an *existing user* from 1 July 2021 to 6 January 2022 —

-
- (a) payments to and by the *existing user* in respect of energy imbalances (including imbalances determined under rule A4.33) and *essential system services* are to be determined and made in accordance with its *existing contract*; and
 - (b) a *payment note* which purports to name the *existing user* as a *payer* or *payee* is of no effect.

A4.36 For a *new user* from 1 July 2021, and for an *existing user* from 7 January 2022, balancing and settlement matters, including payments to and by the *new user* in respect of energy imbalances and *essential system services*, are to be resolved and administered in accordance with the rules in Chapter 8, modified as follows —

{This rule A4.36 is only a transitional rule. From 1 July 2023 at the latest, energy balancing and settlement for both *new contracts* and *existing contracts* will be dealt with under Chapter 8.}

- (a) although balancing and settlement are to apply from 1 July 2021 and 7 January 2022, for *new users* and *existing users* respectively, the *ISO* is to defer undertaking the actual settlement calculations for each *settlement period* until at least *15 business days* after it has issued the *EBAS readiness notice*, at which point it is to undertake the calculations for each *settlement period* in arrears; and
 - (b) the *administered price* is to be determined and *published* by the *ISO* from time to time, for which purpose the *ISO* may inform itself as it sees fit; and
 - (c) subject to rule A4.41(a), no payments are to be made in respect of *secondary FCESS*; and
 - (d) the administered penalty price is to be 130% of the administered price; and
 - (e) in each *payment note* issued to the *new user* or *existing user* —
 - (i) if during the *settlement interval Horizon Power* paid for *primary FCESS* under rules A4.38 or A4.39 — *Horizon Power* is to be inserted as *payee* in place of the *primary FCESS provider*; and
 - (ii) if during the *settlement interval Horizon Power* paid for *primary SRESS* under rules A4.42 or A4.43 — *Horizon Power* is to be inserted as *payee* in place of the *primary SRESS provider*; and
 - (iiA) if during the *settlement interval Horizon Power* paid (or was paid) for balancing electricity under rules A4.38 or A4.39 — *Horizon Power* is to be inserted as *payee* (or *payer*, respectively), in place of the *payee* (or *payer*) identified by the *ISO* under these rules; and
 - (iii) otherwise — the *covered NSP* who is the counterparty to the *new user's new contract* is to be substituted as the counterparty *payee* or *payer*;
- and
- (f) in place of rule 237(1)(b), any surplus is to be retained by the relevant *covered NSP*.

Sub-appendix 4.6 – Essential system services

Definitions – ESS transitional arrangements

A4.37 In the following rules —

-
- (a) “**prior arrangement**” means a contractual arrangement which *Horizon Power* had in place for *essential system service* procurement before the *rules commencement date*; and
 - (b) “**new arrangement**” means any modified or replacement contract, arrangement or understanding for *essential system service* procurement which *Horizon Power* enters into after the *rules commencement date*, and includes any variation to a *prior arrangement*.

Transition for frequency control (regulation) and balancing

- A4.38 While the *prior arrangement* between Rio Tinto and Horizon Power is in effect, Rio Tinto will provide, and be paid for, the *primary FCESS service* in accordance with the *prior arrangement*, and the parties will pay, and be paid for, electricity imbalances in accordance with the *prior arrangement*.
- A4.39 If the *prior arrangement* between Rio Tinto and Horizon Power will no longer be in effect, then *Horizon Power* must enter into a *new arrangement* in accordance with rules A4.48 to A4.52 to replace it.
- A4.40 If a *secondary FCESS service* is required, whether due to an *islanding event* or otherwise, then —
 - (a) *Horizon Power* is to provide or procure it; and
 - (b) if *Horizon Power* is not providing, and has not procured, *secondary FCESS service* in an *island* under rule A4.40(a), then *Alinta DEWAP* is to provide or procure it in accordance with its existing contract.

{The current contractual arrangement, in which one of Alinta’s machines will enter Isoch mode when a control set point is reached, after which Horizon Power will take over secondary FCESS and Alinta will revert to droop mode, will continue in accordance with the contract.}
- A4.41 If Horizon Power or Alinta DEWAP provides *secondary FCESS service*, then —
 - (a) if and for so long as they are the only *rules participant* providing *FCESS service* in the *NWIS* — they are to be paid the same amount as Rio Tinto would have been under its *prior arrangement*; but
 - (b) otherwise — they are not to be paid.

Transition for spinning reserve (headroom)

- A4.42 While the *prior arrangement* between Rio Tinto and Horizon Power is in effect, Rio Tinto will provide at least 20 MW of headroom by way of *regulation raise reserve* in accordance with the *prior arrangement*.
- A4.43 If the *prior arrangement* between Rio Tinto and Horizon Power is no longer in effect, then *Horizon Power* must enter into a *new arrangement* for at least 20 MW of headroom in accordance with rules A4.48 to A4.52 to replace it.
- A4.44 In addition to the headroom referred to in rules A4.42 or A4.43, each *registered NSP* must provide or procure that there is —
 - (a) in normal operating conditions — at least 14 MW of headroom in generating units connected to its network; and

-
- (b) otherwise — sufficient *headroom* to satisfy the *contingency reserve standard* in rule 211, in each *island* which includes any part of its *network*.

{If an *island* includes more than one *network*, the *registered NSPs* may collaborate to meet the requirement in rule A4.44(b) collectively.}

- A4.45 A *registered NSP* may issue a *direction* to a *generator* in its *network*, or to a *network user* of its *network*, for the purposes of rule A4.44.
- A4.46 Unless a contract provides otherwise, a *rules participant* is not to be paid for providing *headroom* under rules A4.44 or A4.45.

Varying prior ESS arrangements

- A4.47 A *prior arrangement* will continue unchanged after the *rules commencement date* until it —
- (a) expires or is terminated in accordance with its terms; or
 - (b) is modified in accordance with rules A4.48 to A4.52.
- A4.48 A *new arrangement* must not result in any change to the —
- (a) quantity; or
 - (b) any other technical or operational specification or requirement,
- of the *essential system service* being procured, compared with the relevant *previous arrangement*, unless the change has first received unanimous consent under rule A4.49 from all *registered NSPs* and (subject to rules A4.9 to A4.11) the *ISO*.
- A4.49 A *registered NSP* and the *ISO* must consent to a change under rule A4.48, as soon as it is satisfied to a *GEIP* standard that the proposed change —
- (a) does not materially jeopardise the *system security objective*, compared with the position under the *previous arrangement*; and
 - (b) is consistent with rule A4.51.
- A4.50 Subject to rule A4.51, the price and other commercial terms for any *new arrangement* may be agreed between the parties to the *new arrangement* as they see fit.
- A4.51 A *new arrangement* must not result in a *person* paying more under an *existing contract* than it would have under the *prior arrangement*, unless the person agrees to the increase.
- A4.52 If a *new arrangement* consists of self-supply or supply by a *related business* or a *related body corporate*, it must be documented in writing.

Minister may make transitional orders regarding ESS contracts

- A4.53 Without limiting regulation 32 {Ministerial transitional orders}, the Minister may by order published in the *Gazette* determine how any *prior arrangement* is to be treated after the *rules commencement date*, for the purposes of these rules.

Sub-appendix 4.7 – Harmonised technical rules

Harmonised technical rules apply

- A4.54 Subject to exemptions under the rules and legacy rights under Appendix 3, and to rule 5 {Integrated mining systems}, the *harmonised technical rules* apply.
- A4.55 However, rules A4.9 to A4.13 apply in respect of any *ISO* function under the *harmonised technical rules*.
- A4.56 Until a *covered NSP publishes* content for Attachments 5, 10, 11 and 12 of the *harmonised technical rules* in accordance with Attachment 1 of the *harmonised technical rules*, the corresponding attachment of the *Horizon Power Technical Rules* of October 2020, read with appropriate amendments, may be used as a non-binding guideline in its place.

Sub-appendix 4.8 – Developing initial procedures

Interim procedures

- A4.57 Rules A4.58 to A4.60 apply to the following *procedures* —
- (a) a *communications procedure* under Subchapter 4.2; and
 - (b) a *visibility list*; and
 - (c) an *administration procedure* for the purposes of Chapter 4; and
 - (d) a *budget and cost management procedure* for the purposes of Subchapter 4.5; and
 - (e) an interim *procedure* to manage *essential system services*, energy balancing, and settlement; and
 - (f) an *access and connection procedure* for the purposes of Subchapter 9.2; and
 - (g) any other *procedure* which the *ISO* determines needs to be put in place sufficiently soon after the *rules commencement date* to make full consultation impractical.
- A4.58 The *ISO* must notify *rules participants* and the Coordinator of a determination under rule A4.57(g).
- A4.59 For a *procedure* to which this rule A4.59 applies —
- (a) the *ISO*, when developing the *procedure*, may abridge or dispense with consultation to the extent it judges appropriate, and publish an interim *procedure*; but
 - (b) if so, the *ISO* must as soon as practicable after *publishing* the interim *procedure*, undertake the consultation which would otherwise have been required by these rules in respect of its development, and must thereafter publish a *procedure* to replace the interim *procedure*.
- A4.60 An interim *procedure published* under rule A4.59(a) has effect as the *procedure*, until replaced under rule A4.59(b).

Sub-appendix 4.9 – Generation adequacy

Generation adequacy

- A4.61 If the *ISO* at any time considers that the primary objective in rule 150(1) may be at risk, it may convene a meeting of *registered NSPs* to discuss the *NSPs*' estimates in accordance with *GEIP* of the overall balance between *generation* and *load* in the *power system*, and whether —
- (a) Chapter 6 should be commenced; or
 - (b) other measures should be taken to ensure that the primary objective in rule 150(1) is being and will likely continue to be achieved,
- and if so in either case, an appropriate form for any *rule change proposal*.

Sub-appendix 4.10 – Constrained access

Constrained access

- A4.62 The *ISO control desk* must, to the extent it has *visibility*, monitor the *power system* in order to identify when a *network constraint* may occur or is occurring.
- A4.63 Subject to rule A4.64, the *ISO control desk* may issue a *constraint direction* to a *generator* in a *covered network*, or to a *network user* of a *covered network*, if it considers that doing so is necessary to preserve the *system security objective*.
- A4.64 In determining whether and to whom to issue a *constraint direction*, and the nature and duration of such a *direction*, the *ISO control desk* must —
- (a) apply *GEIP*; and
 - (b) subject to rule A4.64(a) and the *system security objective*, seek to minimise the extent and duration of any *constraint direction*; and
 - (c) endeavour to treat *network users* and *rules participants* fairly in all the circumstances, having regard (among other things) to previous entitlements and practices and the *Pilbara electricity objective*.
- A4.65 A *rules participant* —
- (a) must comply with a *constraint direction*; and
 - (b) must nonetheless endeavour to maintain or procure a balance between the relevant *injections* and *withdrawals* as contemplated by rule 169.

Sub-appendix 4.11 – Transitional funding

Transitional funding

- A4.66 The *ISO* may from time to time estimate an amount of money it expects to require (including by way of working capital) to perform its functions under Part 8A of the Act.

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- A4.67 An “**interim ISO fee**” payable by a *registered NSP* from time to time is to be calculated by dividing the amount determined under rule A4.66 by the number of *registered NSPs*.
- A4.68 The *ISO* may issue an invoice in respect of an *interim ISO fee*, and a *registered NSP* must pay the invoiced amount promptly.
- A4.69 For the purposes of rule 124(2)(b) {Budget reconciliation in subsequent year} *interim ISO fees* are to be counted as “ISO fees”.

Sub-appendix 4.12 - Transitional process for rule change

Transitional process for rule changes

- A4.70 If —
- (a) a *rule change proposal* is developed by, or submitted to, the *Coordinator*, or a *procedure change proposal* is developed by, or submitted to, a *custodian*; and
 - (b) a process in Appendix 2 requires the *Pilbara advisory committee* to be convened, consulted, or otherwise perform a function; and
 - (c) the *Pilbara advisory committee* is not yet formed or otherwise is not yet in a position to perform the required function,
- then the *Coordinator* may by notice *published* on its website determine that the *rule change* process or *procedure change process* either —
- (d) is to proceed without the *Pilbara advisory committee*; or
 - (e) is to be suspended until the *Pilbara advisory committee* is in a position to perform the required function.
- A4.71 If the *Coordinator* determines under rule A4.70(d) that the process should proceed, then references in Appendix 2 to the *Pilbara advisory committee* are to be disregarded, and the *Coordinator* or *custodian* (as applicable) must instead confer and otherwise inform themselves as appropriate in the circumstances.
- A4.72 If the *Coordinator* determines under rule A4.70(e) that the process should be suspended, then time ceases running for the purposes of Appendix 2 from the time of the notice, until the *Coordinator publishes* a further notice that the process is to resume.
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Appendix 5 – Pilbara Harmonised Technical Rules

{Please see next page.}

{For convenience, in an electronic version of these rules, the *harmonised technical rules* may be presented as a separate document. For change management, the *harmonised technical rules* carry their own version number.}
