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ADDENDUM

Our Ref:

47337

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To whom it may concern

Change to the provision numbering of the regulatory investment test for transmission (RIT-T)

The purpose of this addendum/cover letter is to draw the attention of stakeholders to the recent changes to chapter 5 of the National Electricity Rules (Electricity Rules) and their effect on the regulatory investment test for transmission (RIT-T) and RIT-T application guidelines.

On 1 January 2013, the Australian Energy Market Commission's National Electricity Amendment (Distribution Network Planning and Expansion Framework) Rule 2012 No 5 rule change, made on 11 October 2012, commenced operation. The rule change was implemented through the introduction of version 54 of the Electricity Rules.

The primary purpose of the rule change was to introduce a new framework in the National Electricity Rules for distribution network planning and expansion framework. This includes the introduction of the regulatory investment test for distribution (RIT-D) which will be developed by the AER.

The rule change also re-numbered the provisions of chapter 5 of the Electricity Rules. We consider that this has not resulted in any substantive changes to the requirements of the RIT-T. Clause 1.4(a) of the Electricity Rules states that the renumbering of provisions by an amending rule does not affect anything done under the provision prior to the amendment. A reference to the provision as previously numbered is taken to be a reference to the provision as renumbered. Thus, this means that the RIT-T and RIT-T application guidelines still have legal effect and no amendment to those documents are necessary. However, a consequence of the re-numbering of provisions is that any references to the Electricity Rules in the RIT-T and RIT-T application guideline need to be read with caution.

¹ Cl. 1.4(b), National Electricity Rules.

For example:

- the equivalent to clause 5.6.5B in the pre-version 54 of the Electricity Rules is now clauses 5.16.1 and 5.16.2 from version 54 onwards
- the equivalent to clause 5.6.5C in the pre-version 54 of the Electricity Rules is now clause 5.16.3 from version 54 onwards; and
- the equivalent to clause 5.6.6 in the pre-version 54 of the Electricity Rules is now clause 5.16.4 from version 54 onwards.

Any future amendments to the RIT-T and RIT-T application guidelines will update the references to the Electricity Rules to ensure they are consistent with the latest version of the Electricity Rules.

Yours sincerely

Tom Leuner

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