
Dated 30 November 2015

National Electricity Market Emergency Protocol

The State of New South Wales
("NSW")
The State of Victoria
("Victoria")
The State of Queensland
("Queensland")
The State of South Australia
("South Australia")
The Australian Capital Territory
("ACT")
The State of Tasmania
("Tasmania")
Australian Energy Market Operator Limited
("AEMO")

National Electricity Market Emergency Protocol

Date:

THE STATE OF NEW SOUTH WALES (“NSW”)
THE STATE OF VICTORIA (“Victoria”)
THE STATE OF QUEENSLAND (“Queensland”)
THE STATE OF SOUTH AUSTRALIA (“South Australia”)
THE STATE OF TASMANIA (“Tasmania”)
THE AUSTRALIAN CAPITAL TERRITORY (“ACT”)
AUSTRALIAN ENERGY MARKET OPERATOR LIMITED (“AEMO”)

Recitals:

- A. This protocol is jointly developed and agreed under clause 3.6 of the Memorandum of Understanding.
- B. It replaces the protocol entered into by the parties under the Original Memoranda of Understanding.

Operative Provisions:

1 Interpretation

- 1.1 In this protocol, words in italics have the meanings given to them in the National Electricity Rules unless the contrary intention appears.
- 1.2 The following words have these meanings in this protocol unless the contrary intention appears.

Commencement Time means 30 November 2015.

Designated Officer has the same meaning as in the Memorandum of Understanding.

Electricity Supply Shortage has the same meaning as in the Memorandum of Understanding.

Emergency Power means a situation where the available supply of electricity in or to a Jurisdiction, is, or is likely to become, less than is sufficient for the reasonable requirements of customers taking electricity in the Jurisdiction..

Energy Supply Emergency Management Organisations in respect of a Jurisdiction means the organisations, agencies and departments responsible for responding to and alleviating emergencies in the Jurisdiction.

Jurisdictions means New South Wales, Victoria, Queensland, South Australia, the Australian Capital Territory and Tasmania and any other State or Territory that becomes a Party to this memorandum.

Original Memoranda of Understanding means a Memorandum of Understanding on the use of emergency powers, dated 24 November 1998, between the parties (excluding Tasmania); and a Memorandum of Understanding on the use of emergency powers between the parties (including Tasmania) signed following the entry of Tasmania to the National Electricity Market in 2005.

Media Statement means press or other announcement or release relating to this protocol or the exercise of an Emergency Power.

Memorandum of Understanding means the memorandum executed by NSW, Victoria, Queensland, South Australia, ACT, Tasmania and AEMO relating to the use of Emergency Powers, dated on or around November 2015.

National Electricity Law means the National Electricity Law set out in the schedule to the National Electricity (South Australia) Act 1996 of South Australia (which applies as a law of South Australia because of that Act and as a law of each of the other Jurisdictions because of an Act of that other Jurisdiction).

National Electricity Market means the market for wholesale trading of electricity with participants situated in different States and Territories of Australia, established by the National Electricity Law and National Electricity Rules.

National Electricity Rules has the same meaning as it has in the National Electricity Law.

National Grid has the same meaning as it has in the National Electricity Rules.

Party means a party to the Memorandum of Understanding.

Relevant Official

- (a) a Jurisdiction other than the ACT, means the Governor-in-Council of that Jurisdiction, a Minister of the Crown in right of that Jurisdiction, a statutory authority of that Jurisdiction or an officer or employee of a department, agency or statutory authority of that Jurisdiction; and
- (b) the ACT, means the Australian Capital Territory Executive, the Chief Minister of the ACT, a Minister of the ACT, a statutory authority of the ACT or an officer or employee of a department, agency or authority of the ACT.

Responsible Officer has the same meaning as in the Memorandum of Understanding.

State of Emergency in respect of a Jurisdiction means a state of emergency or state of disaster proclaimed by a Relevant Official in a Jurisdiction.

1.3 In this protocol unless the contrary intention appears:

- (a) a reference to this protocol or another instrument includes any variation or replacement of either of them;
- (b) a reference to a statute, ordinance or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (c) the singular includes the plural and vice versa;
- (d) the word person includes a firm, a body corporate, an unincorporated association, an authority or a State or Territory of Australia;
- (e) if a word or phrase is specifically defined in this protocol, then other parts of speech and grammatical forms of that word or phrase have corresponding meanings.

1.4 Headings are inserted for convenience and do not affect the interpretation of this protocol.

2 Status of Protocol

- 2.1 This protocol is not legally binding.
- 2.2 This protocol commences on the later of:
 - (a) Commencement Time; or
 - (b) the date on which this protocol is last signed by a Jurisdiction.
- 2.3 If a provision of this protocol is inconsistent with a provision of the Memorandum of Understanding, then the provision of the Memorandum of Understanding prevails to the extent of that inconsistency.
- 2.4 The parties acknowledge that, for the purposes of rule 4.3.1(t) of the National Electricity Rules, this protocol and the Memorandum of Understanding together constitute the basis and processes on which AEMO will liaise with the Jurisdictions if the management of an extensive disruption requires the use of emergency services powers.

3 Representatives

- 3.1 Under the Memorandum of Understanding each party must, by notice to each other party, appoint a person as its Responsible Officer.
- 3.2 The Responsible Officer for each party is as set in a list maintained by AEMO which is available upon request.
- 3.3 Each Jurisdiction should nominate a deputy Responsible Officer and inform AEMO whenever the deputy temporarily takes on the role of the primary Responsible Officer for two weeks or more. This notification should also include the return date of the primary Responsible Officer.

4 Jurisdiction invoking Emergency Power

Jurisdiction initiating use of an Emergency Power

- 4.1 Each Jurisdiction must use best endeavours to ensure that if a Relevant Official of the Jurisdiction proposes to exercise an Emergency Power, then the provisions of this clause 4 are complied with.

Notices

- 4.2 If a Relevant Official of a Jurisdiction proposes to exercise an Emergency Power, then the Jurisdiction must use best endeavours to ensure that the Responsible Officer of the Jurisdiction notifies the Responsible Officer of AEMO and the other Jurisdictions of the proposal prior to the exercise of the Emergency Power and provides the following information to the Responsible Officer of AEMO and the other Jurisdictions:
 - (a) the nature of the situation giving rise to the proposed use of the Emergency Power;
 - (b) the particular Emergency Power(s) which is proposed to be used; and
 - (c) any orders, proclamations, declarations, directions, regulations or public notices which are proposed to be made under an Emergency Power including, without limitation, details of the level of any electricity consumption restrictions or rationing measures to apply.

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- 4.3 Each Responsible Officer must keep all notices received under clause confidential, and must not disclose or permit disclosure of such notices except on a need-to-know basis as contemplated by this protocol.
- 4.4 If AEMO's Responsible Officer receives a notice under clause 4.2, then AEMO must use best endeavours to ensure that AEMO's Responsible Officer provides advice as soon as practicable to the Responsible Officers of the Jurisdictions on the following matters:
- (a) whether action could be taken by AEMO to manage the emergency, either in accordance with AEMO's powers under the National Electricity Law or the National Electricity Rules, or by the Jurisdiction authorising AEMO to exercise an Emergency Power of the Jurisdiction; and
 - (b) the likely impacts of the exercise of the Emergency Power on the National Electricity Market, the National Grid and the electricity industry generally.
- 4.5 A Jurisdiction must use best endeavours to ensure that:
- (a) a Relevant Official has due regard to all advice provided by AEMO under clause 4.4; and
 - (b) if relevant, the Responsible Officer of the Jurisdiction notifies the Responsible Officer of AEMO as soon as practicable as to whether:
 - (i) AEMO is to be authorised to exercise an Emergency Power of the Jurisdiction; or
 - (ii) the Jurisdiction considers that AEMO should manage the situation using AEMO's power under the National Electricity Law or the National Electricity Rules.

5 Request by AEMO

AEMO requesting use of Emergency Power

- 5.1 If AEMO forms the opinion that the management of a situation in the National Electricity Market or the National Grid (including an Electricity Supply Shortage) requires the exercise of an Emergency Power in one or more Jurisdictions, then the provisions of this clause 5 apply.

Notices

- 5.2 AEMO must use best endeavours to ensure that the Responsible Officer of AEMO notifies the Responsible Officer of each Jurisdiction of:
- (a) the Jurisdiction that AEMO requests to exercise an Emergency Power;
 - (b) the nature of the situation giving rise to the request to use the Emergency Power;
 - (c) the extent of the National Grid affected;
 - (d) the nature of the Emergency Power to be exercised and, if relevant, the Emergency Powers that AEMO considers it should be authorised to exercise;
 - (e) if applicable, the level and extent of any *load* reductions required, if any;
 - (f) if applicable, the level and extent of actions required to reinstate *supply* capability;

- (g) if applicable, the level of any maximum generation requirements to maintain a *secure operating state*;
- (h) if applicable, the level and extent of electricity consumption restrictions or rationing measures considered necessary; and
- (i) if applicable, the measures AEMO has already implemented or proposes to implement under the National Electricity Law or the National Electricity Rules, such as *load shedding*, interruptions to *sensitive loads* and advice provided to Registered Participants.

5.3 Each Jurisdiction must use best endeavours to ensure that if the Jurisdiction receives a notice under clause 5.2 requesting the Jurisdiction to exercise an Emergency Power, then:

- (a) the Relevant Officials of the Jurisdiction have due regard to AEMO's request; and
- (b) the Responsible Officer of the Jurisdiction notifies the Responsible Officer of AEMO as soon as practicable as to whether AEMO is to be authorised to exercise an Emergency Power of the Jurisdiction.

6 Authorising AEMO to exercise Emergency Powers

- 6.1 If:
- (a) following advice from AEMO under clause 4.4;
 - (b) following a notice from AEMO under clause 5.2; or
 - (c) in any other circumstances,

a Jurisdiction wishes AEMO to exercise an Emergency Power, then the Jurisdiction must use best endeavours to ensure that the Responsible Officer of that Jurisdiction notifies the Responsible Officer of AEMO of such request and provide to the Responsible Officer of AEMO a copy of the appropriate authorisation and any conditions attached to that authorisation.

6.2 If AEMO exercises an Emergency Power, then AEMO must use best endeavours to ensure that the Responsible Officer of AEMO provides to the Responsible Officer of the Jurisdiction any advice, information or other matter as specified in the conditions to the authorisation.

- 6.3 If:
- (a) AEMO is authorised by Jurisdiction to exercise any Emergency Power in circumstances where AEMO may decide not to exercise an Emergency Power; and

(b) AEMO decides that it will not exercise that Emergency Power,

then AEMO must use best endeavours to ensure that its Responsible Officer notifies the Responsible Officer of the Jurisdiction as soon as practicable after AEMO has decided that AEMO does not wish to exercise the Emergency Power.

7 Notice of Emergency Power

7.1 If an Emergency Power of a Jurisdiction is exercised, then the Jurisdiction must use best endeavours to ensure that the Responsible Officer of that Jurisdiction:

- (a) Notifies the Responsible Officer of AEMO and the other Jurisdictions of that fact as soon as practicable after the Emergency Power has been exercised;
 - (b) Provides to the Responsible Officer of AEMO and the other Jurisdictions any orders, proclamations, declarations, directions, regulations or public notices which have been made under an Emergency Power including, without limitation, details of the level of any electricity consumption restrictions or rationing measures; and
 - (c) Notifies the Responsible Officers of AEMO and the other Jurisdictions that the Emergency Power has been revoked or otherwise ceases to apply, as soon as practicable after the Emergency Power has been revoked or otherwise ceases to apply
- 7.2 If an Emergency Power is exercised, then the Jurisdiction and AEMO must use best endeavours to ensure that the Responsible Officer of that Jurisdiction and the Responsible Officer of AEMO continually liaise and communicate to keep each other abreast of any changing circumstances in relation to the exercise of that Emergency Power.
- 7.3 Each Jurisdiction must use best endeavours to ensure that all communications from the Energy Supply Emergency Management Organisations of that Jurisdiction to AEMO are channelled through the Responsible Officer of that Jurisdiction.
- 7.4 If a State of Emergency is declared in a Jurisdiction, then the Jurisdiction must use best endeavours to ensure that its Responsible Officer advises the Responsible Officer of AEMO of the likely effect that the State of Emergency or the circumstances relating to the State of Emergency will have on the *generation, transmission, distribution, sale and/or consumption of electricity.*
- 7.5 Each Responsible Officer must keep all notices received under this clause confidential, and must not disclose or permit disclosure of such notices except on a need-to-know basis as contemplated by this protocol.

8 Amendments

Amendment by consent

- 8.1 This protocol may not be amended except with the agreement in writing of each Designated Officer.

Procedures for Amendment

- 8.2 Any Designated Officer may by notice to each other Designated Officer, propose amendments to this protocol.
- 8.3 If a Designated Officer proposes an amendment to this protocol under clause 8.1, the Designated Officers must, within reasonable time of notification of the proposal:
- (a) Consider the proposed amendments;
 - (b) Consult with their respective Responsible Officers;
 - (c) Liaise with each other Designated Officer; and

(d) If necessary, meet with the other Designated Officers to discuss the proposed amendment.

- 8.4 If this protocol is amended, then AEMO must publish and provide to each Jurisdiction an updated version of this protocol incorporating the amendments.
- 8.5 If an Emergency Power is exercised, then each Responsible Officer, together with the other Responsible Officers, within four weeks after the exercise of that Emergency Power, must consider and review the exercise of the Emergency Power and prepare a joint report to the Designated Officers in relation to the operation of the Memorandum of Understanding and this protocol. This report must contain an assessment of the efficiency and effectiveness of the Memorandum of Understanding and this protocol and recommendations as to any amendments to the Memorandum of Understanding or the protocol that are thought to be necessary.

9 Publicity

- 9.1 If the Responsible Officer of a Jurisdiction gives a notice under clause 4.2, 6.1 or 7.1, then AEMO is responsible for issuing Media Statements in relation to *power system security* and the effect or likely effect of the subject matter of the notice on *power system security*.
- 9.2 Each Jurisdiction must use best endeavours to liaise with AEMO prior to releasing any Media Statement dealing with the exercise of an Emergency Power.
- 9.3 If AEMO propose to issue a Media Release that relates to the exercise of an Emergency Power of a Jurisdiction, then AEMO must use best endeavours to liaise with that Jurisdiction prior to releasing the Media Statement.
- 9.4 Each Media Statement by or on behalf of a party must be provided to the Responsible Officer of each other party as soon as practicable after the Media Statement is released (whether released under embargo or otherwise).

10 Notices

- 10.1 A notice under clause 3.1, 4.2, 6.1, 7.1(b) or 8.2 of this protocol:
- (a) must be in writing; and
 - (b) must be left at the address of the addressee, or sent by prepaid ordinary post to the address of the addressee or sent by facsimile to the facsimile number of the addressee which is specified in the Responsible Officer contact list or if the addressee notifies another address or facsimile number then to that address or facsimile number.
- 10.2 A notice, advice or other communication in connection with this protocol, other than a notice referred to in clause 10.1, may be given verbally or in writing, or in email. If a notice is given verbally and the recipient requests that the notice be confirmed in writing, then the party giving the verbal notice must provide confirmation in writing of that notice as soon as practicable thereafter.
- 10.3 A notice in writing or a confirmation under clause 10.2 must be given in accordance with clause 10.1

Execution Page

SIGNED for and on behalf of the **STATE OF NEW SOUTH WALES**
in the presence of:



Witness signature

Michelle Wheatley

Witness name (print)



Designated Officer signature

Claudia Kuestas

Designated Officer name (print)

SIGNED for and on behalf of the **STATE OF VICTORIA**
in the presence of:

Witness signature

Witness name (print)

Designated Officer signature

Designated Officer name (print)

SIGNED for and on behalf of the **STATE OF QUEENSLAND**
in the presence of:

Witness signature

Witness name (print)

Designated Officer signature

Designated Officer name (print)

SIGNED for and on behalf of the STATE OF TASMANIA in the presence of:

Witness signature

STEPHEN DURNEY
Witness name (print)

Designated Officer signature

MATTHEW GROOM
Designated Officer name (print)

SIGNED for and on behalf of the AUSTRALIAN CAPITAL TERRITORY in the presence of:

Witness signature

Witness name (print)

Designated Officer signature

Designated Officer name (print)

SIGNED for and on behalf of the AUSTRALIAN ENERGY MARKET OPERATOR LIMITED in the presence of:

Witness signature

Witness name (print)

Designated Officer signature

Designated Officer name (print)

SIGNED for and on behalf of the STATE OF SOUTH AUSTRALIA
in the presence of:

.....
Witness signature

NICK SMITH
.....
Witness name (print)

.....
Designated Officer signature

VINCE DUFFY
.....
Designated Officer name (print)

SIGNED for and on behalf of the STATE OF TASMANIA
in the presence of:

.....
Witness signature

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Witness name (print)

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Designated Officer signature

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Designated Officer name (print)

SIGNED for and on behalf of the AUSTRALIAN CAPITAL TERRITORY
in the presence of:

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Witness signature

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Witness name (print)

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Designated Officer signature

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Designated Officer name (print)

SIGNED for and on behalf of the AUSTRALIAN ENERGY MARKET OPERATOR LIMITED
in the presence of:

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Witness signature

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Witness name (print)

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Designated Officer signature

.....
Designated Officer name (print)

Execution Page

SIGNED for and on behalf of the **STATE**
OF NEW SOUTH WALES
in the presence of:

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Witness signature

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Witness name (print)

.....
Designated Officer signature

.....
Designated Officer name (print)

SIGNED for and on behalf of the **STATE**
OF VICTORIA
in the presence of:

MF
.....
Witness signature

MARK FLATHER
.....
Witness name (print)

[Signature]
.....
Designated Officer signature

Ben Ferguson
.....
Designated Officer name (print)

SIGNED for and on behalf of the
STATE OF QUEENSLAND
in the presence of:

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Witness signature

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Witness name (print)

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Designated Officer signature

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Designated Officer name (print)

SIGNED for and on behalf of the **STATE OF SOUTH AUSTRALIA**
in the presence of:

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Witness signature

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Witness name (print)

SIGNED for and on behalf of the **STATE OF TASMANIA**
in the presence of:

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Witness signature

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Witness name (print)

SIGNED for and on behalf of the **AUSTRALIAN CAPITAL TERRITORY**
in the presence of:

M Ward
.....
Witness signature

MEGAN WARD
.....
Witness name (print)

SIGNED for and on behalf of the **AUSTRALIAN ENERGY MARKET OPERATOR LIMITED**
in the presence of:

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Witness signature

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Witness name (print)

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Designated Officer signature

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Designated Officer name (print)

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Designated Officer signature

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Designated Officer name (print)

S Rooney
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Designated Officer signature

SEAN ROONEY
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Designated Officer name (print)

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Designated Officer signature

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Designated Officer name (print)

Execution Page

**SIGNED for and on behalf of the STATE
OF NEW SOUTH WALES**
in the presence of:

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Witness signature

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Witness name (print)

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Designated Officer signature

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Designated Officer name (print)

**SIGNED for and on behalf of the STATE
OF VICTORIA**
in the presence of:

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Witness signature

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Witness name (print)

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Designated Officer signature

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Designated Officer name (print)

**SIGNED for and on behalf of the
STATE OF QUEENSLAND**
in the presence of:

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Witness signature

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Witness name (print)

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Designated Officer signature

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Designated Officer name (print)

SIGNED for and on behalf of the **STATE OF TASMANIA**
in the presence of:

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Witness signature

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Witness name (print)

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Designated Officer signature

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Designated Officer name (print)

SIGNED for and on behalf of the **AUSTRALIAN CAPITAL TERRITORY**
in the presence of:

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Witness signature

.....
Witness name (print)

.....
Designated Officer signature

.....
Designated Officer name (print)

SIGNED for and on behalf of the **AUSTRALIAN ENERGY MARKET OPERATOR LIMITED**
in the presence of:

Sharon Brown
.....
Witness signature

S. BROWN
.....
Witness name (print)

M. Zewa
.....
Designated Officer signature

M. ZEMA
.....
Designated Officer name (print)

