Dated: 11 July 2023

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") The State of Tasmania ("Tasmania") The Commonwealth of Australia ("Commonwealth") The Australian Energy Market Operator Limited ("AEMO")

#### National Electricity Market Emergency, Protocol

Date: 11 July 2023

Parties:

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")
THE COMMONWEALTH OF AUSTRALIA ("Commonwealth")
THE AUSTRALIAN ENERGY MARKET OPERATOR ("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 10 July 2023.

**Designated Minister** in relation to a Jurisdiction means the last Minister nominated by that Jurisdiction under Part 2, subject to clause 2.14 and 2.15 of the Memorandum of Understanding. Designated Minister in relation to the Commonwealth means the Energy Minister last appointed by the Governor-General of Australia.

**Electricity Supply Shortage** 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.

**Emergency Power** means a power conferred by a Law specified in Attachment 1, (including any replacement or additional Law which confers a similar power, that should be the subject of a notification to the Parties under clause 2.5) on a Relevant Official of a Jurisdiction, which enables that official to do any act or thing, or to direct any person, in response to an Electricity Supply Shortage or in relation to any one or more of generation, transmission, supply, sale and consumption of electricity, but does not include a power conferred upon AEMO under the National Electricity Law or the National Electricity Rules.

**Jurisdictional Designated Officer (JDO)** in relation to a Party, means the last person nominated by that Party as the Jurisdictional Designated Officer under Part 3, clauses 3.7 and 3.8 the Memorandum of Understanding.

<u>Jurisdiction</u> means New South Wales, Victoria, Queensland, South Australia, the Australian Capital Territory and Tasmania.

**Law** means an Act passed by the Parliament of the Commonwealth of Australia or of the Parliament of a Jurisdiction or a regulation, by-law, ordinance, code or other instrument made under an Act passed by the Parliament of the Commonwealth of Australia or of the Parliament of a Jurisdiction.

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

<u>Memorandum of Understanding means the memorandum</u> executed by New South Wales, Victoria, Queensland, South Australia, the Australian Capital Territory, Tasmania, the Commonwealth of Australia and AEMO relating to the use of Emergency Powers, dated July 2023.

**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).

<u>National Electricity Market</u> 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.

<u>National Electricity Rules</u> 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.

**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.

Party means a party to the Memorandum of Understanding.

Relevant Official in respect of:

- (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 (RO)** in relation to any Party, means the last person nominated by that Party as the Responsible Officer under clauses 3.11 or 3.12 of the Memorandum of Understanding.

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

State Energy Supply Emergency Management Organisations means the

organisations, agencies and departments responsible for responding to and alleviating emergencies in a Jurisdiction.

<u>The Commonwealth of Australia</u> means the Australian Government, which governs national matters.

- 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 Party.
- 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 an Emergency Power.

# **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 (RO).
- 3.2 The RO 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 RO and inform AEMO whenever the deputy temporarily takes on the role of the primary RO for two weeks or more. This notification should also include the return date of the primary RO.

# 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 RO of the Jurisdiction notifies the RO of AEMO, the other Jurisdictions and the Commonwealth of the proposal prior to the exercise of the Emergency Power and provides the following information to the RO of AEMO, other Jurisdictions and the Commonwealth:
  - (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.
- 4.3 Each RO 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.
- 4.4 If AEMO's RO receives a notice under clause 4.2, then AEMO must use best endeavours to ensure that AEMO's RO provides advice as soon as practicable to the RO of the Jurisdictions and the Commonwealth 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 RO of the Jurisdiction notifies the RO of AEMO as soon as practicable as to whether:
    - (i) AEMO is to be authorised to exercise an Emergency Power of the Jurisdiction; or
    - 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 RO of AEMO notifies the RO of each Jurisdiction and the Commonwealth 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 RO of the Jurisdiction notifies the RO 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

in any other circumstances,

a Jurisdiction wishes AEMO to exercise an Emergency Power, then the Jurisdiction must use best endeavours to ensure that the RO of that Jurisdiction notifies the RO of AEMO of such request and provide to the RO 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 RO of AEMO provides to the RO 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 RO notifies the RO 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 RO of that Jurisdiction:
  - (a) Notifies the RO of AEMO and, the other Jurisdictions and the Commonwealth as soon as practicable after the Emergency Power has been exercised;
  - (b) Provides to the RO of AEMO, the other Jurisdictions and the Commonwealth of 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 RO of AEMO, the other Jurisdictions and the Commonwealth 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 RO of that Jurisdiction and the RO 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 state Energy Supply Emergency Management Organisations of that Jurisdiction to AEMO are channelled through the RO 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 RO advises the RO 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 RO 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 RO, together with the other ROs, 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 RO 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 proposes to issue a Media Statement 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 Any notice, advice or other communication in connection with this protocol, may be given verbally or in writing via 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.

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

M.L. 1 (-11

Witness signature

.....

Witness name (print)

Designated Officer signature

.....

Michael Gatt

.....

Designated Officer name (print)

# **Execution Page**

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

Kylis Haddrick

Witness signature

Kylie Haddrick

Witness name (print)

/m/h .....

Designated Officer signature

Liam Ryan Designated Officer name (print)

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

.....

.....

Witness signature

Designated Officer signature

Witness name (print)

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)

# **Execution Page**

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

.....

.....

Witness signature

Witness name

Designated Officer signature

Designated Officer name (print)

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

Lia gora

Witness signature

Lisa Opray Witness name (print)

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

.....

Witness signature

Witness name (print)

Ale Boda

.....

Designated Officer signature

Alex Badham, Executive Director, EDES Designated Officer name (print)

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:

Witness signature

Witness name (print)

Designated Officer signature

Designated Officer name (print)

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

Witness signature

Witness name (print)

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

Witness signature

Paul Behne Witness name (print)

Designated Officer name (print)

Designated Officer signature

Designated Officer signature

Mark Rhimes Designated Officer name (print)

Witness signature

1AM

Witness name (print)

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

.....

.....

Designated Officer signature

PEDLER

MARK

Designated Officer name (print)

Witness signature

Designated Officer signature

Designated Officer name (print)

.....

.....

.....

.....

Witness name (print)

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

.....

Witness signature

..... Witness name (print)

SIGNED for and on behalf of the THE COMMONWEALTH OF AUSTRALIA in the presence of:

.....

.....

Designated Officer signature

Designated Officer name (print)

Witness signature

Designated Officer signature

Witness name (print)

Designated Officer name (print)

**OFFICIAL-Sensitive** 

Witness signature

Designated Officer signature

Witness name (print)

Designated Officer name (print)

Designated Officer signature

Designated Officer name (print)

Designated Officer signature

Designated Officer name (print)

oton.

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

.....

Witness signature

ADRIAN CHRISTIAN

Witness name (print)

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

Witness signature

Witness name (print)

SIGNED for and on behalf of the THE COMMONWEALTH OF AUSTRALIA in the presence of:

.....

Witness signature

.....

Designated Officer signature

.....

.....

.....

Witness name (print)

Designated Officer name (print)

Page 12 of 13

**OFFICIAL-Sensitive** 

Witness signature

Designated Officer signature

Witness name (print)

Designated Officer name (print)

.....

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

.....

..... Witness signature

..... Designated Officer signature

Designated Officer name (print)

.....

..... Witness name (print)

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

Donna Theron

..... Witness signature

Donna Theron ..... Witness name (print)

SIGNED for and on behalf of the THE COMMONWEALTH OF AUSTRALIA Kieran Lawton

..... Designated Officer signature

Kieran Lawton .....

Designated Officer name (print)

in the presence of:

.....

.....

Witness signature

..... Designated Officer signature

Witness name (print)

Designated Officer name (print)

.....

Page 12 of 13

Witness signature

Designated Officer signature

Witness name (print)

SIGNED for and on behalf of the STATE OF TASMANIA in the presence of: Designated Officer name (print)

**Designated Officer signature** 

Designated Officer name (print)

.....

\*\*\*\*\*

......

\_\_\_\_\_

.....

Witness signature

Witness name (print)

......

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

Witness signature

Designated Officer signature

Witness name (print)

Designated Officer name (print)

SIGNED for and on behalf of the THE COMMONWEALTH OF AUSTRALIA in the presence of:

..................

Witness signature

Renee Ohmsen

Witness name (print)

<u>INO</u>,

................

Designated Officer signature

LEELO ALVES

Designated Officer name (print)