Murraylink

Negotiating Framework

Effective
July 2023 to June 2028

January 2022
Murraylink - Attachment- Negotiating Framework - 220131 - Public

Contents

Purpose 1
Rule framework 1
Negotiating Framework 1

Scope and Context 2

Legislation and Standards 2

Negotiating Framework 3
1. Application of Negotiating Framework 3
2. Obligation to Negotiate in Good Faith 3
3. Timeframes for Commencing, Progressing and Finalising Negotiations 3
4. Provision of Initial Commercial Information by Service Applicant 5
5. Provision of Additional Commercial Information by the Service Applicant 6
6. Provision of Commercial Information by Murraylink 7
7. Determination of Impact on Other Transmission Network Users and Consultation With Affected Transmission Network Users 8
8. Suspension of Timeframe for Provision of a Negotiated Transmission Service 8
9. Dispute Resolution 9
10. Payment of Murraylink's Costs 9
11. Termination of Negotiations 9
12. Giving Notices 10
13. Definitions And Interpretation 11

Purpose

The purpose of this document is to define Murraylink's Negotiating Framework for the provision of Negotiated Transmission Services to Service Applicants ("Service Applicants") as required under the *National Electricity Rules* ("NER").

Rule framework

Clause 6A.9.5 of the NER provides that:

- Transmission Network Service Providers ("TNSPs") must prepare a document setting out the procedure to be followed during negotiations between that provider and any person who wishes to receive a Negotiated Transmission Service from the provider, as to the terms and conditions of access for the provision of the service;
- the negotiating framework must comply with and be consistent with the applicable requirements of a transmission determination applying to the provider; and
- the negotiating framework must comply with and be consistent with the applicable requirements of clause 6A.9.5(c), which sets out the minimum requirements for a negotiating framework

This document does not apply to Prescribed or Non-Regulated Transmission Services.

Murraylink is registered with the Australian Energy Market Operator as a Transmission Network Service Provider.

Negotiating Framework

This document is prepared to fulfil Murraylink's obligations under clause 6A.9.5 of the NER to establish a negotiating framework.

This document applies to Murraylink and any Service Applicant who applies to receive a Negotiated Transmission Service.

As defined in the *National Electricity Rules*[1] a Negotiated Transmission Service is any of the following Services:

(a) a *shared transmission service* that:

(1) exceeds the *network* performance requirements (whether as to quality or quantity) (if any) as that *shared transmission service* is required to meet under any *jurisdictional electricity legislation*; or

(2) except to the extent that the network performance requirements which that *shared transmission service* is required to meet are

[1] *National Electricity Rules*, version 111, 10 January 2022, Chapter 10

prescribed under any *jurisdictional electricity legislation*, exceeds or does not meet the *network* performance requirements (whether as to quality or quantity) as are set out in schedule 5.1a or 5.1;

(b) *connection services* that are provided to serve a *Transmission Network User* or group of *Transmission Network Users*, at a single *transmission network connection point*, other than *connection services* that are provided by one *Network Service Provider* to another *Network Service Provider* to connect their networks where neither of the *Network Service Providers* is a *Market Network Service Provider*; or

(c) *use of system services* provided to a *Transmission Network User* and referred to in rule 5.4A(f)(3) in relation to *augmentations* or *extensions* required to be undertaken on a *transmission network* as described in rule 5.4A;

but does not include an *above-standard system shared transmission service* or a *market network service.*

Italicised terms are defined in the *National Electricity Rules*.

Scope and Context

The NER[2] provides that services that are not “negotiated” or not “prescribed” as defined in the Rules are expressly not subject to regulation under Chapter 6A. These services are therefore not subject to this Negotiating Framework.

This Negotiating Framework applies only to the provision of Negotiated Transmission Services.

Legislation and Standards

The following legislation and standards are applicable:

National Electricity Rules - Chapter 6A, 5 and 4

Competition and Consumer Act 2010

[2] NER clause 6A.I.l(j)

Negotiating Framework

1. Application of Negotiating Framework

1.1 This negotiating framework applies to Murraylink and each Service Applicant who has made an application in writing to Murraylink for the provision of a Negotiated Transmission Service.

1.2. Murraylink and any Service Applicant who wishes to receive a Negotiated Transmission Service from Murraylink must comply with the requirements of this negotiating framework in accordance with Rule 6A.9.5 (e).

1.3. The requirements set out in this negotiating framework are additional to any requirements or obligations contained in Chapters 4, 5 and 6A of the NER. In the event of any inconsistency between this negotiating framework and any other requirements in the NER, the requirements of the NER will prevail.

1.4. Nothing in this negotiating framework or in the NER will be taken as imposing an obligation on Murraylink to provide any service to the Service Applicant.

2. Obligation to Negotiate in Good Faith

2.1 Murraylink and the Service Applicant should negotiate in good faith the terms and conditions of access for the provision by Murraylink of the Negotiated Transmission Service, sought by the Service Applicant.

3. Timeframes for Commencing, Progressing and Finalising Negotiations

3.1 Paragraphs 3.3 and 3.4 set out the timeframe for commencing, progressing and finalising negotiations in relation to applications for Negotiated Transmission Services under Chapter 5 of the NER, and for applications for Negotiated Transmission Services other than under Chapter 5 of the NER respectively.

3.2 The timeframes set out in paragraphs 3.3 and 3.4 may be suspended in accordance with paragraph 8.

3.3 Applications for Negotiated Transmission Services under Chapter 5 of the NER:

3.3.1. Where the Negotiated Transmission Services is a service sought under Chapter 5, the specified time for commencing, progressing and finalising negotiations with a Service Applicant for the purposes of clause 6A.9.5 of the Rules is as set out in Chapter 5 of the NER; and

3.3.2. Murraylink and the Service Applicant shall use reasonable endeavours to adhere to the time periods specified in paragraph 3.3.1 during the negotiation for the supply of the Negotiated Transmission Service.

3.4. Applications for Negotiated Transmission Services other than under Chapter 5 of the NER:[3]

3.4.1. Where the application is in respect of a Negotiated Transmission Service other than a connection service sought under Chapter 5, the specified time for commencing, progressing, and finalising negotiations with a Service Applicant for the purposes of clause 6A.9.5 of the Rules is as set out in Table 1.

3.4.2. Murraylink and the Service Applicant shall use reasonable endeavours to adhere to the time periods specified in Table 1.

3.4.3. The preliminary timeframes finalised under Step 3 in Table 1 may be modified from time to time by agreement of the parties. Such agreement must not be unreasonably withheld. Any such amendment to the preliminary timeframe shall be taken to be a reasonable period of time for commencing, progressing and finalising negotiations with a Service Applicant for the provision of the Negotiated Transmission Service for the purposes of 6A.9.5(c)(5) of the NER. The requirement in paragraph 3.4.2 applies to the last amended preliminary timeframe.

Table 1 – Timeframes

Event	Indicative timing
1. Receipt of written application for a Negotiated Transmission Service.	X
2. Parties meet to discuss a preliminary timeframe with milestone for supply of the Negotiated Transmission Service that represent a reasonable period of time for commencing, progressing and finalising negotiations for the provision of the Negotiated Transmission Service.	X + 20 business days
3. Parties finalise the preliminary timeframe, which may include, without limitation, milestones relating to: the request and provision of commercial information; and Notification and consultation with AEMO and/or any affected Transmission Network Users.	X+ 30 business days
4. Murraylink provides the Service Applicant with an offer for the Negotiated Transmission Service.	X + 120 business days
5. Parties finalise negotiations.	X + 160 business days

3.5. Subject to paragraph 3.3 and 3.4, Murraylink and the Service Applicant must, following a request by the Service Applicant, use their reasonable endeavours to:

3.5.1. hold a meeting within 20 Business Days of receipt of the written application by the Service Applicant, or such other period as agreed by the parties to agree a timetable for the conduct of negotiations and to commence discussion regarding other relevant issues;

[3] i.e. services other than connection services, viz: shared transmission services or use of system services provided to a Transmission Network User and referred to in rule 5.4A(f)(3)

3.5.2. progress the negotiations for the provision of a Negotiated Transmission Service by Murraylink such that the negotiations may be finalised in accordance with paragraph 3.5.1;

3.5.3. adhere to any timetable established for the negotiation and to progress the negotiation in an expeditious manner; and

3.5.4. finalise the negotiations for the provision of a Negotiated Transmission Service by Murraylink within a time period agreed by the parties.

3.6 Notwithstanding paragraph 3.1, or any other provision of this negotiating framework, the timeframes set out in paragraphs 3.3 and 3.4:

3.6.1. do not commence until payment of the amount to Murraylink pursuant to paragraph 10; and

3.6.2. recommence at Step 1 in Table 1 if there is a material change in the Negotiated Transmission Service sought by the Service Applicant, unless Murraylink agrees otherwise.

4. Provision of Initial Commercial Information by Service Applicant

Obligation to provide Initial Commercial Information

4.1. Within a time agreed by the parties, Murraylink must use its reasonable endeavours to give notice to the Service Applicant requesting Commercial Information held by the Service Applicant that is reasonably required by Murraylink to enable it to engage in effective negotiations with the Service Applicant in relation to the application and to enable Murraylink to submit Commercial Information to the Service Applicant.

4.2. Subject to paragraphs 4.3 and 4.4, the Service Applicant must use its reasonable endeavours to provide Murraylink with the Commercial Information requested by Murraylink in accordance with paragraph 4.1 within 10 Business Days of that request, or within a time period agreed by the parties.

4.3. Notwithstanding paragraph 4.1, the obligation under paragraph 4.1 is suspended as at the date of notification of a dispute if a dispute under this negotiating framework arises, until conclusion of the dispute, in accordance with paragraph 9.

Confidentiality Requirements - Commercial Information

4.4. For the purposes of this paragraph 4, Commercial Information does not include:

4.4.1. confidential information provided to the Service Applicant by another person; or

4.4.2. information that the Service Applicant is prohibited, by law, from disclosing to Murraylink.

4.5. Commercial Information may be provided by the Service Applicant subject to conditions including the condition that Murraylink must not disclose the Commercial Information to any other person unless the Service Applicant consents in writing to

the disclosure. The Service Applicant may require Murraylink to enter into a confidentiality agreement, on terms reasonably acceptable to both parties, with the Service Applicant in respect of any Commercial Information provided to Murraylink.

4.6. A consent provided by the Service Applicant in accordance with paragraph 4.5 may be subject to the condition that the person to whom Murraylink discloses the Commercial Information must enter into a separate confidentiality agreement with the Service Applicant.

5. Provision of Additional Commercial Information by the Service Applicant

Obligation to provide additional Commercial Information

5.1. Murraylink may give a notice to the Service Applicant requesting the Service Applicant to provide Murraylink with any additional Commercial Information that is reasonably required by Murraylink to enable it to engage in effective negotiations with the Service Applicant in relation to the provision of a Negotiated Transmission Service or to clarify any Commercial Information provided pursuant to paragraph 4.

5.2. The Service Applicant must use its reasonable endeavours to provide Murraylink with the Commercial Information requested by Murraylink in accordance with paragraph 5.1 within 10 Business Days of the date of the request under paragraph 5.1, or such other period as agreed by the parties.

Confidentiality requirements

5.3. For the purposes of this paragraph 5, Commercial Information does not include:

5.3.1. confidential information provided to the Service Applicant by another person; or

5.3.2. information that the Service Applicant is prohibited, by law, from disclosing to Murraylink; and

5.4. Commercial Information may be provided by the Service Applicant subject to conditions including the condition that Murraylink must not disclose the Commercial Information to any other person unless the Service Applicant consents in writing to the disclosure. The Service Applicant may require Murraylink to enter into a confidentiality agreement, on terms reasonably acceptable to both parties, with the Service Applicant in respect of any Commercial Information provided to Murraylink.

5.5. A consent provided by the Service Applicant in accordance with paragraph 5.4 may be subject to the condition that the person to whom Murraylink discloses the Commercial Information must enter into a separate confidentiality agreement with the Service Applicant.

6. Provision of Commercial Information by Murraylink

Obligation to provide Commercial Information

6.1. Murraylink shall provide the Service Applicant with all Commercial Information and clarification of that information where requested (including additional commercial information) held by Murraylink that is reasonably required by a Service Applicant (including by request) to enable it to engage in effective negotiations with Murraylink for the provision of a Negotiated Transmission Service. This information is to be provided within 10 business days of the date of the request or such other period agreed by the parties, including the following information:

6.1.1. a description of the nature of the Negotiated Transmission Service including what Murraylink would provide to the Service Applicant as part of that service;

6.1.2. the terms and conditions on which Murraylink would provide the Negotiated Transmission Service to the Service Applicant;

6.1.3. (i) the reasonable costs and/or the increase or decrease in costs (as appropriate) of providing the Negotiated Transmission Service to the Service Applicant; and

(ii) a demonstration to the Service Applicant that the charges for providing the Negotiated Transmission Service reflect those costs and/or the cost increase or decrease (as appropriate).

Confidentiality requirements

6.2. For the purposes of paragraph 6.1, Commercial Information does not include:

6.2.1. confidential information provided to Murraylink by another person; or

6.2.2. information that Murraylink is prohibited, by law, from disclosing to the Service Applicant.

6.3. Murraylink may provide the Commercial Information in accordance with paragraph 6.1 subject to relevant conditions including the condition that the Service Applicant must not disclose the Commercial Information to any other person unless Murraylink consents in writing to the disclosure. Murraylink may require the Service Applicant to enter into a confidentiality agreement with Murraylink, on terms reasonably acceptable to both parties, in respect of Commercial Information provided to the Service Applicant.

6.4. A consent provided by a Service Applicant in accordance with paragraph 6.3 may be subject to the condition that the person to whom the Service Applicant discloses the Commercial Information must enter into a separate confidentiality agreement with Murraylink.

7. Determination of Impact on Other Transmission Network Users and Consultation With Affected Transmission Network Users

7.1 Murraylink should determine the potential impact on Transmission Network Users, other than the Service Applicant, of the provision of the Negotiated Transmission Service.

7.2. Murraylink should notify and consult with any affected Transmission Network Users and ensure that the provision of the Negotiated Transmission Service does not result in non-compliance with obligations in relation to other Transmission Network Users under the NER.

8. Suspension of Timeframe for Provision of a Negotiated Transmission Service

8.1. The timeframes for negotiation of provision of a Negotiated Transmission Service as contained within this negotiating framework, or as otherwise agreed between the parties, are suspended if:

8.1.1. within 15 Business Days of Murraylink providing the Commercial Information to the Service Applicant pursuant to paragraph 6.1. the Service Applicant does not formally accept that Commercial Information and the parties have not agreed a date for the undertaking and conclusion of commercial negotiations;

8.1.2. a dispute in relation to the Negotiated Transmission Service has been notified to the AER under clause 6A.30.1, from the date of notification of that dispute to the AER until:

- the withdrawal of the dispute under clause 6A.30.1(c) of the NER;
- the termination of the dispute by the commercial arbitrator ha accordance with clause 6A.30.5 (d) or (e) of the NER; or
- determination of the dispute by the commercial arbitrator under clause 6A.30.6(b)) of the NER;

8.1.3. within 10 Business Days of Murraylink requesting additional Commercial Information from the Service Applicant pursuant to paragraph 5, the Service Applicant has not supplied that Commercial Information;

8.1.4. without limiting paragraphs 8.1.1 to 8.1.3, either of the parties does not promptly conform with any of its obligations as required by this negotiating framework or as otherwise agreed by the parties;

8.1.5. Murraylink has been required to notify and consult with any affected Transmission Network Users under paragraph 7.2 or AEMO at any time, from the date of notification to the affected Transmission Network Users or AEMO until the end of the time limit specified by Murraylink for any affected Transmission Network Users or AEMO, or the receipt of such information from the affected Transmission Network Users or AEMO,

whichever is the later regarding the provision of the Negotiated Transmission Service.

9. Dispute Resolution

9.1. All disputes between the parties as to the terms and conditions of access for the provision of a Negotiated Transmission Service are to be dealt with in accordance with Part K of Chapter 6A of the NER.

10. Payment of Murraylink's Costs

10.1. Prior to commencing negotiations, the Service Applicant shall pay an application fee to Murraylink. Where the application is for a Negotiated Transmission Service under Chapter 5 of the NER, this payment is made in accordance with clause 5.3.3(c)(5).

10.2. The application fee lodged pursuant to paragraph 10.1 will be deducted from the reasonable Costs incurred in processing the Service Applicant's application to Murraylink for the provision of a Negotiated Transmission Service.

10.3. From time to time, Murraylink may give the Relevant Service Applicant a notice setting out the reasonable Costs incurred by Murraylink and the off-set of any amount applicable under paragraph 10.1.

10.4. If the aggregate of the Costs exceed the amount paid by the Service Applicant pursuant to paragraph 10.1, the Service Applicant must, within 20 Business Days of the receipt of a notice in accordance with paragraph 10.3, pay Murraylink the amount stated in the notice.

10.5. Murraylink may require the Service Applicant to enter into a binding agreement addressing conditions, guarantees and other matters in relation to the payment of on-going Costs.

11. Termination of Negotiations

11.1. The Service Applicant may elect not to continue with its application for a Negotiated Transmission Service and may terminate the negotiations by giving Murraylink written notice of its decision to do so.

11.2. Murraylink may terminate a negotiation under this framework by giving the Service Applicant written notice of its decision to do so where:

11.2.1. Murraylink believes on reasonable grounds[4] that the Service Applicant is not conducting the negotiation under this negotiating framework in good faith;

[4] Reasonable grounds would include for example the Service Applicant not contacting or responding to Murraylink's request for a period of 6 months. If an application for a Negotiated transmission Service is terminated, it must recommence at Step 1 in Table 1.

11.2.2. the Service Applicant consistently fails to comply with the requirements of the negotiating framework;

11.2.3. the Service Applicant fails to comply with an obligation in this negotiating framework to undertake or complete an action within a specified or agreed timeframe, and does not complete the relevant action within 20 Business Days of a written request from Murraylink; or

11.2.4. an act of Solvency Default occurs in relation to the Service Applicant.

12. Giving Notices

12.1. A notice, consent, information, application or request that must or may be given or made to a party under this document is only given or made if it is in writing and delivered or posted to that party at its address set out below.

If a party gives the other party 5 Business Days' notice of a change of its address, a notice, consent, information, application or request is only given or made by that other party if it is delivered or posted to the latest address.

Murraylink

Name:	General Manager, Corporate Development
Address	Murraylink Level 25, 580 George Street Sydney NSW 2000

Service Applicant

Name:	Service Applicant
Address	The nominated address of the Service Applicant provided in writing to Murraylink as part of the application

Time notice is given

12.2. A notice, consent, information, application or request is to be treated as given or made at the following time:

12.2.1. if it is delivered, when its left at the relevant address;

12.2.2. if it is sent by post, 2 Business Days after it is posted;

12.2.3. if it is sent by facsimile transmission, on the day the transmission is sent (but only if the sender has a confirmation report specifying a facsimile number of the recipient, the number of pages sent and the date of transmission) or

12.2.4. if it is sent by email, once acknowledged as received by the addressee.

If a notice, consent, information, application or request is delivered after the normal business hours of the party to whom it is sent, it is to be treated as having been given or made at the beginning of the next Business Day.

13. Definitions And Interpretation

Definitions

13.1. In this document the following definitions apply:

Term	Definition
Business Day	means a day on which all banks are open for business generally in Sydney, NSW.
Commercial Information	shall include as a minimum, the following classes of Information: - details of corporate structure; - financial details relevant to creditworthiness and commercial risk; - ownership of assets; - technical information relevant to the application for a Negotiated Transmission Service; - financial information relevant to the application for a Negotiated Transmission Service; - details of an application's compliance with any law, standard, NER or guideline.
Costs	means any costs of expenses incurred by Murraylink in complying with this negotiating framework or otherwise advancing the Service Applicant's request for the provision of a Negotiated Transmission Service.
Murraylink	means Murraylink Transmission Co Pty Ltd
Solvency Default	means the occurrence of any of the following events in relation to the Service Applicant: a. An originating process or application for the winding up of the Service Applicant (other than a frivolous or vexatious application) is filed in a court or a special resolution is passed to wind up the Service Applicant, and is not dismissed before the expiration of 40 Business Days from service on the Service Applicant; b. A receiver, receiver and manager, or administrator is appointed in respect of all or any part of the assets of the Service Applicant, or a provisional liquidator is appointed to the Service Applicant; c. A mortgagee, chargee or other holder of security, by itself or by or through an agent, enters into possession of all or any part of the assets of the Service Applicant; d. A mortgage, charge or other security is enforced by its holder or becomes enforceable or can become enforceable with the giving of notice, lapse of time or fulfilment of a condition; e. The Service Applicant stops payment of, or admits in writing its inability to pay its debts as they fall due; f. The Service Applicant applies for, consents to, or acquiesces in the appointment of a trustee or receiver of the Service Applicant or any of its property; g. A court appoints a liquidator, provisional liquidator, receiver or trustee, whether permanent or temporary, of all or any part of the Service Applicant's property; h. The Service Applicant takes any step to obtain protection or is granted protection from its creditors under any applicable legislation or a meeting is convened or a resolution is

Term	Definition
	passed to appoint an administrator or controller (as defined in the Corporations Act 2001), in respect of the Service Applicant; i. A controller (as defined in the Corporations Act 2001) is appointed in respect of any part of the property of the Service Applicant; j. Except to reconstruct or amalgamate while solvent, the Service Applicant enters into or resolves to enter into a scheme of arrangement, compromise or reconstruction proposed with its creditors (or any class of them) or with its members (or any class of them) or proposes re-organisation, re-arrangement moratorium or other administration of the Service Applicant's affairs; k. The Service Applicant is the subject of an event described in section 459C(2)(b) of the Corporations Act 2001; or l. Anything analogous or having a substantially similar effect to any of the extents specified above happens in relation to the Service Applicant.

Interpretation

13.2. In this document, unless the context otherwise requires:

13.2.1. terms defined in the NER have the same meaning in this negotiating framework;

13.2.2. a reference to any law or legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision;

13.2.3. a reference to any agreement or document is to that agreement or document as amended, novated, supplemented or replaced from time to time;

13.2.4. a reference to a paragraph, part, schedule or attachment is a reference to a paragraph, part, schedule or attachment of or to this document unless otherwise stated;

13.2.5. an expression importing a natural person includes any company, trust, partnership, joint venture, association, corporation, body corporate or governmental agency; and

13.2.6. a covenant or agreement on the part of two or more persons binds them jointly and severally.