Part 20 Short Term Trading Market Rules

Division 1 Preliminary

363 Application of this Part

This Part contains rules applicable to a short term trading market.

364 Definitions

In this Part:

Adelaide hub – See rule 371 (2).

administered ex post pricing state – See rule 429.

administered price cap means the cap applicable to the ex ante market price, high contingency gas price and low contingency gas price for a hub on any gas day when an administered price cap state applies, being $40/GJ.

administered price cap state – See rule 428.

allocated quantity for a registered trading right and a gas day means the quantity of natural gas allocated to that registered trading right in the registered facility service allocation or the STTM distribution system allocation, as the case may be, for that gas day.

allocation agent means:

(a) for an STTM facility – the person specified as the allocation agent by the relevant STTM facility operator under rule 376(1)(h) or 378 (as the case may be) and registered by AEMO under rule 377(1); or

(b) for a registered facility service – the person specified as the allocation agent by the relevant contract holder under rule 385(2)(e) or 394 (as the case may be),

and includes, where the context permits, a person registered by AEMO under Division 5, Subdivision 4.

as available capacity means, in respect of an STTM facility, a facility service that is not for firm capacity.

billing period means each period commencing on the gas day that starts on the first day of each calendar month and ending on the gas day that starts on the last day of that calendar month.

billing period allocation statement – See rule 419(4).

Brisbane hub – See rule 372A.

capacity charge means an amount calculated using a rate based on the capacity price and payable to AEMO by an STTM Shipper in respect of a quantity of natural gas (other than MOS gas) that was supplied to a hub on a gas day under a registered trading right for as available capacity in an STTM facility.

capacity information means information provided under rule 414(1) or information that AEMO uses as a substitute for that information in accordance with the STTM Procedures.

capacity limit of a facility service, distribution service or trading right, means a quantity (in GJ per gas day) representing the maximum capacity of that service or right for that gas day, which may be zero but cannot be negative.

capacity payment means an amount calculated using a rate based on the capacity price and payable by AEMO to an STTM Shipper in respect of a quantity of natural gas that was:

(a) validly offered for supply to a hub on a gas day under a registered trading right for firm capacity in an STTM facility; but

(b) not included in the STTM Shipper's registered facility service allocation (net of MOS gas).

capacity price for an STTM facility and a gas day means the price used to calculate capacity charges and capacity payments, representing the marginal value of the capacity of that STTM facility to deliver natural gas to a hub, as set out in the ex ante market schedule for that hub for that gas day.

Note

The capacity price may be zero.

CG assessment conference – See rule 441(1)(d).

contingency gas means a quantity of natural gas by which supply to or withdrawal from a hub by a Trading Participant is increased or decreased in accordance with Division 8 to address a contingency gas requirement.

contingency gas bid means a bid submitted by a Trading Participant in accordance with rule 436 to provide contingency gas by decreasing the quantity of natural gas supplied to a hub, or increasing the quantity of natural gas withdrawn from a hub, on a gas day.

contingency gas bid stack means the list of price steps contained in contingency gas bids that establishes the sequence in which AEMO is to schedule contingency gas where decreased flow of natural gas is required at a hub on a gas day.

contingency gas offer means an offer submitted by a Trading Participant in accordance with rule 435 to provide contingency gas by increasing the quantity of natural gas supplied to a hub, or decreasing the quantity of natural gas withdrawn from a hub, on a gas day.

contingency gas offer stack means the list of price steps contained in contingency gas offers that establishes the sequence in which AEMO is to schedule contingency gas where increased flow of natural gas is required at a hub on a gas day.

contingency gas requirement means the quantity, timing and location requirements determined in accordance with rule 444(3), for increased or decreased flows of natural gas to or from a hub on the current or the next gas day to meet an operational requirement associated with actual or forecast adverse operating conditions at a hub, where that operational requirement is unlikely to be met through the normal operation of the STTM.

contingency gas trigger event means an event or state in respect of a hub specified in rule 440(1).

contract holder means:

(a) in respect of a facility contract, the STTM Shipper who is a party to that facility contract and to whom the STTM facility operator agrees to provide facility services under that facility contract; or

(b) in respect of a distribution contract, the STTM User who is a party to that distribution contract and to whom the STTM distributor agrees to provide distribution services under that distribution contract; or

(c) an STTM Shipper who is the STTM facility operator for an STTM production facility or STTM storage facility and who is taken to be a contract holder under rule 380(2); or

(d) a person who is taken to be a contract holder under rule 372A(3).

contract issuer means:

(a) in respect of a facility contract, the party to that contract who is the STTM facility operator; or

(b) in respect of a distribution contract, the party to that contract who is the STTM distributor; or

(c) an STTM facility operator for an STTM production facility or STTM storage facility who is taken to be a contract issuer under rule 380(2); or

(d) a person who is taken to be a contract issuer under rule 372A(3).

CPT horizon means a period of 7 consecutive gas days for which the prices for natural gas at a hub are summed to determine whether the cumulative price threshold has been exceeded.

credit support means a security provided to AEMO by a Trading Participant under rule 478.

credit support provider means the third party that assumes obligations to AEMO under a form of credit support.

cumulative price threshold means 110% of the MPC, being the threshold for imposition of an administered price cap.

custody transfer point means a point at which natural gas passes from a pipeline, storage facility or production facility to an STTM distribution system.

D-2 schedule – See rule 416(2) and (4).

D-3 schedule – See rule 416(1) and (4).

default event – See rule 486.

default interest rate has the meaning given to it in rule 3.

default notice means a notice issued by AEMO under a provision of Division 10, in accordance with the requirements of rule 487.

deviation charge means an amount payable to or by a Trading Participant by or to AEMO in respect of a short deviation quantity.

deviation payment means an amount payable to or by a Trading Participant by or to AEMO in respect of a long deviation quantity.

deviation price for a gas day means the price used to calculate deviation charges and deviation payments, in accordance with the STTM Procedures.

Note

The deviation price may be zero.

deviation quantity means the difference between a Trading Participant's modified market schedule quantity and its allocated quantity in respect of natural gas supplied to or withdrawn from the hub in a registrable capacity for a gas day. A deviation quantity will be:

(a) a **long** deviation quantity where:

(i) in respect of the supply of natural gas to a hub, an STTM Shipper's allocated quantity exceeds its modified market schedule quantity; or

(ii) in respect of the withdrawal of natural gas from a hub by an STTM Shipper or STTM User, that Trading Participant's allocated quantity is less than its modified market schedule quantity; or

(b) a **short** deviation quantity where:

(i) in respect of the supply of natural gas to a hub, an STTM Shipper's allocated quantity is less than its modified market schedule quantity; or

(ii) in respect of the withdrawal of natural gas from a hub by an STTM Shipper or STTM User, that Trading Participant's allocated quantity exceeds its modified market schedule quantity.

dispute resolution processes means the dispute resolution processes in Part 15C, subject to Division 13 of this Part.

distribution contract for an STTM distribution system means an agreement, which may consist of one or more instruments:

(a) between an STTM distributor and another person under which the STTM distributor agrees to provide distribution services for that STTM distribution system to that other person; or

(b) that is taken to be a distribution contract under rule 372A(3).

distribution service for a hub means a service:

(a) relating to the haulage of natural gas from the hub through an STTM distribution system; or

(b) that is taken to be a distribution service under rule 372A(3).

ex ante bid means a bid submitted by an STTM Shipper or STTM User for a hub to withdraw quantities of natural gas from that hub on a gas day at a specified price or prices.

ex ante market charge means an amount calculated on the basis of the ex ante market price and payable to AEMO by a Trading Participant for its market schedule quantities in respect of ex ante bids and price taker bids.

ex ante market payment means an amount calculated on the basis of the ex ante market price and payable by AEMO to a Trading Participant for its market schedule quantities in respect of ex ante offers.

ex ante market price means the price for natural gas for a hub and a gas day as set out in the ex ante market schedule for that hub for that gas day.

ex ante market schedule – See rule 417(6).

ex ante offer means an offer submitted by an STTM Shipper for a hub to supply quantities of natural gas to that hub on a gas day at a specified price or prices.

ex post imbalance price means the price for natural gas for a hub and a gas day that is determined after that gas day in accordance with rule 426.

facility contract for a hub means:

(a) an agreement, which may consist of one or more instruments, between an STTM facility operator and another person under which the STTM facility operator agrees to provide facility services for that hub to that other person; or

(b) a contract that is taken to exist under rule 380 where an STTM facility operator for an STTM production facility or STTM storage facility supplies natural gas to the hub on its own behalf.

facility service for a hub means a service provided by means of an STTM facility relating to:

(a) where the STTM facility is an STTM pipeline, the haulage of natural gas through that pipeline to or from the hub, including injection into, or withdrawal from, the STTM pipeline at one or more custody transfer points; or

(b) where the STTM facility is an STTM storage facility, the injection of natural gas from that STTM storage facility into an STTM distribution system at the hub; or

(c) where the STTM facility is an STTM production facility, the injection of natural gas from that STTM production facility into an STTM distribution system at the hub.

final statement means a statement issued by AEMO under rule 469.

financial year means a period commencing on 1 July and ending on the following 30 June.

firm capacity means, in respect of an STTM facility, a facility service that is registered by AEMO under rule 383 with a priority of one, being the highest priority for a registered facility service.

gas day means:

(a) for the Brisbane hub, a period of 24 consecutive hours starting at 8:00am on each day; and

(b) for any other hub, a period of 24 consecutive hours starting at 6:30am on each day.

gas quality specification for a hub means:

(a) the gas quality specification contained in Australian Standard AS 4564 — 2005, Specification for general purpose natural gas (as amended or replaced from time to time); and

(b) any additional gas quality specifications contained in the applicable access arrangement for an STTM distribution system at that hub.

good gas industry practice means the practices, methods and acts that would reasonably be expected from experienced and competent persons engaged in the business of providing natural gas services in Australia, acting with all due skill, diligence, prudence and foresight and in compliance with all applicable legislation (including these rules), authorisations and industry codes of practice.

Government direction means a direction or instruction by or under the authority of a Minister or Government agency of a jurisdiction in which an STTM distribution system is located, under which a Trading Participant, STTM distributor or STTM facility operator is required by law to take action, or cease taking action, in order to increase or decrease the flow of gas into or out of that STTM distribution system.

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graduated variation parameters means the parameters used to determine the amount of a variation charge, specified in rule 463.

high contingency gas price means the price to be paid to Trading Participants for the quantities of contingency gas provided by those Trading Participants under contingency gas offers at a hub on a gas day, as determined by AEMO in accordance with rule 447.

hub means:

(a) the Adelaide hub; or

(b) the Sydney hub; or

(c) the Brisbane hub.

identifier means the unique reference assigned by AEMO to:

(a) a Trading Participant; or

(b) a registered facility service; or

(c) a registered distribution service; or

(d) a registered trading right; or

(e) an STTM facility operator; or

(f) an STTM distributor; or

(g) an STTM facility; or

(h) an STTM distribution system; or

(i) an allocation agent.

interest rate has the meaning given to it in rule 3.

invoice period means each subsequent period commencing on 1 July in a year and ending on 30 June in the next year (both dates inclusive).

Jemena means Jemena Gas Networks (NSW) Limited (ABN 87 003 004 322) or its successor as the STTM distributor for the STTM distribution system at the Sydney hub.

low contingency gas price means the price to be paid by Trading Participants for the quantities of contingency gas provided by those Trading Participants under contingency gas bids at a hub on a gas day, as determined by AEMO in accordance with rule 448.

margin call means a request by AEMO to a Trading Participant in accordance with rule 485 to make up any anticipated shortfall between that Trading Participant's trading limit and AEMO's estimated exposure in respect of that Trading Participant.

market administered scheduling state – See rule 430.

market administered settlement state – See rule 431.

market schedule quantity for a registered trading right for a gas day means the quantity of natural gas scheduled to be either supplied to or withdrawn from a hub in respect of that registered trading right, as set out in the ex ante market schedule for that gas day.

market schedule variation means a quantity determined under rule 423, which AEMO must use for the purposes of determining a modified market schedule.

matched allocation agreement means an agreement between Jemena, one or more STTM pipeline operators and one or more STTM Shippers providing for the matched allocation of quantities of natural gas purchased by Jemena to meet the operational requirements for its STTM distribution system at the Sydney hub.

matched allocation quantity means a quantity of natural gas allocated in respect of a gas day in accordance with a registered matched allocation agreement:

(a) to a contract holder for a facility service for the delivery of natural gas to the Sydney hub, being a quantity that is matched with an equal quantity allocated to;

    (i) a contract holder for a distribution service for the withdrawal of gas from the Sydney hub; or

    (ii) the STTM distributor for the Sydney hub; or

(b) to:

    (i) a contract holder for a distribution service for the withdrawal of natural gas from the Sydney hub; or

    (ii) the STTM distributor for the Sydney hub.

being a quantity that is matched with an equal quantity allocated to a contract holder for a facility service for the delivery of natural gas to the Sydney hub.

Note

To the extent that a quantity of natural gas is supplied to or withdrawn from a hub for the purposes of a registered matched allocation agreement, but is not matched as indicated in this definition, it will not be a matched allocation quantity and must therefore be supplied through the STTM.

maximum total payment means the maximum amount payable by AEMO in respect of a billing period as determined by rule 475.

minimum exposure – See rule 480.

MMP means the minimum market price for natural gas traded at a hub for a gas day, being $0/GJ.

modified market schedule means a schedule in relation to a hub and a gas day based on the sum of modified market schedule quantities for that hub and gas day, produced by AEMO after that gas day in accordance with rule 461.

modified market schedule quantity means, for a Trading Participant and a gas day, the sum of that Trading Participant's market schedule quantities for:

(a) a direction of flow on an STTM facility; or

(b) all STTM distribution systems at a hub,

adjusted by AEMO in accordance with this Part to take into account:

(c) market schedule variations; and

(d) allocations of MOS and overrun MOS; and

(e) contingency gas offers and contingency gas bids scheduled by AEMO.

MOS means the market operator service by which capacity (in GJ) is provided to balance pipeline deviations by increasing or decreasing the quantity of natural gas supplied to or withdrawn from a hub using an STTM pipeline.

MOS allocation service means the allocation of pipeline deviations as MOS or overrun MOS in accordance with rule 421, but excludes any other part of the process for determining STTM facility allocations.

MOS allocation service costs means the costs reasonably incurred by an STTM pipeline operator (including fees and expenses payable to an allocation agent) in providing a MOS allocation service to the extent that those costs:

(a) are either:

(i) incremental costs incurred exclusively for the provision of the MOS allocation service; or

(ii) a proportionate share of any incremental costs reasonably attributable to the provision of the MOS allocation service; and

(b) would not have been incurred but for the requirement to provide the MOS allocation service; and

(c) are not offset by benefits reasonably available to the STTM pipeline operator in relation to its other activities.

MOS cost cap means the maximum MOS price for a MOS increase offer or a MOS decrease offer that AEMO may include in a MOS stack, being $50/GJ.

MOS decrease offer means an offer made by an STTM Shipper in accordance with rule 400 to provide MOS by decreasing the quantity of natural gas supplied to, or increasing the quantity of natural gas withdrawn from, a hub using a STTM pipeline.

MOS decrease stack means, in respect of an STTM pipeline, the list of price steps contained in MOS decrease offers that establishes the sequence in which MOS gas is to be allocated to MOS providers in order to balance a negative pipeline deviation.

MOS gas means the quantity of natural gas allocated in respect of a pipeline deviation to either:

(a) a MOS provider based on a MOS stack; or

(b) an STTM Shipper as overrun MOS,

which may be a positive quantity (in relation to an increase in the net quantity of natural gas supplied) or a negative quantity (in relation to a decrease in the net quantity of natural gas supplied).

Note

As MOS gas relates to a pipeline deviation for a gas day, a quantity of natural gas that was nominated to flow on that gas day cannot be allocated as MOS gas.

MOS increase offer means an offer made by an STTM Shipper in accordance with rule 400 to provide MOS by increasing the quantity of natural gas supplied to, or decreasing the quantity of natural gas withdrawn from, a hub using a STTM pipeline.

MOS increase stack means, in respect of an STTM pipeline, the list of price steps contained in MOS increase offers that establishes the sequence in which MOS gas is to be allocated to MOS providers in order to balance a positive pipeline deviation.

MOS period means the period of time in rule 396 that:

(a) commences and ends on the first and last gas day respectively of that period; and

(b) for which MOS increase offers and MOS decrease offers are to apply for the purpose of creating a MOS stack for each gas day in that period.

MOS price means the price, as specified in a price step of a MOS increase offer or MOS decrease offer, that applies without variation for each gas day in a MOS period to the quantity of MOS specified in that price step.

MOS provider for an STTM pipeline and a MOS period means:

(a) an STTM Shipper whose MOS increase offer or MOS decrease offer (or any price step of that MOS increase offer or MOS decrease offer) is included by AEMO in a MOS stack for that STTM pipeline and MOS period; or

(b) any other person, including AEMO, to the extent that person provides MOS as a result of the process contemplated under rule 403(3).

MOS quantity means the maximum quantity of MOS, as specified in a price step of a MOS increase offer or MOS decrease offer, which the person who submitted that MOS increase offer or MOS decrease offer is willing to provide at the price specified in that price step.

MOS stack means a MOS increase stack or a MOS decrease stack.

MPC means the market price cap, which is the maximum price for natural gas traded at a hub for a gas day, being $400/GJ.

operator representative means the STTM facility operator who is, for the purposes of anything done under this Part:

(a) the complying service provider for an STTM pipeline under section 10 of the NGL; or

(b) the complying operator for an STTM storage facility or STTM production facility under rule 365.

overrun MOS means an allocation of MOS gas made in respect of a pipeline deviation to STTM Shippers where there are no available MOS quantities for the relevant STTM pipeline.

participant compensation fund, for a hub, means the Rule fund established and maintained under rule 451 for that hub.

payment date means the date on which payment is due in respect of a final statement or a revised statement for a billing period.

pipeline deviation for an STTM pipeline means the difference between:

(a) the aggregate quantities of natural gas in final nominations accepted by the STTM pipeline operator for delivery from the STTM pipeline to a hub on a gas day; and

(b) the quantity of natural gas determined by the STTM pipeline operator to have been delivered from the STTM pipeline to the hub on the gas day,

and is:

(c) a **positive** pipeline deviation where the quantity under paragraph (b) exceeds the quantity under paragraph (a); or

(d) a **negative** pipeline deviation where the quantity under paragraph (a) exceeds the quantity under paragraph (b).

pipeline flow direction constraint charge means an amount calculated on the basis of the pipeline flow direction constraint price and payable by an STTM Shipper in respect of the market schedule quantity that it was scheduled to withdraw from a hub into an STTM pipeline.

pipeline flow direction constraint payment means an amount calculated on the basis of the pipeline flow direction constraint price and payable to an STTM Shipper in respect of the market schedule quantity that it was scheduled to supply to a hub from an STTM pipeline.

pipeline flow direction constraint price for an STTM pipeline and a gas day means the price used to determine pipeline flow direction constraint charges and pipeline flow direction constraint payments, representing the marginal value of increasing the quantity of natural gas supplied to a hub to allow an increased quantity of natural gas to be withdrawn from that hub on that same STTM pipeline, as set out in the ex ante market schedule for that hub for that gas day.

Note

The pipeline flow direction constraint price may be zero.

preliminary statement means a statement issued by AEMO under rule 468.

price step means, as applicable:

(a) a price and quantity of natural gas that may be specified in an ex ante offer, ex ante bid, contingency gas offer or contingency gas bid; or

(b) a price and quantity of MOS specified in a MOS increase offer or MOS decrease offer.

price taker bid means a bid submitted by an STTM User for a hub to withdraw quantities of natural gas from that hub on a gas day at the ex ante market price that applies on that gas day.

provisional schedule means either or both of the D-3 schedule or D-2 schedule as the context requires.

prudential requirements means the requirements imposed on a Trading Participant to provide and maintain a security in accordance with Division 10, Subdivision 3.

publish by AEMO or the AER, means, except where otherwise specified in a Rule, to make publicly available on their respective website.

registered, or to **register,** in relation to a person, contract, service, information, right or other thing, means registered by AEMO under a provision of this Part, and **deregistered** or to **deregister** have corresponding meanings.

registered distribution service means a distribution service registered by AEMO under rule 383.

registered facility service means a facility service registered by AEMO under rule 383.

registered facility service allocation, in respect of a registered trading right, means the quantity of natural gas that is taken to be supplied to or withdrawn from the hub by the trading right holder on a gas day using the registered facility service to which the trading right relates.

registered trading right means a trading right registered by AEMO under Division 5, Subdivision 3.

revised statement means a statement issued by AEMO under rule 473.

RoLR has the same meaning as in the *NERL*.

scheduled, scheduling and to schedule, and to **schedule,** means the process of scheduling ex ante offers, ex ante bids, price taker bids, contingency gas offers and contingency gas bids that AEMO is required to carry out in accordance with this Part, and a **schedule** is the output of that process.

scheduling error means:

(a) a failure of AEMO to schedule ex ante offers, ex ante bids or price taker bids in accordance with this Part and the STTM Procedures; or

(b) a failure of AEMO to schedule contingency gas offers or contingency gas bids in accordance with this Part and the STTM Procedures.

settlement amount means an amount payable by or to a Trading Participant in respect of a billing period as determined by AEMO in accordance with rule 464.

settlement shortfall charge for a billing period means the amount payable by a Trading Participant in respect of the share of the settlement shortfall over that billing period that is allocated by AEMO to that Trading Participant in accordance with the STTM Procedures.

settlement statement means a statement issued by AEMO in the form of a preliminary statement, final statement or revised statement.

settlement surplus cap means an amount for a billing period that, if included in the STTM Procedures, AEMO will use in calculating settlement surplus payments in accordance with the STTM Procedures.

settlement surplus payment for a billing period means the amount payable to a Trading Participant in respect of the share of the settlement surplus over that

billing period that is allocated by AEMO to that Trading Participant in accordance with the STTM Procedures.

short term trading market or **STTM**

means:

(a) the short term trading market of New South Wales operating at the Sydney hub; and

(b) the short term trading market of South Australia operating at the Adelaide hub; and

(c) the short term trading market of Queensland operating at the Brisbane hub,

each being a market for the supply of natural gas, including the related services described in this Part, operated and administered by AEMO in accordance with this Part.

SPA means the scheduling and pricing algorithm used by AEMO for the purposes of creating provisional schedules and ex ante market schedules and determining prices.

STTM commencement date means:

(a) 4 June 2010; or

(b) a later date determined and published by AEMO not less than 10 business days before the STTM commencement date in effect immediately prior to that determination, having regard to the likely cost or benefit of deferral and after consultation with persons AEMO considers would be materially affected by the determination.

STTM distribution system – See rule 371(1) for the Adelaide hub, rule 372(1) for the Sydney hub and rule 372A for the Brisbane hub.

STTM distribution system allocation means the total quantity of natural gas that is taken to be withdrawn by an STTM User with a registered trading right from the relevant hub on a gas day, as determined by AEMO under rule 422.

STTM distributor, in respect of an STTM distribution system, means:

(a) the person who is authorised to operate that system, being:

(i) where that STTM distribution system is located in New South Wales, the person who holds a reticulator's authorisation for that system under the *Gas Supply Act 1996* of New South Wales;

(ii) where that STTM distribution system is located in South Australia, the person who holds a gas distribution licence for that system under the *Gas Act 1997* of South Australia; or

(iii) where that STTM distribution system is located in Queensland, the person who holds a distribution authority for that system under the *Gas Supply Act 2003* of Queensland; or

(b) a person who is taken to be an STTM distributor under rule 372A(3).

STTM facility means an STTM pipeline, an STTM storage facility or an STTM production facility.

STTM facility allocation for a registered facility service, means the total quantity of natural gas that is taken to be supplied to or withdrawn from the relevant hub on a gas day using that registered facility service, as validly given to or substituted by AEMO under rule 419.

STTM facility operator means:

(a) for an STTM pipeline, the relevant STTM pipeline operator; and

(b) for any other STTM facility, a person who owns, controls or operates that facility.

Note

Rule 365 applies if more than one person owns, controls or operates an STTM production facility or STTM storage facility.

STTM interface protocol protocol – See rule 368.

STTM pipeline means a pipeline for the transmission of natural gas that is directly connected to an STTM distribution system at a custody transfer point included in a hub, but excludes any pipeline that is part of an STTM production facility or STTM storage facility.

STTM pipeline operator, for an STTM pipeline, means the service provider for that pipeline.

Note

Section 10 of the NGL applies if there is more than one service provider for an STTM pipeline.

STTM production facility means a facility at which natural gas is produced for injection directly from that facility into an STTM distribution system at a custody transfer point included in a hub, and includes an associated pipeline connecting that facility directly to the hub.

STTM storage facility means a facility (other than a pipeline) for storing natural gas for injection directly from that facility into an STTM distribution system at a custody transfer point included in a hub, and includes an associated pipeline connecting that facility directly to the hub.

STTM Shipper for a hub means a person who is registered by AEMO in that registrable capacity under Part 15A.

STTM User for a hub means a person who is registered by AEMO in that registrable capacity under Part 15A.

suspension notice means a notice issued by AEMO under a provision of Division 10, in accordance with the requirements of rule 488.

Sydney hub – See rule 372(2).

Trading Participant means an STTM Shipper or an STTM User.

trading amount means the sum calculated in accordance with rule 461(3).

trading limit – See rule 483.

trading right means:

(a) the right of a contract holder to use capacity in respect of a registered facility service, to the extent that the contract holder has not granted that right to another person as contemplated in paragraph (b);

(b) a right granted by a contract holder to another STTM Shipper to use some or all of the capacity to which the contract holder is entitled in respect of a registered facility service; or

(c) the right of a contract holder in respect of one or more registered distribution services for a hub, to use capacity in respect of those services at a hub.

trading right holder means a Trading Participant who is registered by AEMO as the holder of a registered trading right.

Note

Trading rights in respect of a registered facility service may be held by the relevant contract holder or another Trading Participant. A trading right in respect of a one or more registered distribution services for a hub may only be held by the relevant contract holder. See rules 384 and 385.

variation charge means an amount payable by a Trading Participant in respect of market schedule variations.

365 Multiple STTM facility operators for STTM production facility or STTM storage facility

(1) This rule applies in relation to this Part if:

(a) more than one STTM facility operator (an **operator group**) owns, controls or operates an STTM production facility or an STTM storage facility; and

(b) an STTM facility operator is required or allowed to do a thing under this Part.

(2) An STTM facility operator of the operator group which is authorised by the other STTM facility operators of the operator group to do a thing on behalf of the operator group (the **complying operator**) may do that thing on behalf of all the STTM facility operators of the operator group.

(3) Unless these rules otherwise provide, on the doing of a thing referred to in subrule (2) by a complying operator, the STTM facility operators of the operator group must, for the purposes of this Part, each be taken to have done the thing done by that complying operator.

366 Time and Dates

(1) References in this Part to a time of day are to Australian eastern standard time (and are not adjusted for daylight saving time in any jurisdiction).

(2) In this Part, unless otherwise specified:

(a) a period of time expressed to commence before or after a given day, or before or after the day of an act or event, is to be calculated exclusive of that day; and

(b) a period of time expressed to commence on a given day, or on the day of an act or event, is to be calculated inclusive of that day.

367 Technical Interpretation

(1) A **quantity** of natural gas referred to in this Part is a quantity in joules.

(2) One **megajoule** or **MJ** is 1,000,000 joules.

(3) One **gigajoule** or **GJ** is 1,000 megajoules.

(4) One **terajoule** or **TJ** is 1,000 gigajoules.

368 STTM interface protocol

(1) AEMO must, after consulting with Trading Participants, STTM facility operators, STTM distributors and allocation agents, establish the STTM interface protocol for the provision of communications under this Part.

(2) AEMO may amend the STTM interface protocol after consulting with Trading Participants, STTM facility operators, STTM distributors and allocation agents in accordance with:

(a) the standard consultative procedure; or

(b) if AEMO reasonably considers the proposed amendment to be urgent, the expedited consultative procedure.

(3) AEMO must publish the STTM interface protocol, as amended from time to time.

(4) The STTM interface protocol may specify details to be included in a communication, in addition to information specified in this Part or the STTM Procedures, if those details are reasonably required by AEMO for the purpose for which the communication is to be given, including the validation of information.

(5) All communications must comply with the requirements of, and be submitted in the form and manner, and by the time, specified in the STTM interface protocol for the relevant type of communication, unless:

(a) expressly stated in this Part; or

(b) permitted by AEMO in respect of communications to be made to AEMO,

and AEMO may reject any communication that does not so comply.

(6) In this rule:

communication means any information, notice, request, bid, offer or other submission or communication to be given by AEMO or any other person under this Part.

369 Standard for information or data given under this Part or the STTM Procedures

A person required by a provision of this Part or the STTM Procedures to give information or data to AEMO must:

(a) prepare and submit that information or data; and

(b) if applicable, maintain any equipment from which that information or data is derived,

in accordance with good gas industry practice.

Note:

This rule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This rule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

370 Reliance on registered information

(1) AEMO is entitled to, and must, perform and exercise its duties and rights and perform its obligations under this Part on the basis that the information that:

(a) is included in the register maintained under rule 135B or is registered by AEMO under this Part; and

(b) is required to be included in that register or registered under this Part,

is correct.

(2) Information (including updated information) registered by AEMO under this Part must not be used in respect of any gas day commencing before the date on which that information is registered.

(3) Anything done by or given to a person registered by AEMO under rule 377 as an operator representative is, for the purposes of this Part, taken to have been done by or given to each STTM facility operator for the relevant STTM facility, whether or not that person is in fact the duly authorised operator representative in relation to that thing.

(4) Nothing in this rule excuses AEMO from any liability which it might otherwise have for failing to register information that:

(a) has been provided to it in accordance with this Part; and

(b) AEMO is required to register under this Part.

(5) AEMO is not required to verify the accuracy of information provided to it for the purposes of its functions under this Part, except as expressly provided in this Part or the STTM Procedures.

Division 2 Hubs and STTM Distribution Systems

371 Adelaide hub

(1) The STTM distribution system for the Adelaide hub comprises the Adelaide Metro sub network in the South Australian gas distribution system that is identified by the gas zone code 2101 in the Retail Market Procedures for South Australia

(2) The Adelaide hub comprises those custody transfer points that are connected to the STTM distribution system described in subrule (1) and specified in the STTM Procedures.

372 Sydney hub

(1) The STTM distribution system for the Sydney hub comprises:

(a) the Wilton-Newcastle Network Section; and

(b) the Wilton-Wollongong Network Section,

of the distribution pipeline owned at the STTM commencement date by Jemena Gas Networks (NSW) Ltd ACN 003 004 322 and referred to as "NSW Gas Networks", as those sections are defined from time to time in the applicable access arrangement for that pipeline.

(2) The Sydney hub comprises those custody transfer points that are connected to the STTM distribution system described in subrule (1) and specified in the STTM Procedures.

372A Brisbane hub

(1) The Brisbane hub comprises the custody transfer points specified in the STTM Procedures.

(2) The STTM distribution systems for the Brisbane hub are:

(a) the distribution systems for the Brisbane North and Ipswich distribution areas described in clauses 2.1 and 2.2 of Schedule 1 to Area Distribution Authority number DA–A-007 issued under the *Gas Supply Act 2003* of Queensland; and

(b) the distribution system for the South East Queensland distribution area described in clause 2.1 of Schedule 1 to Area Distribution Authority number DA–A-009 issued under the *Gas Supply Act 2003* of Queensland; and

(c) a facility that is taken to be an STTM distribution system under subrule (3).

(3) Unless otherwise specified in these rules or the STTM Procedures, for the purposes of this Part 20:

(a) a facility that is directly connected to an STTM pipeline at a custody transfer point that is part of the Brisbane hub where natural gas is withdrawn for consumption in that facility, is taken to be an STTM distribution system;

(b) the withdrawal of natural gas into the facility at that custody transfer point is taken to be a distribution service under a distribution contract for which the STTM pipeline operator is the contract issuer and the user of that service is the contract holder; and

(c) the user of that service is taken to be the STTM distributor for the facility.

(4) AEMO may, by written notice, exempt a person who is taken to be an STTM distributor under subrule (3) from a requirement to comply with a provision of this Part 20, subject to any conditions reasonably specified by AEMO.

Division 3 Registration of Trading Participants

Subdivision 1 Registration as a Trading Participant

373 Additional requirements for registration as an STTM User

To be registered as an STTM User for a hub, a person that:

(a) sells natural gas that is hauled through an STTM distribution system at the hub; and

(b) is required to be authorised to sell that natural gas,

must hold the authorisation required for the sale of that natural gas.

Note

General requirements for registration are set out in rule 135AC.

374 Notice of revocation of registration or exemption

If AEMO revokes the registration, or the exemption from registration, of a person as an STTM Shipper or an STTM User under rule 135AH, AEMO must give notice of the revocation to:

(a) each contract issuer in respect of a facility contract or distribution contract for which that person is a contract holder; and

(b) each contract holder in respect of a facility contract in relation to which that person holds a registered trading right for a registered facility service; and

(c) each allocation agent for a registered facility service provided under a contract referred to in paragraphs (a) or (b).

Subdivision 2 Register

375 Register to contain additional information for STTM

The register established by AEMO under rule 135B must contain the following additional information in respect of registrations or exemptions relating to the STTM:

(a) the hub to which each registration or exemption relates; and

(b) where the registration of a Trading Participant is suspended, the registrable capacity to which the suspension relates and the time at which the suspension took effect.

Division 4 Information about STTM Facilities and STTM Distribution Systems

376 Obligation to provide information

(1) An STTM facility operator must:

(a) within 10 business days after the commencement of this rule, if it is an STTM facility operator at that time; or

(b) otherwise, no later than 20 business days before the date natural gas is first delivered to the hub by means of the STTM facility,

provide the following information to AEMO:

(c) the name, Australian Business Number or Australian Company Number, and contact details of the STTM facility operator, who must be the operator representative if there is more than one STTM facility operator for that STTM facility; and

(d) the name and type of STTM facility in respect of which it is the STTM facility operator; and

(e) the hub to which the STTM facility is connected; and

(f) the capacity (in GJ) that is to be used by AEMO as the default capacity of the STTM facility to deliver natural gas to the hub on a gas day under rule 414 and the STTM Procedures, being the STTM facility operator's reasonable estimate of that capacity under the expected operating conditions in a period that includes that gas day; and

(g) the maximum capacity (in GJ) that AEMO may accept under rule 414 as the capacity of the STTM facility to deliver natural gas to the hub on any gas day; and

(h) details of the allocation agent appointed by that STTM facility operator for the STTM facility or, if the STTM facility operator itself is to be the allocation agent, a statement to that effect; and

Note

The STTM facility operator may appoint AEMO as the allocation agent.

(i) the written consent of any appointed allocation agent to act in that capacity; and

(j) benchmark information to be used in relation to the calling of contingency gas in accordance with Division 8, as specified in the STTM Procedures; and

(k) any other information required by AEMO for the purposes of AEMO's functions under this Part, as specified in the STTM Procedures.

(2) An STTM distributor must:

(a) within 10 business days after the commencement of this rule, if it is an STTM distributor at that time; or

(b) otherwise, no later than 20 business days before the date on which it is to become an STTM distributor,

provide the following information to AEMO:

(c) the name, Australian Business Number or Australian Company Number, and contact details of the STTM distributor; and

(d) the name of the STTM distribution system in respect of which it is the STTM distributor; and

(e) the hub to which the STTM facility is connected; and

(f) benchmark information to be used in relation to the calling of contingency gas in accordance with Division 8, as specified in the STTM Procedures; and

(g) any other information reasonably required for the purposes of AEMO's functions under this Part, as specified in the STTM Procedures.

(3) AEMO may, within 5 business days after receiving information under subrules (1) or (2), request the STTM facility operator or STTM distributor to provide further information, or clarification of the information provided, if in AEMO's reasonable opinion the information provided:

(a) is incomplete; or

(b) requires clarification.

377 Registration of information

(1) On receiving information under rule 376, AEMO must, within 10 business days:

(a) if AEMO is satisfied that the information complies with the requirements of rule 376, register that information and inform the relevant STTM facility operator, STTM distributor and allocation agent (as the case may be) of its identifier, the details registered for it and the identifier of the STTM facility or STTM distribution system; or

(b) if AEMO is not so satisfied, inform the relevant STTM facility operator or STTM distributor and (subject to subrule (2)) not register the information.

(2) If the STTM facility operator does not provide a capacity under rule 376(1)(f) or (g), AEMO must determine a capacity in accordance with the STTM Procedures and register any capacity so determined.

(3) AEMO must publish a list of the STTM facilities and STTM distribution systems about which it has registered information under this rule, and must update that list each time it registers information about an additional STTM facility or STTM distribution system.

378 Changes to information

(1) An STTM facility operator or STTM distributor must provide AEMO with updated information:

(a) as soon as practicable if any information registered by AEMO in accordance with rule 377 changes, or is otherwise inaccurate; and

(b) in respect of benchmark information provided in accordance with rule 376(1)(j) or 376(2)(f), on the dates specified in the STTM Procedures.

(2) Rule 376(3) and rule 377 apply, with necessary modifications, to updated information provided to AEMO under subrule (1).

Division 5 Registration of Services and Trading Rights

Subdivision 1 Preliminary

379 Confidentiality

Information provided to AEMO under this Division is confidential information.

Subdivision 2 Facility services and distribution services

380 Contract holders to provide information to AEMO

(1) A contract holder must provide the information specified in rule 381 to AEMO for each facility service and distribution service provided under a facility contract or distribution contract to which it is a party:

(a) by the later of:

(i) 2 business days after AEMO publishes a list under rule 377(3) that includes the STTM facility or STTM distribution system to which the contract relates; and

(ii) 10 business days after the commencement of this rule,

if the contract is in effect at that time; or

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

(b) otherwise, no later than 10 business days before the first date on which a facility service or distribution service is to be used by the contract holder under that contract.

(2) Where an STTM facility operator for an STTM production facility or STTM storage facility supplies natural gas to the hub on its own behalf then, for the purposes of this Part:

(a) a facility contract is taken to exist under which natural gas supplied by the STTM facility operator on its own behalf is injected from that STTM facility into the relevant STTM distribution system; and

(b) that STTM facility operator is taken to be both the contract holder and the contract issuer for that facility contract, and has the same obligations as other contract holders and contract issuers.

381 Information requirements

(1) The information to be provided in respect of a facility service or distribution service in accordance with rule 380 is as follows:

(a) a reference and name for each relevant facility contract or distribution contract under which that service is provided that will allow that contract to be identified by the contract issuer and contract holder; and

(b) details of the contract issuer; and

(c) the identifier of the Trading Participant who is the contract holder; and

(d) the STTM facility or STTM distribution system to which the facility service or distribution service relates; and

(e) a description of the service; and

(f) the first gas day for provision of that service, being the first gas day on which that service becomes available to the contract holder; and

(g) the last gas day on which that service will be available to the contract holder, disregarding any extension of time that may be (but has not yet been) effected under the relevant contract; and

(h) the capacity limit of the service for each gas day; and

(i) for a facility service:

(i) the direction of gas flow to which the service relates; and

(ii) the priority to be given to the service relative to other types of facility services provided by means of the same STTM facility; and

(j) any other details reasonably required for the purposes of AEMO's functions under this Part, as specified in the STTM Procedures.

(2) A contract holder must provide details of its distribution services as a single aggregated submission for each STTM distribution system at a hub.

382 Confirmation of information

(1) AEMO must, as soon as practicable after receiving the information specified in rule 381(1) about a service, request the contract issuer in respect of the relevant facility contract or distribution contract to confirm that information.

(2) Within 2 business days after receiving a request under subrule (1), a contract issuer must either:

(a) confirm the information provided by the contract holder; or

(b) reject the information provided by the contract holder.

383 Registration or rejection of information

(1) If a contract issuer confirms the information under rule 382(2)(a), AEMO must as soon as practicable:

(a) register the facility service or distribution service and the details for that service referred to in rule 381; and

(b) inform the contract holder and the contract issuer of the identifier of the registered facility service or registered distribution service and the registered details for that service; and

(c) request the contract holder to submit trading rights information under rule 384.

(2) If a contract issuer rejects the information under rule 382(2)(b), AEMO must:

(a) inform the contract holder as soon as practicable; and

(b) not register the facility service or distribution service.

Subdivision 3 Trading rights

384 Trading right of contract holder

(1) Unless subrule (1A) applies, on receipt of a request under rule 383(1)(c), a contract holder must submit to AEMO the details of the trading right to be

registered to the contract holder in respect of the registered facility service or registered distribution service, which must be consistent with the registered details for that service.

(1A) If:

(a) a contract holder in respect of a distribution contract receives a request under rule 383(1)(c); and

(b) the contract holder has an existing registered trading right in respect of one or more registered distribution services at a hub,

then on receipt of a request under rule 383(1)(c), the contract holder must submit to AEMO the details of the modification required to the trading right, which must be consistent with the registered details for the service to which the request under rule 383(1)(c) relates.

(2) As soon as practicable after receiving the contract holder's submission under subrule (1), AEMO must register the trading right to the contract holder if it is satisfied that:

(a) the details submitted are consistent with the registered details for the service; and

(b) the contract holder is registered under Part 15A as:

(i) in the case of a trading right for a registered facility service, an STTM Shipper for the relevant hub; or

(ii) in the case of a trading right for a registered distribution service, an STTM User for the relevant hub.

(3) If AEMO is not satisfied of the matters in subrule (2), AEMO must inform the contract holder as soon as practicable, and must not register the trading right.

Note

The capacity limit of a contract holder's trading right in respect of a registered facility service will be reduced to the extent and for the period that the contract holder grants trading rights to other Trading Participants that are registered under rule 385. Those other trading rights may be for all or only a part of the capacity limit or period of the contract holder's trading right. Therefore, when such a trading right expires or is terminated, the capacity limit of the trading right reverts to the contract holder's trading right for any residual period of the service.

(4) As soon as practicable after receiving the contract holder's submission under subrule (1A), AEMO must modify the contract holder’s trading right if it is satisfied that the details submitted are consistent with the registered details for the service

(5) If AEMO is not satisfied of the matters in subrule (4), AEMO must inform the contract holder as soon as practicable, and must not modify the trading right.

385 Additional trading rights

(1) A contract holder in respect of a registered facility service for which that contract holder has a registered trading right may provide to AEMO the details of a trading right (an **additional trading right**) granted by that contract holder to another Trading Participant that will reduce the registered capacity limit of the contract holder's registered trading right for each gas day to which the additional trading right is to apply.

(2) The details required to be provided under subrule (1) are as follows:

(a) the identifier of the contract holder's registered trading right; and

(b) the Trading Participant to whom the additional trading right has been granted; and

(c) the first and the last gas days of the period for which the additional trading right is to apply; and

(d) the capacity limit of the additional trading right for each gas day in the period referred to in paragraph (c); and

(e) the identifier of the allocation agent (if any) appointed by the contract holder for the purpose of preparing and providing registered facility service allocations; and

Note:

The contract holder may appoint AEMO as the allocation agent. Where no details or statement are provided under this paragraph, rule 420(5) will apply.

(f) any other details reasonably required for the purposes of AEMO's functions under this Part, as specified in the STTM Procedures.

(3) AEMO must register an additional trading right and the details of the additional trading right provided in accordance with this rule if AEMO is satisfied that:

(a) the Trading Participant to whom the additional trading right has been granted is registered under Part 15A as an STTM Shipper for the relevant hub; and

(b) the capacity limit of the additional trading right for each gas day in the period referred to in subrule (2)(c) does not exceed the registered capacity limit of the contract holder's registered trading right for that gas day; and

(c) the details of the additional trading right are otherwise not inconsistent with the details and information registered for that facility service; and

(d) if the trading right were registered by AEMO, the sum of the registered capacity limits for each gas day of:

(i) the additional trading right; and

(ii) the contract holder's trading right, after deducting the capacity limit of the additional trading right; and

(iii) all other registered trading rights in respect of the relevant registered facility service,

will equal the registered capacity limit of that service for that gas day.

(4) If AEMO is not satisfied of the matters in subrule (3), AEMO must inform the contract holder as soon as practicable and must not register the additional trading right.

386 Registration of trading rights

If AEMO registers a trading right under this Division, AEMO must:

(a) register the contract holder (in the case of a trading right registered under rule 384) or the Trading Participant to whom the trading right has been granted (in the case of a trading right registered under rule 385) as the trading right holder of the trading right; and

(b) register the following details in respect of the trading right:

(i) the identifier for the registered facility service or each of the registered distribution services to which the trading right relates; and

(ii) if the trading right relates to a registered facility service, the first and last gas days of the period for which the trading right applies; and

(iii) if the trading right relates to one or more registered distribution services, the first and last gas days of each of the registered distribution services to which the trading right relates; and

(iv) the capacity limit of that trading right for:

(A) in respect of a trading right that relates to a registered facility service, each gas day in the period referred to in paragraph (b)(ii); or

(B) in respect of a trading right that relates to one or more registered distribution services, each gas day from the earliest gas day registered under paragraph (b)(iii) to the latest gas day registered under paragraph (b)(iii); and

(v) any other details AEMO considers necessary; and

(c) inform the trading right holder and (if the trading right holder is not the contract holder) the contract holder of the identifier and the registered details of the trading right; and

(d) in the case of an additional trading right registered under rule 385, reduce the registered capacity limit of the contract holder's registered trading right for each gas day by a quantity equal to the capacity limit of that additional trading right for each such gas day.

Subdivision 4 Allocation agents

387 Obligation to ensure compliance

Each STTM facility operator or contract holder who appoints an allocation agent for the purposes of this Part must ensure that the allocation agent complies with its obligations under this Part for the term of that appointment.

Note:

This rule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This rule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

388 Registration requirement and application

(1) A contract holder may only appoint a person other than AEMO as an allocation agent for the purposes of this Part if that person is registered by AEMO under this Subdivision.

(2) An application for registration as an allocation agent must be in the form, and contain or be accompanied by the information, reasonably required by AEMO.

(3) AEMO may, within 5 business days of receiving an application, request the applicant to provide further information or clarification in support of the application if, in AEMO's reasonable opinion, the application:

(a) is incomplete; or

(b) requires clarification.

(4) If AEMO asks for further information or clarification under subrule (3), the application is taken to have been received when the further information or clarification is provided to AEMO's satisfaction and to incorporate that further information or clarification.

(5) If the further information or clarification is not provided to AEMO's satisfaction within 15 business days of the request, the application lapses.

389 Registration

(1) AEMO must, within 15 business days after the date of an application under rule 388:

(a) if the application complies with the requirements in rule 388(2), register the applicant as an allocation agent and issue that person with an identifier; or

(b) otherwise, refuse the application and give the applicant written reasons for the refusal.

(2) Registration of the applicant as an allocation agent will take effect on the date specified in a notice of registration sent by AEMO to the applicant, which must not be more than 5 business days after the date on which AEMO sends the notice.

Subdivision 5 Changes to registered services and trading rights

390 Changes to details of registered services

(1) A contract holder in respect of a facility contract must ensure that all allocations submitted under Division 7 for each gas day in respect of a registered facility service that is provided under that contract are consistent with the registered details of that service.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(2) A contract holder must notify AEMO of any change to:

(a) the capacity limit of a registered facility service or registered distribution service for any gas day; or

(b) the first or last gas days of the period for which a registered facility service or registered distribution service will be available to the contract holder,

as soon as practicable, but no later than one gas day before the gas day on which that change becomes effective.

Note:

If the contract holder is no longer entitled to be provided with the service because another person assumes the rights and obligations of the contract holder in respect of that service, that person will be required to submit information to AEMO under rule 380.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

(3) A notification given under subrule (2) must specify:

(a) the identifier of the registered facility service or registered distribution service; and

(b) the updated information.

391 Confirmation and consequential changes to trading rights

(1) AEMO must, as soon as practicable after receiving a notice under rule 390(2), request the contract issuer in respect of the relevant facility contract or distribution contract to confirm that information

(2) Within 2 business days after receiving a request under subrule (1), a contract issuer must either:

(a) confirm the information provided by the contract holder; or

(b) reject the information provided by the contract holder.

(3) If a contract issuer confirms the information under subrule (2)(a), AEMO must as soon as practicable request the contract holder to provide to AEMO details of the changes to be made to that contract holder's registered trading right relating to that service.

(4) If a contract issuer rejects the information under subrule (2)(b), AEMO must inform the contract holder as soon as practicable.

392 Registration of changes to registered service and trading rights

(1) AEMO must register the details of a change notified under rules 390 and 391, if AEMO is satisfied that:

(a) where the change relates to a registered facility service, the sum of the capacity limits for each gas day of:

(i) the contract holder's registered trading right, as modified in accordance with the change; and

(ii) all other registered trading rights in respect of the registered facility service,

will equal the registered capacity limit of that service for that gas day; and

(b) the change is otherwise consistent with the registered details for the relevant registered facility service or registered distribution service.

(2) If AEMO is not satisfied of the matters in subrule (1), AEMO must inform the contract holder as soon as practicable and must not register any changes.

393 Changes to details of additional trading rights

(1) A contract holder may notify AEMO of a change to the details of a registered trading right that was registered under rule 385 at any time, but no later than 5.5 hours after the start of on the gas day before the gas day on which that change becomes effective.

(2) The requirements of rule 385 apply, with appropriate modifications, to the changed details provided under subrule (1) as if they had been provided by the contract holder in respect of an additional trading right under rule 385(1).

(3) As soon as practicable after receiving details provided in accordance with subrule (1), AEMO must:

(a) inform the relevant trading right holder of those details; and

(b) update the registered details of the registered trading right; and

(c) reduce or increase the capacity limit of the contract holder's registered trading right for each gas day by a quantity corresponding to any increase or reduction in the capacity limit of the changed registered trading right for that gas day.

394 Change of allocation agent for trading rights

A contract holder must promptly notify AEMO of any change to the allocation agent appointed by that contract holder in relation to a registered facility service, and the first gas day for which (or the period for which) that change is to be effective.

Note:

This rule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

395 Termination or assignment of services

(1) This rule applies if a contract holder will cease to be entitled to be provided with a registered facility service or registered distribution service before the gas day which is registered as the last gas day on which that service will be available to the contract holder.

(2) If this rule applies, the contract issuer in respect of the relevant facility contract or distribution contract must notify AEMO as soon as practicable after becoming aware of the gas day on which the service will cease to be available to the contract holder, specifying that gas day and the identifier of the registered facility service or registered distribution service.

(3) The gas day specified by the contract issuer under subrule (2) must not be earlier than the gas day after the gas day on which the notification is submitted.

(4) However, the obligation of the contract issuer under subrule (2) does not apply if the contract issuer has confirmed the details of the cessation provided by the contract holder to AEMO under rule 390.

(5) As soon as practicable after receiving a notification submitted in accordance with subrule (2), AEMO must:

(a) inform each trading right holder in respect of the relevant registered facility service or registered distribution service; and

(b) deregister the relevant service; and

(c) if the relevant service is a registered facility service, deregister all registered trading rights in respect of that service, from the gas day specified by the contract issuer under subrule (2); and

(d) if the relevant service is a registered distribution service and:

(i) the relevant service is the only registered distribution service in respect of the STTM User's registered trading right for the relevant hub, then deregister that trading right; and

(ii) paragraph (d)(i) does not apply, modify the STTM User's registered trading right for the relevant hub to reflect the deregistration of that service,

from the gas day specified by the contract issuer under subrule (2).

395A Expiry of registered distribution services

(1) If:

(a) an STTM User's registered trading right for a hub relates to more than one registered distribution service; and

(b) one such registered distribution service expires,

then AEMO must modify the STTM User's registered trading right to reflect the expiry from the gas day on which that registered distribution service expires.

(2) For the purposes of this rule 395A, a registered distribution service will expire on the gas day which is registered as the last gas day on which that registered distribution service will be available to the contract holder.

Division 6 Market Operator Service

396 MOS period

The MOS period is a period of 1 month.

397 MOS estimate

(1) AEMO must, within the time specified in the STTM Procedures before the start of a MOS period, publish for each STTM pipeline its estimate of:

(a) the maximum quantity of MOS (by way of increase and decrease) likely to be required on any gas day in that MOS period; and

(b) the range of daily quantities of MOS (by way of increase and decrease) likely to be required, together with the number of gas days in the MOS period to which each of those estimated quantities applies.

(2) AEMO may publish updated estimates within the time specified in the STTM Procedures before the start of the MOS period.

(3) In determining estimates or updated estimates under this rule, AEMO must comply with any requirements in the STTM Procedures.

398 Request for MOS increase offers and MOS decrease offers

(1) AEMO must, within the time period specified in the STTM Procedures before the start of a MOS period, publish a notice requesting from STTM Shippers, MOS increase offers and MOS decrease offers for each STTM pipeline.

(2) A notice under subrule (1) must specify:

(a) the relevant MOS period; and

(b) the date by which final MOS increase offers and MOS decrease offers must be submitted to AEMO, which date will be specified in the STTM Procedures; and

(c) a statement that an STTM Shipper must comply with the requirements of rules 399 and 400 in respect of its MOS increase offer or MOS decrease offer; and

(d) any other matter reasonably required for the purposes of AEMO's functions under this Part, as specified in the STTM Procedures.

399 Conditions relating to MOS

(1) An STTM Shipper must not submit a MOS increase offer or MOS decrease offer to AEMO unless it is a trading right holder in respect of a registered facility service provided by means of the STTM pipeline to which the MOS increase offer or MOS decrease offer relates.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(2) An STTM Shipper must not submit a MOS increase offer or MOS decrease offer in respect of a MOS period unless it is entitled, under one or more registered trading rights, to increase or decrease the quantity of natural gas supplied to, or withdrawn from, a hub by that STTM Shipper through the relevant STTM pipeline in accordance with its MOS increase offer or MOS decrease offer.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(3) For the purposes of subrule (2), in determining whether an STTM Shipper is entitled to increase or decrease a quantity of natural gas supplied to, or withdrawn from, a hub, any allocation or potential allocation of overrun MOS to that STTM Shipper under rule 421 is to be disregarded.

(4) An STTM Shipper must ensure that the condition in subrule (2) continues to be satisfied from the time the MOS increase offer or MOS decrease offer is submitted until the end of the MOS period to which the MOS increase offer or MOS decrease offer relates.

(5) If, at any time after the submission of a MOS increase offer or a MOS decrease offer:

(a) the STTM Shipper who submitted that offer; or

(b) the contract holder for a facility contract associated with that offer,

becomes aware that the condition set out in subrule (2) is no longer satisfied in respect of that offer, it must immediately notify AEMO.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(6) An STTM Shipper or other person must not:

(a) make a nomination or renomination in respect of an STTM pipeline; or

(b) do any other thing,

for the purpose, or primary purpose, of creating or increasing a pipeline deviation for which MOS may be required.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

400 Making MOS increase offers or MOS decrease offers

(1) Subject to rule 399, an STTM Shipper may submit a MOS increase offer or MOS decrease offer, or both, in accordance with this rule 400.

(2) MOS increase offers and MOS decrease offers must be made no later than the date specified in AEMO's notice under rule 398 but, if submitted before that date, may be revised at any time until that date.

(3) A MOS increase offer or MOS decrease offer may only relate to one STTM pipeline.

(4) A MOS increase offer or MOS decrease offer must comply with the requirements set out in the STTM Procedures.

401 MOS stacks

(1) AEMO must determine, in accordance with the STTM Procedures:

(a) which MOS increase offers (or parts of those offers) are to be included in a MOS increase stack and the order in which they are to be included; and

(b) which MOS decrease offers (or parts of those offers) are to be included in a MOS decrease stack and the order in which they are to be included; and

(c) if applicable, how MOS provided or procured as a result of the process contemplated under rule 403 is to be represented in the MOS stack,

and must produce a MOS increase stack and a MOS decrease stack for each STTM pipeline containing the information set out in the STTM Procedures.

(2) Within the time specified in the STTM Procedures before the commencement of each MOS period, AEMO must:

(a) publish the following information for each MOS increase offer and MOS decrease offer included in the MOS stack for that MOS period:

(i) the relevant MOS provider; and

(ii) the STTM pipeline to which the MOS increase offer or MOS decrease offer relates; and

(iii) the prices and quantities in each price step; and

(b) make available to each relevant STTM pipeline operator for the applicable MOS stack the following information:

(i) the contract holder for the facility contract associated with each MOS increase offer or MOS decrease offer; and

(ii) the prices and quantities in each price step; and

(c) comply with any requirements in the STTM Procedures in relation to publishing MOS stacks and making information available to STTM pipeline operators.

402 Additional requirements for MOS stacks

(1) If AEMO is notified:

(a) by STTM Shipper or relevant contract holder under rule 399(5) that the condition set out in rule 399(2) is no longer satisfied in relation to a MOS increase offer or MOS decrease offer;

(b) by a contract issuer under rule 395 (2) that a registered facility service referred to in a MOS increase offer or MOS decrease offer has ceased or will cease to be available to the relevant contract holder during the MOS period; or

(c) by an allocation agent under rule 421(6) that it has not allocated MOS to the contract holder associated with a registered facility service referred to in a MOS increase offer or MOS decrease offer,

AEMO must:

(d) if a notification is received prior to the publication of the MOS stack for the MOS period in respect of which the relevant STTM Shipper submitted the MOS increase offer or MOS decrease offer:

(i) in the case of a notification referred to in paragraph (a) – disregard that MOS increase offer or MOS decrease offer and not include it in any MOS stack; or

(ii) in the case of a notification referred to in paragraph (b) – disregard MOS quantities associated with the relevant registered facility service and not include that MOS quantity in the MOS stack; or

(e) if a notification is received after the publication of the MOS stack that includes the MOS increase offer or MOS decrease offer:

(i) in the case of a notification referred to in paragraph (a) – promptly determine a revised MOS stack in accordance with rule 401(1), but disregarding that MOS increase offer or MOS decrease offer; or

(ii) in the case of a notification referred to in paragraph (b) – before the gas day on which the relevant registered facility service ceases to be available, determine a revised MOS stack in accordance with rule 401(1), to be effective from the gas day on which that registered facility service ceases to be available, but disregarding the MOS quantities associated with that registered facility service; or

(iii) in the case of a notification referred to in paragraph (c) – promptly determine a revised MOS stack in accordance with rule 401(1), but disregarding the MOS quantities associated with the relevant registered facility service.

(2) If:

(a) AEMO suspends the registration of an STTM Shipper at the relevant hub; and

(b) that STTM Shipper has submitted a MOS decrease offer for a current or prospective MOS period,

AEMO must:

(c) if the suspension occurs prior to the publication of a MOS decrease stack for the MOS period, disregard that MOS decrease offer and not include it in any MOS decrease stack; or

(d) if the suspension occurs after the publication of a MOS decrease stack that includes the MOS decrease offer, promptly determine a revised MOS decrease stack in accordance with rule 401(1), but disregarding any MOS quantity previously included in respect of that MOS decrease offer.

(3) AEMO must publish the information in rule 401(2)(a) in respect of any revised MOS stack and make the information in rule 401(2)(b) available to the relevant STTM pipeline operator in respect of any revised MOS stack as soon as practicable.

403 Procurement or provision of MOS by AEMO

(1) If at any time AEMO:

(a) determines; or

(b) is advised by an industry consultative committee whose terms of reference (as approved by AEMO) include the provision of advice to AEMO on matters relating to the STTM,

that the total of the MOS quantities likely to be available on an ongoing basis in respect of an STTM pipeline is materially less than the quantity required to balance the pipeline deviations that are reasonably anticipated to occur on that pipeline (a **MOS shortfall**), AEMO must investigate the circumstances of that MOS shortfall and prepare a report in accordance with subrule (2).

(2) A report under subrule (1) must:

(a) state whether, in AEMO's opinion, the causes of the MOS shortfall:

(i) can reasonably be expected to be resolved through action taken by participants in the gas industry within a reasonable timeframe, and if so whether any changes to the rules in this Part are likely to encourage that action; or

(ii) are unlikely to be resolved within a reasonable timeframe unless AEMO procures or facilitates the provision of MOS; and

(b) if paragraph (a)(ii) applies:

(i) include at least one proposal on how AEMO may procure or facilitate the provision of MOS; and

(ii) for each such proposal, include an assessment of:

(A) the costs of implementing the proposal and the subsequent provision of MOS under these rules; and

(B) the likely impact of the proposal on the provision of MOS by STTM Shippers; and

(iii) indicate a recommended proposal taking into account:

(A) the principle that any additional costs to be paid by or recovered from Trading Participants should be minimised; and

(B) the principle that, as far as possible, commercial incentives for STTM Shippers to offer to provide MOS should be preserved; and

(C) any other matter AEMO considers relevant; and

(c) be published by AEMO.

(3) If AEMO's report includes a proposal as contemplated under subrule (2)(b), AEMO must determine, in accordance with the standard consultative procedure:

(a) if there is more than one proposal, which of them should be implemented; and

(b) a process for implementing the relevant proposal, which takes into account the MOS cost cap,

and AEMO may take any action that is necessary or desirable to implement that proposal in the manner determined.

(4) If AEMO becomes a contract holder or acquires trading rights as a result of implementing a proposal under this rule, AEMO:

(a) is not required to be registered as an STTM Shipper; and

(b) is subject to the conditions in rule 399 relating to MOS increase offers and MOS decrease offers; and

(c) must determine its MOS increase offers and MOS decrease offers by the relevant date specified in rule 398; and

(d) is to make or receive payments for MOS and MOS gas under Division 10 as if it were an STTM Shipper.

Division 7 Market Operations

Subdivision 1 Scheduling and pricing

404 AEMO to establish SPA

AEMO must establish and maintain the SPA to meet the requirements in rule 405 and any other requirements in the STTM Procedures, for the purpose of determining the quantities and prices to be included in schedules issued under Subdivision 2, and the ex post imbalance price under Subdivision 4.

Note:

The SPA may, but need not, be used to determine administered prices and quantities for schedules issued under Subdivision 6.

405 General requirements

(1) In determining a provisional schedule, ex ante market schedule or ex post imbalance price, AEMO must schedule ex ante offers, ex ante bids and price taker bids for a hub for a gas day so as to maximise the value of ex ante bids and price taker bids (and for this purpose, price taker bids must be valued by the SPA) less the value of ex ante offers, subject to:

(a) the capacity limits of registered trading rights; and

(b) the priority and flow direction of the registered facility services associated with registered trading rights; and

(c) the capacity information for STTM facilities; and

(d) the requirement that the flow of natural gas from the hub on an STTM pipeline must be no greater than the flow of natural gas to the hub on that STTM pipeline.

(2) The SPA must value price taker bids so that ex ante offers are scheduled to meet the quantity of all price taker bids before the quantity of any ex ante bid.

(3) The SPA must prioritise the scheduling of ex ante offers, ex ante bids and price taker bids so as to produce only one solution when multiple possible scheduling or pricing solutions exist.

(4) A price for natural gas in any schedule must not be less than the MMP or greater than the MPC.

(5) AEMO must determine where no feasible scheduling solution is possible within the constraints imposed under this Division and the STTM Procedures.

Note:

Where there is no feasible scheduling solution by the time at which an ex ante market schedule must be issued under rule 417, an administered market state will apply in accordance with the applicable provisions of Subdivision 6.

Subdivision 2 Scheduling for the ex ante market

406 Requirement to submit ex ante offers, ex ante bids and price taker bids

(1) An STTM Shipper who intends to supply a quantity of natural gas to a hub from an STTM facility on a gas day must include that quantity in an ex ante offer for that hub which:

(a) complies with rule 407; and

(b) is submitted to AEMO in accordance with rule 410.

(2) An STTM Shipper who intends to withdraw a quantity of natural gas from a hub into an STTM facility on a gas day must include that quantity in an ex ante bid for that hub which:

(a) complies with rule 408; and

(b) is submitted to AEMO in accordance with rule 410.

(3) An STTM User who intends to withdraw a quantity of natural gas from a hub into one or more STTM distribution systems for that hub on a gas day must include that quantity in:

(a) an ex ante bid for that hub; or

(b) to the extent that subrule (4) applies, a price taker bid for that hub,

which:

(c) in the case of an ex ante bid, complies with rule 408; and

(d) in the case of a price taker bid, complies with rule 409; and

(e) in either case, is submitted to AEMO in accordance with rule 410.

(4) An STTM User must include the following quantities in a price taker bid for a hub:

(a) the quantity of natural gas which the STTM User expects to withdraw from the hub on a gas day to meet the demand of end users whose gas supply is not interruptible on a commercial and measurable basis by agreement between the STTM User and an end user; and

(b) any other quantity of natural gas which the STTM User intends to withdraw from the hub on a gas day, unless that quantity is included in an ex ante bid.

(5) A Trading Participant may submit an ex ante offer or an ex ante bid for a hub in relation to any other quantity of natural gas that it is willing to supply or withdraw on a gas day.

407 Ex ante offers

(1) Subject to rule 412(1), an ex ante offer must only relate to natural gas that the STTM Shipper intends to supply to a hub on a particular gas day if the ex ante offer is scheduled by AEMO.

(2) An ex ante offer must comply with the requirements set out in the STTM Procedures.

(3) Each ex ante offer must relate to a single registered trading right and at any time not more than one ex ante offer may apply to the same registered trading right for a gas day.

(4) Ex ante offers for a gas day are confidential information until the end of that gas day.

(5) AEMO must make the following information for each ex ante offer for a gas day available to Trading Participants and other persons authorised by AEMO,no later than 4.5 hours after the end of that gas day:

(a) the identity of the relevant STTM Shipper; and

(b) the hub and STTM facility to which the ex ante offer relates; and

(c) the prices and quantities in each price step,

and AEMO must publish that information as soon as practicable after that time.

408 Ex ante bids

(1) Subject to rule 412(1), an ex ante bid must only relate to natural gas that the STTM Shipper or STTM User intends to withdraw from a hub on a particular gas day if the ex ante bid is scheduled by AEMO.

(2) An ex ante bid must comply with the requirements set out in the STTM Procedures.

(3) Each ex ante bid must relate to a single registered trading right and at any time not more than one ex ante bid may apply to the same registered trading right for a gas day.

(4) Ex ante bids for a gas day are confidential information until the end of that gas day.

(5) AEMO must make the following information for each ex ante bid for a gas day available to Trading Participants and other persons authorised by AEMO, no later than 4.5 hours after the end of that gas day:

(a) the identity of the relevant Trading Participant; and

(b) the hub and (if applicable) the STTM facility to which the ex ante bid relates; and

(c) the prices and quantities in each price step,

and AEMO must publish that information as soon as practicable after that time.

409 Price taker bids

(1) Subject to rule 412(1), a price taker bid must only relate to natural gas that the STTM User expects to withdraw from a hub on a particular gas day.

(2) A price taker bid must comply with the requirements set out in the STTM Procedures.

(3) Each price taker bid must relate to a single registered trading right and at any time not more than one price taker bid may apply to the same registered trading right for a gas day.

(4) Price taker bids for a gas day are confidential information.

410 Timing of submissions of ex ante offers, ex ante bids and price taker bids

(1) If a Trading Participant expects to supply quantities of natural gas to, or withdraw quantities of natural gas from, a hub on a gas day, the Trading Participant must submit to AEMO in good faith:

(a) ex ante offers, ex ante bids or price taker bids for that gas day that reflect; or

(b) revisions to an earlier ex ante offer, ex ante bid or price taker bid for that gas day so as to reflect,

the Trading Participant's best estimate of the quantities of natural gas it expects to supply or withdraw on that gas day, as at each of the times specified in subrule (2).

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(2) Any submissions required in accordance with subrule (1) must be made no later than:

(a) 7.5 hours after the start of the gas day that is 3 gas days before the relevant gas day; and

(b) if revised or not previously submitted, 7.5 hours after the start of the gas day that is 2 gas days before that gas day; and

(c) if revised or not previously submitted, 5.5 hours after the start of the gas day before that gas day.

(3) Where a Trading Participant revises an ex ante offer, ex ante bid or price taker bid in accordance with this rule, the Trading Participant is taken to have submitted a new ex ante offer, ex ante bid or price taker bid on those changed terms, which supersedes the previous ex ante offer, ex ante bid or price taker bid.

411 Confirmation by AEMO

(1) AEMO must acknowledge receipt of all ex ante offers, ex ante bids and price taker bids submitted by Trading Participants as soon as practicable after receipt.

(2) AEMO must reject an ex ante offer, ex ante bid or price taker bid submitted by a Trading Participant unless:

(a) the ex ante offer, ex ante bid or price taker bid complies with the requirements in rules 407, 408 or 409 (as applicable); and

(b) in respect of the gas day to which the ex ante offer, ex ante bid or price taker bid relates, that Trading Participant is the trading right holder for the registered trading right to which the ex ante offer, ex ante bid or price taker bid relates; and

(c) that Trading Participant is not subject to a condition restricting the submission of that ex ante offer, ex ante bid or price taker bid under rule 487 or 488.

(3) If AEMO rejects an ex ante offer, ex ante bid or price taker bid under subrule (2), AEMO must inform the relevant Trading Participant as soon as practicable.

412 Multiple day offers and bids

(1) A Trading Participant for a hub may, no later than 5.5 hours after the start of any gas day, submit either an ex ante offer or ex ante bid for that hub that relates to each gas day in a specified period commencing on or after the next gas day and otherwise complies with rules 407 or 408 (as applicable).

(2) Rule 411 applies to a submission made under subrule (1) and, if AEMO rejects an ex ante offer or ex ante bid in relation to any one gas day within the period specified in that submission, AEMO must reject the entire submission.

(3) For the purposes of this Part, an ex ante offer or ex ante bid referred to in subrule (1) is to be treated as a separate ex ante offer or ex ante bid for each gas day during the period to which it relates.

413 Good faith for ex ante offers, ex ante bids and price taker bids

(1) For the purposes of rule 410(1), an ex ante offer, ex ante bid or price taker bid is submitted in good faith if, at the time of submission, the Trading Participant has a genuine intention to supply or withdraw the specified quantity of natural gas if scheduled by AEMO and if the material conditions and circumstances on which the relevant offer or bid is based remain unchanged.

(2) The intention of the Trading Participant may be inferred from the conduct of the Trading Participant, or of any other person, or from relevant circumstances.

414 Capacity information

(1) No later than 3 hours after the start of each gas day, an STTM facility operator must notify AEMO of the quantity of natural gas which it expects, in accordance with good gas industry practice, that the STTM facility will be able to deliver to the relevant hub on:

(a) the third gas day after that gas day; and

(b) the second gas day after that gas day; and

(c) the following gas day,

which must not exceed the maximum capacity specified by that STTM facility operator for that STTM facility under rule 376(1)(g).

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

(2) [Deleted]

(2A) AEMO must, in accordance with the STTM Procedures:

(a) validate information provided under subrule (1); and

(b) if information is not provided under subrule (1), or information provided under subrule (1) fails validation, use substitute information.

(2B) An STTM facility operator must provide information in accordance with the STTM Procedures to enable AEMO to validate and substitute information in accordance with subrule (2A).

(3) AEMO must make the most recent capacity information for each STTM facility available to Trading Participants and other persons authorised by AEMO, by the time specified in the STTM Procedures:

(a) on the gas day that is 3 gas days before the gas day to which that information relates; and

(b) on the gas day that is 2 gas days before the gas day to which that information relates; and

(c) on the gas day before the gas day to which that information relates,

and AEMO must publish that information as soon as practicable after that time.

415 Issue of schedules

(1) In determining a provisional schedule or an ex ante market schedule for a hub and a gas day, AEMO must use:

(a) valid ex ante offers, ex ante bids and price taker bids for that hub and gas day submitted as at the time that is one hour before the time at which AEMO is required to issue that schedule; and

(b) the capacity limit of the registered trading right to which each ex ante offer, ex ante bid and price taker bid relates, as at:

(i) in the case of a provisional schedule – the time at which that schedule is determined; or

(ii) in the case of an ex ante market schedule – the time that is one hour before the time by which AEMO must issue that schedule; and

Note:

AEMO may only schedule ex ante offers, ex ante bids and price taker bids up to the capacity limit of the relevant registered trading right.

(c) the available capacity information for each STTM facility for the gas day to which the schedule relates; and

(d) the following data for each trading right associated with an ex ante offer or ex ante bid submitted by an STTM Shipper for that hub, as at the time that is one hour before the time at which AEMO is required to issue that schedule:

(i) the STTM facility associated with that trading right;

(ii) the priority of the registered facility service associated with that trading right; and

(iii) the flow direction of the registered facility service associated with that trading right.

(2) For the purposes of this rule and rules 416 and 417, a provisional schedule or an ex ante market schedule is taken to be issued when AEMO has:

(a) determined the following details, or forecast details, for the relevant hub and gas day:

(i) ex ante market price; and

(ii) the capacity price for each relevant STTM facility; and

(iii) the pipeline flow direction constraint price for each relevant STTM pipeline; and

(iv) the market schedule quantity for each relevant registered trading right; and

(v) any other details required by the STTM Procedures; and

(b) made available to Trading Participants the following details, or forecast details, as contained in that schedule:

(i) the ex ante market price; and

(ii) the capacity price for each STTM facility at the hub; and

(iii) the pipeline flow direction constraint price for each STTM pipeline at the hub; and

(iv) any other details required by the STTM Procedures; and

(c) made available to each relevant Trading Participant the details of its respective market schedule quantity or forecast market schedule quantity for

each relevant registered trading right, as contained in that schedule and any other relevant details specified in the STTM Procedures.

Note:

A schedule is not taken to have been issued until the applicable details under paragraph (c) have been available to all Trading Participants whose market schedule quantity or forecast market schedule quantity is contained in the schedule.

(3) AEMO must, as soon as practicable after a provisional schedule or ex ante market schedule has been issued, make available to each STTM facility operator, STTM distributor and contract holder the relevant details of that schedule (if any) specified in the STTM Procedures.

(4) AEMO must publish the details specified in subrule (2)(b) as soon as practicable after it has made those details available to Trading Participants.

416 Timing for issue of provisional schedules

(1) Subject to subrule (4), no later than 8.5 hours after the start of each gas day AEMO must issue a schedule (a **D-3 schedule**) for each hub for the third gas day after that gas day.

(2) Subject to subrule (4), no later than 8.5 hours after the start of each gas day AEMO must issue a schedule (a **D-2 schedule**) for each hub for the second gas day after that gas day.

(3) AEMO may issue a number of provisional schedules for a gas day before the time specified in subrule (1) or (2) as applicable, and each such schedule validly issued supersedes the previous provisional schedule.

(4) If AEMO is unable to issue a provisional schedule for a gas day by the time specified in subrule (1) or (2), it must seek to issue that provisional schedule as soon as practicable after that time, but no later than:

(a) for a D-3 schedule – 7.5 hours after the end of the gas day; or

(b) for a D-2 schedule – 5.5 hours after the end of the gas day,

and if AEMO does not issue the provisional schedule by that later time, AEMO:

(c) is not required to issue that provisional schedule; and

(d) must, as soon as practicable, publish a notice stating that it was unable to issue that provisional schedule.

(5) AEMO may, before the time specified in subrule (1) or (2) as applicable, declare one or more provisional schedules previously issued under that subrule to be invalid by publishing a notice to that effect and identifying the last valid provisional schedule (if any) issued for that hub and gas day, and any schedule which is declared invalid is taken not to have been issued.

417 Ex ante market schedule

(1) Subject to subrules (5) and (6), no later than 6.5 hours after the start of each gas day AEMO must issue the ex ante market schedule for each hub for the next gas day.

(2) AEMO may issue a number of ex ante market schedules for a gas day before the time specified in subrule (1), and each such schedule validly issued supersedes the previous ex ante market schedule.

(3) AEMO may, before the time specified in subrule (1), declare one or more ex ante market schedules previously issued under that subrule to be invalid by publishing a notice to that effect and identifying the valid ex ante market schedule (if any) for that hub and gas day, and any schedule which is declared invalid is taken not to have been issued.

(4) If:

(a) AEMO has issued an ex ante market schedule for a gas day under subrule (1); and

(b) has commenced, but not completed, the issue of a further ex ante market schedule for that gas day by the time specified in subrule (1);

AEMO must, as soon as practicable, publish a notice stating that the partly issued schedule is invalid and identifying the last ex ante market schedule that was validly issued for that gas day.

(5) If AEMO is unable to issue an ex ante market schedule for a hub for a gas day in accordance with subrule (1), AEMO must, as soon as practicable, publish a notice to that effect.

Note:

If AEMO is unable to issue the ex ante market schedule under this rule, it must determine that an administered price cap state applies under rule 428, or if no provisional schedule was issued for that hub and gas day, determine that a market administered scheduling state applies under rule 430. The ex ante market schedule for that hub and gas day will then be determined in accordance with the applicable rule.

(6) The ex ante market schedule for a hub and a gas day is:

(a) the last schedule issued under subrule (1) for that hub and gas day; or

(b) if applicable, the last schedule determined for that hub and gas day under rule 428 (for an administered price cap state), rule 430 (for a market administered scheduling state) or rule 431 (for a market administered settlement state).

Note:

An ex ante market schedule issued under rule 428, 430 or 431 will supersede any schedule issued under this rule. In some circumstances the ex ante market schedule may be determined after the gas day (See rules 430 and 431).

Subdivision 3 Allocations

418 Ownership, risk and responsibility for gas

(1) Each STTM Shipper unconditionally and irrevocably authorises AEMO to effect the transfer of title to natural gas supplied by it to a hub and to determine the identity of the transferees in accordance with this rule.

(2) Title to, custody and control of, and risk of loss of natural gas supplied to a hub passes at each custody transfer point:

(a) from the Trading Participants who are taken to have supplied natural gas to that custody transfer point,

(b) to the Trading Participants who are taken to have withdrawn natural gas from the hub,

in the respective quantities determined in accordance with this Subdivision.

(3) Each STTM Shipper must ensure that natural gas supplied by it to a hub complies with the gas quality specification for that hub, unless otherwise agreed in writing by the relevant STTM distributor or specifically authorised under a law of the relevant adoptive jurisdiction.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

(4) Each trading right holder in respect of a registered facility service for the delivery of natural gas to the Sydney hub must provide to the STTM distributor on request information, records and access to facilities that:

(a) the STTM distributor reasonably requires in order to verify that the natural gas supplied by the trading right holder complies with the gas quality specification and that reasonable precautions are in place to prevent the delivery of natural gas that does not comply with the gas quality specification; and

(b) are consistent with the rights the STTM distributor would have in respect of such information, records and access under the terms and conditions of access approved in that STTM distributor's applicable access arrangement.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(5) An STTM User who is not also a trading right holder described in subrule (4) has no liability to provide the information, records or access to facilities described in subrule (4) to the STTM distributor at the Sydney hub

(6) AEMO has no liability to any person in respect of the quality or suitability for any purpose of natural gas supplied to, or withdrawn from, a hub.

419 STTM facility allocations

(1) No later than 4.5 hours after the start of each gas day, the allocation agent for an STTM facility must give AEMO an allocation notice for the immediately preceding gas day that meets the requirements in subrule (2).

(2) An allocation notice must contain, for the relevant gas day:

(a) for each registered facility service provided by means of that STTM facility:

(i) the STTM facility allocation for that registered facility service, which must not be less than zero; and

Note:

An STTM facility allocation must be provided for each registered facility service in respect of the relevant STTM facility, even if that allocation is zero.

(ii) the quantity of MOS gas allocated to that registered facility service in accordance with rule 421 (such quantity being included in the STTM facility allocation); and

(iii) the quantity of overrun MOS allocated to that registered facility service in accordance with rule 421 (such quantity being included in the quantity of MOS gas); and

Note:

The quantity of MOS gas or overrun MOS may be zero.

(b) for each MOS increase stack and/or MOS decrease stack:

(i) the details of each price step in the relevant MOS stack to which MOS gas was allocated under rule 421(1)(a), including:

(A) the identifier of that price step, as specified in the MOS stack; and

(B) the quantity of MOS gas allocated to that price step; or

(ii) a statement that no MOS gas was allocated,

(a **MOS step allocation**); and

(c) any other matter reasonably required for the purposes of AEMO's functions under this Part, as specified in the STTM Procedures.

(2A) AEMO must, in accordance with the STTM Procedures:

(a) validate information provided under subrule (1); and

(b) if information is not provided under subrule (1), or information provided under subrule (1) fails validation, use substitute information.

(2B) The allocation agent for an STTM facility must provide information in accordance with the STTM Procedures to enable AEMO to validate and substitute information in accordance with subrule (2A).

(3) AEMO must reject an allocation notice if:

(a) it does not comply with subrule (2); or

(b) the total quantity of MOS gas specified in the MOS step allocation for a registered facility service (if any) does not equal the quantity of MOS gas, excluding overrun MOS, specified for that registered facility service under subrule (2)(a).

(4) An allocation agent must provide AEMO with an updated allocation notice for each gas day in a billing period, (collectively, a **billing period allocation statement**) at each of the times specified in the STTM Procedures.

(5) Subrule (3) applies to each allocation notice in a billing period allocation statement and, if AEMO rejects an allocation notice for any one gas day, AEMO must reject the entire billing period allocation statement.

(6) [Deleted]

(7) If the allocation agent for an STTM facility does not give AEMO a valid billing period allocation statement under subrule (4) by the last time specified in the STTM Procedures before the date on which revised statements for the relevant billing period are to be issued under rule 473:

(a) AEMO must request the STTM facility operator to provide a valid billing period allocation statement within one business day; and

(b) the STTM facility operator must comply with a request made under paragraph (a); and

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(c) if the STTM facility operator does not comply with that request, AEMO must:

(i) publish a notice of that fact as soon as practicable; and

(ii) for the purposes of the revised statements, use the last valid STTM facility allocation for each gas day in that billing period.

(8) An allocation agent may give AEMO an updated allocation notice for a gas day in accordance with subrule (2) at any time before the 2nd business day after the end of the 9th billing period after the billing period in which that gas day occurs.

(9) AEMO must reject an updated allocation notice if it does not comply with subrule (2).

420 Registered facility service allocations

(1) As soon as practicable after receiving a valid STTM facility allocation, billing period allocation statement or updated allocation notice, or determining an STTM facility allocation for a gas day under rule 419, AEMO must make available to the contract holder for a registered facility service the quantity of natural gas allocated to that registered facility service in the STTM facility allocation (or updated allocation) for that gas day.

(2) The allocation agent for a registered facility service must:

(a) no later than 4.5 hours after the start of each gas day, give AEMO an allocation notice in respect of the immediately preceding gas day that meets the requirements in subrule (3); and

(b) within one business day of AEMO making an updated allocation quantity available to the contract holder under subrule (1), give AEMO an updated allocation notice in respect of the gas day (or each gas day in the relevant billing period), that meets the requirements in subrule (3).

(3) An allocation notice for a registered facility service must contain, for the gas day (or each gas day in the billing period) to which the notice relates:

(a) the registered facility service allocation for each registered trading right that relates to the registered facility service; and

Note:

A registered facility service allocation must be provided for each registered trading right in respect of the relevant registered facility service, even if that allocation is zero.

(b) the quantity of MOS and overrun MOS allocated to the registered facility service, which must be allocated:

(i) in the case of MOS, to the relevant STTM Shipper’s registered trading rights;

(ii) in the case of overrun MOS, to the contract holder's registered trading right; and

(c) any other matter reasonably required for the purposes of AEMO's functions under this Part, as specified in the STTM Procedures.

(4) AEMO must reject an allocation notice if:

(a) it does not comply with subrule (3); or

(b) the sum of the registered facility service allocations for each registered trading right, or any MOS and overrun MOS allocated to the contract holder's trading right, is not equal to the quantity notified to the contract holder by AEMO under subrule (1); or

(c) it includes a registered facility service allocation for a person who is not a trading right holder in respect of the registered facility service.

(5) Subject to subrule (6), if:

(a) there is no allocation agent for a registered facility service; or

(b) the allocation agent for a registered facility service does not give AEMO an allocation notice for a gas day under subrule (2); or

(c) AEMO rejects an allocation notice under subrule (4),

then AEMO must determine the registered facility service allocation for each registered trading right for each relevant gas day in respect of that registered facility service as if:

(d) each trading right holder who is not the contract holder in respect of the registered facility service had supplied or withdrawn its market schedule quantity for that registered trading right for that gas day; and

(e) the contract holder in respect of the registered facility service had:

(i) supplied or withdrawn the quantity of natural gas (excluding MOS gas) allocated to the registered facility service, less the quantity of natural gas allocated to all other trading right holders in respect of that registered facility service under paragraph (d); and

(ii) provided any MOS gas allocated to the registered facility service.

(6) If the allocation agent for a registered facility service does not give AEMO a valid allocation notice under subrule (2)(b) in relation to the last billing period allocation statement provided (in accordance with the STTM Procedures) before the date on which revised statements for the relevant billing period are to be issued under rule 473:

(a) AEMO must request the contract holder for the relevant registered facility service to provide a valid allocation notice within one business day; and

(b) the contract holder must comply with a request made under paragraph (a); and

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(c) if the contract holder does not comply with that request, AEMO may determine a registered facility service allocation for that registered facility service under subrule (5).

(7) An allocation agent may provide AEMO with an updated allocation notice for a gas day in accordance with subrule (3) at any time before the 2nd business day after the end of the 9th billing period after the billing period in which that gas day occurs.

(8) Subrule (4) applies, with necessary modifications, to an updated allocation notice provided to AEMO under subrule (7).

(9) Where an allocation agent provides AEMO with an allocation notice under subrule (2) or (7), the allocation agent must also provide each trading right holder in respect of that registered facility service with the registered facility service allocation for its registered trading right.

421 Allocation of pipeline deviations (MOS)

(1) Subject to subrules (4) and (5), if there is a pipeline deviation for a gas day for an STTM pipeline, the allocation agent for that STTM pipeline must, in preparing the STTM facility allocations for registered facility services that are provided by means of that STTM pipeline, allocate that pipeline deviation to STTM Shippers:

(a) as MOS, in accordance with the applicable MOS stack for the relevant MOS period, to the extent that sufficient MOS quantities are available in the MOS stack; and

(b) where there are no available MOS quantities for that STTM pipeline, as overrun MOS in accordance with any applicable allocation agreement or arrangement for that STTM pipeline.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(2) The allocation agent for an STTM pipeline must allocate MOS under subrule (1)(a):

(a) to a registered facility service registered to the STTM Shipper associated with the relevant MOS quantity; and

(b) on a pro rata basis as between two or more price steps in the MOS stack which have the same price.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(3) The allocation agent for an STTM pipeline must allocate overrun MOS under subrule (1)(b) to a registered facility service that is provided under a facility contract in respect of which the relevant STTM Shipper is the contract holder.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(4) An allocation agent must not allocate a part of a pipeline deviation for a gas day for an STTM pipeline to an STTM Shipper as MOS or overrun MOS under subrule (1) if:

(a) the contract issuer has notified AEMO under rule 395 that the registered facility service to which pipeline deviations would otherwise be allocated has ceased to be available; or

(b) the allocation of that quantity to the relevant registered facility service would result in the STTM facility allocation for that service being a quantity less than 0GJ.

Example:

If the STTM facility allocation for a registered facility service for flow to the hub is 100 before the allocation of pipeline deviations, the aggregate quantity allocated to that same service from the MOS decrease stack and any overrun MOS cannot exceed 100.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(5) An allocation agent is not required to allocate a part of a pipeline deviation for an STTM pipeline for a gas day to an STTM Shipper as MOS under subrule (1)(a):

(a) in accordance with a MOS increase stack if the allocation of that quantity would result in the total quantity of MOS allocated to that STTM Shipper for that STTM pipeline and gas day exceeding:

(i) the sum of the MOS quantity for all price steps for that STTM Shipper's MOS increase offer as specified in the MOS increase stack; less

(ii) the quantity of overrun MOS allocated to that STTM Shipper on that STTM pipeline on the previous gas day to increase the flow of natural gas to the hub; or

(b) in accordance with a MOS decrease stack if the allocation of that quantity would result in the total quantity of MOS allocated to that STTM Shipper for that STTM pipeline and gas day exceeding:

(i) the sum of the MOS quantity for all price steps for that STTM Shipper's MOS decrease offer as specified in the MOS decrease stack; less

(ii) the quantity of overrun MOS allocated to that STTM Shipper on that STTM pipeline on the previous gas day to decrease the flow of natural gas to the hub; or

(c) if that quantity cannot otherwise be allocated to an STTM Shipper in accordance with the terms of an applicable facility contract.

(6) If an allocation agent does not allocate a part of a pipeline deviation to an STTM Shipper for the reason specified in subrule (5)(c), the allocation agent must notify AEMO of that fact and the name of the STTM Shipper as soon as practicable.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

422 STTM distribution system allocations

(1) No later than 4.5 hours after the start of each gas day, AEMO must determine for each hub, for the immediately preceding gas day, the STTM distribution system allocation for each STTM User who has a registered trading right for the hub, in accordance with the STTM Procedures.

(2) **[Deleted]**

(3) The STTM Procedures must include a method by which AEMO must scale the quantities allocated to each STTM User who has a registered distribution service at a hub, so that the aggregate quantity of natural gas allocated to STTM Users at that hub on a gas day equals the net quantity of natural gas supplied to that hub on that gas day, as specified in STTM facility allocations.

(4) AEMO must determine an updated STTM distribution system allocation for each STTM User who has a registered distribution service at the hub for each gas day in a billing period at each of the times specified in the STTM Procedures.

(5) AEMO must update an STTM distribution system allocation for a gas day under subrule (1) in accordance with the STTM Procedures.

423 Market schedule variations

(1) A Trading Participant (the **originating Participant**) may submit a proposed market schedule variation in respect of a hub and a gas day to AEMO within the time period specified in the STTM Procedures.

(2) A proposed market schedule variation submitted to AEMO under subrule (1) must contain the information set out in the STTM Procedures about:

(a) the nature and quantity of the proposed market schedule variation; and

(b) the originating Participant whose modified market schedule quantity is to reflect the proposed market schedule variation; and

(c) the Trading Participant whose modified market schedule quantity will reflect the same proposed market schedule variation (the **receiving Participant**).

Note:

The originating Participant and receiving Participant may be the same Trading Participant.

(3) The originating Participant is to be determined in accordance with the STTM Procedures.

(4) AEMO must reject a proposed market schedule variation if it does not comply with the requirements of subrule (2) or the STTM Procedures.

(5) Unless AEMO rejects a proposed market schedule variation under subrule (4), AEMO must:

(a) if the originating Participant and receiving Participant are the same Trading Participant – use that market schedule variation in determining the modified market schedule; or

(b) if the originating Participant and receiving Participant are not the same Trading Participant – make the details of the proposed market schedule variation available to the receiving Participant as soon as practicable for confirmation in accordance with the STTM Procedures, and:

(i) if the receiving Participant confirms the proposed market schedule variation within the time period specified in the STTM Procedures, AEMO must use that confirmed market schedule variation in determining the modified market schedule; or

(ii) in any other case, the proposed market schedule variation will expire and must not be used by AEMO in determining the modified market schedule.

(6) AEMO must make information regarding the status of a proposed market schedule variation available to the originating Participant and the receiving Participant within the time period specified in the STTM Procedures.

424 MOS allocation service costs

(1) An STTM pipeline operator that wishes to recover its MOS allocation service costs must give AEMO:

(a) an estimate of those costs, no later than 31 January prior to the invoice period; and

(b) a tax invoice in respect of its MOS allocation service costs during the previous invoice period, no later than 20 business days after the start of the invoice period.

(1A) An STTM pipeline operator must, in accordance with the STTM Procedures, provide AEMO with reasonable evidence to demonstrate that:

(a) the estimate referred to in subrule (1)(a) is reasonable; and

(b) it has incurred the costs specified in its tax invoice issued under subrule (1)(b).

(2) AEMO must, within 5 business days after receipt of any estimate and evidence received under subrule (1), publish the estimate and evidence.

(3) If at any time an STTM pipeline operator expects that its actual MOS allocation service costs in any period will vary materially from the costs specified in its estimate for that period under subrule (1), the STTM pipeline operator must give AEMO a revised estimate and a statement of reasons for the variation as soon as practicable, and AEMO must publish that revised estimate and statement.

(4) [Deleted]

(5) [Deleted]

(6) An STTM pipeline operator must not give AEMO a tax invoice under subrule (1)(b) which includes an amount that the STTM pipeline operator has recovered, or is entitled to recover, from an STTM Shipper or any other person either at law (other than under this Part or the NGL) or under any contract, arrangement or understanding, or pursuant to an access arrangement.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

425 Payment of MOS allocation service costs

(1) AEMO must, within 5 business days after receipt of a tax invoice and evidence received under rule 424(1)(b) and (1A)(b):

(a) publish the invoice and evidence, subject to the provisions of the *Law* about the disclosure of protected information; and

(b) specify a period of at least 10 business days during which any person may provide AEMO with comments on the invoice, including any objection to the payment of that invoice.

Note

Information identified as confidential and given to AEMO is protected information: See section 91G of the *NGL*. Under section 91GE of the *NGL* AEMO is authorised to disclose documents with the omission of protected information.

(2) AEMO must, within 5 business days after the end of the period referred to in subrule (1)(b), give the AER:

(a) a copy of the tax invoice and evidence provided to it under rule 424(1)(b) and (1A)(b);

(b) a copy of any comments received under subrule (1); and

(c) any comment by AEMO on either the invoice or evidence received under subrule (1).

(3) The AER must, within 30 business days after receipt of documents under subrule (2), determine the amount payable to a STTM pipeline operator in respect of the tax invoice received under rule 424(4) by reviewing whether the costs specified in that invoice:

(a) have been incurred; and

(b) are reasonable,

having regard to:

(c) any comments received by AEMO, including objections to the payment of the invoice, under subrule (1);

(d) any comments from AEMO;

(e) any information received in accordance with a request or relevant notice issued by the AER;

(f) any other relevant information; and

(g) whether the likely costs of undertaking an assessment of the costs specified in the invoice outweigh the public benefit resulting from such assessment.

(3A) In making a determination under subrule (3), the AER must:

(a) either approve or reject the amount specified in the invoice; and

(b) if it rejects the amount specified in the tax invoice, undertake an assessment to determine an amount payable that, in the AER's opinion, is reasonable for the MOS allocation services in respect of that invoice.

(3B) The AER must publish the reasons for its determination under subrule (3).

(3C) In relation to the time limits fixed in subrule (3), any period taken by a person to provide information to the AER pursuant to a notice or request issued under subrule (3)(f) is to be disregarded for the purposes of calculating elapsed time.

(4) AEMO must pay the STTM pipeline operator:

(a) if the AER has approved the amount specified in the invoice, that amount; or

(b) otherwise, the amount assessed by the AER in lieu of the invoice amount,

as determined under subrule (3), within 10 business days of the AER publishing its determination.

(5) [Deleted]

Subdivision 4 Ex post imbalance price

426 Ex post imbalance price

(1) Subject to subrule (1A), AEMO must, no later than 5.5 hours after the start of each gas day, make the ex post imbalance price for each hub for the immediately preceding gas day available to Trading Participants, and must publish that ex post imbalance price as soon as practicable after that time.

(1A) Subject to subrule (1B), if on a gas day:

(a) information provided under rule 419(1) fails a validation undertaken by AEMO in accordance with the STTM Procedures; and

(b) AEMO reasonably considers that the information referred to in paragraph (a) may be substituted in accordance with the STTM Procedures; or

(c) no information is provided under rule 419(1),

then AEMO must, with respect to the relevant hub:

(d) notify Trading Participants by no later than 5.5 hours after the start of the relevant gas day that the publication of the ex post imbalance price has been delayed; and

(e) comply with subrule (1) as if "5.5 hours" was omitted from that subrule and substituted with "9.5 hours".

(1B) Subrule (1A) does not apply for a hub for a gas day if a market administered scheduling state or market administered settlement state applies for that hub and gas day.

Note

If AEMO does not comply with subrule (1) and subrule (1A) does not apply, then rule 429 will apply.

(2) Subject to rules 428, 430 and 431, AEMO must determine the ex post imbalance price for a hub for a gas day in accordance with the STTM Procedures.

Subdivision 5 Effect of scheduling errors and dispute resolution processes

427 Effect of scheduling errors and dispute resolution processes

(1) If it is agreed or determined under Division 9 that a scheduling error has occurred in relation to the scheduling of ex ante offers, ex ante bids or price taker bids, each schedule and all quantities and prices to which that scheduling error relates will not be changed (and will remain valid), but a Trading Participant may be entitled to compensation in accordance with Division 9.

Note:

Division 9 provides that an agreement or determination in relation to a scheduling error is to be made in accordance with the dispute resolution processes, which allow any affected Trading Participant to become a party to the dispute.

(2) Ex ante market prices, capacity prices, pipeline flow direction constraint prices and ex post imbalance prices published by AEMO under this Part must not be changed by any determination of a dispute resolution panel or an agreement for the settlement of a dispute under Part 15C.

Note:

This subrule does not preclude the making of payments between AEMO, Trading Participants or other persons for the purposes of settling a dispute, which may be calculated on the basis of an adjusted price

Subdivision 6 Administered Market States

428 Administered price cap state

(1) AEMO must determine that an administered price cap state applies for a hub for a gas day if:

(a) AEMO determines that it will not be able to issue an ex ante market schedule by 6.5 hours after the start of the previous gas day, but at least one provisional schedule has been issued for that hub and gas day; or

(b) by 6.5 hours after the start of the previous gas day, AEMO determines, in accordance with the STTM Procedures, that the cumulative price threshold is exceeded in respect of that gas day; or

(c) AEMO determines, in accordance with the STTM Procedures, that technical or operational conditions in a pipeline or facility have materially affected the ability of Trading Participants on that gas day:

(i) to supply or withdraw natural gas at that hub; or

(ii) to supply natural gas from the STTM distribution system to end users; or

(d) where AEMO becomes aware that a RoLR will assume responsibility for customers of an STTM User at the hub with effect from that gas day – AEMO determines that to be a minor retailer of last resort event in accordance with the STTM Procedures.

Note:

A determination under paragraph (c) or (d) may be made after 6.5 hours after the start of the previous gas day. See subrule (4).

(2) If AEMO makes a determination under subrule (1) for a hub and a gas day by 6.5 hours after the start of the previous gas day:

(a) the ex ante market price must not exceed the administered price cap; and

(b) the capacity price for each STTM facility is the amount by which the ex ante market price (after the application of paragraph (a)) exceeds the lesser of:

(i) the administered price cap; and

(ii) the amount by which the ex ante market price (prior to the application of paragraph (a)) exceeds the capacity price (prior to the application of this subrule); and

(c) if subrule (1)(a) applies – AEMO must use the last provisional schedule issued under rule 416 as the ex ante market schedule, subject to paragraphs (a) and (b).

(3) If subrule (2) applies, AEMO must, by 6.5 hours after the start of the previous gas day:

(a) issue an ex ante market schedule that complies with subrule (2); or

(b) make a notice of the relevant determination available to Trading Participants, and, as soon as practicable after that time, issue an ex ante market schedule that complies with subrule (2).

(4) If AEMO makes a determination under subrule (1)(c) or (d) for a hub and a gas day at or after 6.5 hours after the start of the previous gas day, the ex ante market schedule for that hub and gas day is:

(a) the last schedule issued for that hub and gas day under rule 417(1); or

(b) if applicable, the last schedule determined for that hub and gas day under rule 428(3), 430 or 431.

(5) For each gas day for which an administered price cap state for a hub applies, each of:

(a) the ex post imbalance price; and

(b) the high contingency gas price; and

(c) the low contingency gas price,

must not be greater than the administered price cap.

(6) An administered price cap state for a hub:

(a) under subrule (1)(a), (b) or (c) – applies for the whole of the gas day for which it is determined;

(b) under subrule (1)(d) – applies from the commencement of the gas day for which it is determined and expires at the end of the gas day commencing 10 business days afterwards.

(7) AEMO must publish a determination under subrule (1) as soon as practicable.

429 Administered ex post pricing state

(1) AEMO must determine that an administered ex post pricing state applies for a hub for a gas day if AEMO does not make the ex post imbalance price for that hub and gas day available to Trading Participants under rule 426.

(2) For each hub and gas day for which an administered ex post pricing state applies, the ex post imbalance price is equal to the lesser of the ex ante market price for that hub and gas day and the administered price cap.

(3) An administered ex post pricing state for a hub applies for the whole of a gas day for which it is determined.

(4) AEMO must publish a determination under subrule (1) as soon as practicable.

430 Market administered scheduling state

(1) AEMO must determine that a market administered scheduling state applies for a hub for a gas day if:

(a) neither a provisional schedule nor an ex ante market schedule has been issued for that hub and gas day under rule 416, 417(1) or 428(3) respectively;

(b) before AEMO issues an ex ante market schedule for that gas day under rule 417(1):

(i) AEMO becomes aware that a retailer of last resort will assume responsibility for customers of an STTM User at the hub with effect from that gas day and AEMO determines that to be a major retailer of last resort event in accordance with the STTM Procedures; or

(ii) AEMO is notified of a Government direction that will affect the hub on that gas day; or

(c) a market administered settlement state under rule 431(1)(a) applies at the hub for the gas day immediately preceding that gas day.

(2) For each gas day for which a market administered scheduling state for a hub applies:

(a) AEMO will not issue an ex ante market schedule before that gas day, but after that gas day AEMO must determine, in accordance with the STTM Procedures, a schedule that is taken to be the ex ante market schedule for that hub for that gas day, in which:

(i) the ex ante market price is calculated as:

$$\left(\sum_{t=T-30,T-1} \mathrm{MIN}\left(\mathrm{APC}_T, \mathrm{Price}_t\right)\right)/30$$

Where

APC_T is the administered price cap on gas day T; and

MIN (APC_T, $Price_t$) is the lesser of the value of APCT and the value of $Price_t$; and

$Price_t$ is the ex ante market price for gas day t; and

T is next gas day; and

t is a label for gas days; and

(ii) the capacity price for each STTM facility at that hub for that gas day is $0/GJ; and

(iii) the pipeline flow direction constraint price for each STTM pipeline at that hub for that gas day is $0/GJ; and

(iv) the market schedule quantity for each registered trading right that relates to that hub for that gas day is determined using the information that AEMO uses for settlement, in accordance with the STTM Procedures; and

(b) each of:

(i) the ex post imbalance price; and

(ii) if contingency gas is scheduled for that hub and gas day – the high contingency gas price and/or the low contingency gas price (as applicable),

is equal to the ex ante market price as determined under paragraph (a)(i).

(3) A market administered scheduling state for a hub under subrule (1)(a) or (1)(b)(ii) applies for the whole of a gas day for which it is determined.

(4) A market administered scheduling state for a hub under subrule (1)(b)(i) or (1)(c) applies from the commencement of the gas day for which it is determined, and expires at the end of the gas day ending on the 20th business day after the gas day on which the RoLR first assumed responsibility for the relevant customers.

(5) AEMO must publish a determination under subrule (1) as soon as practicable.

431 Market administered settlement state

(1) AEMO must determine that a market administered settlement state applies for a hub for a gas day if, after AEMO issues an ex ante market schedule for that gas day under rule 417(1):

(a) AEMO becomes aware that a RoLR will assume responsibility for customers of an STTM User with effect from that gas day and AEMO determines that to be a major retailer of last resort event in accordance with the STTM Procedures; or

(b) AEMO is notified of a Government direction that will affect the hub on that gas day

(2) For each gas day for which a market administered settlement state for a hub applies:

(a) AEMO must disregard the ex ante market schedule previously issued for that gas day; and

(b) AEMO must determine, in accordance with the STTM Procedures, a schedule that is taken to be the ex ante market schedule for that hub for that gas day, in which:

(i) the ex ante market price is the lesser of the ex ante market price specified in the previously issued ex ante market schedule and the administered price cap; and

(ii) the capacity price for each STTM facility at that hub for that gas day is $0/GJ; and

(iii) the pipeline flow direction constraint price for each STTM pipeline at that hub for that gas day is $0/GJ; and

(iv) the market schedule quantity for each registered trading right that relates to that hub for that gas day is determined using the information that AEMO uses for settlement, in accordance with the STTM Procedures; and

(c) each of:

(i) the ex post imbalance price; and

(ii) if contingency gas is scheduled for that hub and gas day – the high contingency gas price and/or the low contingency gas price (as applicable),

is equal to the ex ante market price determined under paragraph (b)(i).

(3) A market administered settlement state for a hub applies for the whole of a gas day for which it is determined.

(4) AEMO must publish a determination under subrule (1) as soon as practicable.

432 Cumulative price threshold

For each hub on each gas day AEMO must determine, in accordance with the STTM Procedures, whether the cumulative price threshold is exceeded for the CPT horizon ending on that gas day.

433 Trading Participant claims in respect of application of administered market states

A Trading Participant may make a claim in accordance with rule 465 for loss incurred in respect of:

(a) a quantity of natural gas (other than contingency gas) supplied to a hub if, due to the application of rule 428 or 431, the net amount per GJ payable to that Trading Participant in respect of that quantity under Division 10, is less than the price specified for that quantity in its ex ante offer; and

(b) contingency gas provided to a hub if, due to the application of rule 428, 430 or 431, the high contingency gas price is less than the price specified in its contingency gas offer.

Division 8 Contingency Gas

Subdivision 1 Contingency Gas Offers and Bids

434 Details to be provided

(1) A Trading Participant must provide AEMO with the contact details reasonably required by AEMO for the purpose of confirming and scheduling contingency gas offers or contingency gas bids under this Division.

(2) A Trading Participant must provide AEMO with updated contact details as soon as practicable after any change to those details.

435 Contingency gas offers

(1) An STTM Shipper may submit a contingency gas offer to provide contingency gas at a hub on a gas day by either:

(a) supplying a quantity, or an additional quantity, of natural gas to the hub from an STTM facility on that gas day; or

(b) decreasing the quantity of natural gas it withdraws from the hub into an STTM pipeline on that gas day.

(2) An STTM User may submit a contingency gas offer to provide contingency gas at a hub on a gas day by decreasing the quantity of natural gas it withdraws from the hub into an STTM distribution system on that gas day.

(3) Each contingency gas offer for a hub and a gas day must:

(a) if submitted by an STTM Shipper, relate to only one direction of flow on one STTM facility for that gas day; and

(b) comply with the requirements set out in the STTM Procedures.

(4) A contingency gas offer must be submitted in good faith and represent the Trading Participant's best estimate of the quantity of contingency gas it expects to be able to provide at the hub on that gas day should AEMO schedule that contingency gas.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(5) The STTM Procedures may specify the basis on which the Trading Participant should make its estimate under subrule (4) for the purposes of a contingency gas offer.

(6) A contingency gas offer for a hub and a gas day must be submitted to AEMO before 6:00pm on the preceding gas day, but if submitted before that time, may be revised at any time until that time

(7) Contingency gas offers for a gas day are confidential information until the end of the gas day to which they relate.

(8) AEMO must publish each contingency gas offer for a gas day, including the identity of the Trading Participant who submitted that contingency gas offer, in accordance with the STTM Procedures.

436 Contingency gas bids

(1) An STTM Shipper may submit a contingency gas bid to provide contingency gas at a hub on a gas day by either:

(a) decreasing the quantity of natural gas it supplies to that hub from an STTM facility on that gas day; or

(b) withdrawing a quantity, or an additional quantity, of natural gas from the hub into an STTM pipeline on that gas day.

(2) An STTM User may submit a contingency gas bid to provide contingency gas at a hub on a gas day by increasing the quantity of natural gas it withdraws from that hub into an STTM distribution system on that gas day.

(3) Each contingency gas bid for a hub and a gas day must:

(a) if submitted by an STTM Shipper, relate to only one direction of flow on one STTM facility for that gas day; and

(b) comply with the requirements set out in the STTM Procedures.

(4) A contingency gas bid must be submitted in good faith and represent the Trading Participant's best estimate of the quantity of contingency gas it expects to be able to provide at the hub on that gas day should AEMO schedule that contingency gas.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(5) The STTM Procedures may specify the basis on which the Trading Participant should make its estimate under subrule (4) for the purposes of a contingency gas bid.

(6) A contingency gas bid for a hub and a gas day must be submitted to AEMO before 6:00pm on the preceding gas day, but if submitted before that time, may be revised at any time until that time.

(7) Contingency gas bids for a gas day are confidential information until the end of the gas day to which they relate.

(8) AEMO must publish each contingency gas bid for a gas day, including the identity of the Trading Participant who submitted that contingency gas bid, in accordance with the STTM Procedures.

437 Confirmation by AEMO

(1) AEMO must acknowledge receipt of all contingency gas offers and contingency gas bids submitted by Trading Participants as soon as practicable.

(2) AEMO must reject a contingency gas offer or contingency gas bid submitted by a Trading Participant unless:

(a) the contingency gas offer or contingency gas bid complies with the requirements of:

(i) in the case of a contingency gas offer – rules 435(3) and (6); or

(ii) in the case of a contingency gas bid – rules 436(3) and (6); and

(b) the Trading Participant is registered in the registrable capacity to which the contingency gas offer or contingency gas bid relates; and

(c) in the case of a contingency gas bid, the Trading Participant is not subject to a condition restricting the submission of that bid under rule 487 or 488.

(3) If AEMO rejects a contingency gas offer or contingency gas bid under subrule (2), AEMO must inform the relevant Trading Participant as soon as practicable.

438 Multiple-day contingency gas offers and contingency gas bids

(1) A Trading Participant for a hub may, before 6:00pm on any gas day, submit a contingency gas offer or contingency gas bid for that hub that relates to each gas day in a specified period commencing on or after the next gas day and otherwise complies with rule 435 or rule 436 (as applicable).

(2) Rule 437 applies to a submission made under subrule (1), except that if AEMO rejects a contingency gas offer or contingency gas bid in relation to any one gas day within the period specified in that submission, AEMO must reject the entire submission.

(3) For the purposes of this Part, a contingency gas offer or contingency gas bid referred to in subrule (1) is to be treated as a separate contingency gas offer or contingency gas bid for each gas day during the period to which it relates.

439 Good faith for contingency gas offers and contingency gas bids

(1) For the purposes of rules 435(4), 436(4) and 445(3), a contingency gas offer or contingency gas bid is submitted, confirmed or revised in good faith if, at the time of submission, confirmation or revision, the Trading Participant has a genuine intention to provide the specified quantity of contingency gas if scheduled by AEMO and if the material conditions and circumstances on which the contingency gas offer or contingency gas bid is based remain unchanged.

(2) The intention of the Trading Participant may be inferred from the conduct of the Trading Participant, or of any other person, or from relevant circumstances.

Subdivision 2 Contingency gas trigger event

439A Application

In this Subdivision and STTM Procedures made for the purposes of this Subdivision, a reference to:

(a) an STTM distribution system excludes a facility referred to in rule 372A(3)(a); and

(b) an STTM distributor excludes a user referred to in rule 372A(3)(c).

440 Contingency gas trigger event

(1) Each of the following events is a contingency gas trigger event:

(a) a forecast of pressure conditions under or over acceptable operating levels at a hub or custody transfer point; and

(b) a forecast inability of an STTM facility to meet the normal seasonal levels of daily delivery capacity to the hub; and

(c) an event upstream of an STTM distribution system that could reasonably be expected to adversely affect the supply of natural gas to that STTM distribution system; and

(d) AEMO issues an ex ante market schedule or a provisional schedule for a hub for a gas day which indicates that price taker bids will not be fully scheduled due to inadequate supply of natural gas to that hub on that gas day.

Note:

The occurrence of a contingency gas trigger event requires AEMO to commence a consultation process to determine whether to call for the provision of contingency gas at that hub on a gas day, but may not necessarily require AEMO to schedule contingency gas.

(2) A Trading Participant, STTM distributor or STTM facility operator must:

(a) notify AEMO as soon as practicable after becoming aware that a contingency gas trigger event under subrule (1)(a), (b) or (c) has occurred; and

(b) if requested by AEMO, provide information to AEMO about contingency gas trigger events and responses to those events as required by the STTM Procedures; and

(c) update any information provided to AEMO as soon as practicable if that information changes materially or is otherwise materially inaccurate.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

(3) A person required to provide information to AEMO under subrule (2) must do so in good faith.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(4) AEMO must treat information provided under this rule as confidential, unless AEMO reasonably considers it necessary to disclose that information for the purposes of assessing or responding to a contingency gas trigger event.

441 Notification and communication

(1) If:

(a) AEMO has been notified under rule 440 that a contingency gas trigger event has occurred; or

(b) AEMO considers that a contingency gas trigger event has occurred,

AEMO must, in accordance with the STTM Procedures:

(c) publish a notice of the occurrence of the contingency gas trigger event as soon as practicable; and

(d) convene a conference (a **CG assessment conference**) in accordance with rule 442 to assess the likely impact of the contingency gas trigger event and determine the nature and timing of any appropriate responses.

(2) AEMO must comply with any requirements in the STTM Procedures for additional notices and CG assessment conferences.

Subdivision 2 Contingency gas trigger event

442 CG assessment conference

(1) If AEMO convenes a CG assessment conference, AEMO must give notice of that conference to:

(a) the relevant STTM facility operators and the STTM distributor in respect of the hub to which the contingency gas trigger event relates; and

(b) any other person whose attendance AEMO considers reasonably necessary.

(2) Any person who receives a notice of a CG assessment conference must attend the conference in person, by telephone, or in any other way specified in the notice given to that person under subrule (1).

(3) At a CG assessment conference, a relevant STTM facility operator and the STTM distributor must give AEMO their assessment, in accordance with good gas industry practice on the basis of the benchmark information provided under rule 376 and all other information available to them at that time, of:

(a) the operational requirement for each relevant STTM facility and STTM distribution system for:

(i) the current gas day; and

(ii) the next gas day; and

(iii) any subsequent gas day on which the STTM facility operator or STTM distributor considers that the contingency gas trigger event will affect the hub; and

(b) the quantity of contingency gas that is likely to be required at the hub, and the locations and times at which that contingency gas is likely to be required to meet those operational requirements for:

(i) the current gas day; and

(ii) the next gas day.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

(4) An STTM facility operator or STTM distributor must provide AEMO with updated information if the information provided under this rule changes materially or is otherwise materially inaccurate.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

(5) An STTM facility operator or STTM distributor must provide AEMO with any information specified in the STTM Procedures.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

443 Industry conference

(1) If, following a CG assessment conference, AEMO considers that contingency gas is likely to be required in relation to a contingency gas trigger event, AEMO must, by notice to all Trading Participants, STTM facility operators and the STTM distributor at the relevant hub, convene a conference to discuss the contingency gas trigger event and appropriate responses.

(2) A notice of a conference convened under this rule, must include the outcomes of the CG assessment conference.

(3) However, AEMO:

(a) is not required to convene or hold a conference under subrule (1) if AEMO determines that there is insufficient time for that conference before contingency gas will be required, but may convene or hold that conference subsequently; and

(b) may cancel a conference already convened if, based on further information, AEMO considers that contingency gas is no longer likely to be required in relation to the contingency gas trigger event.

444 Determination of contingency gas requirement

(1) Following a CG assessment conference and any industry conference if required under rule 443, AEMO must determine that either:

(a) contingency gas is not, or is no longer, needed to meet an operational requirement relating to the contingency gas trigger event; or

(b) contingency gas is, or is likely to be, needed to meet an operational requirement relating to the contingency gas trigger event and, if so, it must also determine:

(i) the contingency gas requirement for the current gas day (if any); and

(ii) the contingency gas requirement for the next gas day (if any); and

(iii) the likely contingency gas requirement (if any) for any subsequent gas day on which AEMO considers that the contingency gas trigger event will affect the hub.

(2) AEMO must make a determination under subrule (1) on the basis of the information provided to it by STTM facility operators, STTM distributors and Trading Participants under this Subdivision and must publish its determination as soon as practicable.

(3) The contingency gas requirement for a hub for a gas day:

(a) specifies:

(i) the quantity of contingency gas that is required to increase and/or decrease net supply to the hub; and

(ii) the locations and times at which that contingency gas is required; and

(b) must include any other details specified in the STTM Procedures.

(4) AEMO:

(a) may update a determination made under subrule (1) at any time before the end of the gas day to which that determination relates; and

(b) must update a determination made under subrule (1) if required to do so by the STTM Procedures; and

(c) must publish any updated determination as soon as practicable.

(5) If, after scheduling contingency gas for a gas day under rule 446, AEMO updates a determination in accordance with subrule (4) with the result that:

(a) contingency gas is no longer required for that gas day at the relevant hub; or

(b) the contingency gas requirement is for less contingency gas than AEMO has scheduled,

AEMO must not schedule further contingency gas, but any contingency gas already scheduled must be provided, unless AEMO and the relevant Trading Participant agree otherwise.

Subdivision 3 Calling and scheduling contingency gas

445 Confirmation of contingency gas offers or contingency gas bids

(1) If AEMO determines under rule 444 that contingency gas is required at a hub for a gas day, AEMO must implement the confirmation process in accordance with the STTM Procedures.

(2) Subject to subrule (5), each Trading Participant who has submitted a contingency gas offer or contingency gas bid for that hub and gas day must, by the time and in the manner specified in the STTM Procedures:

(a) confirm or revise the quantity of contingency gas specified in its contingency gas offer or contingency gas bid, or price steps within that offer or bid; and

(b) provide information to AEMO about the timeframe in which and location at which the contingency gas can be made available; and

(c) provide any other information required by AEMO for the purposes of scheduling contingency gas, as specified in the STTM Procedures.

(3) A person required to provide information to AEMO under subrule (2) must do so in good faith.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

(4) AEMO must keep a record of the information provided to it under this rule.

(5) If a Trading Participant does not confirm or revise a quantity of contingency gas under subrule (2), AEMO must record that Trading Participant's contingency gas offer or contingency gas bid as unavailable and must not schedule it.

(6) If a Trading Participant is subject to a condition restricting the confirmation of a contingency gas bid for the relevant gas day under rule 487 or 488, that Trading Participant need not comply with subrule (2), and AEMO must not schedule that Trading Participant's contingency gas bid.

446 Scheduling contingency gas

(1) If AEMO determines under rule 444 that contingency gas is required at a hub for a gas day, AEMO must, in accordance with the STTM Procedures:

(a) if the contingency gas requirement is for increased supply to the hub – create a contingency gas offer stack from the contingency gas offers confirmed as available under rule 445; and

(b) if the contingency gas requirement is for decreased supply to the hub – create a contingency gas bid stack from the contingency gas bids confirmed as available under rule 445.

(2) AEMO may call contingency gas at a hub for a gas day by:

(a) scheduling contingency gas offers or contingency gas bids as updated or confirmed under rule 445, in whole or in part, in accordance with the STTM Procedures; and

(b) informing each relevant Trading Participant of the quantity of contingency gas scheduled from its contingency gas offer or contingency gas bid; and

(c) notifying the relevant STTM facility operators and STTM distributor of the total quantity of contingency gas it has scheduled.

(3) AEMO must not schedule contingency gas offers or contingency gas bids for a gas day:

(a) prior to 6:00 pm on the preceding gas day; or

(b) after the end of the gas day.

(4) A Trading Participant who has received a notice under subrule (2)(b) must use all reasonable endeavours to provide that quantity of contingency gas, unless that Trading Participant has agreed with AEMO under rule 444(5) that it will not provide that quantity of contingency gas.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(5) A quantity of contingency gas that is not provided by agreement under rule 444(5) is taken not to have been scheduled.

(6) AEMO must keep a record of the quantity of contingency gas scheduled for each Trading Participant under subrule (2), and any agreement made with a Trading Participant under rule 444(5).

447 High contingency gas price

After the end of each gas day for which contingency gas offers were scheduled at a hub, AEMO must determine the price for the quantities of contingency gas provided in accordance with those contingency gas offers being, subject to rules 428(5)(b), 430(2)(b)(ii) and 431(2)(c)(ii), the highest price step scheduled at that hub for that gas day (the **high contingency gas price**).

448 Low contingency gas price

After the end of each gas day for which contingency gas bids were scheduled at a hub, AEMO must determine the price for the quantities of contingency gas provided in accordance with those contingency gas bids, being, subject to rule 428(5)(c), 430(2)(b)(ii) and 431(2)(c)(ii), the lowest price step scheduled at that hub for that gas day (the **low contingency gas price**).

449 Information about scheduled contingency gas

(1) AEMO must publish, for each gas day in respect of which AEMO schedules contingency gas at a hub:

(a) by 3:00pm on the next gas day:

(i) whether contingency gas offers, contingency gas bids, or both were scheduled; and

(ii) the high contingency gas price and low contingency gas price (as applicable); and

(b) by 5:00pm on the next gas day, for each contingency gas offer or contingency gas bid that was scheduled:

(i) the quantity of contingency gas confirmed as available under rule 445; and

(ii) the quantity of contingency gas scheduled.

(2) **[Deleted]**

(3) AEMO may request a Trading Participant whose contingency gas offer or contingency gas bid was scheduled for a gas day to provide AEMO with evidence it reasonably requires in order to:

(a) determine whether the Trading Participant provided contingency gas as scheduled; and

(b) assist AEMO to prepare a report under rule 497.

(4) The STTM Procedures must specify the type of evidence AEMO will request under subrule (3).

(5) A Trading Participant must provide evidence requested under subrule (3) in the form and manner, and by the time, specified in the STTM Procedures.

450 Scheduling errors

(1) If it is agreed or determined under Division 9 that a scheduling error has occurred in relation to the scheduling of contingency gas offers or contingency gas bids, the

quantities and prices to which that scheduling error relates will not be changed (and will remain valid), but a Trading Participant may be entitled to compensation in accordance with Division 9.

Note

Division 9 provides that an agreement or determination in relation to a scheduling error is to be made in accordance with the dispute resolution processes, which allow any affected Trading Participant to become a party to the dispute.

(2) High contingency gas prices and low contingency gas prices published by AEMO under this Part must not be changed by any determination of a dispute resolution panel or an agreement for the settlement of a dispute under Part 15C.

Note

This subrule does not preclude the making of payments between AEMO, Trading Participants or other persons for the purposes of settling a dispute, which may be calculated on the basis of an adjusted price.

Division 9 Scheduling Errors and the Participant Compensation Fund

451 Establishment of the participant compensation fund

AEMO must establish and maintain a Rule fund for each hub, each to be called a participant compensation fund, for the purpose of paying compensation to Trading Participants for scheduling errors in accordance with this Division.

452 Funding the participant compensation fund

(1) The funding requirement for the participant compensation fund for the Sydney hub each financial year is the lesser of:

(a) $335,000; and

(b) $670,000 minus the amount that AEMO reasonably considers will be the balance of the participant compensation fund at the end of that financial year.

(2) The funding requirement for the participant compensation fund for the Adelaide hub each financial year is the lesser of:

(a) $115,000; and

(b) $330,000 minus the amount that AEMO reasonably considers will be the balance of the participant compensation fund at the end of that financial year.

(3) The funding requirement for the participant compensation fund for the Brisbane hub each financial year is the lesser of:

(a) $225,000; and

(b) $450,000 minus the amount that AEMO reasonably considers will be the balance of the participant compensation fund at the end of that financial year.

(4) No later than the commencement of each financial year, AEMO must publish the funding requirement and the contribution rate for each participant compensation fund for that financial year.

(5) A contribution rate for a financial year is to be calculated by dividing the relevant funding requirement determined under subrule (1), (2) or (3) (as applicable) by AEMO's reasonable forecast of the aggregate quantity of natural gas which it expects Trading Participants will withdraw from the hub during that financial year.

(6) Each Trading Participant for a hub must pay to AEMO, as part of the settlement amount payable by that Trading Participant in respect of each billing period, an amount calculated by multiplying the contribution rate by the aggregate quantity of natural gas withdrawn from that hub by that Trading Participant during the relevant billing period in accordance with its STTM facility allocation, excluding MOS gas and overrun MOS, or STTM distribution system allocation.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(7) AEMO must pay the amounts paid by Trading Participants under subrule (6) into the relevant participant compensation fund.

(8) Trading Participants are not entitled to a refund of any contributions made to a participant compensation fund.

(9) Any interest paid on money held in a participant compensation fund accrues to and forms part of that participant compensation fund.

(10) AEMO must pay from a participant compensation fund:

(a) all income tax on interest earned by that participant compensation fund; and

(b) any fees, taxes or charges payable in relation to that participant compensation fund; and

(c) compensation to Trading Participants in accordance with rule 455.

453 Liability for scheduling errors

AEMO incurs no liability in respect of a scheduling error except to the extent that compensation is payable from a participant compensation fund in accordance with this Division.

454 Process for establishing whether a scheduling error has occurred

(1) AEMO:

(a) must, on request by a Trading Participant in accordance with subrule (2); and

(b) may, on its own initiative,

investigate whether a scheduling error has occurred.

(2) A request by a Trading Participant to AEMO to investigate whether a scheduling error has occurred must:

(a) be made in writing no later than 60 business days after the issue of the relevant schedule; and

(b) identify the relevant schedule; and

(c) specify the error the Trading Participant believes to be a scheduling error; and

(d) include any information available to the Trading Participant that supports that belief.

(3) If, after investigation, AEMO decides:

(a) that a scheduling error has occurred; or

(b) where the investigation was undertaken pursuant to a request under subrule (2), that the matter under investigation is not a scheduling error,

AEMO must publish that decision as soon as practicable, and in any event no later than 20 business days after receipt of a request made under subrule (2), including the reasons for that decision and sufficient details to enable Trading Participants to identify the relevant schedule and the matter investigated by AEMO.

(4) A Trading Participant may initiate the dispute resolution process in respect of the occurrence of, or compensation in respect of, a scheduling error, whether or not AEMO has published a decision under subrule (3).

(5) If AEMO publishes a decision that a scheduling error has occurred, AEMO may initiate the dispute resolution process in respect of the matter, for the purposes of confirming that decision and determining any compensation payable.

455 Compensation for scheduling errors

If it is agreed or determined under the dispute resolution processes that a scheduling error has occurred in relation to a hub, the following matters must be agreed or determined in accordance with the dispute resolution processes:

(a) which Trading Participants are to receive compensation from the relevant participant compensation fund in respect of that scheduling error; in accordance with rule 456;

(b) the amount of compensation each Trading Participant is to receive, in accordance with rule 457; and

(c) the manner and timing of payments from the relevant participant compensation fund.

456 When an entitlement to compensation arises

A Trading Participant at a hub is entitled to compensation from the relevant participant compensation fund if, and only if, as a result of a scheduling error relating to that hub:

(a) the Trading Participant is scheduled to supply a quantity of natural gas under an ex ante offer at a lower price than is specified in the corresponding price step in its ex ante offer; or

(b) the Trading Participant is scheduled to withdraw a quantity of natural gas under an ex ante bid at a higher price than is specified in the corresponding price step in its ex ante bid; or

(c) the Trading Participant is scheduled to provide a quantity of contingency gas for a gas day at that hub at a lower price than is specified in the corresponding price step in its contingency gas offer; or

(d) the Trading Participant is scheduled to provide a quantity of contingency gas for a gas day at that hub at a higher price than is specified in the corresponding price step in its contingency gas bid; or

(e) where the Trading Participant is an STTM User:

(i) AEMO has failed to schedule one or more price steps in a contingency gas offer submitted and confirmed by the STTM User in accordance with Division 8; and

(ii) the STTM User's withdrawals of natural gas from that hub are curtailed by the STTM distributor on that gas day.

457 Amount of compensation

(1) Subject to this rule, the compensation payable to a Trading Participant from a participant compensation fund in respect of a scheduling error is:

(a) in the circumstances in rule 456(a) or (b), the amount of the net loss incurred by that Trading Participant as a result of the scheduling error at the relevant hub; or

(b) in the circumstances in rule 456(c), the quantity of contingency gas scheduled in respect of the relevant price step, multiplied by the amount by which the price specified in that price step exceeds the high contingency gas price; or

(c) in the circumstances in rule 456(d), the quantity of contingency gas scheduled in respect of the relevant price step, multiplied by the amount by which the low contingency gas price exceeds the price specified in that price step; or

(d) in the circumstances in rule 456(e), an amount determined in accordance with the principle that the compensation is to be based on:

(i) a quantity of natural gas that is the lesser of:

(A) the aggregate quantity specified in the price steps that were not scheduled as a result of the scheduling error; and

(B) the estimated quantity of natural gas that the STTM User was unable to withdraw from the hub as a result of the curtailment; and

(ii) the differences between the prices specified in the relevant price steps and the prices applied to calculate the STTM User's deviation payment or deviation charge in respect of the corresponding quantities.

Note

Paragraphs (i) and (ii) do not represent a formula for the calculation of compensation in these circumstances, but rather a general basis for calculation. There may be a number of price differences to be applied under paragraph (ii) to parts of the quantity referred to in paragraph (i).

(2) For the purposes of determining compensation under subrule (1)(d):

(a) an STTM distributor must provide any information reasonably required by AEMO; and

(b) a direction under rule 135HC or 135HG may be given to an STTM distributor as if it were a party to a dispute.

(3) A Trading Participant is not entitled to compensation in respect of a scheduling error to the extent that it has received, or is entitled to receive, compensation in respect of the same circumstances under another provision of this Part.

(4) A Trading Participant is not entitled to compensation in respect of a scheduling error unless:

(a) the net financial effect of that scheduling error on that Trading Participant exceeds $20,000, adjusted to reflect the change in the Consumer Price Index in accordance with subrule (5); or

(b) the net financial effect of that scheduling error on all Trading Participants at the hub exceeds $50,000, adjusted to reflect the change in the Consumer Price Index in accordance with subrule (5).

(5) The amounts referred to in subrule (4) are to be adjusted by multiplying the relevant amount by the number determined using the following formula:

CPI_n / CPI_o

Where

CPI_o is the Consumer Price Index number (All Groups, weighted average of eight capital cities) published by the Australian Bureau of Statistics for the quarter ended 30 June 2009, being 167.0; and

CPI_n is the Consumer Price Index number (All Groups, weighted average of eight capital cities) last published by the Australian Bureau of Statistics before the issue of the relevant schedule.

(6) The amount of compensation agreed or determined under rule 455 to be payable to one or more Trading Participants is limited to the amount necessary to ensure that the aggregate amount of compensation payable from the relevant participant compensation fund immediately after that agreement or determination does not exceed the balance of that participant compensation fund.

Division 10 Market Settlement and Prudential Requirements

Subdivision 1 Preliminary

458 Confidential information

Information about the amounts payable by or to a Trading Participant or security required in respect of a Trading Participant under this Division is confidential information.

Subdivision 2 Settlements

459 Settlements management by AEMO

AEMO must manage the billing and settlement of transactions between Trading Participants and other amounts payable under or by reference to this Part in accordance with this Subdivision.

460 Electronic funds transfer

(1) AEMO must ensure that an EFT facility is provided and made available to all Trading Participants for the purpose of facilitating settlement.

(2) Unless otherwise authorised by AEMO, AEMO and all Trading Participants must use the EFT facility for the payment of amounts under this Division.

(3) In this rule:

EFT facility means the Reserve Bank of Australia real time gross settlement facility or, where such a facility is not available, an electronic funds transfer facility to be arranged by AEMO.

461 Amounts for gas days

(1) AEMO must determine, for each gas day, in accordance with the STTM Procedures, the modified market schedule for each hub.

(2) AEMO must determine, for each gas day, in accordance with the STTM Procedures, the sum across all hubs of:

(a) the ex ante market charge payable by, or ex ante market payment payable to, a Trading Participant at a hub; and

(b) the variation charges payable by a Trading Participant in respect of market schedule variations at a hub; and

(c) the pipeline flow direction constraint charge payable by, or pipeline flow direction constraint payment payable to, an STTM Shipper at a hub; and

(d) the amount payable to an STTM Shipper (whether in its capacity as a MOS provider or otherwise) for the provision of MOS or overrun MOS at a hub; and

(e) the amount payable by or to an STTM Shipper for the restoration of MOS gas provided at a hub on the second gas day before that gas day; and

(f) the capacity charges payable by, or capacity payments payable to, an STTM Shipper at a hub; and

(g) the amount payable by or to a Trading Participant at a hub in respect of deviation charges or deviation payments; and

(h) the amount payable by or to a Trading Participant in respect of contingency gas at a hub.

(2A) For the purposes of subrule (2)(h), AEMO must determine the quantity of contingency gas provided by a Trading Participant on a gas day having regard to any evidence provided under rule 449(5).

(3) The trading amount for a Trading Participant for a gas day is the sum of the amounts payable by that Trading Participant under subrule (2), less the sum of the amounts payable to that Trading Participant under subrule (2) for that gas day, and may be a positive or a negative amount.

462 Determining deviation charges and deviation payments

The STTM Procedures must specify the basis and method for determining deviation charges and deviation payments payable to or by a Trading Participant in accordance with the following:

(a) the principle that, to the extent practicable, the determination of deviation charges or deviation payments should:

(i) promote the economically efficient operation of the STTM by efficiently allocating the risks of deviations from schedules;

(ii) reflect the costs of providing MOS; and

(iii) minimise any settlement shortfall charge or settlement surplus payment; and

(b) when determining the amount of the deviation charge or deviation payment for a gas day:

(i) the maximum deviation price used to calculate a deviation charge must not exceed the dollar per GJ amount of the MPC plus the MOS cost cap; and

(ii) the minimum deviation price used to calculate a deviation payment must not be less than the dollar per GJ amount of the MMP minus the MOS cost cap,

except if an administered price cap state has been determined under rule 428(1)(c), in which case the deviation price to be used for determining a:

(iii) deviation charge, will be the administered price cap; and

(iv) deviation payment, will be the ex ante market price for that gas day.

463 Graduated variation parameters

In determining variation charges for a Trading Participant, AEMO must use the factors for the variation percentage range and the variation quantity range in the following tables in accordance with the STTM Procedures:

Variation percentage range	Factor
> +10%	3%
> +5% and ≤ +10%	2%
≥ 0% and ≤ +5%	0%

Variation quantity range	Factor
> +1,200 GJ	3%
> +600 GJ to ≤ +1,200 GJ	2%
≥ 0 GJ to ≤ +600 GJ	0%

464 Settlement amounts for billing periods

(1) AEMO must determine the settlement amount for each Trading Participant for each billing period in accordance with subrule (2).

(2) The settlement amount for a Trading Participant for a billing period equals the sum of:

(a) the sum of that Trading Participant's trading amounts for each gas day in that billing period; plus

(b) the aggregate of:

(i) any settlement shortfall charge payable by, or settlement surplus payment payable to, each Trading Participant at a hub, calculated in accordance with the STTM Procedures; and

(ii) any participant fees that the Trading Participant is required to pay in respect of that billing period in connection with AEMO's functions under this Part, determined in accordance with Part 15A; and

(iii) any participant compensation fund contribution which that Trading Participant is required to make in accordance with rule 452; and

(iv) any amount that the Trading Participant is required to pay to AEMO in respect of the payment of claims under rule 466; plus

(c) any other amounts payable under this Part by that Trading Participant to AEMO in respect of that billing period; less

(d) any other amount payable under this Part by AEMO to that Trading Participant in respect of that billing period.

(2A) The STTM Procedures must specify the basis and method for calculating the settlement shortfall charge or settlement surplus payment for a hub and a billing period under subrule (2)(b)(i) in accordance with the following principles:

(a) any settlement shortfall or settlement surplus should be allocated to Trading Participants at that hub in the billing period; and

(b) such allocation should promote the economically efficient operation of the STTM by efficiently allocating the proportion of any settlement shortfall or settlement surplus arising from

(i) a deviation quantity, to the Trading Participants on the basis of their total deviation quantity, subject to any settlement surplus cap; and

(ii) MOS related services or circumstances that are beyond the reasonable control of the Trading Participants (other than deviation quantities), to all Trading Participants.

(3) If the settlement amount for a Trading Participant determined by AEMO under this rule is:

(a) a positive amount, it is payable by that Trading Participant to AEMO in accordance with rule 470; or

(b) a negative amount, it is payable by AEMO to the Trading Participant in accordance with rule 471.

465 Claims relating to administered market states

(1) A Trading Participant may make a claim for loss under rule 433 by giving notice to AEMO within 10 business days after the issue of the final statement or a revised statement for the gas day on which the Trading Participant supplied the quantity of natural gas (including contingency gas) referred to in the claim.

(2) A claim is taken to be a relevant dispute for the purposes of Part 15C and Part 15C applies to that dispute subject to the exclusions and modifications specified in this rule and rule 466.

(3) When a Trading Participant notifies AEMO of a claim, the Trading Participant must specify a date from which AEMO has 5 business days to serve a Stage 1 notice in accordance with rule 135H.

(4) The date specified by the Trading Participant under subrule (3) must not be later than 30 business days after the issue of the final statement or revised statement (as applicable) for the gas day for which the claim has been made.

(5) The Trading Participant may withdraw a claim at any time before the date specified in subrule (3).

(6) If the Trading Participant has not withdrawn the claim, AEMO must, within 5 business days of the date specified under subrule (3), serve a Stage 1 notice under rule 135H for the purpose of resolving, in accordance with the dispute resolution processes:

(a) whether it is appropriate in all the circumstances for a payment to be made in respect of the Trading Participant's claim; and

(b) if so, the appropriate amount of that payment.

(7) An agreement or determination in respect of a claim must be consistent with rule 466(1) and (2) and otherwise in accordance with the requirements in Part 15C except that, for the purposes of rule 135HH, the maximum time limit is 20 business days after the establishment of the Dispute resolution panel.

466 Determination and payment of claims

(1) An agreement or determination in respect of a claim under rule 433 must specify:

(a) the amount (if any) to be paid by AEMO to a Trading Participant; and

(b) the amounts to be paid to AEMO by one or more Trading Participants to fund the amount agreed or determined under paragraph (a); and

(c) how, and in what circumstances, the amounts specified under paragraphs (a) and (b) are to be adjusted if there is a change to the allocation data on which the determination of those amounts was based.

(2) The STTM Procedures must specify the basis and method for determining amounts under subrule (1), in accordance with the following principles:

(a) the amount payable to a Trading Participant must be no more than is necessary to compensate that Trading Participant for the provable loss incurred by it as a direct result of the circumstances described in rule 433; and

(b) no amount is payable for loss of profit or opportunity, indirect or consequential loss; and

(c) if reasonably practical, the amount payable must be recovered from Trading Participants in the proportions in which they caused or contributed to the event or circumstances giving rise to the claim; and

(d) the total of all amounts agreed or determined under subrule (1)(b) must equal the amount agreed or determined under subrule (1)(a).

(3) If an amount is agreed or determined to be payable to a Trading Participant under this rule:

(a) AEMO must pay that amount to the Trading Participant and must advise the Trading Participant as soon as practicable of the date AEMO intends to pay the Trading Participant; and

(b) AEMO is entitled to recover that amount from Trading Participants and each Trading Participant must pay to AEMO an amount agreed or determined under subrule (1)(b).

(4) Interest is payable on amounts determined in accordance with subrule (1)(a) or (b), at the interest rate, calculated as simple interest on a daily basis, for the period

commencing on the day after the next payment date under rule 470 occurring after the determination of the Dispute resolution panel and ending on the date of payment of the relevant amount.

467 General requirements for statements

AEMO must comply with any requirements in the STTM Procedures in respect of the preparation, content and issue of settlement statements.

468 Preliminary statements

(1) Within 7 business days after the end of each billing period, AEMO must make available to each Trading Participant a preliminary statement stating the settlement amount payable by or to that Trading Participant in respect of that billing period.

(2) Each preliminary statement must include supporting data that is sufficient to enable each Trading Participant to audit the calculation of the amount payable by or to that Trading Participant.

(3) If a Trading Participant reasonably believes there to be an error or discrepancy in a preliminary statement, the Trading Participant must notify AEMO of that error or discrepancy as soon as practicable, but no later than 13 business days after the end of the relevant billing period, and AEMO must review the preliminary statement.

(4) If, after review, AEMO considers that a preliminary statement contains an error or discrepancy, AEMO must notify all Trading Participants whose final statements will be affected by the error or discrepancy within 5 business days of receipt of the notice under subrule (3) and AEMO must ensure that the error or discrepancy is corrected in the relevant final statements.

469 Final statements

(1) No later than 18 business days after the end of each billing period, AEMO must make available to each Trading Participant a final statement stating the settlement amount payable by or to that Trading Participant in respect of the relevant billing period.

(2) Each final statement must include supporting data that is sufficient to enable each Trading Participant to audit the calculation of the amount payable by or to that Trading Participant.

470 Payment by Trading Participants

No later than 12 noon on the 20th business day after the end of a billing period or 12 noon on the 2nd business day after receiving a final statement under rule 469, whichever is the later, each Trading Participant must pay to AEMO in cleared funds the settlement amount stated to be payable to AEMO by that Trading Participant in that Trading Participant's final statement.

Note:

This rule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This rule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

471 Payment to Trading Participants

(1) No later than 2:00pm on the payment date under rule 470, AEMO must pay to each Trading Participant in cleared funds the settlement amount stated to be payable to that Trading Participant in that Trading Participant's final statement, if at that time the maximum total payment determined under rule 475(1) is not less than the aggregate of those settlement amounts.

(2) If the maximum total payment determined under rule 475(1) as at 2:00pm on the payment date under rule 470 is less than the aggregate of those settlement amounts, AEMO must pay to each Trading Participant the reduced amount determined under rule 475(3) by 4:00pm on the same date.

(3) If AEMO receives payments in respect of settlement amounts due from Trading Participants in the period between 2:00pm on the payment date under rule 470 and 2:00pm on the second business day after that date, AEMO must, promptly after the end of that period, pay the sum of those payments received to those Trading Participants whose settlement amounts were reduced under subrule (2), in the proportions in which those amounts were reduced.

472 Settlement queries and disputes

(1) A Trading Participant may only query or dispute a settlement amount or the supporting data for a billing period in respect of the most recently issued settlement statement for that relevant billing period.

(2) If a Trading Participant notifies AEMO of a query concerning either:

(a) the settlement amount stated in a preliminary statement provided under rule 468 to be payable by or to AEMO or a Trading Participant; or

(b) the supporting data provided in accordance with rule 468,

AEMO and the Trading Participant must each use reasonable endeavours to resolve that query within 15 business days after the end of the relevant billing period.

(3) If, during the period between the issue of a final statement and the issue of a revised statement in accordance with rule 473(1), a Trading Participant notifies AEMO of a query concerning either:

(a) the settlement amount stated in a final statement provided under rule 469 to be payable by or to AEMO or a Trading Participant; or

(b) the supporting data provided in accordance with rule 469,

AEMO and the Trading Participant must each use reasonable endeavours to resolve that query before the 1st business day after the end of the 9th billing period after the relevant billing period.

(4) Any disputes in respect of:

(a) the settlement amount stated to be payable by AEMO or a Trading Participant in a revised statement under rule 473(5); or

(b) the supporting data for a revised statement,

must be raised under Part 15C within 60 business days after the date on which AEMO made that revised statement available to the Trading Participant.

473 Revised statements

(1) Subject to subrule (2), AEMO must revise each final statement on the 5th business day after the end of the 9th billing period after the relevant billing period, and make those revised statements available to Trading Participants in accordance with subrule (5).

(2) AEMO must only make revised statements available to Trading Participants if AEMO has received or determined a set of STTM facility allocations, STTM facility service allocations, and STTM distribution system allocations under which all the data is aligned.

(3) If, within 18 months after a billing period, AEMO becomes aware of an error in an amount stated in a revised statement in respect of that billing period that would, in AEMO's reasonable opinion, have a material effect on a Trading Participant if not corrected, AEMO must:

(a) inform each Trading Participant likely to be materially affected by the error within 5 business days; and

(b) as soon as practicable make revised statements for the relevant billing period available in accordance with subrule (5).

(4) If an amount in a revised statement issued under subrule (1) or (3) has been the subject of a dispute and the dispute has been resolved in a way that causes the amount payable to differ from the amount payable in the disputed revised statement, AEMO must make a revised statement available to each Trading Participant affected by the resolution of the dispute, in accordance with subrule (5).

(5) Within 5 business days of a revision made in accordance with subrule (1) or (3) or, as the case may be, resolution of a dispute referred to in subrule (4), AEMO must make a revised statement for the relevant billing period available to each Trading Participant affected by that revision, setting out:

(a) the amount payable by the Trading Participant to AEMO or, subject to rule 475, the amount payable by AEMO to the Trading Participant; and

(b) the adjustment to the final statement as agreed or determined plus interest at the interest rate, calculated as simple interest on a daily basis, for the period commencing on the day after the payment date applicable to the final statement to which the adjustment relates and ending on the payment date applicable to the revised statement.

(6) Each revised statement must include supporting data that is sufficient to enable each Trading Participant to audit the calculation of the amount payable by or to that Trading Participant.

474 Payments of adjustments

(1) AEMO must specify the date on which a payment of an adjustment under a revised statement is due, which must not be less than 10 business days after the date on which that revised statement is made available to the Trading Participant.

(2) If the next final statement payment date occurs 10 business days or more after the revised statement is made available, AEMO must require payment of the adjustment under that revised statement to be made on that next final statement payment date.

(3) If the next final statement payment date occurs less than 10 business days after revised statement is made available, AEMO must require payment of the adjustment under that revised statement to be made on the final statement payment date following the next final statement payment date.

(4) No later than 12 noon on the payment date specified by AEMO under subrule (1), each Trading Participant must pay to AEMO in cleared funds the net amount stated to be payable by that Trading Participant in its revised statement.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(5) No later than 2:00pm on the payment date under subrule (4), AEMO must pay to each Trading Participant in cleared funds the net amount stated to be payable to that Trading Participant in its revised statement, subject to rule 471 which applies,

with necessary modifications, to payments by AEMO in respect of revised statements.

475 Maximum total payment in respect of a billing period

(1) For the purposes of this Subdivision, the maximum total payment by AEMO in respect of a billing period is equal to:

(a) the aggregate of the amounts received by AEMO from Trading Participants by 2:00pm on the relevant payment date in respect of that billing period; plus

(b) if one or more Trading Participants are in default, the aggregate amount which AEMO is able to obtain by that time from the credit support provided by such Trading Participants under Subdivision 3; less

(c) the aggregate amount of all participant fees and other payments received by AEMO pursuant to rules 464(2)(b)(ii), 464(2)(b)(iii) and 476.

(2) For the purpose of subrule (1), any payment received by AEMO from a Trading Participant in respect of a billing period is taken to be made, and may be applied by AEMO, in satisfaction of the participant fees and other payments specified in rules 464(2)(b)(ii), 464(2)(b)(iii) and 476 payable to AEMO by that Trading Participant (as specified in the relevant final or revised statement issued to that Trading Participant) before it is applied by AEMO in satisfaction of any other obligation or liability.

(3) If the maximum total payment in respect of a billing period is not sufficient to meet the aggregate of the net amounts payable by AEMO to each of the Trading Participants to whom payments are to be made in respect of the billing period, then the amount payable by AEMO to each relevant Trading Participant in respect of that billing period is reduced by applying the following formula:

$$AAP = SAP \times (A/B)$$

Where

AAP is the reduced amount payable by AEMO to the relevant Trading Participant in respect of the relevant billing period;

SAP is the net amount that would have been payable to the relevant Trading Participant for the relevant billing period but for the application of this rule.

A is the maximum total payment in respect of the billing period; and

B is the aggregate of the net amounts payable by AEMO to Trading Participants under this Subdivision in respect of the billing period.

476 Interest on overdue amounts

(1) A Trading Participant must pay interest on any unpaid moneys due and payable by it under this Subdivision at the default interest rate, calculated as simple interest on a daily basis for the period commencing on the date payment was due and ending on the date payment is made.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(2) AEMO must pay interest on any unpaid moneys due and payable by it under this Subdivision at the default interest rate, calculated as simple interest on a daily basis for the period commencing on the date payment was due and ending on the date payment is made.

477 Application of GST

(1) All monetary amounts payable determined, published or notified under, or referred to in, this Part (including participant fees) exclude GST.

(2) A settlement statement or invoice issued in relation to a taxable supply made under or in connection with this Part must set out the amount of GST in respect of that supply.

(3) Terms defined in the A New Tax System (Goods and Services Tax) Act 1999 of the Commonwealth have the same meaning when used in this rule.

Subdivision 3 Prudential Requirements

478 Provision of security

(1) Subject to subrule (2), a Trading Participant must provide and maintain a security complying with the requirements of this Subdivision.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(2) If AEMO believes it is likely that the amount payable by AEMO to a Trading Participant under this Part in respect of a period will consistently exceed the amount payable to AEMO by that Trading Participant under this Part in respect of that period, AEMO may exempt the Trading Participant from the requirement to provide a security under subrule (1) for that period by giving written notice of the exemption to the Trading Participant.

(3) If, under subrule (2), AEMO has exempted a Trading Participant from the requirement to provide a security under subrule (1), AEMO may vary or cancel the exemption at any time by giving written notice of the variation or cancellation of the exemption to the Trading Participant.

479 Form of security

(1) The security provided by a Trading Participant under this Subdivision must be a guarantee or bank letter of credit in a form acceptable to AEMO, from an entity that:

(a) is either:

(i) an entity under the prudential supervision of the Australian Prudential Regulation Authority; or

(ii) a central borrowing authority of an Australian State or Territory which has been established by an Act of Parliament of that State or Territory; and

(b) is resident in or permanently established in Australia; and

(c) is not an externally-administered body corporate (as defined in the Corporations Act 2001 of the Commonwealth) or under a similar form of administration under any laws applicable to it in any jurisdiction; and

(d) is not immune from liabilities incurred under this Part (except to the extent the immunity is conferred under the NGL or these rules); and

(e) is capable of being sued in its own name in a court of competent jurisdiction.

(2) In addition, an entity providing security under this Subdivision must have a credit rating of:

(a) A-1 or higher for short term unsecured counterparty obligations of the entity, as rated by Standard and Poor's (Australia) Pty Limited; or

(b) P-1 or higher for short term unsecured counterparty obligations of the entity, as rated by Moodys Investor Services Pty Limited; or

(c) another credit rating determined by AEMO in accordance with subrule (3).

(3) AEMO may determine an acceptable credit rating for the purposes of subrule (2), after consultation with Trading Participants in accordance with the extended consultative procedure. A determination under this subrule is effective from the date specified by AEMO, being not less than 30 business days after the date of publication of that determination.

480 Amount of security

(1) Subject to rule 478(2), prior to the end of each financial year AEMO must determine and provide written confirmation to each Trading Participant of that Trading Participant's minimum exposure, calculated as AEMO's reasonable estimate of the participant fees referable to the STTM payable by the Trading Participant to AEMO in respect of a billing period in the following financial year.

(2) AEMO may review its determination of a Trading Participant's minimum exposure at any time, provided that any change to a Trading Participant's minimum exposure will apply no earlier than 30 days following notification by AEMO to that Trading Participant of that change or such earlier period agreed by AEMO.

(3) Each Trading Participant must ensure that the amount undrawn or unclaimed under the security held by AEMO in respect of that Trading Participant does not fall below the Trading Participant's minimum exposure.

(4) A Trading Participant may in its absolute discretion provide to AEMO a security or securities in accordance with rule 479 for an aggregate amount that exceeds its minimum exposure.

481 Replacement security

(1) If:

(a) an existing security provided by a Trading Participant under this Subdivision is due to expire or terminate; and

(b) after that security expires or terminates, the maximum amount which AEMO will be entitled to be paid in aggregate under any remaining security or securities provided by the Trading Participant under this Subdivision will be less than the Trading Participant's minimum exposure,

then the Trading Participant must deliver to AEMO, at least 10 business days prior to the time at which that existing security is due to expire or terminate, a replacement security which:

(c) is of sufficient value to enable the Trading Participant to comply with rule 480(3);

(d) complies with the requirements of this Subdivision; and

(e) will take effect no later than the date on which the existing security is due to expire or terminate.

(2) If:

(a) a Trading Participant fails to comply with subrule (1); and

(b) that Trading Participant does not remedy that failure within 24 hours after being notified by AEMO of the failure,

AEMO must give the Trading Participant a default notice.

Note

A default event will have occurred under rule 486(1)(d).

482 Drawdown of security

(1) If AEMO exercises its rights under a security provided by a Trading Participant under this Subdivision, then AEMO must inform the Trading Participant.

(2) If, as a result of AEMO exercising its rights under a security provided by a Trading Participant under this Subdivision, the security or securities provided by the Trading Participant under this Subdivision are insufficient to cover the Trading Participant's minimum exposure, then, within 24 hours of receiving a notice under subrule (1), the Trading Participant must provide additional security to ensure that at all times, it complies with the requirements of this Subdivision.

(3) If a Trading Participant fails to comply with subrule (2), AEMO must give the Trading Participant a default notice.

Note

A default event will have occured under rule 486(1)(d).

483 Trading limits

(1) Subject to subrule (2), AEMO must set a trading limit for each Trading Participant.

(2) If, under rule 478(2), AEMO has exempted a Trading Participant from the requirement to provide a security under rule 478(1) for a period, then AEMO must not set a trading limit for that Trading Participant for the period of that exemption.

(3) The trading limit for a Trading Participant at any time must not be less than the greater of:

(a) the Trading Participant's minimum exposure; and

(b) a level based on a Trading Participant's available security, determined in accordance with the methodology published by AEMO after consulting with Trading Participants.

484 Monitoring

(1) AEMO must review its estimated exposure to each Trading Participant under this Part in respect of the current and previous billing periods, in accordance with the STTM Procedures.

(2) If a review indicates that AEMO's estimated exposure to a Trading Participant exceeds the greater of:

(a) the Trading Participant's minimum exposure; and

(b) 80% of the Trading Participant's trading limit,

AEMO must inform the Trading Participant accordingly.

485 Margin calls

(1) If a review under rule 484 indicates that AEMO's estimated exposure to a Trading Participant exceeds the Trading Participant's trading limit, AEMO must make a margin call on that Trading Participant by notice to the Trading Participant, requiring that Trading Participant to:

(a) provide to AEMO an additional security or securities complying with the requirements of this Subdivision which enables AEMO to increase the Trading Participant's trading limit to a level that exceeds AEMO's estimated exposure to the Trading Participant; or

(b) prepay a portion of the amount payable or which will become payable in respect of previous billing periods sufficient to reduce AEMO's estimated exposure to the Trading Participant to a level below the Trading Participant's trading limit.

(2) A Trading Participant must satisfy a margin call in accordance with the STTM Procedures.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(3) A prepayment under subrule (1)(b) must be applied by AEMO in accordance with the STTM Procedures.

(4) If a Trading Participant fails to satisfy a margin call in accordance with this rule, AEMO must give the Trading Participant a suspension notice.

Subdivision 4 Default and Suspension

486 Default events

(1) Each of the following events is a **default event** in relation to a Trading Participant:

(a) the Trading Participant does not pay an amount due for payment by it to AEMO under this Part by the appointed time on the due date;

(b) as a result of AEMO exercising its rights under a security provided by a Trading Participant under Subdivision 3, the maximum amount which AEMO is entitled to be paid under the security is less than the Trading Participant's minimum exposure;

(c) AEMO does not receive payment in full of any amount claimed by AEMO under any credit support in respect of a Trading Participant, within 90 minutes after the due time for payment of that claim;

(d) the Trading Participant fails to provide credit support required to be supplied under this Part, including any replacement or additional security under rule 481 or 482, by the appointed time on the due date;

(e) it is or becomes unlawful for the Trading Participant to comply with any of its obligations under this Part or any other obligation owed to AEMO or it is claimed to be so by the Trading Participant;

(f) it is or becomes unlawful for any credit support provider in relation to the Trading Participant to comply with any of its obligations under this Part or any other obligation owed to AEMO or it is claimed to be so by that credit support provider;

(g) an authorisation from a government authority or regulatory body necessary to enable the Trading Participant or a credit support provider in relation to that Trading Participant to carry on their respective principal businesses or activities ceases to have full force and effect;

(h) the Trading Participant or a credit support provider in relation to that Trading Participant ceases or is likely to cease to carry on its business or a substantial part of its business;

(i) the Trading Participant or a credit support provider in relation to that Trading Participant enters into or takes any action to enter into an arrangement (including a scheme of arrangement), composition or compromise with, or assignment for the benefit of, all or any class of their respective creditors or members, or a moratorium involving any of them;

(j) the Trading Participant or a credit support provider in relation to that Trading Participant states that it is unable to pay from its own money its debts as and when they fall due for payment;

(k) a receiver or receiver and manager is appointed in respect of any property of the Trading Participant or a credit support provider in relation to that Trading Participant;

(l) an administrator, provisional liquidator, liquidator, trustee in bankruptcy or person having a similar or analogous function is appointed in respect of the Trading Participant or a credit support provider in relation to that Trading Participant;

(m) an order is made, or a resolution is passed, for winding up the Trading Participant, or a provider of *credit support* for the Trading Participant;

(n) a notice under section 601AB(3) of the Corporations Act 2001 of the Commonwealth is given to the Trading Participant or a credit support provider in relation to that Trading Participant unless the registration of that Trading Participant or credit support provider is reinstated under section 601AH of that Act;

(o) the Trading Participant or a credit support provider in relation to that Trading Participant dies or is dissolved and the notice of dissolution is not discharged; and

(p) the Trading Participant or a credit support provider in relation to that Trading Participant is taken to be insolvent or unable to pay its debts under any applicable legislation.

(2) Where a default event has occurred in relation to a Trading Participant, AEMO may:

(a) issue a default notice; or

(b) immediately issue a suspension notice if AEMO considers that the default event is not capable of remedy and that failure to issue a suspension notice would be likely to expose other Trading Participants to greater risk; and/or

(c) if it has not already done so, make a claim upon any credit support held in respect of the Trading Participant for such amount as AEMO determines represents the amount of any money actually or contingently owing by the Trading Participant to AEMO under this Part.

487 Default Notice

(1) A default notice issued by AEMO under this Part must specify:

(a) the nature of the alleged default event; and

(b) the registrable capacity or capacities to which the default event relates; and

Note

A default event of a financial nature relates to all registrable capacities of a Trading Participant.

(c) that the Trading Participant must remedy the default event within 24 hours of the issue of the default notice; and

(d) any conditions applied to the Trading Participant, which may include but are not limited to restrictions relating to:

(i) submitting ex ante bids and MOS decrease offers; and

(ii) submitting and confirming the availability of contingency gas bids; and

(e) the date from which those restrictions will commence; and

(f) that AEMO will issue a suspension notice if the default is not remedied by the time specified under paragraph (c) or any later time agreed to in writing by AEMO.

(2) On issuing a default notice, AEMO must:

(a) immediately inform all Trading Participants, STTM facility operators and STTM distributors; and

(b) publish the default notice as soon as practicable.

(3) A Trading Participant must comply with a default notice issued to it.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(4) Prior to the time determined under subrule (1)(f), AEMO must revoke a default notice if:

(a) the default event is remedied; and

(b) there are no other circumstances which would entitle AEMO to issue a default notice.

(5) If a default notice is revoked, AEMO must:

(a) immediately inform all Trading Participants, STTM facility operators and STTM distributors; and

(b) publish a notice of that fact as soon as practicable.

(6) If:

(a) a default event is not remedied by time determined under subrule (1)(f); or

(b) AEMO receives notice from the defaulting Trading Participant that it is not likely to remedy the default event,

AEMO must issue a suspension notice.

488 Suspension of a Trading Participant

(1) A suspension notice issued by AEMO under this Part must specify:

(a) the registrable capacity or capacities in which the Trading Participant is suspended;

Note

Suspension for a default event of a financial nature relates to all registrable capacities of a Trading Participant.

(b) the conditions applied to the suspended Trading Participant, which may include restrictions relating to:

(i) submitting ex ante bids and MOS decrease offers; and

(ii) submitting and confirming the availability of contingency gas bids; and

(c) specify in the suspension notice the gas day from which the suspension will commence.

(2) On issuing a suspension notice, AEMO must:

(a) immediately inform all Trading Participants, STTM facility operators and STTM distributors; and

(b) publish the suspension notice as soon as practicable.

(3) A Trading Participant must comply with a suspension notice issued to it.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

(4) Prior to the date specified in subrule (1)(c), AEMO must revoke a suspension notice if:

(a) the default event to which the suspension notice relates is remedied; and

(b) there are no other circumstances which would entitle AEMO to issue a suspension notice.

(5) If a suspension notice is revoked, AEMO must:

(a) immediately inform all Trading Participants, STTM facility operators and STTM distributors; and

(b) publish a notice of that fact as soon as practicable.

(6) Following the issue of a suspension notice to a Trading Participant, AEMO may do any thing to give effect to the suspension notice, including:

(a) reject any ex ante bid, MOS decrease offer, or contingency gas bid submitted by that Trading Participant; and

(b) withhold the payment of any amounts otherwise due to that Trading Participant under this Part.

(7) If AEMO does any thing under subrule (6) it must promptly publish a notice of that fact.

(8) If AEMO issues a suspension notice to an STTM User that is a *Retailer*, AEMO must immediately notify the AER.

(9) On completion of the RoLR process in relation to a suspended STTM User, AEMO must revoke the registration of that STTM User.

(10) If AEMO issues a suspension notice to an STTM User that is not a retailer of natural gas, that STTM User must for each STTM distribution system in respect of which it has a registered distribution service, no later than 10 business days after the commencement of the gas day from which the suspension takes effect:

(a) transfer responsibility for all of its delivery points on the STTM distribution system at the relevant hub to another STTM User in accordance with the Retail Market Procedures of the relevant adoptive jurisdiction; or

(b) cease to withdraw natural gas from that STTM distribution system; or

(c) where the STTM User withdraws natural gas from an STTM pipeline for consumption in a facility that is taken to be an STTM distribution system under rule 372A(3), cease to withdraw natural gas at the relevant custody transfer point.

Note:

This subrule is classified as a civil penalty provision under the National Gas (South Australian) Regulations. See clause 6 and Schedule 3 of the National Gas (South Australian) Regulations.

Note:

This subrule is classified as a conduct provision under the National Gas (South Australia) Regulations. See clause 7 and Schedule 4 of the National Gas (South Australia) Regulations.

Division 11 Market Reviews

489 [Deleted]

490 Review of hubs

AEMO must conduct a review, to be completed by 31 March 2012, that examines the potential for a short term trading market to operate at prospective additional hubs, including the identification of options to integrate scheduling for hubs and prospective hubs that are connected by the same pipeline.

491 Review of within-day market

AEMO must conduct a review, to be completed by 31 December 2012, of available options for additional or alternative STTM market processes that would operate within a gas day.

492 Review of market parameters

(1) AEMO must conduct periodic reviews of:

(a) the MPC; and

(b) the administered price cap; and

(c) the CPT horizon; and

(d) the cumulative price threshold; and

(d1) the MMP,

to be completed:

(e) in the case of the first review under this rule, by 31 December 2012; and

(f) for each subsequent review, no later than 5 years after the last review was completed.

(2) Following each review, AEMO must recommend the amount of each of the values in subrule (1) that it considers should apply from 1 July in the year commencing 2 years after the year in which the review is completed.

(3) AEMO may also recommend the amount of any value in subrule (1) that should apply for the year commencing on 1 July in the year following the year in which the review is conducted, if:

(a) in AEMO's opinion, the assumptions on which that value was previously set have been shown to be incorrect in a material respect; and

(b) AEMO has given due consideration to the impact of the change to the value on Trading Participants.

(4) If:

(a) any corresponding value in respect of another Australian gas market or the national electricity market is reviewed; and

(b) the review finds that value should be changed,

AEMO must, after consultation with interested parties, determine whether to conduct a review under this rule earlier than would otherwise be required under subrule (1), and must publish that determination.

493 Review of Division 8

AEMO must conduct a review of the operation of Division 8 after the last gas day in respect of which contingency gas was scheduled in respect of the first contingency gas trigger event under that Division.

494 Consultation requirements

For each review to be conducted under this Division, AEMO must comply with the extended consultative procedure.

Division 12 Market Audit and Monitoring

495 Retention of information

AEMO must retain all information provided to it under this Part for at least 7 years in a form in which the information is reasonably accessible.

496 Market audit

(1) AEMO must appoint an independent and suitably qualified auditor to conduct a review of the STTM annually.

(2) The review must examine compliance by AEMO with its processes and the effectiveness and appropriateness of systems utilised in the operation of the STTM, including:

(a) the calculations and allocations performed by the settlements systems; and

(b) billing and information systems; and

(c) the scheduling and pricing processes; and

(d) processes for software management and business continuity; and

(e) AEMO's compliance with this Part.

(3) AEMO must establish the scope of each annual review after consultation with Trading Participants.

(4) The review is to be carried out in accordance with the standard (as varied from time to time) for a review specified in Auditing Standard AUS106 (Explanatory Framework for Standards on Audit and Audit Related Services) prepared by the Auditing and Assurance Standards Board of the Australian Accounting Research Foundation.

(5) AEMO must ensure that the auditor prepares a report setting out the results of the review, and must publish that report.

497 AEMO to report on reviewable events

(1) AEMO must, within 30 business days after the conclusion of a reviewable event, prepare and publish a report:

(a) describing that reviewable event;

(b) setting out AEMO's assessment of:

(i) the actions taken by Trading Participants, STTM facility operators, STTM distributors and AEMO in relation to the reviewable event;

(ii) the effect of the reviewable event on the operation of the STTM;

(iii) whether the provisions of this Part were adequate to address the reviewable event; and

(iv) any other matter that AEMO considers relevant to the reviewable event; and

(c) in the case of a reviewable event described in subrule (2)(b), setting out AEMO's reasons for not scheduling any price steps that were:

(i) contained in contingency gas offers and were below the high contingency gas price; or

(ii) contained in contingency gas bids and were above the low contingency gas price,

for the relevant hub on the relevant gas days.

(1A) AEMO may, by notice published on its website, extend the period for publication of a report on a reviewable event described in subrule (2)(b) by up to a further 30 business days if necessary to allow AEMO to receive and consider evidence provided under rule 449.

(2) In this rule

reviewable event means:

(a) an administered price cap state, administered ex post pricing state, market administered scheduling state or market administered settlement state, or a

series of such states that relate to the same underlying event or circumstances; or

(b) a contingency gas trigger event in respect of which AEMO publishes a notice under rule 441 and (if applicable) the scheduling and provision of contingency gas in relation to that contingency gas trigger event.

498 AER monitoring of the STTM

(1) The AER must monitor trading activity in the STTM:

(a) with a view to ensuring that the trading activity is in accordance with this Part; and

(b) to identify any significant price variations.

(2) The AER must develop and publish on its website guidelines as to what constitutes a significant price variation in the STTM.

(3) If the AER identifies any significant price variations, the AER must:

(a) within 10 business days, notify Trading Participants of the relevant event or circumstances; and

(b) within 60 business days after the issue of the final statement for that gas day, publish on its website a report setting out the identified significant price variations.

Division 13 Dispute Resolution

499 Eligible parties

For the purposes of Part 15C, the following persons are additional eligible parties in relation to a relevant dispute under or relating to this Part:

(a) STTM facility operators; and

(b) STTM distributors; and

(c) allocation agents.

500 Time limits

(1) For the purposes of rule 135H(2)(a), the latest time for service of a Stage 1 notice:

(a) for a dispute about whether a scheduling error has occurred or about compensation for a scheduling error — is 90 business days after the issue of the relevant schedule; and

(b) for a dispute to which rule 472(4) applies — is the end of the period specified in that rule for raising the dispute.

(2) For the purposes of rule 135HH(2), the maximum time limit for the Dispute resolution panel to decide any dispute arising under or in connection with this Part (except under rule 465) is:

(a) where the dispute involves two parties and one hearing of the Dispute resolution panel, 110 business days after the dispute was referred to the Dispute resolution panel; and

(b) where the dispute involves more than two parties or more than one hearing of the Dispute resolution panel, 150 business days after the dispute was referred to the Dispute resolution panel.

Division 14 Matched allocation agreements

500A Matched allocation agreements

(1) In respect of any matched allocation agreement that the parties wish to be registered under this rule, Jemena must give to AEMO a copy of the matched allocation agreement as soon as practicable after that agreement is entered into.

(2) If required by AEMO, any party to a matched allocation agreement given to AEMO under subrule (1) must give to AEMO any additional information AEMO reasonably requires to satisfy itself that:

(a) the matched allocation agreement provides for an agreed or determinable quantity of natural gas withdrawn from the Sydney hub to be exactly matched with a quantity allocated to one or more facility services, without applying the allocation methodology that is generally applicable to the relevant STTM pipeline or STTM distribution system; and

(b) any quantity that is:

(i) withdrawn from the Sydney hub for the purposes of the agreement in excess of the quantity allocated under subrule (a); or

(ii) supplied to the Sydney hub for the purposes of the agreement in excess of the quantity withdrawn under that agreement,

will be allocated to relevant trading rights of the parties in accordance with Division 7, and will not materially affect the allocation of quantities to other Trading Participants.

(3) A registered matched allocation agreement must not be amended or its term extended (whether or not that extension is contemplated in the agreement) without the prior approval of AEMO.

(4) If AEMO is satisfied that:

(a) a matched allocation agreement given to it under subrule (1); or

(b) a proposed amendment or extension of a registered matched allocation agreement,

meets the requirements in subrule (2), AEMO must register the matched allocation agreement, or approve the amendment or extension, as applicable.

Note

A quantity of natural gas supplied to or withdrawn from a hub cannot be treated as a matched allocation quantity unless the matched allocation agreement is registered by AEMO.

(5) For the purpose of section 91BRD of the NGL, Jemena is exempted from registration under Part 15A in respect of its withdrawal of matched allocation quantities under a registered matched allocation agreement.

(6) AEMO may revoke the registration of a registered matched allocation agreement if at any time:

(a) a party to that registered matched allocation agreement does not comply with a provision of this rule 500A; or

(b) AEMO determines that the registered matched allocation agreement no longer meets the requirements of subrule (2).

(7) If a registered matched allocation agreement is terminated in accordance with its terms, the registration of that agreement expires automatically.

500B Exclusion of matched allocation quantities

(1) Despite anything in rule 406, a Trading Participant is not required to include an expected matched allocation quantity in any ex ante offer, ex ante bid or price taker bid.

(2) An STTM facility operator must exclude from a quantity notified to AEMO under rule 414(1) for a gas day, any matched allocation quantity that the STTM facility operator expects to be supplied to the Sydney hub using the STTM facility on that gas day.

(3) An STTM pipeline operator that is a party to a registered matched allocation agreement must ensure that the allocation agent does not include any matched allocation quantity in an STTM facility allocation for the relevant STTM pipeline.

(4) If requested by AEMO, an STTM facility operator must provide a report to AEMO of the matched allocation quantities used under subrule (2) on a gas day or range of gas days.

(5) Within 30 business days after the end of each calendar quarter, each allocation agent referred to in subrule (3) must provide a report to AEMO of the matched

allocation quantities determined for the relevant STTM pipeline on each gas day during that quarter.