

Making of National Gas Rules

National Gas (South Australia) Law – Section 294A

I, Patrick Conlon, Minister for Energy for the Crown in right of the State of South Australia, as the Minister administering the *National Gas (South Australia) Act 2008* of South Australia, hereby make the National Gas (Australian Energy Market Operator) Amendment Rules under section 294A(1) of the National Gas (South Australia) Law on the recommendation of the Ministerial Council on Energy.

These Rules have been signed by me for the purposes of identification as the National Gas (Australian Energy Market Operator) Amendment Rules 2009 and commence operation on 1 July 2009.



**HON PATRICK CONLON MP
MINISTER FOR ENERGY**

Dated 25 June 2009

NATIONAL GAS (AUSTRALIAN ENERGY MARKET OPERATOR)
AMENDMENT RULES 2009

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***National Gas (Australian Energy Market Operator) Amendment Rules
2009***

Part 1 Preliminary

1 Citation

These Rules may be cited as the *National Gas (Australian Energy Market Operator) Amendment Rules 2009*.

2 Amendment of *National Gas Rules*

The *National Gas Rules* are amended in accordance with Part 2.

Note

The amendments come into force on 1 July 2009. (See Ministerial notice under section 294A of the *National Gas Law* published in the South Australian Government Gazette on 25 June 2009.)

Part 2 Amendment of National Gas Rules

3 Amendment of rule 3 (Interpretation)

Rule 3

Insert (in alphabetical order)

extended consultative procedure means the procedure for consultative decision making laid down in rule 9A.

4 Amendment of rule 7 (Definitions)

Rule 7, definition of ***decision maker***

Omit, substitute

decision maker means:

- (a) the NCC; or
- (b) the AER; or
- (c) AEMO.

5 Insertion of rule 9A

After rule 9

Insert

9A Extended consultative procedure

- (1) This rule applies wherever any person (the **consulting party**) is required by these rules to comply with the extended consultative procedure.
- (2) The consulting party must:
 - (a) give a notice to all persons with whom consultation is required:
 - (i) giving particulars of the matter under consultation; and
 - (ii) inviting written submissions on the matter under consultation; and
 - (iii) fixing a date (to be not less than 25 business days after the notice is given) as the closing date for submissions;
 - (b) publish the notice.
- (3) Unless otherwise specified in these rules, consultation is required with:
 - (a) all Registered participants; and
 - (b) all persons registered as Intending participants; and
 - (c) any other persons who appear to the consulting party to have a proper interest in the matter; and
 - (d) if the consulting party is not AEMO—AEMO.
- (4) A written submission:
 - (a) must be received by the consulting party on or before the closing date for submissions (and if not so received will not be regarded as a valid submission for the purposes of this rule); and
 - (b) may state whether the person making the submission considers that a meeting about the matter under consultation is necessary or desirable and, if so, the reasons why such a meeting is necessary or desirable.
- (5) The consulting party must within 20 business days from the closing date for submissions consider all valid submissions and if, after considering the submissions, the consulting party concludes that it is necessary or desirable to hold a meeting or meetings, the consulting party must endeavour to hold the meeting or meetings within a further 25 business days.
- (6) When the consulting party has completed its consideration of the

matter under consultation (and any meetings to be held under subrule (5) have been held), the consulting party:

- (a) must publish a draft report setting out:
 - (i) the conclusions and any determinations proposed by the consulting party; and
 - (ii) the reasons for the consulting party's conclusions; and
 - (iii) the procedure followed by the consulting party in its consideration of the matter; and
 - (iv) a summary of each issue that the consulting party considers material contained in a valid written submission or raised in the course of a meeting and the consulting party's response to that issue; and
 - (v) in a notice at the front of the draft report – an invitation to the persons from whom submissions were sought to make written submissions to the consulting party on the draft report before a closing date (at least 10 business days after publication of the draft report) stated in the invitation; and
 - (b) must make the draft report available to the persons from whom submissions were sought; and
 - (c) subject to the consulting party's obligations of confidentiality, must, at the request of a person from whom a submission was sought, make available material submitted to the consulting party.
- (7) The consulting party must consider all valid submissions on the draft report within 30 business days after the closing date for submissions and, at the conclusion of its consideration, the consulting party:
- (a) must publish a final report setting out:
 - (i) the conclusions and determinations of the consulting party; and
 - (ii) the reasons for the consulting party's conclusions; and
 - (iii) the procedure followed by the consulting party in its consideration of the matter; and
 - (iv) a summary of each issue raised in a valid submission that the consulting party considers material and the consulting party's response to that issue; and

- (b) must make the final report available to the persons from whom submissions were sought.
- (8) A notice, draft report or final report to be published under this rule must be published as follows:
 - (a) if the consulting party is the AEMC, the AER or AEMO – the consulting party must publish the notice or report on its website;
 - (b) in any other case – the consulting party must give AEMO a copy of the notice or report and AEMO must, within 3 business days of receipt of the notice or report, publish it on its website.
- (9) The consulting party must not make a decision or determination to which the extended consultative procedure applies until the consulting party has completed all the procedures set out in this rule (but substantial compliance is sufficient).

6 Substitution of rule 100

Rule 100

Omit, substitute

100 General requirement for consistency

The provisions of an access arrangement must be consistent with:

- (a) the national gas objective; and
- (b) these rules and the Procedures as in force when the terms and conditions of the access arrangement are determined or revised.

7 Amendment of rule 105 (Capacity trading requirements)

Rule 105(1)(a) and (b)

Omit, substitute

- (a) if the service provider is registered as a participant in a particular gas market – in accordance with rules or Procedures governing the relevant gas market; or
- (b) if the service provider is not so registered, or the relevant rules or Procedures do not deal with capacity trading – in accordance with this rule.

8 Insertion of Parts 15A to 15D

After rule 135

Insert

Part 15A Registered participants

Division 1 Registration

135A Participation in declared wholesale gas market of adoptive jurisdiction

A person participates, in a registrable capacity, in the declared wholesale gas market of an adoptive jurisdiction as follows:

- (a) Registrable capacity: declared transmission system service provider

The service provider for the declared transmission system.

- (b) Registrable capacity: Distributor

The service provider for a declared distribution system.

- (c) Registrable capacity: Producer

A producer that injects natural gas into the declared transmission system.

- (d) Registrable capacity: Market Participant – Producer

A producer that buys or sells natural gas in the declared wholesale gas market.

- (e) Registrable capacity: Storage provider

A storage provider whose storage facility is connected to the declared transmission system.

Note:

Under section 91B of the NGL, this will include a declared LNG storage provider.

- (f) Registrable capacity: Market Participant – Storage provider

A storage provider that buys or sells natural gas in the declared wholesale gas market.

- (g) Registrable capacity: interconnected transmission pipeline service provider

A service provider for a transmission pipeline that is connected to the declared transmission system.

- (h) Registrable capacity: Transmission Customer

An end user that withdraws natural gas from the declared transmission system.

- (i) Registrable capacity: Market Participant – Transmission Customer

An end user that:

- (i) buys natural gas in the declared wholesale gas market; and
- (ii) withdraws natural gas from the declared transmission system.

- (j) Registrable capacity: Market Participant – Distribution Customer

An end user that:

- (i) buys natural gas in the declared wholesale gas market; and
- (ii) withdraws natural gas from a declared distribution system.

- (k) Registrable capacity: Market Participant - Retailer

A person that:

- (i) holds a licence or authorisation to sell natural gas by retail under a law of a participating jurisdiction; and
- (ii) sells natural gas to customers that has been transported through the declared transmission system.

- (l) Registrable capacity: Market Participant - Trader

Any other person that buys or sells natural gas in the declared wholesale gas market.

135AB Retail market participation

- (1) A person participates, in a registrable capacity, in the retail gas market of New South Wales and the Australian Capital Territory as follows:

- (a) Registrable capacity: network operator

A service provider that holds, or is required to hold, a reticulator's authorisation under the *Gas Supply Act 1996* of New South Wales or a corresponding licence, approval or authorisation under the *Utilities Act 2000* of the Australian

Capital Territory.

(b) Registrable capacity: user

A user or non-scheme pipeline user that holds, or is required to hold, a supplier's authorisation under the *Gas Supply Act 1996* of New South Wales or a corresponding licence, approval or authorisation under the *Utilities Act 2000* of the Australian Capital Territory.

(c) Registrable capacity: self contracting user

A user or non-scheme pipeline user that:

- (i) is a party to a contract with a service provider for the provision of haulage services in New South Wales or the Australian Capital Territory (or both); and
- (ii) is an end-user; and
- (iii) is not required to hold a supplier's authorisation under the *Gas Supply Act 1996* of New South Wales or a corresponding licence, approval or authorisation under the *Utilities Act 2000* of the Australian Capital Territory.

(2) A person participates, in a registrable capacity, in the retail gas market of Queensland as follows:

(a) Registrable capacity: distributor

- (i) A service provider that holds, or is required to hold, an area distribution authority under the *Gas Supply Act 2003* of Queensland; or
- (ii) A service provider that holds, or is required to hold, a reticulator's authorisation under the *Gas Supply Act 1996* of New South Wales for the Tweed local government area.

Note

The *APT Allgas Distribution Network – South Coast Region* as described in the Access Arrangement for APT Allgas Energy Pty Ltd (ACN 009 656 446) and approved by the Queensland *Competition Authority* in July 2006 extends into the Tweed local government area in NSW.

(b) Registrable capacity: retailer

- (i) A user or non-scheme pipeline user that holds, or is required to hold, a retail authority under the *Gas Supply Act 2003* of Queensland; or
- (ii) A user or non-scheme pipeline user that holds, or is

required to hold, a supplier's authorisation under the *Gas Supply Act 1996* of New South Wales for a pipeline that forms part of the APT Allgas Distribution Network – South Coast Region.

- (3) A person participates, in a registrable capacity, in the retail gas market of South Australia as follows:
- (a) Registrable capacity: network operator
A service provider that holds, or is required to hold, a gas distribution licence under the *Gas Act 1997* (SA).
 - (b) Registrable capacity: network operator (Mildura region)
Envestra Limited (ACN 078 551 685) and any successor to Envestra as service provider for the distribution pipelines that serve Mildura and its environs.
 - (c) Registrable capacity: user
A user or non-scheme pipeline user that:
 - (i) holds, or is required to hold, a gas retailing licence under the *Gas Act 1997* of South Australia; or
 - (ii) carries on the business of a gas retailer in South Australia.
 - (d) Registrable capacity: self contracting user
A user or non-scheme pipeline user that:
 - (i) is a party to a contract with a service provider for the provision of haulage services in South Australia; and
 - (ii) is an end-user; and
 - (iii) is not required to hold a gas retailing licence under the *Gas Act 1997* of South Australia.
 - (e) Registrable capacity: transmission system operator
A service provider for a transmission pipeline in South Australia.
 - (f) Registrable capacity: swing service provider
A person that is a swing service provider within the meaning of the Procedures governing the operation of the regulated retail gas market of South Australia.
 - (g) Registrable capacity: shipper

A person that is a shipper within the meaning of the Procedures governing the operation of the regulated retail gas market of South Australia.

- (4) A person participates, in a registrable capacity, in the retail gas market of Victoria as follows:
- (a) Registrable capacity: transmission system service provider
 - (i) The service provider for the declared transmission system.
 - (ii) A service provider for a transmission pipeline in Victoria that does not form part of the declared transmission system.
 - (b) Registrable capacity: distributor
 - (i) A service provider for a declared distribution system.
 - (ii) A service provider for a distribution pipeline in Victoria that does not form part of a declared distribution system.
 - (iii) The Albury Gas Co Limited (ACN 000 001 249) and any successor to that company as service provider for the distribution pipelines that serve Albury and its environs (the ***Albury gas distribution system***).
 - (c) Registrable capacity: market participant—retailer
 - (i) A user of a declared distribution system.
 - (ii) A user or non-scheme pipeline user of a distribution pipeline in Victoria that does not form part of a declared distribution system.
 - (iii) A user of the Albury gas distribution system.
 - (d) Registrable capacity: market participant—other
 - (i) A user of the declared transmission system.
 - (ii) A user or non-scheme pipeline user of a transmission pipeline in Victoria that does not form part of the declared transmission system.

135AC General requirements for registration

To be registered as a Registered participant, a person:

- (a) must be resident or permanently established in Australia; and

- (b) must not be an externally-administered body corporate (as defined in the *Corporations Act 2001* of the Commonwealth) or under a similar form of administration under the laws of some other jurisdiction; and
- (c) must not be immune from liabilities incurred as a Registered participant (except to the extent the immunity is conferred under the NGL or these rules); and
- (d) must be capable of being sued in its own name in a court of competent jurisdiction; and
- (e) must be participating, or proposing to participate, in a registrable capacity in a regulated gas market; and
- (f) must have adequate financial resources:
 - (i) for participation in the market in the relevant capacity; and
 - (ii) to meet creditworthiness requirements imposed by the Procedures governing the relevant market; and
- (g) must have the expertise and other resources necessary for compliance with these rules and the Procedures governing the relevant market; and
- (h) must comply with any other requirements imposed by these rules or the Procedures governing the relevant market, or determined by AEMO to be appropriate to a participant in the relevant market in the relevant registrable capacity.

135AD Application for registration

- (1) An application for registration:
 - (a) must be in the form, and contain the information, required by AEMO; and
 - (b) must be accompanied by the fee determined by AEMO.
- (2) AEMO may, within 5 business days of receiving an application, ask 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.
- (3) If AEMO asks for further information or clarification under subrule (2), the application is taken to have been made when the further information or clarification is provided to AEMO's satisfaction.

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

135AE Registration

- (1) If AEMO is satisfied that an applicant meets the requirements for registration, AEMO must register the applicant as a Registered participant in the relevant registrable capacity or capacities.
- (2) If AEMO is not satisfied that an applicant meets the requirements for registration, AEMO must:
 - (a) refuse the application; and
 - (b) give the applicant written reasons for the refusal.
- (3) AEMO must decide an application within 15 business days after the date of the application.

135AF Intending participants

- (1) AEMO may register an applicant as an Intending participant if satisfied that the applicant intends to participate in a registrable capacity but does not require registration immediately.
- (2) A person registered as an Intending participant has the rights and obligations of a Registered participant to an extent determined by AEMO.

135AG Exemption from registration

- (1) AEMO may:
 - (a) grant an exemption from registration to a person who applies for such an exemption; or
 - (b) grant, by notice published on its website, a general exemption from registration in favour of a class of persons defined in the notice.
- (2) An exemption must be consistent with:
 - (a) the national gas objective; and
 - (b) relevant guidelines issued from time to time by AEMO.
- (3) An application for an exemption:
 - (a) must be in the form, and contain the information, required by AEMO; and

- (b) must be accompanied by the fee determined by AEMO.
- (4) AEMO may, within 5 business days of receiving an application, ask 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.
- (5) AEMO may:
 - (a) grant an exemption unconditionally; or
 - (b) grant an exemption on specified conditions; or
 - (c) refuse an application for an exemption.
- (6) AEMO must decide an application for an exemption within 15 business days after the date of the application unless AEMO asks for further information or clarification under subrule (4); in that case:
 - (a) AEMO must decide the application within 15 business days after the further information or clarification is provided to AEMO's satisfaction; and
 - (b) if the further information or clarification is not provided to AEMO's satisfaction within 15 business days of the date of the request, the application lapses.
- (7) If AEMO refuses an application for an exemption, or grants an exemption on conditions, AEMO must give the applicant written reasons for its decision.

135AH Revocation of registration or exemption

- (1) AEMO may revoke a registration or exemption if:
 - (a) the Registered participant or the holder of the exemption applies in writing for, or consents in writing to, the revocation; and
 - (b) there is, in AEMO's opinion, no good reason why the registration or exemption should continue in force.
- (2) AEMO may revoke a registration or exemption if:
 - (a) the Registered participant or the holder of the exemption:
 - (i) no longer qualifies for the registration or exemption; or
 - (ii) contravenes a condition of the registration or exemption;

or

(b) the registration or exemption is liable to revocation under some other provision of these rules.

(3) If AEMO proposes:

(a) to refuse an application for revocation of a registration or exemption under subrule (1); or

(b) to revoke a registration or exemption under subrule (2),

it must give the holder of the registration or exemption a reasonable opportunity to make representations.

Exception:

AEMO may, but is not required to, give a Registered participant an opportunity to make representations if the Registered participant's registration is liable to revocation under rule 260(9).

(4) If, after considering representations (if any) from the holder of the registration or exemption, AEMO decides to refuse an application for revocation of a registration or exemption under subrule (1), or to revoke a registration or exemption under subrule (2), AEMO must give the holder of the registration or exemption written reasons for the decision.

135A1 Liability after revocation

The revocation of a registration or exemption does not affect a liability that had accrued under these rules or the Procedures before the revocation.

Division 2 Register

135B Obligation to keep register

(1) AEMO must establish and maintain a register of Registered participants and persons exempted from registration.

(2) The register must include for each Registered participant:

(a) the name and contact details for the Registered participant; and

(b) the registrable capacity or capacities in which the Registered participant is registered; and

(c) the gas market for which the Registered participant is registered; and

- (d) any further information required by these rules or the Procedures; and
 - (e) any further information determined by AEMO.
- (3) The register must include for each Intending participant:
- (a) the name and contact details for the Intending participant; and
 - (b) the registrable capacity or capacities in which the Intending participant is registered; and
 - (c) a statement of the extent to which the Intending participant has the rights and obligations of a Registered participant; and
 - (d) the gas market for which the Intending participant is registered; and
 - (e) any further information required by these rules or the Procedures; and
 - (f) any further information determined by AEMO.
- (4) The register must include for each person exempted from registration:
- (a) the name and contact details of the person; and
 - (b) the registrable capacity or capacities in which the person has been exempted from registration; and
 - (c) if the exemption is related to a particular gas market - the gas market to which the exemption relates; and
 - (d) the conditions (if any) of the exemption; and
 - (e) any further information required by these rules or the Procedures; and
 - (f) any further information determined by AEMO.
- (5) The register must be published on AEMO's website.

Division 3 Participant fees

135C Definitions

In this Division:

interested party means a person that:

- (a) has, in AEMO's opinion, an interest in the structure of

participant fees; or

- (b) identifies itself to AEMO as having an interest in the structure of participant fees.

participant fees means fees payable by Registered participants under this Division.

135CA Development of participant fee structure

- (1) AEMO must develop, review and publish, in consultation with Registered participants, interested parties and such other persons as AEMO thinks appropriate, the structure (including the introduction and determination) of participant fees for such periods as AEMO considers appropriate.
- (2) The participant fees should be sufficient to cover AEMO's budgeted revenue requirements.
- (3) AEMO must consult on its proposed fee structure in accordance with the extended consultative procedure.
- (4) In determining the structure of participant fees, AEMO:
 - (a) must have regard to the national gas objective; and
 - (b) must have regard to the following principles:
 - (i) the fee structure should be simple;
 - (ii) the components of the fees charged to each Registered participant should be reflective of the extent to which the budgeted revenue requirements for AEMO involve that Registered participant;
 - (iii) the fee structure should not discriminate unreasonably against a category or categories of Registered participants; and
 - (c) must have regard to other fee structures that it thinks appropriate for comparison purposes.
- (5) The following principles are relevant to the recovery of recurrent expenditure:
 - (a) if AEMO recovers an excess of revenue over expenditure from the provision of a particular service in a financial year, it may roll over the excess to a later financial year (or later financial years) so as to reduce revenue requirements in the later financial year (or later financial years);
 - (b) AEMO may recover a shortfall of revenue as against

expenditure for the provision of a particular service in a later financial year or later financial years;

- (c) AEMO may take any other action it considers desirable to smooth the impact of actual or anticipated cost variations on the users of a service provided by AEMO.
- (6) Capital expenditure is to be recovered through the depreciation or amortisation of the assets acquired by the capital expenditure in a manner that is consistent with generally accepted accounting principles.

135CB Major gas project

- (1) AEMO may determine any of the following projects to be a major gas project:
 - (a) a major reform or development (including an anticipated reform or development) of a regulated gas market;
 - (b) a major change (including an anticipated change) to any of AEMO's functions, responsibilities, obligations or powers under these rules or the Procedures;
 - (c) a major change (including an anticipated change) to any of the computer software or systems that AEMO uses in the performance of any of its functions, responsibilities, obligations or powers under these rules or the Procedures.
- (2) AEMO must consult on a determination under this rule in accordance with the extended consultative procedure.
- (3) When AEMO determines a project to be a major gas project, it must also determine the start date for recovery and the period or periods for recovery of the costs of the project.
- (4) AEMO must also determine a participant fee to be used for the recovery of the costs of the project until the next general determination of participant fees.

135CC Components of participant fees

- (1) The components of participant fees may include (but are not limited to) the following:
 - (a) registration fees comprising an annual fee for each registrable capacity in which a Registered participant is registered;
 - (b) fees for administration and operation of a declared wholesale gas market;
 - (c) fees for administration and operation of a regulated retail gas

market;

- (d) gas market planning fees including fees to recover the costs of preparing and publishing the gas statement of opportunities;
 - (e) administration fees to recover the remainder of AEMO's budgeted revenue requirements.
- (2) If the costs of providing services related to administration and operation of a declared wholesale gas market, or a regulated retail gas market, vary materially from location to location, differential fees reflecting the difference in costs should be prepared for each location.

Note:

- 1. AEMO's expenditures for providing services as operator of the Natural Gas Services Bulletin Board are dealt with separately under Part 18.
- 2. The fees may reflect adjustments under rule 135CA(4).

135CD Publication of fee structure

At least 3 months before implementation of the participant fee structure, AEMO must publish to Registered participants and such other persons as AEMO thinks appropriate:

- (a) the participant fee structure; and
- (b) the methods used to determine the participant fee structure; and
- (c) an assessment of the extent to which the participant fee structure complies with the principles set out in rule 135CA.

135CE Payment of participant fees

- (1) AEMO may charge participant fees by giving a statement to the Registered participant setting out the relevant components of the participant fees, the amount payable by the Registered participant and the date for payment.
- (2) A Registered participant must pay to AEMO the amount stated to be payable by the specified date for payment (whether or not the Registered participant disputes the amount payable).

135CF Budgeted revenue requirements

- (1) AEMO must prepare and publish before the beginning of each financial year a budget of AEMO's revenue requirements for that financial year.
- (2) The budget must take into account and separately identify projected

revenue requirements for:

- (a) AEMO's expenditures for the administration and operation of a declared wholesale gas market; and
 - (b) AEMO's expenditures for providing services as the operator of the Natural Gas Services Bulletin Board; and
 - (c) AEMO's expenditures for the administration and operation of a regulated retail gas market; and
 - (d) AEMO's expenditures for gas market planning including preparing and publishing the gas statement of opportunities; and
 - (e) AEMO's other expenditure requirements, operating costs and margin associated with services provided to the gas industry; and
 - (f) AEMO's consumer advocacy funding obligation under these rules; and
 - (g) any revenue shortfall or excess carried forward from an earlier financial year; and
 - (h) the funding requirements of participant compensation funds; and
 - (i) the proportion of AEMO's residual expenditures allocated to the gas industry under subrule (3).
- (3) AEMO must allocate expenditures that cannot be specifically related to electricity activities or gas activities (**residual expenditures**) between the electricity and gas industries in a manner that:
- (a) ensures that the total amount of the residual expenditures is divided in full between the electricity and gas industries; and
 - (b) ensures that each industry bears an allocation of the residual expenditures at least equal to the amount by which residual expenditures would be reduced if services were no longer provided to that industry; and
 - (c) promotes the efficient use of electricity and gas services.

Division 4 Consumer advocacy funding

135D Consumer advocacy funding obligation

- (1) AEMO must pay to the AEMC, as required under the relevant Act,

the amount of its consumer advocacy funding obligation for each financial year.

- (2) AEMO may recover the costs of meeting its consumer advocacy funding obligation from participant fees and may allocate the costs to users and non-scheme pipeline users (other than producers).
- (3) In this rule:

consumer advocacy funding obligation means any costs allocated to AEMO by the AEMC in accordance with section 44 of the relevant Act.

Consumer Advocacy Panel means the Consumer Advocacy Panel established under the relevant Act.

relevant Act means the *Australian Energy Market Commission Establishment Act 2004* of South Australia.

Part 15B Procedures

135E General purpose of this Part

This Part describes the process for making Procedures.

135EA Matters about which Procedures may be made

- (1) Retail Market Procedures may deal with the following matters:
 - (a) principles for interpreting the Retail Market Procedures;
 - (b) the administration and operation of a regulated retail gas market;
 - (c) criteria for registration of participants in a regulated retail gas market;
 - (d) establishing, maintaining and administering a register of gas delivery points;
 - (e) the collection, estimation and use of metering data related to a regulated retail gas market;
 - (f) the transfer of customers and delivery points in a regulated retail gas market;
 - (g) implementation of retailer of last resort schemes;
 - (h) balancing, allocation and reconciliation of quantities of gas injected and withdrawn in a regulated retail gas market;

- (i) unaccounted for gas;
- (j) collection and payments related to settlement in a regulated retail gas market;
- (k) collection, communication, use and disclosure of information related to a regulated retail gas market;
- (l) the payment of fees by, or the recovery of fees from, Registered participants, or a particular class of Registered participants;
- (m) forecasting gas usage and the use of indicators as a basis for estimating a customer's probable annual gas consumption;
- (n) audits and reviews;
- (o) meters and associated equipment;
- (p) lost gas customers;
- (q) any aspect of the regulated retail gas market of South Australia including:
 - (i) the provision of the swing service and the storage, allocation, reconciliation, adjustments, injection and withdrawal of gas relevant to the swing service; and
 - (ii) the operation of gate points and gate point control systems; and
 - (iii) any associated warranties and representations; and
 - (iv) the provision of flow signals; and
 - (v) the circumstances giving rise to an entitlement to compensation; and
 - (vi) associated off-market procurements and transactions;
 - (vii) bids and bid stacks; and
 - (viii) arrangements that will apply in the event of an emergency; and
 - (ix) failure of data systems; and
 - (x) registers, systems, services and agreements related to any of the above; and
 - (xi) identification and alteration of sub-networks, gas zones and gate points; and

- (xii) liabilities, indemnities, insurance and immunities; and
 - (xiii) user exit;
 - (r) any subject dealt with under legislation or former legislation (principal or subordinate) of a participating jurisdiction relating to the administration or operation of a retail gas market before the changeover date;
 - (s) any subject dealt with under rules (or former rules) that:
 - (i) relate to the administration or operation of a retail gas market before the changeover date; and
 - (ii) were contractually binding on market participants before the changeover date;
 - (t) any matter consequential or related to any of the above.
- (2) Wholesale Market Procedures may deal with the following matters:
- (a) system security;
 - (b) gas scheduling;
 - (c) demand forecasts;
 - (d) accreditation;
 - (e) administered pricing;
 - (f) compensation;
 - (g) ancillary payments;
 - (h) uplift payments;
 - (i) connection approval;
 - (j) metering (including metering communication and the metering register);
 - (k) unaccounted for gas;
 - (l) energy calculation;
 - (m) the data validation procedure;
 - (n) electronic communication;
 - (o) maintenance planning;
 - (p) allocation of entitlements to utilise pipeline capacity;

- (q) transfer of entitlements to utilise pipeline capacity;
- (r) any subject dealt with under legislation or former legislation (principal or subordinate) of a participating jurisdiction relating to the administration or operation of a wholesale gas market before the changeover date;

Note

This is intended to facilitate the making of Procedures reflecting (inter alia) the MSO Rules procedures and guidelines as defined in section 58(2) of the National Gas (Victoria) Act 2008 (Vic).

- (s) any other subject relevant to a declared wholesale gas market on which the NGL or these rules contemplate the making of Procedures.
- (3) The BB Procedures may deal with the following matters:
- (a) the manner in which AEMO maintains, and publishes information on, the Natural Gas Services Bulletin Board including the format of any registers or reports required or permitted by these rules;
 - (b) the manner and form of applications to AEMO related to the Natural Gas Services Bulletin Board;
 - (c) the time, manner and form for providing AEMO with information in connection with the Natural Gas Services Bulletin Board and the collection and collation of that information;
 - (d) the terms and conditions of use of the Natural Gas Services Bulletin Board;
 - (e) restrictions on the use of the free text facility;
 - (f) the determination of any matter AEMO is required or allowed to determine under these rules including forecasts of peak demand;
 - (g) the definition of:
 - (i) demand zones;
 - (ii) production zones;
 - (h) the meaning of symbols used for the purposes of the Natural Gas Services Bulletin Board;
 - (i) the definition of terms or the designation of status for the purposes of the rules governing the operation of the Natural Gas Services Bulletin Board;

- (j) the estimation, calculation and recovery of BB operating costs;
- (k) any other subject relevant to the Natural Gas Services Bulletin Board on which the NGL or these rules contemplate the making of Procedures.

135EB Preconditions for making Procedures

- (1) AEMO may only make Procedures if AEMO is satisfied that the Procedures:
 - (a) are consistent with the NGL and these rules; and
 - (b) are appropriate having regard to:
 - (i) the national gas objective; and
 - (ii) any compliance costs likely to be incurred by AEMO, Registered participants or BB participants in consequence of the Procedures;
 - (iii) any principles stated in these rules that are applicable to the relevant Procedures.
- (2) In making Retail Market Procedures, AEMO must have regard to any applicable access arrangement.
- (3) However, AEMO may make Retail Market Procedures that are inconsistent with an applicable access arrangement.

135EC Impact and implementation report

- (1) AEMO must establish a process (the ***approved process***) for:
 - (a) examining and assessing a proposal for the making of Procedures; and
 - (b) preparing a report (an ***impact and implementation report***) containing:
 - (i) a critical examination of a proposal for the making of Procedures; and
 - (ii) an assessment of the likely effect of the proposed Procedures; and
 - (iii) a recommendation on whether the Procedures should be made.
- (2) AEMO must consult on the proposed approved process in accordance with the extended consultative procedure.

- (3) AEMO must publish the approved process on its website.

135ED Proposal for making Procedures

- (1) AEMO or any other person may propose the making of Procedures.
- (2) The proposal must include:
 - (a) a draft of the proposed Procedures; and
 - (b) a description of, and an explanation of the reasons for, the proposed Procedures.
- (3) Within 40 business days of formulating, or receiving from some other proponent, a proposal for the making of Procedures, AEMO must prepare an impact and implementation report in accordance with the approved process.
- (4) AEMO may, without preparing an impact and implementation report, reject a proposal if AEMO reasonably considers that the proposed Procedures:
 - (a) lie beyond AEMO's power to make Procedures; or
 - (b) are similar to Procedures proposed, but rejected, in the previous 12 months; or
 - (c) are misconceived or lacking in substance.
- (5) If AEMO decides to reject a proposal under subrule (4), AEMO must:
 - (a) give the proponent written notice of the decision and the reasons for it; and
 - (b) publish the decision and the reasons for it on AEMO's website.
- (6) If a proponent withdraws its proposal for the making of Procedures, the process for making the Procedures lapses unless AEMO decides to adopt the proposal.
- (7) If AEMO is the proponent, subrules (4) to (6) do not apply.

135EE Ordinary process for making Procedures

- (1) This rule describes the ordinary process for making Procedures.

Note:

This rule represents the minimum requirements to which AEMO is subject. AEMO is not prevented from seeking useful commentary on the proposal by other means and from other sources.

- (2) AEMO must publish on its website a notice:
 - (a) setting out the proposed Procedures together with the impact and implementation report; and
 - (b) inviting Registered participants and other interested persons to submit written comments on the proposed Procedures to AEMO on or before a date (which must be at least 20 business days after the date of the notice) specified in the notice.
- (3) The notice under subrule (2) must be published no more than 10 business days after completion of the impact and implementation report.
- (4) AEMO must publish a decision on its website within 20 business days after the closing date for submissions that:
 - (a) summarises any comments received on the proposed Procedures; and
 - (b) sets out the proposed Procedures and, if they have been revised in the light of the comments received, describes how and why they have been revised; and
 - (c) if the decision is to make the proposed Procedures – specifies the day on which the Procedures are to take effect; and
 - (d) if the decision is against making the proposed Procedures – states that the proposal has been rejected and gives reasons for its rejection.
- (5) At least 15 business days before the day on which new Procedures are to take effect or an earlier date fixed by these rules in a particular case, AEMO must:
 - (a) give notice of the new Procedures (in a manner and form determined by AEMO) to each Registered participant and BB participant; and
 - (b) publish the new Procedures on its website; and
 - (c) make copies of the new Procedures available to the public at its public offices.
- (6) In determining whether or not to make Procedures under this rule, AEMO:
 - (a) must take into account all relevant and material comments that it receives by the closing date for comments; and

- (b) may, but is not required to, take into account any comments that it receives after that date.

135EF Expedited process for making Procedures

- (1) This rule describes the expedited process for making Procedures.
- (2) The expedited process is applicable if AEMO considers that:
 - (a) the Procedures are urgently necessary:
 - (i) to ensure the proper operation of a regulated gas market; or
 - (ii) to ensure an adequate supply of natural gas; or
 - (iii) to ensure an appropriate response to an emergency; or
 - (b) the Procedures are non-material (i.e. unlikely to have a significant financial or operational impact on Registered participants or BB participants).
- (3) If the expedited process is applicable to a proposal, AEMO must, within 10 business days after completing an impact and implementation report, publish on its website a notice:
 - (a) setting out the proposed Procedures together with the impact and implementation report; and
 - (b) stating that AEMO considers the expedited procedure applicable to the making of the Procedures; and
 - (c) inviting Registered participants and other interested persons to submit written comments on the proposed Procedures to AEMO on or before a date (which must be at least 15 business days after the date of the notice) specified in the notice; and
 - (d) fixing a date (the **proposed effective date**) for the proposed Procedures to take effect.
- (4) After the closing date for submissions, AEMO must, by notice published on its website:
 - (a) confirm the proposal and confirm the proposed effective date or defer the proposed effective date to a later date specified in the notice; or
 - (b) amend the proposal and confirm the proposed effective date or defer the proposed effective date to a later date specified in the notice; or

- (c) defer a decision on the proposal and provide for further consultation before a final decision on the proposal is made; or
 - (d) withdraw or reject the proposal.
- (5) At least 15 business days before the day on which Procedures are to take effect, AEMO must:
- (a) give notice of the Procedures (in a manner and form determined by AEMO) to each Registered participant and BB participant; and
 - (b) publish the Procedures on its website;
 - (c) make copies of the Procedures available to the public at its public offices.

135EG Time limits

- (1) AEMO may, by notice published on its website, extend a time limit fixed by or under this Part if:
- (a) the relevant proposal raises questions of such complexity or difficulty that an extension of the time limit is justified; or
 - (b) a material change of circumstances occurs justifying the extension of the time limit.
- (2) A notice published under subrule (1) must state the reasons for the extension.

Part 15C Dispute resolution

Division 1 Preliminary

135F Definitions

In this Part:

Adviser means the dispute resolution adviser appointed under rule 135G.

eligible person means any of the following:

- (a) AEMO;
- (b) a Registered participant;
- (c) a person classified by some other provision of these rules or

the Procedures as a person to whom the dispute resolution provisions of this Part apply.

excluded dispute means:

- (a) an access dispute; or
- (b) a dispute about the content, preparation or publication of a budget; or
- (c) a dispute that is classified as an excluded dispute under another provision of these rules.

party to a relevant dispute means an eligible person whose interests are involved in or directly affected by the relevant dispute.

relevant dispute or ***rule dispute*** means:

- (a) a dispute (other than an excluded dispute) between eligible persons about:
 - (i) the application or interpretation of these rules or the Procedures; or
 - (ii) a liability or alleged liability under these rules or the Procedures; or
 - (iii) a matter that is, by agreement between the parties to the dispute, to be resolved under this Part; or
- (b) a matter that is under some other provision of these rules or the Procedures to be determined under this Part.

Stage 1 dispute resolution process means a dispute resolution process under rule 135H.

Stage 2 dispute resolution process means a dispute resolution process under rules 135HB to 135HI.

135FA General principles

- (1) Dispute resolution processes under this Part should, as far as practicable, be guided by the national gas objective.
- (2) In any dispute resolution process under this Part:
 - (a) account must be taken of the skills and knowledge required for resolution of the relevant dispute; and
 - (b) the rules of natural justice are to be observed.

- (3) In addition, any Stage 1 dispute resolution process and any mediation process that may be used as part of a Stage 2 dispute resolution process should, as far as practicable:
 - (a) be simple, quick and inexpensive; and
 - (b) preserve or enhance the relationship between the parties to the relevant dispute; and
 - (c) place emphasis on conflict avoidance; and
 - (d) encourage resolution of relevant disputes without legal representation or undue legal formality.

135FB Resolution of relevant dispute not to extend to imposition of sanctions

- (1) This Part is directed at resolving relevant disputes and not at imposing sanctions for breach of these rules or the Procedures.
- (2) An action for breach of these rules or the Procedures may only be taken by the AER under the NGL.

135FC Legal professional privilege

A person cannot be required under this Part to disclose:

- (a) information that is the subject of legal professional privilege; or
- (b) documents that would disclose information subject to legal professional privilege.

135FD Dispute management contacts

- (1) Each Registered participant and AEMO must nominate a person to be the first point of contact for relevant disputes (the ***dispute management contact***).
- (2) If a person (other than a Registered participant or AEMO) becomes a party to a relevant dispute, that person must nominate a dispute management contact within 2 business days of becoming a party to the relevant dispute.
- (3) A nomination of a dispute management contact under subrule (1) or (2) is made by giving the Adviser written notice of the name and contact details of the dispute management contact.
- (4) The person for whom the dispute management contact is nominated must promptly notify the Adviser of:
 - (a) any change of dispute management contact; and

- (b) any changes to contact details for the dispute management contact.
- (5) The Adviser must publish the names and contact details of all current dispute management contacts as notified to the Adviser.
- (6) If the name and contact details of a dispute management contact for a party to a relevant dispute are published under subrule (5), any notice or other document to be served on the party is to be served on the dispute management contact.

Division 2 Adviser and dispute resolution panel pool

135G Appointment of dispute resolution adviser

- (1) There is to be a dispute resolution adviser.
- (2) The Adviser:
 - (a) must have detailed knowledge and experience of non-litigious dispute resolution processes (***alternative dispute resolution processes***); and
 - (b) must be able to decide the most appropriate alternative dispute resolution processes for a particular relevant dispute; and
 - (c) must have a good understanding of the natural gas industry or the capacity to acquire a good understanding of the natural gas industry quickly; and
 - (d) must not have any material direct or indirect interest or association that compromises, or is likely to compromise, the impartiality of the Adviser in relation to relevant disputes.
- (3) The Adviser will be appointed on terms and conditions determined by the AER.

135GA Disclosure of interest

The Adviser must disclose to the AER any material direct or indirect interest or association that compromises, or would be reasonably seen to compromise, the impartiality of the Adviser in relation to relevant disputes.

135GB Adviser's functions

- (1) The Adviser is responsible for ensuring the effective operation of the provisions of this Part for dispute resolution.
- (2) The Adviser must report to the AER at least once in each quarter

about dispute resolution under this Part.

- (3) The AER must publish the report on its website.

135GC Pool for constitution of dispute resolution panels

- (1) The Adviser must establish and maintain a pool of persons from which the members of a dispute resolution panel may be selected under rule 135HD.
- (2) In selecting persons to constitute the pool, the Adviser must have regard to:
 - (a) the need for members of a dispute resolution panel to have an appropriate range of skills; and
 - (b) the need to ensure that the membership of the pool is properly representative (as far as practicable) of all participating jurisdictions.
- (3) The Adviser must review the composition of the pool at least once in every successive period of 2 years.

135GD Guidance notes

- (1) The Adviser may issue guidance notes relating to the conduct of any part of the Stage 1 or Stage 2 dispute resolution processes.
- (2) Guidance notes are intended to promote the efficient use of resources and processes but are not binding.

Division 3 Dispute resolution processes

135H Stage 1 dispute resolution process

- (1) A party to a relevant dispute may initiate the dispute resolution process by serving a notice (a **Stage 1 notice**) on one or more parties to the relevant dispute and giving a copy of the notice to the Adviser.
- (2) A Stage 1 notice must be served:
 - (a) within a period fixed by these rules for the relevant dispute; or
 - (b) if no such period is fixed by these rules – within 90 business days after the relevant dispute arises.
- (3) For the purposes of subrule (2)(b), a dispute is taken to arise when the circumstances giving rise to the dispute first come to the knowledge, or ought reasonably have come to the knowledge, of the party that initiates the dispute resolution process.

- (4) A Stage 1 notice:
 - (a) must be in the form approved and published, from time to time, by the Adviser; and
 - (b) must contain the names of each eligible person that the party serving the Stage 1 notice believes to be a party to the relevant dispute and a statement setting out the circumstances giving rise to the relevant dispute.
- (5) Within 15 business days after service of a Stage 1 notice, representatives of the parties that served or were served with the Stage 1 notice must meet to determine, by agreement, the course of the dispute resolution process.
- (6) The meeting is to be held on a without prejudice basis and:
 - (a) may, if the parties agree, be arranged and chaired by the Adviser; and
 - (b) may be conducted in person, by telephone, video conference or a similar method of communication; and
 - (c) may agree that the dispute resolution process should proceed by direct discussions between parties, by mediation or in any other way; and
 - (d) must consider whether there are other parties to the relevant dispute who should be served with a Stage 1 notice;
 - (e) may agree, subject to subrule (7), to keep confidential:
 - (i) the fact that the relevant dispute exists; and
 - (ii) any information exchanged between them for the purposes of attempting to resolve the relevant dispute.
- (7) If AEMO is served with a Stage 1 notice:
 - (a) AEMO must immediately notify the parties and the Adviser of any other persons that AEMO considers may have an interest in the relevant dispute; and
 - (b) if all parties agree, AEMO must notify those other persons of the relevant dispute.
- (8) If:
 - (a) a party to the relevant dispute on whom a Stage 1 notice is served does not agree to participate in the proceedings for resolution of the relevant dispute; or

- (b) the relevant dispute is not resolved within 45 business days of service of a Stage 1 notice (or a lesser period agreed by all parties); or
- (c) the disputing parties have not agreed to the giving of notification under subrule (7)(b) within 10 business days after AEMO gives its notice under subrule (7)(a),

a party may, no later than 60 business days after service of a Stage 1 notice, refer the matter to the Adviser by serving a Stage 2 notice.

135HA Effect of time limits for Stage 1

- (1) If a Stage 2 notice has not been served within 60 business days of service of the Stage 1 notice in respect of a relevant dispute, any obligations or requirements arising under rule 135H in relation to the relevant dispute, other than obligations of confidentiality, cease to have effect.
- (2) If:
 - (a) a Stage 1 notice has not been served within the time limit applicable under rule 135H(2); or
 - (b) a Stage 2 notice has not been served within 60 business days of service of the Stage 1 notice,a Stage 2 notice may be served on the Adviser.
- (3) If a Stage 2 notice is served under subrule (2), the Adviser will refer the relevant dispute to a dispute resolution panel but the panel may only determine the relevant dispute if, in the opinion of the panel, no party would suffer undue prejudice as a result of the relevant dispute being referred outside the specified period.

135HB Stage 2 dispute resolution processes

- (1) A Stage 2 notice must:
 - (a) be in the form approved and published, from time to time, by the Adviser; and
 - (b) contain the names of all parties to the relevant dispute; and
 - (c) if the party serving the Stage 2 notice does not agree to the Adviser attempting to resolve the relevant dispute and requires the Adviser to refer the relevant dispute to a dispute resolution panel for determination, contain a statement to that effect.
- (2) Where a relevant dispute is referred to the Adviser, the Adviser must immediately notify each party identified in the Stage 2 notice

of that fact. Each party must within 15 business days of being so notified, provide to the Adviser a statement setting out:

- (a) a brief history of the relevant dispute and the circumstances giving rise to it; and
 - (b) a statement of the issues involved in the relevant dispute.
- (3) The Adviser must, within 30 business days of being served with a Stage 2 notice:
- (a) if the parties agree – attempt to resolve the relevant dispute by any means the Adviser, having regard to the principles set out in rule 135FA(2) and (3), considers appropriate; or
 - (b) refer the relevant dispute to a dispute resolution panel for determination.
- (4) If the Adviser attempts to resolve the relevant dispute under subrule (3)(a), the Adviser may, if of the opinion that the attempt is unlikely to prove successful, abandon the attempt and refer the relevant dispute to a dispute resolution panel for determination.
- (5) If the Adviser refers a relevant dispute to a dispute resolution panel, the Adviser must promptly:
- (a) publish notice of the referral to all Registered participants; and
 - (b) give notice of the referral to AEMO, the AER and the AEMC.

135HC Disclosure of information by direction

- (1) If:
- (a) a party to a relevant dispute requests, in writing, information in the possession of another party for the purpose of:
 - (i) preparing a Stage 1 notice; or
 - (ii) participating in a Stage 1 dispute resolution process; or
 - (iii) preparing the statement required under rule 135HB(2);
and
 - (b) the other party either refuses to provide the information or fails to provide the information within 15 business days of the request,

the Adviser must, on application by the party requesting the information, appoint a member of the dispute resolution panel pool to give directions about the disclosure of information.

- (2) The member of the pool appointed to exercise functions under this rule must be a former judge of a State or Territory Supreme Court, the Federal Court or the High Court or some other appropriately qualified legal practitioner.
- (3) A member of the pool so appointed may give one or more of the following directions to a party to the relevant dispute:
 - (a) a direction that the party provide to the member of the pool all information in its possession that is relevant to the relevant dispute;
 - (b) a direction that the party provide to another party such information as the member of the pool considers to be necessary for a purpose referred to in subrule (1);
 - (c) a direction to a party to which information may be provided relating to the use and disclosure of the information by that party (including a direction to keep information confidential);
 - (d) a direction that a party enter into a confidentiality agreement, and any other person to whom the information may be disclosed by that party enter into a confidentiality agreement, before the information is provided;
 - (e) a direction specifying the time within which, the means by which and the form in which the information is to be provided;
 - (f) a direction specifying the terms and conditions of a confidentiality agreement that a party or other person is to enter into.
- (4) A direction under subrule (3) is binding on the party to which it is given and the party must comply with it.
- (5) A person appointed to give directions under this rule:
 - (a) is not bound by the rules of evidence but must observe the rules of natural justice; and
 - (b) is subject to the same requirements as to actual or apparent conflict of interest as a member of a dispute resolution panel.

Note

These requirements are set out in rule 135HD(9) and (10).

135HD Establishment of dispute resolution panel

- (1) If the Adviser refers a relevant dispute for resolution by a dispute resolution panel, the Adviser must establish the dispute resolution panel to determine the relevant dispute.

- (2) A dispute resolution panel consists of 3 members or a lesser number of members agreed by the parties.
- (3) A person is eligible for appointment to a panel if, in the Adviser's opinion, the person is:
 - (a) expert in the field to which the relevant dispute relates; or
 - (b) experienced or trained in dispute resolution techniques.
- (4) A member of the panel is to be drawn from the pool unless, in the Adviser's opinion, no suitable person is available from the pool (and, on the appointment of a person from outside the pool as a member of a panel, the person becomes a member of the pool).
- (5) The Adviser will appoint one member of a dispute resolution panel as the Chair of the panel.
- (6) The Adviser must consult with the parties on the composition of the dispute resolution panel (but the obligation to consult does not apply to a person who is later joined as a party).
- (7) A decision by the Adviser on the composition of the dispute resolution panel is final and binding on all parties to the relevant dispute.
- (8) If:
 - (a) a party, by written notice to the AER, objects to the Adviser exercising functions under this rule on the ground that the Adviser has an interest that may compromise, or would reasonably be seen to compromise, the Adviser's impartiality in relation to the relevant dispute; and
 - (b) the AER is satisfied that the Adviser has such an interest,a person must be appointed to act in the position of the Adviser under this rule with the written agreement of all parties or, if they have not agreed on such an appointment within 5 business days of the date of the objection, by the AER at the request of any party.
- (9) If:
 - (a) a party, by written notice to the AER, objects to a person's participation in proceedings under this Part as a member of a dispute resolution panel on the ground that the person has an interest that compromises, or would reasonably be seen to compromise, the person's impartiality in relation to the relevant dispute; and
 - (b) the AER is satisfied that the person has such an interest,

the person is not eligible to be appointed, and must not remain, as a member of the dispute resolution panel.

- (10) A person who is about to be appointed as a member of a dispute resolution panel must disclose any such interest to the Adviser before appointment and, if the interest arises or the person becomes aware of it after appointment, the person must disclose the interest to the Adviser and the parties to the relevant dispute. The parties may, by written agreement, waive their right to require the person to withdraw from the proceedings.
- (11) A member of the pool who is a member, or former member, of a dispute resolution panel is eligible for appointment as a member of another dispute resolution panel.

135HE Parties to proceedings before the panel

- (1) The dispute resolution panel may resolve any question about who are the parties to the relevant dispute and:
 - (a) may permit or order a person to join, or be joined, as party to the proceedings before the panel; or
 - (b) may permit the withdrawal or order the exclusion of a person as party to the proceedings before the panel.
- (2) If a person is joined as a party after proceedings have commenced, the panel must give the party a written notice setting out:
 - (a) the names of the other parties to the relevant dispute; and
 - (b) a brief history of the relevant dispute and the circumstances giving rise to it; and
 - (c) the results of any earlier dispute resolution processes undertaken in relation to the relevant dispute under these rules; and
 - (d) if the person has been involuntarily joined as a party to the proceedings by order of the panel – a statement of the grounds on which the panel has made the order.

135HF Dispute resolution panel to have regard to substance over form

- (1) A dispute resolution panel:
 - (a) must determine the real questions in controversy between the parties; and
 - (b) is not bound by the parties' formulation of those questions.

- (2) A dispute resolution panel:
 - (a) is not bound by the rules of evidence and may inform itself in any way it thinks fit; but
 - (b) must observe the rules of natural justice.

135HG Proceedings of the dispute resolution panel

- (1) The dispute resolution panel may give the parties such directions as it considers necessary for the proper conduct of the proceedings.
- (2) The directions may (for example) include one or more of the following:
 - (a) a direction as to the place where the proceedings are to be conducted (which may include premises of a party);
 - (b) a direction requiring the parties to prepare and exchange written submissions or other documents;
 - (c) a direction limiting or prohibiting the cross-examination of witnesses;
 - (d) a direction that the proceedings or part of the proceedings be conducted solely on the basis of documentary evidence or written submissions;
 - (e) a direction that the party provide the panel with all information in its possession that is relevant to the relevant dispute;
 - (f) a direction that the party provide information relevant to the relevant dispute to another party;
 - (g) a direction to a party to which information is to be provided relating to the use and disclosure of the information by that party (including a direction to keep information confidential);
 - (h) a direction that a party enter into a confidentiality agreement, and any other person to whom the information may be disclosed by that party enter into a confidentiality agreement, before the information is provided;
 - (i) a direction specifying the time within which, the means by which and the form in which the information is to be provided;
 - (j) a direction specifying the terms and conditions of a confidentiality agreement that a party or other person is to enter into.
- (3) A direction under this rule is binding on each party to which it is

given and the party must comply with it.

- (4) The panel may, with the consent of all parties, refer a relevant dispute for mediation.

135HH Decisions of the dispute resolution panel

- (1) A decision agreed by a majority of the members of a dispute resolution panel is a decision of the panel and, if the panel consists of 2 members who are unable to reach a unanimous decision, the Chair's decision is the decision of the panel.
- (2) A dispute resolution panel must decide a relevant dispute as quickly as possible and, in any case, within any maximum time limit fixed for the relevant dispute by these rules.
- (3) However, the panel may extend a maximum time limit if:
 - (a) all parties agree in writing; or
 - (b) the panel recommends the extension to the Adviser (after taking into account possible prejudice to the parties) and the Adviser agrees in writing to the extension; or
 - (c) the panel refers the relevant dispute for mediation.

135HI Determination of relevant disputes

- (1) The dispute resolution panel may make a determination:
 - (a) requiring a party to the relevant dispute to do all or any of the following:
 - (i) to take specified action;
 - (ii) to cease or refrain from taking specified action;
 - (iii) to pay a monetary amount to another party to the relevant dispute; and
 - (b) granting any other form of relief that may be appropriate in the circumstances; and
 - (c) fixing the time for compliance with the determination.
- (2) A determination of a dispute resolution panel is binding on all parties to the relevant dispute.
- (3) As soon as practicable after complying with the determination of a dispute resolution panel, the person required to comply must report to the Adviser.

- (4) Non-compliance with the determination is a breach of these rules in respect of which the AER may take action in accordance with the NGL.

Division 4 Miscellaneous

135J Legal representation

- (1) A person is entitled to be represented by a lawyer in proceedings under this Part.
- (2) A dispute resolution panel may give any direction it considers appropriate about the role of the parties' legal representatives in the proceedings.

135JA Costs of Adviser, dispute resolution panel etc

- (1) The costs of Stage 1 and Stage 2 dispute resolution processes including the costs of the Adviser, a member of the pool, or a dispute resolution panel in relation to a relevant dispute are to be borne by the parties to the relevant dispute.
- (2) Subject to a determination by the dispute resolution panel, the costs are to be borne:
 - (a) as agreed by the parties; or
 - (b) if there is no agreement – equally.
- (3) The dispute resolution panel may, on application by an interested party, alter the allocation of costs under subrule (2) if satisfied that a party unreasonably prolonged the relevant dispute or that there is some other good reason to alter the allocation of costs under that subrule.

135JB Settlement by agreement

- (1) The parties to proceedings for the resolution of a relevant dispute may settle the proceedings by a written agreement between them.
- (2) An agreement under this rule is binding on the parties.

Note

A monetary amount to which a party is entitled under the agreement is recoverable under section 91H of the NGL.

- (3) Non-compliance with an agreement for the settlement of a relevant dispute is a breach of these rules in respect of which the AER may take action in accordance with the NGL.

135JC Publication of determinations

- (1) A dispute resolution panel must, on making a determination, provide the AER with a copy of the determination from which confidential information has been excluded.
- (2) The AER must publish the determination in the form in which it was provided under subrule (1).

Part 15D Gas statement of opportunities

135K Definitions

In this Part:

participating jurisdiction does not include Western Australia or the Northern Territory unless this Part applies in the relevant jurisdiction.

peak day capacity

- (a) when used in reference to a pipeline – means the maximum daily quantity of natural gas that can be transported through the pipeline under normal operating conditions;
- (b) when used in reference to a production facility – means the maximum daily production capacity of the production facility under normal operating conditions;
- (c) when used in reference to a storage facility – means the maximum quantity of natural gas that the storage facility can hold in storage and the maximum daily quantity of natural gas that the storage facility can withdraw, inject or produce.

135KA Application

- (1) This Part does not apply in Western Australia until a day fixed by or under legislation of that State.
- (2) This Part does not apply in the Northern Territory until a day fixed by or under legislation of that Territory.

135KB Contents of gas statement of opportunities

- (1) The gas statement of opportunities must contain, for each participating jurisdiction, for the period of 10 years commencing on 1 January of the first calendar year to follow its publication, information about:
 - (a) natural gas reserves (including prospective or contingent

- resources); and
- (b) annual and peak day capacity of, and constraints affecting, gas production facilities; and
 - (c) committed and proposed new or expanded gas production facilities; and
 - (d) projected demand for natural gas (including annual and peak day forecasts) for each demand zone; and
 - (e) annual and peak day transmission capacity and constraints (including interconnection constraints); and
 - (f) peak day capacity of, and constraints on, storage facilities; and
 - (g) committed and proposed new transmission pipelines and pipeline augmentations; and
 - (h) committed and proposed new or expanded storage facilities.
- (2) The gas statement of opportunities must also, if practicable, include forecasts of reserves and annual demand for a further period of 10 years from the end of the period of 10 years referred to in subrule (1).
- (3) Forecasts made for the purposes of the gas statement of opportunities must be made as far as possible on a consistent basis.

135KC Revision of gas statement of opportunities

The gas statement of opportunities must be revised in each calendar year and re-published by 31 December of that year.

135KD Publication of supplement to gas statement of opportunities

If, before the last quarter of a calendar year, significant and verifiable new information relevant to the gas statement of opportunities is brought to AEMO's attention, AEMO must publish on its website as soon as practicable a supplement to the gas statement of opportunities:

- (a) summarising the new information; and
- (b) indicating how the gas statement of opportunities is affected by the new information.

9 Amendment of rule 136 (Interpretation)

Rule 136

Insert (in alphabetical order)

confidential information means information:

- (a) provided to a Registered participant or to AEMO under or in connection with these rules or the Procedures or derived from information so provided; and
- (b) classified by or under these rules or the Procedures, or by AEMO, the AER or the AEMC, as confidential information.

distribution pipeline includes a pipeline that would, if classified, be likely to be classified as a distribution pipeline.

10 Insertion of rules 138A to 138AC

After rule 138

Insert

138A General confidentiality obligation of Registered participant

- (1) A Registered participant must keep confidential any confidential information that comes into the participant's possession or control in the course of the participant's business.
- (2) A Registered participant:
 - (a) must not disclose confidential information except as permitted by these rules or the Procedures; and
 - (b) must only use or reproduce confidential information for the purpose for which it was disclosed or another purpose contemplated by these rules or the Procedures; and
 - (c) must not permit unauthorised persons to have access to confidential information.
- (3) A Registered participant must use all reasonable endeavours to prevent unauthorised access to confidential information in its possession or control.
- (4) A service provider for a distribution pipeline must not disclose to a user that is a related body corporate of the service provider confidential information about a user that is not a related body corporate of the service provider.
- (5) This rule does not prevent:
 - (a) the use or disclosure of information that has entered the public domain; or

- (b) the disclosure, subject to subrule (4), of information for the purposes of these rules or the Procedures or for obtaining advice about the application of these rules or the Procedures to officers, employees, auditors or professional advisers of the Registered participant or a related body corporate; or
 - (c) the use or disclosure of confidential information with the consent of the person to whom the duty of confidentiality is owed; or
 - (d) the use or disclosure of information as required by law or a lawful requirement imposed by a government agency, stock exchange or other authority or body; or
 - (e) the use or disclosure of information for the purposes of legal proceedings (including dispute resolution processes under these rules, arbitration proceedings, proceedings for an expert determination of a disputed question, or proceedings by way of mediation or some other alternative dispute resolution mechanism); or
 - (f) the use or disclosure of information to protect the safety of any person or property; or
 - (g) the use or disclosure of information reasonably required in connection with the Registered participant's financing arrangements, investment in the Registered participant, or a disposal of the Registered participant's assets; or
 - (h) the disclosure of information to AEMO, the AER, the AEMC or the ACCC or another regulatory body having jurisdiction over the Registered participant; or
 - (i) the use or disclosure of information of a historical nature for the preparation of a report under these rules or the Procedures; or
 - (j) the use or disclosure of information in an aggregated or other form in which its confidential aspects cannot be identified; or
 - (k) the use or disclosure of trivial information; or
 - (l) the use or disclosure by a Registered participant of information derived from information provided to AEMO by or on behalf of the Registered participant.
- (6) A Registered participant that proposes to disclose information under subrule (5)(b), (d) or (h) must inform the person to whom disclosure is proposed of the confidentiality of the information.
- (7) A Registered participant is liable to indemnify the AEMC, the AER and AEMO against loss or damage sustained as a result of a

breach of this rule by the Registered participant or an officer, employee or agent of the Registered participant.

- (8) When confidential information is disclosed either in accordance with or in breach of this rule, the duty of confidentiality imposed by this rule extends to the person to whom the information is disclosed.
- (9) The obligations of a Registered participant with regard to confidential information extend to an Intending participant.

138AB Information policies

AEMO must, in consultation with the AEMC, develop and implement policies:

- (a) to protect from unauthorised use or disclosure information acquired under these rules; and
- (b) to provide for dissemination of such information, where appropriate, among Registered participants.

138AC Discovery address data

- (1) This rule applies only in relation to information relevant to the NSW/ACT regulated retail gas market.
- (2) A network operator incurs no civil liability to a person that relies to its detriment on discovery address data that is incorrect, incomplete or out-of-date.
- (3) A network operator is, by force of this subrule, entitled to be indemnified by a user against a liability incurred by the network operator that arises from a user's use of information in a DPI full listing for a purpose not authorised or permitted by the Procedures.
- (4) For this rule, **network operator**, **discovery address data**, and **DPI full listing** have the meanings assigned by the Procedures governing the administration and operation of the NSW/ACT regulated retail gas market.

11 Amendment of rule 143 (This Part does not apply in Western Australia)

Rule 143

Omit "National Gas Access (Western Australia) Act 2008"

Insert "National Gas Access (WA) Act 2009"

12 Revocation of Part 18, Division 4

Part 18, Division 4 (rules 156 to 162)

Omit

13 Insertion of Parts 19 and 20

After rule 198

PART 19 Declared Wholesale Gas Market Rules

Division 1 Preliminary

199 Application of this Part

This Part contains rules applicable to the operation of the declared transmission system, the declared distribution systems and the declared wholesale gas market.

200 Definitions

In this Part:

accreditation procedures means the Procedures made under rule 210

actual imbalance means, for a Market Participant, the sum of the adjusted withdrawals for that Market Participant determined in accordance with rule 235(11) less the sum of the actual injections for that Market Participant.

actual injections means, for a Market Participant, injections by that Market Participant at system injection points excluding re-injections from distribution pipelines.

adjusted withdrawals means the adjusted net quantities of gas withdrawn as determined in accordance with rule 235.

administered price cap means a price cap determined in accordance with rule 345 which will apply during an administered price period.

administered price period means a period during which an administered price cap will apply.

administered pricing procedures means the Procedures made under rule 224.

affected Participant means in relation to a metering installation, a Registered participant who is entitled to access to metering data

from that metering installation in accordance with rule 312.

agency injection hedge nomination means the amount of its scheduled injection that a Market Participant nominates to AEMO to use in the determination of the AMIQ of a nominated Market Participant.

allocate means the process of determining an allocation.

allocation means the quantity of gas treated as having been injected or withdrawn by a Market Participant at a system point in a gas day as determined in accordance with Division 2, Subdivision 5.

Allocation Agent means a person who has been appointed by a Market Participant to submit injection allocation statements or withdrawal allocation statements under rule 229 or 230.

AMDQ auction procedures means the Procedures made under rule 330.

AMDQ credit means the whole or part of an AMDQ credit certificate that a Market Participant nominates to AEMO to apply in the determination of ancillary payments and uplift payments in accordance with rules 239 and 240.

AMDQ credit certificate means a certificated right to a quantity measured in GJ and issued under Division 4, Subdivision 3.

AMDQ transfer procedures means the Procedures made under rule 331.

AMIQ or **Authorised Maximum Interval Quantity** means the quantity of authorised MDQ or AMDQ credit certificates used in the determination of ancillary payments and uplift payments for a Market Participant for each scheduling interval of the gas day, as determined in accordance with Procedures under rules 239 and 240.

AMIQ profile means a profile submitted by a Market Participant that AEMO must use to determine the AMIQ in each scheduling interval for that Market Participant under rule 240.

ancillary payment means a payment determined in accordance with rule 239 by or to a Market Participant.

ancillary payment procedures means the Procedures made

under rule 239.

annual planning review means the planning review to be provided by AEMO under rule 323.

authorised MDQ means in respect of a Customer, the maximum daily quantity of gas, expressed in GJ/day, which is authorised by AEMO to be withdrawn by or on behalf of that Customer from the declared transmission system, in accordance with an allocation under rule 328, 329 or 330.

available LNG capacity means the amount of LNG storage capacity that a person holds at any time on a gas day less the amount of that person's LNG stock at that time.

basic meter means a meter without a data logger.

bid means a bid by a Market Participant in accordance with Division 2, Subdivision 1 to inject quantities of gas into, or withdraw quantities of gas from, the declared transmission system during a gas day, or such a bid as modified by that Market Participant in accordance with Division 2.

billing period means the period of one calendar month commencing on 6:00 am on the first day of each calendar month.

close proximity injection points means system injection points as determined by AEMO that can be regarded as the same system injection point for the purpose of scheduling under Division 2, Subdivisions 1 and 2 and the determination of AMIQ under rule 240.

communication link means all communication equipment and arrangements that lie between the meter or data logger and the metering database.

compensation procedures means the Procedures made under rule 237.

connect means to connect a pipeline or pipeline equipment to the declared transmission system or modify an existing connection.

Connected Party means a person (other than a declared transmission system service provider) who is party to a connection agreement or who owns, operates or controls a pipeline or pipeline equipment that is connected to the declared transmission system.

connection means a physical connection between a pipeline or pipeline equipment and the declared transmission system or a modification of such a connection.

connection agreement means an agreement between a declared transmission system service provider and another person pursuant to which a pipeline or pipeline equipment owned, operated or controlled by that other person is connected to the declared transmission system.

Connection Applicant means a person who makes an application to establish or modify a connection to the declared transmission system under rule 271.

connection approval procedures means the Procedures made under rule 272.

connection equipment means any pipeline equipment that, in the reasonable opinion of AEMO, is associated with a connection point, including valves, pressure regulators and metering equipment.

connection point means a delivery point, a transfer point or a receipt point.

controllable quantity means (according to context):

- (a) a quantity of gas that may be scheduled for withdrawal at a delivery point on a gas day in accordance with a withdrawal bid and the applicable accreditation by AEMO; or
- (b) a quantity of gas that may be scheduled for injection at a receipt point on a gas day in accordance with an injection bid and the applicable accreditation by AEMO.

credit support means a guarantee or other security given to AEMO by a third party supporting the obligations of a Market Participant for which the Market Participant is required to provide security under rule 254(1).

Credit Support Provider means a person that provides credit support for a Market Participant.

curtailment means the curtailment or interruption of a Customer's supply of gas at its delivery point that occurs when AEMO intervenes or issues an emergency direction.

Customer means an end user.

data collection system means all equipment and arrangements that lie between the metering database and the point where the metering data enters the public telecommunications network.

data logger means a device that collects and stores energy data or volume data and is capable of either:

- (a) transfer of recorded data to a portable reading device; or
- (b) being accessed electronically by AEMO by way of the data collection system,

as required for metering installations in accordance with rule 308.

data validation procedures means the Procedures made under rule 314.

declared host retailer means, in respect of a declared distribution system, the declared host retailer designated under legislation of the adoptive jurisdiction.

declared LNG storage provider means a person designated as a declared LNG storage provider under legislation of the adoptive jurisdiction.

declared LNG supplier means a person designated as a declared LNG supplier under legislation of the adoptive jurisdiction.

declared LNG supply agreement means an agreement designated as a declared LNG supply agreement under legislation of the adoptive jurisdiction.

declared metering requirement means all or part of any regulatory instrument defined as a declared metering requirement under legislation of the adoptive jurisdiction.

declared transmission system service provider means the service provider for the declared transmission system.

default event means any one or more of the events listed in rule 251.

default interest rate means an interest rate of 2% above the interest rate.

default notice means notice issued by AEMO in accordance with rule 259.

delivery point means a point on a pipeline at which gas is withdrawn from the pipeline and delivered to a Customer or injected into a storage facility.

demand forecast means a forecast of demand for gas, expressed in GJ for each hour of the gas day, made by a Market Participant and submitted to AEMO under Division 2, Subdivision 2.

demand forecast override means an adjustment in GJ (which can be positive or negative) made by AEMO for the purpose of ensuring system security in the preparation of operating schedules to the total of all valid demand forecasts by Market Participants.

deviation means a quantity of gas in GJ for a Market Participant that is:

(a) the actual imbalance for that Market Participant in a scheduling interval;

less

(b) the scheduled imbalance for that Market Participant in that scheduling interval.

deviation payment - See rule 235(5).

dispute resolution processes means the dispute resolution processes in Part 15C as modified by Division 6 of this Part.

Distribution Customer means a Customer who withdraws gas at a distribution delivery point.

distribution delivery point means a point on a distribution pipeline at which gas is withdrawn from a declared distribution system and delivered to a Customer or injected into a storage facility.

Distributor means the service provider for the whole or any part of a declared distribution system.

electronic communication procedures means the Procedures made under rule 319(4).

electronic communication system means a system used by Registered participants and AEMO for exchange of information in accordance with rule 319(1).

emergency means an event or situation described in rule 333.

emergency direction means a direction given by AEMO under section 91BC of the NGL during, or in relation to, an emergency.

emergency protocol means an instrument of a legislative or administrative character made by AEMO with respect to gas emergencies or a particular gas emergency under an application Act or jurisdictional gas legislation.

energy calculation means the calculation of the energy content of a quantity of gas in accordance with rule 303.

energy calculation procedures means the Procedures made under rule 303.

energy data means data relating to the volume, pressure and temperature of gas.

final statement means a statement issued by AEMO under rule 245.

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

flow rate means the rate at which gas flows passes a point on the declared transmission system in an hour, expressed in GJ/hour.

gas includes natural gas and processable gas.

gas day means a period of 24 consecutive hours beginning at 6:00 am.

gas production facility means any gas processing plant and associated facilities, excluding any LNG processing facility or storage facility.

gas quality monitoring system means a system for monitoring gas quality that a Registered participant is required to provide at a system injection point pursuant to rule 288.

gas quality specifications means in respect of a system injection point:

- (a) the standard gas quality specifications; or
- (b) a gas quality standard approved by AEMO in respect of that system injection point pursuant to rule 287(1).

gas scheduling procedures means the Procedures made under

rule 206.

government authority includes any government or governmental, semi-governmental, administrative or judicial body, department, commission, authority, tribunal, agency or entity.

imbalance payment - See rule 235(2) and (3).

injection allocation statement means a statement that an Allocation Agent is required to give pursuant to rule 229(7).

injection bid means a bid made in respect of a system injection point.

injection hedge nomination means the amount of its scheduled injection that a Market Participant nominates to AEMO to apply in the determination of its AMIQ.

installation database means the database of calibration data which a responsible person is required to keep in respect of its metering installations pursuant to rule 309.

installation database procedures means the Procedures made under rule 309.

interconnected transmission pipeline service provider means the service provider for a transmission pipeline that is connected to the declared transmission system.

interest rate – See rule 203.

intervention means measures taken by AEMO under rule 343 to eliminate or reduce a threat to system security.

labour dispute means a strike, lockout, ban, “go-slow” activity, stoppage, restraint of labour or other similar act.

linepack account - See rule 241.

linepack transactions means sales and disposals of linepack by AEMO that are reflected by amounts added to or subtracted from the linepack account.

LNG means liquefied natural gas.

LNG connection point means the point on the declared transmission system at which gas is permitted to flow into or out of

the LNG storage facility.

LNG injection bid means a bid by a Market Participant to AEMO to withdraw LNG stock from the LNG storage facility and inject gas into the declared transmission system at the LNG connection point.

LNG reserve means the LNG storage capacity to which AEMO is entitled under its LNG storage agreement.

LNG stock means the amount of LNG in the LNG storage facility held on behalf of AEMO, a Market Participant or any other person.

LNG storage facility means a storage facility owned or operated by an LNG Storage Provider.

LNG storage capacity means rights to hold capacity in the LNG storage facility granted by the LNG Storage Provider to a Market Participant, AEMO or any other person pursuant to an LNG storage agreement.

LNG storage transfer means a transfer of LNG storage capacity or LNG stock in accordance with rule 282.

maintenance means work carried out by service providers, Producers and Storage Providers that, in AEMO's opinion, may affect:

- (a) AEMO's ability to supply gas through the declared transmission system; or
- (b) AEMO's ability to operate the declared transmission system; or
- (c) declared transmission system capacity; or
- (d) system security; or
- (e) the efficient operation of the declared transmission system generally,

and includes work carried out on pipeline equipment but does not include maintenance required to avert or reduce the impact of an emergency.

maintenance planning procedures means the Procedures made under rule 326.

margin call – See rule 263.

Market means the declared wholesale gas market related to the declared transmission system.

Market Customer means a Customer who is a Market Participant.

Market information bulletin board means a facility established by AEMO on the electronic communication system on which it may publish information for Market Participants.

Market Participant means a Registered participant registered in a registrable capacity including the description: Market Participant.

Market Participant submission means information submitted by Market Participants under rules 208, 209, 211 and 213 using the electronic communication system.

market prices means prices for gas set by AEMO for each scheduling horizon as determined in accordance with Division 2, Subdivision 3.

market transaction means a sale or purchase of gas that occurs when a Market Participant has a trading imbalance in a trading interval.

maximum total payment means the maximum amount payable by AEMO in respect of a billing period as determined by rule 252.

meter means a device that measures and records quantities of gas by reference to volume, mass or energy content.

metering means measuring and recording the quantity of gas by reference to volume, mass or energy content.

metering communications procedures means the Procedures made under rule 308.

metering data means the data obtained or derived from a metering installation.

metering database means the database kept by AEMO pursuant to rule 308.

metering installation means the meter and associated equipment and installations installed as required under Division 3, Subdivision 4 for connection points.

metering point means the point of physical connection of a meter

to a pipeline.

metering register means a register of information relating to metering installations kept by AEMO pursuant to rule 311 and forming part of the metering database.

metering register procedures means the Procedures made under rule 311.

metering substitution threshold means the metering error tolerance equal to twice the uncertainty limit fixed in accordance with the metering uncertainty limits and calibration requirements procedures.

metering uncertainty limits and calibration requirements procedures means the Procedures made under rule 297.

minimum exposure – See rule 256.

MIRN means metering installation registration number.

monitoring point means a point at which a gas quality monitoring system is installed. (See rule 288.)

net system load has the meaning given in the Retail Market Procedures.

off-specification gas means gas that does not comply with the gas quality specifications for the system injection point at which it is, or is to be, injected.

operating schedule means a schedule that AEMO is required to publish pursuant to Division 2, Subdivision 2.

operational gas means gas used for operating declared transmission system assets, including gas used to fuel compressors or heaters required for operating the declared transmission system.

Participant compensation fund – See rule 225.

Participant force majeure event means an event within the meaning of rule 216.

payment date means the date on which payment is due in respect of a billing period. (See rules 246, 247 and 250.)

pipeline equipment means, in relation to the pipe or system of pipes comprised in a pipeline:

- (a) all structures for protecting or supporting the pipes; and
- (b) facilities for the compression of gas, the maintenance of the pipes or the injection or withdrawal of gas; and
- (c) all fittings, appurtenances, compressor stations, odourisation plants, scraper stations, valves, telemetry systems (including communications towers) and works and buildings used in connection with the pipes.

price step – See rule 209(5).

pricing schedule means a schedule that AEMO is required to produce pursuant to rule 221(2).

Producer means a producer whose gas production facility is connected to the declared transmission system.

prudential requirements means the requirements imposed on a Market Participant to provide and maintain a security in accordance with Division 2, Subdivision 7.

publish, by AEMO, means the posting of information on the Market information bulletin board or the AEMO website.

receipt point means a point at which gas is received into a pipeline, other than a transfer point, including a point at which gas is received into the pipeline from a storage facility or a gas production facility.

regulatory instrument means any law, statute, regulation, code, rule, order, guideline, sub-code or other instrument regulating the gas industry in the adoptive jurisdiction from time to time.

responsible person – See rule 292.

Retailer means a user of the declared transmission system who is registered in the capacity of Market Participant - Retailer under rule 135A.

Retailer of last resort process means the process described in the Retail Market Procedures of the adoptive jurisdiction by which Customers of a suspended Retailer may be transferred to a declared host retailer.

Retail Market Procedures means the Retail Market Procedures of the adoptive jurisdiction.

revised statement means a statement issued by AEMO under rule 249.

rule consultation procedures means the Procedures made under rule 357.

safety plan means a plan that must be developed by certain Registered participants in accordance with a regulatory instrument relating to gas safety.

safety procedures – See rule 335.

scheduling means the process of scheduling bids that AEMO is required to carry out in accordance with this Part.

scheduled imbalance means a quantity of gas in GJ for a Market Participant that is the sum of the withdrawals scheduled for controllable quantities and demand forecasts for that Market Participant less the sum of the scheduled injections for that Market Participant as determined by the relevant operating schedule.

scheduled injection means a quantity of gas in GJ scheduled to be injected in the relevant operating schedule.

scheduled withdrawal means a quantity of gas in GJ scheduled to be withdrawn in the relevant operating schedule.

scheduling horizon means a period of time on a gas day from the time of commencement of a published operating schedule, until the end of the relevant gas day.

scheduling instruction means an instruction given by AEMO to a Market Participant or, in the case of an LNG injection offer, to the LNG Storage Provider, pursuant to rule 215.

scheduling interval means any of the following periods on a gas day: 6:00 am to 10:00 am; 10:00 am to 2:00 pm; 2:00 pm to 6:00 pm; 6:00 pm to 10:00 pm; 10:00 pm to the end of the gas day.

service envelope agreement means an agreement entered into between AEMO and a declared transmission system service provider, as required under section 91BE of the NGL.

settlement means the determination of actual imbalances, trading

amounts and settlement amounts in respect of Market Participants who trade in the market.

settlement amount – See rule 236.

settlement statement means a statement issued by AEMO in the form of a preliminary statement under rule 244, a final statement under rule 245 or a revised statement under rule 249.

significant price variation – See rule 355.

standard gas quality specifications means:

- (a) the gas quality specifications contained in AS 4564 – 2005 (as amended or replaced from time to time); or
- (b) if those gas quality specifications have been added to or otherwise modified by or under applicable legislation (principal or subordinate) of the Commonwealth or a State – those gas quality specifications as added to or otherwise modified.

standard schedule time means each of the times by which AEMO must publish an operating schedule or pricing schedule for the gas day as set out in rule 215(3).

standing agency injection hedge nomination means an agency injection hedge nomination for a Market Participant that is expressed to apply in respect of each consecutive gas day until a future specified date or until revoked.

standing AMIQ profile means a profile for determination of AMIQ for a Market Participant that is expressed to apply in respect of each consecutive gas day until a future specified date or until revoked.

standing bid means a bid for a Market Participant that is expressed to apply in respect of each consecutive gas day until a future specified date or until revoked.

standing demand forecast means a demand forecast for a Market Participant that is expressed to apply in respect of each consecutive gas day until a future specified date or until revoked.

standing injection hedge nomination means an injection hedge nomination for a Market Participant that is expressed to apply in respect of each consecutive gas day until a future specified date or until revoked.

storage facility means a facility for the storage of gas, including the LNG storage facility and underground storage.

Storage Provider means a person who owns or operates a storage facility.

storage space means in relation to LNG storage capacity, the right of a Market Participant to store a quantity of gas (expressed in tonnes) in the LNG storage facility in accordance with its LNG storage agreement and this Part.

Sub-Allocation Agent means a person who has been appointed by a Market Participant or other person to submit sub-allocation statements.

sub-allocation statement means a statement that a Sub-Allocation Agent may submit under rules 229(9) or 230(8).

supply point means a transmission supply point or a distribution supply point as defined in the Retail Market Procedures.

suspension notice means a notice issued by AEMO in accordance with rule 260.

system force majeure event – See rule 346.

system injection point means a connection point on the declared transmission system that is designed to permit gas to flow through a single pipe into the declared transmission system, which may also be, in the case of a transfer point, a system withdrawal point.

system point means a system injection point, a system withdrawal point or a system withdrawal zone.

system security – See the system security procedures.

system security procedures means the Procedures made by AEMO under rule 205.

system withdrawal point means a connection point on the declared transmission system that is designed to permit gas to flow through a single pipe out of the declared transmission system, which may also be, in the case of a transfer point, a system injection point.

system withdrawal zone means a part of the declared transmission system that contains one or more system withdrawal

points and in respect of which AEMO has determined that a bid must be made.

tariff D withdrawal point means a system withdrawal point or a distribution delivery point at which gas is withdrawn:

- (a) at a rate of more than 10GJ in any hour or more than 10,000 GJ in any year, unless otherwise designated by AEMO following advice from the declared transmission system service provider or Distributor; or
- (b) at a lower hourly or annual rate, if designated as tariff D by AEMO following advice from the declared transmission system service provider or Distributor,

where rates of withdrawal are determined annually on the basis of metering data for the 12 months prior to the date of determination or, where 12 months' metering data is not available, a reasonable estimation of withdrawals for the next 12 month period.

tariff V withdrawal point means a system withdrawal point or a distribution delivery point which is not a tariff D withdrawal point.

time stamp means a means of identifying the time and date of the transmission or receipt of data.

Trader means a person (other than a person registered in some other registrable capacity) that buys or sells gas in the declared wholesale gas market.

trading amount - See rule 234(2).

trading limit – See rule 261.

trading interval means a period of one gas day.

transfer point means a point where gas is transferred between the declared transmission system and:

- (a) a transmission pipeline that is not part of the declared transmission system; or
- (b) a declared distribution system.

transmission constraint means a constraint in or affecting the declared transmission system at any time as a result of which (having regard to operational requirements relating to pressures) gas flows in any part of the system are or (but for anything done by

AEMO) would be restricted, whether the constraint results from the size of any part of the declared transmission system, the operation or failure to operate of any part of the declared transmission system or the extent or distribution of supply or demand in any part of the declared transmission system.

Transmission Customer means a Customer who withdraws gas from a transmission delivery point.

transmission delivery point means a point on the declared transmission system at which gas is withdrawn from the declared transmission system and delivered to a Transmission Customer or injected into a storage facility.

unintended scheduling result – See rule 217.

uplift payment means a payment by or to a Market Participant or declared transmission system service provider determined by AEMO in accordance with rule 240 for the purpose of funding ancillary payments.

uplift payment procedures means the Procedures made under rule 240.

VoLL means \$800 per GJ.

withdrawal allocation statement – See rule 230(6).

withdrawal bid means a bid made in respect of a system withdrawal zone or a system withdrawal point.

201 Time and Dates

- (1) Unless otherwise specified, a reference to a time of day is to standard time (as distinct – when daylight saving operates – from summer time) in the adoptive jurisdiction.
- (2) Unless otherwise specified:
 - (a) a period expressed to date from a given day, or from the day of an act or event, is to be calculated exclusive of that day;
 - (b) a period expressed to commence on a given day, or on the day of an act or event, is to be calculated inclusive of that day.
- (3) AEMO may, by notice to all Registered participants, amend an amount, date, time or period specified in this Part in a particular case or generally.

- (4) A date, time or period may be amended even though the specified date, time or period may have already expired.

202 Technical Interpretation

- (1) Unless the context otherwise requires, for the purposes of this Part:

- (a) a **quantity** of gas is a quantity in joules; and
(b) a **volume** of gas is a volume in standard cubic metres.

- (2) The following terms have the following meanings in this Part:

- (a) **megajoule** or **MJ** means 1,000,000 joules;
(b) **gigajoule** or **GJ** means 1,000 megajoules;
(c) **terajoule** or **TJ** means 1,000 gigajoules.
(d) **kPa** or **kilopascal** means 1,000 pascals;
(e) **standard cubic metre** or **m³** means the quantity of dry gas at a temperature of 15 degrees Celsius and an absolute pressure of 101.325 kPa enclosed in a volume of one cubic metre; and

- (3) Unless otherwise expressly defined, all reference to units of measurements in this Part are references to the units of measurement defined in or for the purposes of the National Measurement Act 1960 (Commonwealth).

203 Interest rate

- (1) A reference in this Part to the interest rate is a reference to the Bloomberg Bank Bill Swap Reference Rate most recently published in the *Australian Financial Review*.
(2) If the above rate ceases to exist, or that rate becomes, in AEMO's reasonable opinion, inappropriate, the interest rate is a rate determined and published by AEMO.

204 Procedures under this Part

Where a rule in this Part provides for AEMO to make Procedures:

- (a) those Procedures are a category of Wholesale Market Procedures;
(b) AEMO must comply with any additional requirements in this Part that apply to the making or amendment of the Procedures.

Division 2 Market Operation and Administration

Subdivision 1 System Security

205 System security procedures

- (1) AEMO must make Procedures (***system security procedures***) governing its operation of the declared transmission system.
- (2) The system security procedures will provide for the operation of the declared transmission system in a way that averts or minimises threats to system security.

Subdivision 2 Gas Scheduling

206 Gas scheduling

- (1) AEMO must schedule injections of gas into and withdrawals of gas from the declared transmission system in accordance with bids.
- (2) When scheduling injections of gas into and withdrawals of gas from the declared transmission system, AEMO must:
 - (a) comply with the gas scheduling procedures; and
 - (b) use its reasonable endeavours to operate within the system security procedures.
- (3) Subject to:
 - (a) AEMO's obligations under this Part to schedule injections of gas into, and withdrawals of gas from, the declared transmission system in accordance with the gas scheduling procedures;
 - (b) AEMO's obligations under this Part to operate the declared transmission system within the system security procedures and to avert or minimise threats to system security; and
 - (c) there being sufficient gas available at all relevant times for injection into the declared transmission system to satisfy withdrawal and linepack requirements,

AEMO must use its reasonable endeavours to ensure that sufficient gas is made available for withdrawal from the declared transmission system during each gas day to satisfy Market Participants' aggregate requirements for gas at system withdrawal points.

- (4) AEMO must make Procedures (***gas scheduling procedures***), including the algorithm that will be used by AEMO, for the purpose of scheduling in accordance with this Subdivision and pricing in

accordance with Subdivision 3.

207 Requirement to submit bids and demand forecasts

- (1) Each Market Participant who intends to inject quantities of gas into the declared transmission system on a gas day must submit bids to AEMO in accordance with rules 209 and 211.
- (2) Each Market Participant who intends to withdraw quantities of gas from the declared transmission system on a gas day must submit bids or demand forecasts as applicable to AEMO in accordance with rules 208, 209 and 211.
- (3) A Market Participant may submit updated bids and demand forecasts in accordance with rules 208, 209 and 211.

208 Demand forecasts

- (1) A Market Participant must submit a demand forecast of the amount of gas (excluding controllable quantities covered by withdrawal bids) that it expects to withdraw in each hour of the gas day:
 - (a) from the declared transmission system (excluding amounts covered by paragraph (b)); and
 - (b) if AEMO so requires – from one or more specified system withdrawal points.
- (2) AEMO may require the submission of a separate demand forecast for a specified system withdrawal point if:
 - (a) the maximum daily quantity of withdrawals at that point is 5,000 GJ or more; or
 - (b) the frequency and duration of withdrawals at that point are irregular; or
 - (c) AEMO reasonably considers the withdrawals at that point are likely to have a material impact on the operation of the declared transmission system.
- (3) Before requiring a separate demand forecast for a particular system withdrawal point, AEMO must consult with the relevant Market Participant and take into account any relevant information provided by that Market Participant.
- (4) Market Participants must submit demand forecasts in accordance with the timings required under rule 211.
- (5) The following is confidential information:
 - (a) a requirement by AEMO for a separate demand forecast for

one or more system withdrawal points;

(b) a demand forecast submitted by a Market Participant.

209 Bids

- (1) A Market Participant must submit a separate injection bid in respect of each system injection point at which it intends to inject gas on a gas day.
- (2) A Market Participant must submit a separate withdrawal bid in respect of each system withdrawal point from which it intends to withdraw gas on a gas day as a controllable quantity.
- (3) Market Participants must submit bids in accordance with the timings required under rule 211.
- (4) A bid must specify:
 - (a) the identity of the Market Participant by whom it is made;
 - (b) the gas day to which the bid relates;
 - (c) the system injection point (in the case of an injection bid) or system withdrawal point (in the case of a withdrawal bid) in relation to which the bid is made; and
 - (d) up to ten price steps.
- (5) Each price step must specify:
 - (a) a single price, expressed in \$/GJ to four decimal places, from 0\$/GJ to *VoLL* inclusive; and
 - (b) the total quantity of gas, expressed in GJ, up to which the Market Participant is willing (if scheduled) to inject gas into, or withdraw gas from, the declared transmission system at the price specified under subrule (5)(a).
- (6) In the case of an injection bid, the quantity of gas specified in a price step must be at least as much as the quantity specified for a price step specifying a lower price.
- (7) In the case of a withdrawal bid, the quantity of gas specified in a price step must be no more than the quantity specified for a price step specifying a lower price.
- (8) Bids may specify the following conditions or constraints, which will be applied by AEMO in scheduling price steps:
 - (a) in the case of an injection bid, the maximum quantity of gas in each price step which the Market Participant is willing to inject

- in the gas day to which the bid relates; and
- (b) in the case of a withdrawal bid, the maximum quantity of gas in each price step which the Market Participant is willing to withdraw in the gas day to which the bid relates.
- (9) A Market Participant must not submit bids that are inconsistent with the conditions or constraints applicable to that Market Participant's accreditation under rule 210 unless that Market Participant receives prior consent from AEMO to do so.
- (10) A Market Participant may only make a withdrawal bid in respect of a system withdrawal point on a gas day if the Market Participant has nominated a controllable quantity for that system withdrawal point on that gas day.
- (11) Bids are confidential information up until the end of the gas day to which they apply, and are to be made available to all Market Participants by AEMO after the end of that gas day.

210 Accreditation

- (1) A Market Participant who wishes to utilise controllable quantities for the purpose of:
 - (a) submitting withdrawal bids in respect of a system withdrawal point; or
 - (b) submitting injection bids in respect of a system injection point; and
 - (c) receiving any ancillary payments resulting from the scheduling of those bids,must apply to AEMO for accreditation in accordance with this rule.
- (2) An application by a Market Participant for accreditation of a controllable quantity for a withdrawal bid must specify:
 - (a) the delivery point to which the application relates;
 - (b) details of the load characteristics of the controllable quantity at the delivery point, including:
 - (i) maximum and minimum hourly quantities of gas to be withdrawn at that delivery point;
 - (ii) maximum hourly rates of change of gas flow;
 - (iii) the time required by the Market Participant to modify the rate of gas flow at a delivery point in accordance with a scheduling instruction; and

- (iv) such other information as AEMO may require; and
 - (c) the specific actions that will be taken to increase or decrease withdrawals at the relevant delivery point when the applicable withdrawal bid is scheduled by AEMO.
- (3) An application by a Market Participant for accreditation of a controllable quantity for an injection bid must specify:
 - (a) the system injection point to which the application relates;
 - (b) details of the injection characteristics of the controllable quantity at the system injection point, including:
 - (i) minimum and maximum hourly quantity of gas to be injected at that system injection point;
 - (ii) maximum hourly rates of change of gas flow rates;
 - (iii) the time required by the Market Participant to comply with a scheduling instruction to modify the rate of gas flow rate at the relevant system point; and
 - (iv) such other information as AEMO may require; and
 - (c) the specific actions that will be taken to increase or decrease injections at the relevant system injection point when the applicable injection bid is scheduled by AEMO.
- (4) AEMO may, on application by a Market Participant, fix scheduled injections for a part of a gas day nominated by the Market Participant at quantities of a previous operating schedule for that gas day in accordance with the accreditation procedures.
- (5) AEMO may, on application by a Market Participant, use quantities specified by the Market Participant to validate its demand forecasts in accordance with rule 212.
- (6) AEMO may, on application by a Market Participant, apply the whole or part of the Market Participant's scheduled injections to another Market Participant in determining AMIQ for that other Market Participant.
- (7) AEMO must accredit controllable quantities if:
 - (a) the Market Participant seeking accreditation is able to demonstrate to AEMO's reasonable satisfaction that it will be able to procure modification of the gas flow at the relevant connection point in accordance with any scheduling instructions issued by AEMO and that compliance with the scheduling instructions can be monitored or audited (or monitored and audited) in a manner acceptable to AEMO; and

- (b) in the case where more than one Market Participant is injecting or withdrawing quantities of gas at a connection point, the application for accreditation of the controllable quantity is consistent with the requirements for delivery or receipt of gas at the relevant connection point.
- (8) AEMO must make Procedures (***accreditation procedures***) governing accreditation of controllable quantities under this rule.
- (9) Information submitted by Market Participants for accreditation is confidential information.

211 Timing of submissions by Market Participants

- (1) By 11:00 am on the day that is 2 days before the day on which a gas day commences, a Market Participant:
 - (a) must submit to AEMO:
 - (i) demand forecasts required under this subdivision for the gas day; and
 - (ii) bids in respect of controllable quantities of gas for the gas day;
 - (b) may submit to AEMO an injection hedge nomination, AMIQ profile or agency injection hedge nomination for the gas day.
- (2) If the basis for a submission for a gas day made under subrule (1) or previously resubmitted under this subrule changes, it must be resubmitted to AEMO by whichever of the following is the next to occur:
 - (a) 7:00 am on the day before the day on which the gas day commences;
 - (b) 5:00 am on the day on which the gas day commences.

Note

After the time specified in paragraph (b), updates may only be made to demand forecasts and bids in accordance with subrules (4) to (6).

- (3) On the day before the day on which a gas day commences, a Market Participant may submit updated demand forecasts or bids for that gas day:
 - (a) by 3:00 pm for inclusion in the updated operating schedule to be published at 4:00 pm on that day; or
 - (b) by 10:00 pm for inclusion in the updated operating schedule to be published at midnight.
- (4) On a gas day, a Market Participant may submit updated demand

forecasts or bids for that gas day:

- (a) by 9:00 am for inclusion in the updated operating schedule to be published at 10:00 am on that day; or
 - (b) by 1:00 pm for inclusion in the updated operating schedule to be published at 2:00 pm on that day; or
 - (c) by 5:00 pm for inclusion in the updated operating schedule to be published at 6:00 pm on that day; or
 - (d) by 9:00 pm for inclusion in the updated operating schedule to be published at 10:00 pm on that day.
- (5) An updated bid submitted under subrule (4) must be for the whole of the gas day, and must be consistent with the quantity scheduled in respect of that bid for the current and preceding scheduling intervals on that gas day.
- (6) An updated demand forecast submitted under subrule (4) must be made by hour for the scheduling horizon commencing at the relevant standard schedule time.
- (7) Injection hedge nominations, AMIQ profiles, and agency injection hedge nominations are confidential information.

212 Confirmation by AEMO

- (1) AEMO is under no obligation to verify that the information posted on the Market information bulletin board based on Market Participant submissions is accurate and correct.
- (2) AEMO must acknowledge receipt of all Market Participant submissions submitted by Market Participants in accordance with the electronic communication procedures.
- (3) AEMO must ensure that the information based on Market Participant submissions that is posted on the Market information bulletin board is used for the purposes of scheduling, pricing and settlement in accordance with this Part.
- (4) A Market Participant submission is invalid if it does not conform with these rules or the electronic communication procedures.
- (5) If a Market Participant submission is invalid:
 - (a) AEMO must not use that Market Participant submission for scheduling; and
 - (b) AEMO must, as soon as reasonably practicable after it becomes aware of the invalidity, notify the Market Participant of its invalidity.

213 Other requirements for submissions by Market Participants

- (1) A Market Participant may submit, vary or revoke standing demand forecasts, standing bids, standing injection hedge nominations, standing agency injection hedge nominations or standing AMIQ profiles.
- (2) Each Market Participant must ensure that:
 - (a) each demand forecast submitted by that Market Participant is made in good faith and represents that Market Participant's best estimate of the quantities of gas it expects to withdraw from the declared transmission system in each hour of the relevant scheduling horizon;
 - (b) each injection bid submitted by that Market Participant is made in good faith and represents that Market Participant's best estimate of the quantities of gas it expects to be able to inject into the declared transmission system at the relevant system injection point on the relevant gas day should AEMO schedule that gas;
 - (c) each withdrawal bid submitted by that Market Participant is made in good faith and represents that Market Participant's best estimate of the quantities of gas which it expects to withdraw from the declared transmission system at the relevant system withdrawal point on the relevant gas day should AEMO schedule that gas; and
 - (d) if scheduled to do so by AEMO, it is able to modify the quantities of gas which it injects into, or withdraws from, the declared transmission system on a gas day in accordance with the bids submitted by that Market Participant in respect of that gas day.
- (3) The aggregate quantities of gas (if any) a Market Participant nominates for injection into the declared transmission system on a gas day need not be equal to the aggregate quantities of gas (if any) that Market Participant nominates for withdrawal from the declared transmission system on that gas day.
- (4) A Market Participant who knows or believes that it will not, or that it is unlikely to be able to, comply in any material respect with the injections or withdrawals scheduled for that Market Participant in an operating schedule must immediately notify AEMO of that fact and the extent of the known or likely non-compliance.
- (5) The acceptance or scheduling by AEMO of a demand forecast or a bid, or the failure by AEMO to reject a demand forecast or a bid, does not constitute an offer or undertaking by AEMO to receive, convey or deliver any quantity of gas.

- (6) For the purposes of subrule (2), a bid is made in good faith if at the time of making the bid, the Market Participant has a genuine intention to honour the bid if the material conditions and circumstances on which the bid is based remained unchanged.
- (7) The intention of the Market Participant may be inferred from the conduct of the Market Participant, or of any other person, or from relevant circumstances.

214 Priority of bids in the scheduling process

For the purpose of scheduling under rule 215, if two or more bids are equally beneficial for scheduling, then AEMO must as far as practicable apply the following principles:

- (a) an increase in the amount of gas injected in accordance with an injection bid should be scheduled before scheduling a reduction in gas withdrawn under a withdrawal bid;
- (b) subject to paragraph (d), where two or more injection bids are equally beneficial, those injection bids should be scheduled to the same extent;
- (c) where two or more withdrawal bids are equally beneficial, those withdrawal bids should be scheduled to the same extent;
- (d) where two or more injection bids are equally beneficial, then those injection bids that are associated with AMDQ credit certificates or authorised MDQ should be scheduled before other injection bids that are not associated with AMDQ credit certificates or authorised MDQ.

215 Operating schedules

- (1) AEMO must use the following inputs and assumptions for the purpose of producing operating schedules:
 - (a) the demand forecasts and bids submitted by Market Participants in respect of that gas day prior to the times specified in rule 211, including any conditions or constraints included in the bids in accordance with rule 209(8);
 - (b) any conditions or constraints applicable to the bids of Market Participants and delivery or receipt of gas at the relevant connection point accredited under the accreditation process under rule 210;
 - (c) any supply or demand point constraints applied by AEMO in accordance with the gas scheduling procedures.
 - (d) AEMO's demand forecast override, as determined in

- accordance with the gas scheduling procedures;
 - (e) the linepack target (in GJ) for the end of the gas day as defined by AEMO in accordance with the gas scheduling procedures;
 - (f) any equations or constraints relating to the flow of gas in the declared transmission system, including without limitation mass, gas flow and minimum and maximum operating pressures;
 - (g) in the case of operating schedules produced prior to a gas day to which the schedules relate, the forecast condition of the flow of gas in the declared transmission system at the start of that gas day, including without limitation mass, operating pressures and quantity and distribution of linepack;
 - (h) in the case of operating schedules produced in respect of a gas day on that gas day, the actual condition of the flow of gas in the declared transmission system, including without limitation mass, operating pressures and quantity and distribution of linepack;
 - (i) the actual or forecast state or condition of the pipelines and pipeline equipment which constitute the declared transmission system;
 - (j) scheduled quantities of gas in the relevant operating schedule in accordance with the gas scheduling procedures; and
 - (k) any other inputs or assumptions specified for that purpose in the gas scheduling procedures.
- (2) The inputs and assumptions set out in subrule (1) must be applied by AEMO in an optimisation program in which a representation of the declared transmission system and valid demand forecasts and bids submitted by Market Participants are used to produce operating schedules which specify injections and withdrawals for each hour of the gas day in a way that minimises the cost of satisfying expected demand for gas over that gas day.
- (3) Each day AEMO must publish operating schedules and pricing schedules as follows:
- (a) by 12 noon, an operating schedule covering each hour in the gas day starting on the second day after the current day and a pricing schedule for that gas day;
 - (b) for the gas day after the current day:
 - (i) by 8:00 am, an operating schedule and pricing schedule;

- (ii) by 4:00 pm, an updated operating schedule and pricing schedule; and
 - (iii) by midnight, an updated operating schedule and pricing schedule;
- (c) for the gas day starting on that day:
 - (i) by 6:00 am, an operating schedule and pricing schedule;
 - (ii) by 10:00 am, an updated operating schedule and pricing schedule;
 - (iii) by 2:00 pm, an updated operating schedule and pricing schedule;
 - (iv) by 6:00 pm, an updated operating schedule and pricing schedule; and
 - (v) by 10:00 pm, an updated operating schedule and pricing schedule.
- (4) AEMO may, in accordance with the gas scheduling procedures, publish further operating schedules at times other than those times specified in subrule (3) if a change in circumstances occurs that AEMO reasonably considers constitutes a threat to system security that must be addressed by a revised operating schedule before the next update to the relevant operating schedule under subrule (3).
- (5) An operating schedule published under subrule (4) for scheduling horizons on the current gas day is an intervention by AEMO.
- (6) An operating schedule published under subrule (4) for scheduling horizons on the gas day which is 1 or 2 days after the current gas day is not an intervention by AEMO.
- (7) The market price must not be updated when AEMO revises the operating schedules under subrule (4).
- (8) Each operating schedule must include the information set out in rule 320(2).
- (9) All material factors which AEMO takes into account for the purposes of preparing an operating schedule must be recorded by AEMO so that the gas scheduling procedures can be properly audited.
- (10) AEMO must maintain records relating to the scheduling process undertaken by AEMO in respect of each gas day and make those records available to any Market Participant, subject to the Market Participant paying the reasonable costs incurred by AEMO in making those records available.

- (11) AEMO must issue scheduling instructions to each Market Participant by no later than the times specified in this rule on each day, specifying the quantities of gas which each Market Participant is scheduled to inject or withdraw for each hour of the gas day commencing on that day at each injection point and system withdrawal zone or system withdrawal point as relevant.
- (12) AEMO may make changes to the operating schedules by issuing scheduling instructions during the gas day in accordance with the gas scheduling procedures.
- (13) AEMO must ensure that all scheduling instructions and the times at which they are issued are automatically logged electronically or otherwise recorded.
- (14) A later operating or pricing schedule supersedes an earlier one.

216 Failure to conform to scheduling instructions

- (1) Subject to subrules (2) and (4), if AEMO issues a scheduling instruction in respect of a bid, the Market Participant who submitted the bid must comply with the scheduling instruction in all material respects.
- (2) If a Market Participant is unable to comply in all material respects with a scheduling instruction issued in respect of a bid, it must:
 - (a) notify AEMO that it is unable to comply with the scheduling instruction as soon as practicable after it becomes aware of its failure to comply and give the reasons for the failure; and
 - (b) advise AEMO of the actions proposed to be undertaken by the Market Participant to re-establish compliance with its obligations under this Subdivision; and
 - (c) where the failure was due to a participant *force majeure* event, keep AEMO informed at reasonable intervals of:
 - (i) the Market Participant's estimate of the likely duration of the participant *force majeure* event; and
 - (ii) any other matter which AEMO may reasonably request in connection with the occurrence of the participant *force majeure* event and the matters referred to in paragraph (b); and
 - (d) provide AEMO with such evidence of the reasons for the failure as AEMO may reasonably require.
- (3) If a Market Participant is unable to comply in all material respects with a scheduling instruction issued in respect of a bid, AEMO must notify all Market Participants of that fact and AEMO must, on

request, provide details of the reasons for the failure to comply:

- (a) to the extent that those reasons have been provided to AEMO;
and
 - (b) only to the extent that the information explains the effect on AEMO's operation of the declared transmission system, including the quantities of gas affected and the likely period of effect.
- (4) A Market Participant is not obliged to comply with a scheduling instruction issued in respect of a bid:
- (a) to the extent that it is unable to do so due to a participant *force majeure* event determined in accordance with subrule (7); or
 - (b) if, in the case of the Market Participant, not being a Producer, Storage Provider, or interconnected transmission pipeline service provider, having ordered a quantity of gas from a Producer or other person to enable it to comply with that bid and that Producer or other person was only required, under the terms of its contract with that Market Participant, to use its reasonable endeavours to deliver that quantity of gas and that Producer or other person does not in fact deliver that quantity of gas; or
 - (c) if, in the case of the Market Participant also being a Producer, Storage Provider or interconnected transmission pipeline service provider, that Market Participant has used its reasonable endeavours to deliver that quantity of gas but has not in fact delivered that quantity of gas provided that Market Participant has made its bid in good faith.
- (5) A participant *force majeure* event is the occurrence or effects of any one or more of the events or circumstances set out in subrule (6) that:
- (a) is beyond the reasonable control of the Market Participant who is affected by the relevant event; and
 - (b) results in or causes the Market Participant who is affected by the relevant event to fail to comply with scheduling instructions, either in part or in whole.
- (6) An event referred to in subrule (5):
- (a) includes the following events or circumstances:
 - (i) acts of God, including earthquake, flood, fires, storms, storm warnings, and navigational and maritime perils;
 - (ii) labour disputes;

- (iii) acts of public enemies, wars, terrorism, civil disturbances, blockades, insurrections, riots, epidemics;
 - (iv) any law, order, rule, regulation, act, restraint, omission or failure to act of any government authority, civil or military (whether or not in fact legally valid);
 - (v) failure of the declared transmission system (which may, or may not, constitute a system *force majeure* event);
 - (vi) accident, premature, partial or entire failure, breakage, freezing, fire, explosion or other damage or malfunction resulting in the partial or complete shutdown of any part of a Market Participant's facilities;
 - (vii) any other event, whether similar or dissimilar to those identified herein which meet the requirements of subrule (5);
- (b) excludes, without limitation, the following events or circumstances:
- (i) financial hardship or the inability of a Market Participant, and/or any affiliate of a Market Participant, to make a profit or achieve a satisfactory rate of return resulting from performance or failure to perform its obligations under this Part or from the sale or consumption of gas;
 - (ii) loss of Customers, loss of market share, or reduction in demand for gas; or
 - (iii) failure or inability to perform attributable to market price.
- (7) Market Participants must use all reasonable endeavours to mitigate and minimise the occurrence and effects of a participant *force majeure* event.
- (8) Notwithstanding the obligation to mitigate and minimise imposed by subrule (7), the settlement of a labour dispute which constitutes a participant *force majeure* event is a matter which is within the absolute discretion of the Market Participant and nothing in this rule requires the Market Participant to settle or compromise a labour dispute where the Market Participant, in its sole and absolute discretion, considers that course to be inappropriate.
- (9) Subject to subrule (2), if a Market Participant fails to comply in any material respect (as determined by AEMO in its reasonable opinion) with a scheduling instruction issued in respect of a bid and is not excused from complying with that scheduling instruction under subrule (4), then:
- (a) AEMO must notify the relevant Market Participant that the gas

injection or gas withdrawal does not conform and request a reason for the Market Participant's failure to comply with the scheduling instruction; and

- (b) if the relevant Market Participant fails to respond to the request set out in paragraph (a) or if AEMO is not satisfied that the relevant Market Participant will respond to any future scheduling instruction, AEMO may intervene by issuing directions or requiring the Market Participant to take action in accordance with Division 5, Subdivision 5 (which intervention may include requiring the Market Participant to inject or withdraw gas at a constant rate).
- (10) Until a Market Participant responds to a request under subrule (9)(a) and AEMO is satisfied that the Market Participant will respond to future scheduling instructions, the gas injection or gas withdrawal which is the subject of the bid will be regarded as non-conforming.

217 Unintended scheduling results

- (1) If scheduling instructions issued as part of an operating schedule produce one or more of the following results:
- (a) equally beneficial bids are not scheduled to the same extent;
 - (b) a quantity of gas under an injection bid above the market price is scheduled for injection but the relevant Market Participant does not receive the bid price in respect of the gas injected in accordance with that scheduling instruction;
 - (c) a quantity of gas under an injection bid below the market price is not scheduled for injection;
 - (d) a quantity of gas under a withdrawal bid above the market price is not scheduled for withdrawal;
 - (e) a quantity of gas under a withdrawal bid below the market price is scheduled for withdrawal;
 - (f) a scheduling instruction is not issued in accordance with the gas scheduling procedures,

then that result will be an "unintended scheduling result" unless otherwise specified in subrules (2), (3) or (4). An unintended scheduling result may arise whether or not AEMO has complied with rule 214 or the gas scheduling procedures.

- (2) A result specified in subrule (1) will not be an unintended scheduling result to the extent that:
- (a) the result arose from the application of, or (as the case may

- be) the exercise of rights or performance of obligations in accordance with:
 - (i) Division 5 of this Part;
 - (ii) the system security procedures;
 - (iii) the emergency protocol;
 - (iv) the ancillary payment procedures;
 - (v) the service envelope agreement;
 - (vi) an agreement entered into between AEMO and a Distributor or the owner or operator of a facility at a relevant system point;
 - (vii) constraints applicable to controllable quantities accredited by AEMO at a relevant system point;
 - (viii) authorised MDQ or AMDQ credit certificates associated with a relevant system point;
 - (ix) supply-demand point constraints as defined in the gas scheduling procedures;
 - (x) directional flow point constraints as defined in the gas scheduling procedures;
 - (xi) any other provision of this Part or other applicable legislation; or
 - (b) a Market Participant has been compensated for the result in accordance with this Part or Procedures made under this Part.
- (3) An error made in determining a market price or a pricing schedule is not an unintended scheduling result.
- (4) A result specified in subrule (1) will not be an unintended scheduling result unless its estimated financial effect on Market Participants exceeds either:
- (a) for an individual Market Participant, \$20,000, adjusted to reflect the change in the Consumer Price Index in accordance with subrule (5); or
 - (b) for all affected Market Participants, an aggregate of \$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:

$$\frac{CPI_n}{CPI_0}$$

where:

CPI₀ is the Consumer Price Index number (All Groups, weighted average of eight capital cities) published by the Australian Bureau of Statistics for the financial year ended 30 June 2008, being 161.4; and

CPI_n is the Consumer Price Index number (All Groups, weighted average of eight capital cities) for the most recent financial year published by the Australian Bureau of Statistics before the issue of the relevant operating schedule.

218 Process for determining occurrence of unintended scheduling result

- (1) AEMO:
 - (a) must, on request by a Market Participant in accordance with subrule (2); and
 - (b) may, on its own initiative, investigate whether an unintended scheduling result has occurred.
- (2) A request by a Market Participant to AEMO to investigate whether an unintended scheduling result has occurred must:
 - (a) be made in writing not later than 60 business days after the issue of the relevant operating schedule;
 - (b) identify the relevant operating schedule;
 - (c) specify the result the Market Participant believes to be an unintended scheduling result; and
 - (d) include any information available to the Market Participant that supports that belief.
- (3) If after investigation AEMO decides:
 - (a) that an unintended scheduling result has occurred; or
 - (b) where the investigation was undertaken pursuant to a request under subrule (2), that the matter under investigation is not an unintended scheduling result,

AEMO must publish that decision promptly, and in any event not 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 Market Participants to identify the relevant operating schedule and the matter investigated by AEMO.

- (4) A Market Participant may initiate the dispute resolution processes in respect of the occurrence of, or compensation in respect of, an unintended scheduling result, whether or not AEMO has published a decision under subrule (3).
- (5) If AEMO publishes a decision that an unintended scheduling result has occurred, AEMO may initiate the dispute resolution processes in respect of the matter, for the purposes of confirming that decision and determining any compensation payable.

219 Injection and withdrawal confirmations

- (1) Each Registered participant who is registered as a Producer, a Storage Provider, or an interconnected transmission pipeline service provider must as soon as possible on each day notify AEMO of the total quantity of gas that it intends to inject into, and withdraw from, the declared transmission system on its own account (if any) and on behalf of Market Participants during the gas day commencing on the following day.
- (2) If, for any reason, there is a material change to the quantity of gas previously notified by a Registered participant under this rule, then the Registered participant must promptly notify AEMO of the change.

220 Title, custody and risk

- (1) Each Market Participant unconditionally and irrevocably authorises AEMO to effect any transfer of title to gas injected by it into the declared transmission system and to determine the time and place of transfer and the quantities of gas transferred in accordance with this Part.
- (2) AEMO is not liable for and makes no warranty regarding the merchantability or suitability for any purpose of gas delivered at a system withdrawal point.
- (3) Custody and control, and risk of loss, of gas injected into the declared transmission system at a system injection point passes to AEMO at the system injection point immediately after injection.
- (4) Custody and control, and risk of loss, of gas withdrawn from the declared transmission system at a system withdrawal point passes to the Market Participant who has title to that gas at that system withdrawal point immediately prior to withdrawal or, where a Market

Participant has injected gas as agent for a third party, to the Market Participant whose principal has title to gas at that system withdrawal point immediately prior to withdrawal.

- (5) AEMO has the right to co-mingle a Market Participant's gas with other gas in the declared transmission system.
- (6) Each Market Participant is taken to accept that the gas delivered to it at a system withdrawal point may not match the specifications of the gas injected, or tendered for injection, into the declared transmission system by that Market Participant at a system injection point.

Subdivision 3 Determination of market price

221 Determination of market price

- (1) Market prices must be determined by AEMO in accordance with this Subdivision.
- (2) AEMO must produce pricing schedules in accordance with subrule (4) for the purpose of determining market prices.
- (3) AEMO must have regard to the following matters so far as relevant to the production of the pricing schedules for a scheduling horizon:
 - (a) valid bids submitted by Market Participants for that gas day, including conditions or constraints included in the bids in accordance with rule 209(8);
 - (b) the total of valid demand forecasts submitted by all Market Participants;
 - (c) the quantities scheduled in the relevant previously published operating schedule;
 - (d) accredited controllable quantities for Market Participants;
 - (e) any demand forecast override applied by AEMO in accordance with the gas scheduling procedures;
 - (f) any supply or demand point constraints applied by AEMO in accordance with the gas scheduling procedures;
 - (g) the estimated linepack (in GJ) at the beginning of the scheduling horizon;
 - (h) the linepack target (in GJ) for the end of the gas day as defined by AEMO in accordance with the gas scheduling procedures;
 - (i) any other inputs or assumptions specified for that purpose in

the gas scheduling procedures.

- (4) The inputs and assumptions set out in subrule (3) must be applied by AEMO in an optimisation program in which valid bids submitted by Market Participants are used to produce pricing schedules that specify injections and withdrawals of gas to be made in each gas day in a way that minimises the cost of satisfying the expected demand for gas in that gas day and for the purpose of doing so, AEMO must not include a representation of the declared transmission system.
- (5) The pricing schedules for a gas day determine:
 - (a) the market price for that gas day and updates to that market price during that gas day;
 - (b) the quantities of gas that each Market Participant would have been scheduled to inject and/or withdraw in the gas day on the basis of the inputs and assumptions applied under subrule (3).
- (6) The market price must not be revised when an operating schedule for the current gas day is revised on that day under rule 215(4) at times other than the standard scheduling times.
- (7) Market prices must not be adjusted in respect of an unintended scheduling result.

222 Failure to publish market prices or pricing schedules

- (1) Subject to subrule (3), if AEMO is unable to determine a market price or a pricing schedule in accordance with rule 221 as a result of a failure of software or systems, AEMO must nevertheless determine the market prices and the pricing schedule.
- (2) In determining market prices and a pricing schedule under this rule, AEMO must:
 - (a) act in accordance with rule 221 to the extent AEMO considers it reasonably possible to do so; and
 - (b) to the extent it is not possible to act in accordance with rule 221 – act on the basis of knowledge and information AEMO considers to be relevant and reasonable.
- (3) A price determined under this rule must not exceed the administered price cap.

223 VoLL

If a pricing schedule determines that injections and withdrawals of gas imply that curtailment would have occurred (whether or not curtailment actually occurs), the market price for that scheduling

horizon is equal to *VoLL*.

224 Administered Pricing

- (1) AEMO must make Procedures (***administered pricing procedures***) that specify the administered price cap and define the process that AEMO must apply to declare and end administered price periods.
- (2) During an administered price period, market prices must not exceed the administered price cap, and ancillary payments must be determined and limited by the administered price cap in accordance with rule 239(5).

Subdivision 4 Participant Compensation fund

225 Participant compensation fund

- (1) The Participant compensation fund is transferred to AEMO's administration as from the changeover date.

Note

It follows that the fund is a Rule fund for the purposes of Part 5, Division 9 of the NGL.

- (2) The funding requirement for the Participant compensation fund is, for each financial year, the lesser of:
 - (a) \$500,000;
 - (b) \$1,000,000 minus the amount AEMO reasonably expects to be the balance of the Participant compensation fund at the end of the relevant financial year.
- (3) AEMO must, no later than the date of issue of the first preliminary settlement statement in each financial year, publish the contribution rate for contributions to the Participant compensation fund for the financial year.
- (4) The contribution rate for the financial year is to be calculated by dividing the funding requirement determined under subrule (1) by AEMO's reasonable forecast of the aggregate quantity of gas which it expects all Market Participants will withdraw from the declared transmission system for the financial year.
- (5) Each Market Participant must pay to AEMO (as part of the settlement amount payable by the Market Participant for each billing period) an amount calculated by multiplying the contribution rate by the aggregate quantity of gas withdrawn from the declared transmission system by that Market Participant during the relevant billing period as determined under Division 3, Subdivision 4.
- (6) AEMO must pay the amounts paid by Market Participants under

subrule (5) into the Participant compensation fund.

- (7) Market Participants are not entitled to a refund of any contributions made to the Participant compensation fund.
- (8) AEMO must pay from the Participant compensation fund:
 - (a) all income tax on interest earned by the Participant compensation fund; and
 - (b) any other tax, fee or charge in relation to the Participant compensation fund; and
 - (c) compensation to Market Participants in accordance with rule 226.

226 Compensation to be determined under dispute resolution processes

- (1) If an unintended scheduling result occurs and its occurrence is confirmed under subrule (2), the following matters must be determined, subject to rule 227, in accordance with the dispute resolution processes:
 - (a) which Market Participants are to receive compensation from the participant compensation fund for that unintended scheduling result; and
 - (b) the amount of compensation each Market Participant is to receive; and
 - (c) the manner and timing of payments from the Participant compensation fund.
- (2) For the purposes of this rule, the occurrence of an unintended scheduling result must be confirmed by agreement or determination in accordance with the dispute resolution processes.

227 Compensation limited

- (1) The aggregate amount of compensation paid each year from the Participant compensation fund must not exceed the balance of the Participant compensation fund that would have been available at the end of that year had no compensation payments been made that year and therefore the Dispute resolution panel must, when making a determination, take into account the following requirements:
 - (a) the aggregate amount of compensation determined under rule 226 must not exceed the balance of the Participant compensation fund at the time the determination is made, less any amount not yet paid from the Participant compensation

- fund in respect of any previous determinations; and
- (b) the aggregate amount of compensation payable from the Participant compensation fund at any time is limited to the balance of the fund.
- (2) AEMO is not liable for an unintended scheduling result except out of the Participant compensation fund in accordance with this Subdivision.

Subdivision 5 Allocation and Reconciliation

228 Quantities

For the purposes of:

- (a) this Part, including determining actual imbalances, actual injections, adjusted withdrawals and deviation payments under rule 235; and
- (b) determining fees payable by Market Participants in connection with AEMO's functions under this Part,

the quantity of gas treated as injected into and withdrawn from the declared transmission system by each Market Participant is determined in accordance with this Subdivision.

229 Injection allocations

- (1) Subject to subrule (16), where gas is injected, or tendered for injection, at a system injection point by more than one Market Participant, the Market Participants who inject gas, or tender gas for injection, at that system injection point must appoint either a single Allocation Agent or a Sub-Allocation Agent who is included in the injection allocation statement from the single Allocation Agent to determine the quantity of gas which is to be treated as injected into the declared transmission system by each of those Market Participants from time to time at that system injection point.
- (2) If an Allocation Agent has not been appointed by a Market Participant for a system injection point or an Allocation Agent has ceased to act in respect of that system injection point for any reason, AEMO may appoint an Allocation Agent for that system injection point and such an appointment is taken to have been made by that Market Participant.
- (3) Only one Allocation Agent can be appointed for each system injection point.
- (4) Each Market Participant must immediately notify AEMO if an Allocation Agent or a Sub-Allocation Agent ceases to be appointed

- by it in relation to any system injection point.
- (5) Each Market Participant who appoints an Allocation Agent or Sub-Allocation Agent must for the term of that appointment ensure that the Allocation Agent or Sub-Allocation Agent complies with the provisions of this Subdivision.
 - (6) If an Allocation Agent or Sub-Allocation Agent does not comply with the provisions of this Subdivision, AEMO is not required to have regard to any injection allocation statement submitted by that Allocation Agent or Sub-Allocation Agent and subrule (13) will apply for the purpose of allocation.
 - (7) Each Allocation Agent must, in respect of each system injection point in relation to which it has been appointed, give to AEMO an injection allocation statement in accordance with AEMO's requirements specifying:
 - (a) the identity of the system injection point;
 - (b) the gas day to which the statement relates;
 - (c) the identity of each Market Participant that injected gas into the declared transmission system at that system injection point during that gas day;
 - (d) the total quantity of gas injected into the declared transmission system at that system injection point in each hour of that gas day; and
 - (e) the quantity of gas to be treated as injected by each Market Participant into the declared transmission system at that system injection point in each hour of that gas day.
 - (8) The total quantity of gas allocated by each Allocation Agent in respect of an hour at a system injection point must equal the total quantity of gas injected into the declared transmission system during that hour at that system injection point (determined in accordance with this Subdivision).
 - (9) Where an injection allocation statement has been submitted by an Allocation Agent that specifies the quantity of gas injected into the declared transmission system at a system injection point on a gas day, any Sub-Allocation Agent appointed at that system injection point must give to AEMO a sub-allocation statement in accordance with AEMO's requirements, specifying:
 - (a) that the quantity is to be treated as having been injected into the declared transmission system at that system injection point by one or more Market Participants;
 - (b) the identity of those Market Participants;

- (c) the gas day to which the statement relates; and
 - (d) the quantity that is to be treated as having been injected by each of those Market Participants in each hour of that gas day.
- (10) AEMO is not required to have regard to any sub-allocation statement unless each Market Participant identified in that sub-allocation statement has confirmed in writing to AEMO that it has appointed the Sub-Allocation Agent for the relevant system injection point for the purposes of subrule (9).
- (11) AEMO is entitled to rely on any injection allocation statement or sub-allocation statement submitted by an Allocation Agent or a Sub-Allocation Agent for the purposes of determining the quantities of gas treated as injected into the declared transmission system by all Market Participants who have appointed that Allocation Agent or Sub-Allocation Agent.
- (12) If:
- (a) an Allocation Agent has not been appointed in respect of a system injection point; or
 - (b) a Sub-Allocation Agent has not been appointed in respect of a system injection point for which the Sub-Allocation Agent is included in the injection allocation statement from the Allocation Agent; or
 - (c) AEMO is notified by a Market Participant that the appointment of an Allocation Agent or Sub-Allocation Agent in respect of a system injection point has been terminated by that or any other Market Participant,

AEMO must determine the quantities of gas to be treated as injected by Market Participants at that system injection point in accordance with subrule (13) and, in the case of paragraph (c), must disregard any injection allocation statement or sub-allocation statement subsequently given by that Allocation Agent or Sub-Allocation Agent in respect of that system injection point.

- (13) If subrule (6) or (12) applies, AEMO must determine the quantity of gas to be treated as having been injected by each Market Participant at the relevant system injection point in accordance with the following formula:

$$Q = MQ \times (SQ / \Sigma SQ)$$

Where:

- Q is the quantity of gas that is to be treated as having been injected by that Market Participant at that system injection

point in an hour;

MQ is the actual quantity of gas injected into the declared transmission system at that system injection point in that hour;

SQ is the quantity of gas scheduled in the last published operating schedule for injection by that Market Participant at that system injection point in that hour; and

Σ SQ is the total quantity of gas scheduled in the last published operating schedule for injection by all Market Participants at that system injection point in that hour,

provided that AEMO may, on prior notice given to any affected Market Participant, vary the above formula, or use a different formula, in any case where it is established that the application of the above formula, in all the circumstances, affords undue preference or undue prejudice to any Market Participant and in exercising its discretion under this proviso, AEMO may have regard to title to gas.

- (14) Where AEMO has acted in accordance with subrule (13) then AEMO may recover reasonable costs incurred in applying that rule from those Market Participants to which the application has applied and those Market Participants must pay AEMO those costs.
- (15) An Allocation Agent may be appointed to act in relation to more than one system injection point and may also be appointed to act in relation to one or more system withdrawal points.
- (16) If:
- (a) AEMO requires a Registered participant to inject gas at a system injection point under rule 343; and
 - (b) another Registered participant, or other Registered participants, inject gas at the same system injection point, over the same period, in response to a requirement under rule 343 or otherwise; and
 - (c) the hourly quantity of gas injected by one or more of them is not separately metered,

then the hourly quantity of gas injected by each Registered participant must be determined by the use of an allocation method agreed by all those Registered participants.

- (17) If the quantities have not been determined in accordance with an agreed allocation method within 10 business days of the gas day in which the gas was injected, then the quantities must be determined using the dispute resolution processes.

- (18) Until the quantities have been determined under subrule (16) or (17) AEMO must, for the purposes of:
- (a) monitoring AEMO's estimated exposure to Market Participants under rule 262; and
 - (b) the issue of the preliminary settlement statement for a billing period; and
 - (c) the issue of the final statement for a billing period; and
 - (d) the issue of the revised statement for a billing period,
- estimate the relevant quantities and advise any Allocation Agent appointed in accordance with subrule (1) for that system injection point accordingly.
- (19) AEMO must publish a method for estimating the quantities of gas to be treated as injected by each Registered participant under subrule (18).
- (20) Where the quantities of gas to be treated as injected by each Registered participant have been determined under the dispute resolution processes, AEMO must advise any Allocation Agent appointed for the system injection point subject to that determination, and must do so within 5 business days of being advised of the determination having been made.
- (21) An Allocation Agent advised of quantities of gas in accordance with subrules (18) or (20) must take the quantity of gas treated as having been injected by each Registered participant into account when determining the quantity of gas treated as having been injected by each Registered participant at that system injection point.

230 Withdrawal allocations

- (1) Where gas is withdrawn, or tendered for withdrawal, at a delivery point by more than one Market Participant and there are insufficient metering installations installed to enable AEMO to determine the quantity of gas withdrawn at that delivery point by each Market Participant, the Market Participants who withdraw gas, or tender gas for withdrawal, at that delivery point must appoint a single Allocation Agent or a Sub-Allocation Agent who is included in a withdrawal allocation statement from the single Allocation Agent to determine the quantity of gas which is to be treated as withdrawn from the declared transmission system or declared distribution system by each of those Market Participants from time to time at that delivery point.
- (2) Only one Allocation Agent can be appointed for each delivery point

to which subrule (1) applies.

- (3) Each Market Participant must immediately notify AEMO if an Allocation Agent or Sub-Allocation Agent ceases to be appointed by it in relation to any delivery point to which subrule (1) applies.
- (4) Each Market Participant who appoints an Allocation Agent or Sub-Allocation Agent must ensure for the term of the appointment that the Allocation Agent complies with the provisions of this Subdivision.
- (5) If an Allocation Agent or Sub-Allocation Agent does not comply with the provisions of this Subdivision, AEMO is not required to have regard to any withdrawal allocation statement submitted by that Allocation Agent or Sub-Allocation Agent and subrule (12) will apply for the purpose of determining allocations.
- (6) Each Allocation Agent must, in respect of each delivery point in respect of which it has been appointed, give to AEMO, a withdrawal allocation statement in accordance with AEMO's requirements specifying:
 - (a) the identity of the delivery point; and
 - (b) the gas day to which the statement relates; and
 - (c) the identity of each Market Participant which withdraws gas from the declared transmission system at that delivery point during that gas day; and
 - (d) the total quantity of gas withdrawn from the declared transmission system at that delivery point in each hour of that gas day; and
 - (e) the quantity of gas which is to be treated as withdrawn by each Market Participant from the declared transmission system at that delivery point in each hour of that gas day.
- (7) The total quantity of gas allocated by each Allocation Agent in respect of an hour at a delivery point to which subrule (1) applies must equal the total quantity of gas withdrawn from the declared transmission system or declared distribution system during that hour at that delivery point (determined in accordance with Division 3, Subdivision 4).
- (8) Where a withdrawal allocation statement has been submitted by an Allocation Agent specifying the quantity of gas withdrawn from the declared transmission system at a delivery point to which subrule (1) applies on a gas day, any Sub-Allocation Agent appointed at that delivery point must give to AEMO a sub-allocation statement in accordance with AEMO's requirements, specifying:

- (a) that the quantity is to be treated as having been withdrawn from the declared transmission system at that delivery point by one or more Market Participants; and
 - (b) the identity of those Market Participants; and
 - (c) the gas day to which the statement relates; and
 - (d) the proportion of that quantity to be treated as having been withdrawn by each of those Market Participants in each hour of that gas day.
- (9) AEMO is not required to have regard to any sub-allocation statement unless each Market Participant identified in that sub-allocation statement has confirmed in writing to AEMO that it has appointed the Sub-Allocation Agent for the relevant delivery point for the purposes of subrule (8).
- (10) AEMO is entitled to rely on any withdrawal allocation statement or sub-allocation statement submitted by an Allocation Agent or a Sub-Allocation Agent for the purposes of determining the quantities of gas treated as withdrawn from the declared transmission system by all Market Participants who have appointed that Allocation Agent or Sub-Allocation Agent.
- (11) If, in relation to a delivery point to which subrule (1) applies:
- (a) an Allocation Agent has not been appointed in respect of that delivery point; or
 - (b) a Sub-Allocation Agent has not been appointed in respect of a delivery point for which the Sub-Allocation Agent is included in a withdrawal allocation statement from the Allocation Agent, or
 - (c) AEMO is notified by a Market Participant that the appointment of an Allocation Agent or Sub-Allocation Agent in respect of that delivery point has been terminated by that or any other Market Participant,

AEMO must determine the quantities of gas to be treated as withdrawn by Market Participants at that delivery point in accordance with subrule (12) and, in the case of this subrule, must disregard any withdrawal allocation statement or sub-allocation statement subsequently given by that Allocation Agent or Sub-Allocation Agent in respect of that delivery point.

- (12) If subrules (5) or (11) apply, then the quantity of gas to be treated for settlement purposes as having been withdrawn by each Market Participant at the relevant delivery point is a quantity reasonably determined by AEMO using the information available to it at the time and after consultation with the affected Market Participants.

- (13) Where AEMO has acted in accordance with subrule (12) then AEMO may recover reasonable costs incurred in applying that rule from those Market Participants to which the application has applied and those Market Participants must pay AEMO those costs.
- (14) An Allocation Agent may be appointed to act in relation to more than one delivery point.

231 Gas used for operating transmission system assets

- (1) Operational gas is to be included in the linepack account.
- (2) For the avoidance of doubt, operational gas does not include gas usage related to the LNG storage facility or unaccounted for gas.

Subdivision 6 Settlements

232 Settlements management by AEMO

AEMO must facilitate the billing and settlement of transactions between Market Participants and other amounts payable under or by reference to this Part in accordance with this Subdivision.

233 Electronic funds transfer

- (1) AEMO must ensure that an EFT facility is provided and made available to all Market Participants for the purpose of facilitating settlement.
- (2) Unless otherwise authorised by AEMO, all Market Participants must use the EFT facility for the settlement of transactions.
- (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.

234 Amounts for gas days

- (1) AEMO must determine:
 - (a) each Market Participant's scheduled imbalance and deviation in accordance with rule 235;
 - (b) each Market Participant's imbalance payments and deviation payments in accordance with rule 235;
 - (c) the ancillary payments (if any) for each Market Participant in respect of that gas day in accordance with rule 239;

- (d) the uplift payments (if any) for each Market Participant in respect of that gas day in accordance with rule 240;
 - (e) the market prices in respect of that gas day in accordance with Subdivision 2; and
 - (f) the trading amounts for each Market Participant in respect of that gas day, as determined in accordance with subrule (2).
- (2) The trading amount for a Market Participant for a trading interval equals the sum of:
- (a) that Market Participant's total imbalance payment for that gas day (determined in accordance with rule 235); plus
 - (b) that Market Participant's total deviation payment for that gas day (determined in accordance with rule 235).

235 Imbalance payments and Deviation payments

- (1) The total imbalance payment of a Market Participant for a gas day is the sum of the imbalance payments determined for each scheduling horizon of that gas day.
- (2) The imbalance payment of a Market Participant arising from the scheduling horizon commencing at 6:00 am is:
- (a) the Market Participant's scheduled imbalance arising from the last published operating schedule commencing at the start of the scheduling interval;
- multiplied by
- (b) the market price determined under Subdivision 2 for the standard schedule time of 6:00 am.
- (3) The imbalance payment of a Market Participant arising from each subsequent scheduling horizon in the gas day is:
- (a) the Market Participant's scheduled imbalance from the last published operational schedule commencing prior to the start of the next scheduling interval; less
 - (b) the Market Participant's scheduled imbalance from the last published operational schedule commencing in the previous scheduling interval;
- which may result in a negative amount, multiplied by
- (c) the market price determined under Subdivision 2 for the commencement of that scheduling horizon.

- (4) The total deviation payment of a Market Participant and AEMO for a gas day is the sum of the deviation payments determined for each scheduling interval of that gas day.
- (5) The deviation payment of a Market Participant and AEMO arising from each of the scheduling intervals of the gas day is, for each of these scheduling intervals:
 - (a) the deviation for that Market Participant or AEMO for that scheduling interval;multiplied by
 - (b) the market price determined under Subdivision 2 for the commencement of the next scheduling interval.
- (6) The market price to be used in the determination of deviation payments under subrule (5) for the last scheduling interval of a gas day is the market price for the standard schedule time of 6:00 am on the following gas day.
- (7) For the purpose of determining each Market Participant's actual imbalance in a scheduling interval, AEMO must make an adjustment to the total quantity of gas (if any) withdrawn by that Market Participant from the declared transmission system in that scheduling interval to account for unaccounted for gas in accordance with the following formula:

$$AWT = MWT / (1 - UAFGT)$$

Where:

AWT is the net adjusted quantity of gas that is to be treated as having been withdrawn by that Market Participant from the declared transmission system in that scheduling interval; and

MWT is the net quantity of gas withdrawn by that Market Participant from the declared transmission system in that scheduling interval; and

UAFGT is 0.0 or some other value fixed (after consultation with Market Participants) for the purposes of this definition, and published, by AEMO.

- (8) For the purpose of determining each Market Participant's actual imbalance in a scheduling interval, AEMO must make an adjustment to the total quantity of gas (if any) withdrawn by that Market Participant in that scheduling interval from a distribution delivery point to account for unaccounted for gas in accordance with the following formula:

$$AWD = MWD / \{(1 - UAFGD) \times (1 - UAFGT)\}$$

Where:

AWD is the adjusted quantity of gas that is to be treated as having been withdrawn by that Market Participant in that scheduling interval from that distribution delivery point;

MWD is the quantity of gas withdrawn by that Market Participant in that scheduling interval from that distribution delivery point;

UAFGD is the relevant unaccounted for gas benchmark assigned to:

- (a) the Distributor on whose distribution pipeline the distribution delivery point is located; and
- (b) the quantity of gas withdrawn by that Market Participant at that distribution delivery point,

in accordance with the declared metering requirement; and

UAFGT is 0.0 or some other value fixed (after consultation with Market Participants) for the purposes of this definition, and published, by AEMO.

- (9) The net adjusted withdrawals of a Market Participant at a system withdrawal point must be determined:
 - (a) subject to paragraphs (b) and (c), at that system withdrawal point as the metered quantity of gas withdrawn, adjusted in accordance with subrule (7);
 - (b) at a system withdrawal point at which an Allocation Agent or Sub-Allocation Agent has been appointed in accordance with rule 230(1), as the quantity of gas allocated to that Market Participant at that system withdrawal point in accordance with rule 230, adjusted in accordance with subrule (7); or
 - (c) at a system withdrawal point at which an Allocation Agent or Sub-Allocation Agent should have been appointed under rule 230(1) but has not been appointed, as the quantity of gas determined in accordance with rule 230(12), adjusted in accordance with subrule (7).
- (10) A Market Participant's adjusted withdrawals at a distribution delivery point must be determined:
 - (a) subject to paragraphs (b) and (c) as:
 - (i) the metered quantity of gas withdrawn at that distribution delivery point; or
 - (ii) the data provided to AEMO for settlement purposes in

accordance with the Retail Market Procedures for that distribution delivery point,

adjusted in accordance with subrule (8);

- (b) at a distribution delivery point at which an Allocation Agent or Sub-Allocation Agent has been appointed in accordance with rule 230(1), as the quantity of gas allocated to that Market Participant at that distribution delivery point in accordance with rule 230, adjusted in accordance with subrule (8); and
 - (c) at a distribution delivery point at which an Allocation Agent or Sub-Allocation Agent should have been appointed under rule 230(1) but has not been appointed, as the quantity of gas in accordance with rule 230(12), adjusted in accordance with subrule (8).
- (11) A Market Participant's aggregate net adjusted withdrawals in a scheduling interval are determined as:

$$\Sigma AW = \Sigma AWT + \Sigma AWD$$

Where:

ΣAW is the aggregate of all that Market Participant's net adjusted withdrawals in that scheduling interval;

ΣAWT is the sum of all that Market Participants' net adjusted withdrawals at system withdrawal points in that scheduling interval; and

ΣAWD is the sum of all that Market Participant's net adjusted withdrawals in that scheduling interval at distribution delivery points supplied from system withdrawal points other than those for which quantities have been included in ΣAWT .

- (12) For the purposes of determining amounts of gas withdrawn in each scheduling interval of the gas day by a Market Participant or Customers of that Market Participant at distribution delivery points for which the meters are basic meters, the quantity of gas withdrawn by that Market Participant in each hour of the gas day must be determined using the following formula:

$$Q = DQ \times (HNSL/NSL)$$

Where:

Q is the quantity of gas withdrawn by a Market Participant or Customers of that Market Participant in an hour at distribution delivery points for which the meters are basic meters that is to

be treated as having been withdrawn by that Market Participant in an hour;

DQ is the quantity as determined under subrule (10)(a)(ii) of gas withdrawn in that gas day by that Market Participant or Customers of that Market Participant at distribution delivery points for which the meters are basic meters;

HNSL is the amount of load of all Market Participants in an hour of the gas day that is determined when determining the net system load; and

NSL is a daily amount consisting of the sum of all net system loads for all declared distribution systems.

236 Settlement amounts for billing periods

- (1) AEMO must determine the settlement amount for each Market Participant for each billing period in accordance with subrule (2).
- (2) The settlement amount for a Market Participant for a billing period is calculated as follows:
 - (a) add the following amounts:
 - (i) the sum of that Market Participant's trading amounts for each gas day in that billing period;
 - (ii) any participant fees that the Market Participant is required to pay in respect of that billing period in connection with AEMO's functions under this Part;
 - (iii) any Participant compensation fund contribution that the Market Participant is required to make in accordance with Subdivision 4;
 - (iv) any amount that the Market Participant is required to pay to AEMO in respect of compensation payments in accordance with rule 238;
 - (v) if AEMO has completed its determination of ancillary payments and consequential associated uplift payments arising from a gas day – uplift payments of that Market Participant determined in accordance with rule 240 in respect of that gas day and not previously taken into account in determining the settlement amount for a billing period in respect of that Market Participant;
 - (vi) any other amounts payable by that Market Participant to AEMO in respect of that billing period;
 - (vii) any amount payable by that Market Participant to AEMO

- in respect of any linepack account deficit in accordance with rule 242(2);
- (viii) any amount payable by that Market Participant to AEMO in accordance with the provisions of the Retail Market Procedures;
- (b) subtract the following amounts:
 - (i) any amount payable by AEMO to that Market Participant in respect of any linepack account surplus in accordance with rule 242(3);
 - (ii) if AEMO has completed its determination of ancillary payments and consequential associated uplift payments arising from a gas day – ancillary payments of that Market Participant determined in accordance with rule 239 in respect of that gas day and not previously taken into account in determining the settlement amount for a billing period in respect of that Market Participant,
 - (iii) any other amount payable by AEMO to that Market Participant in respect of that billing period.
- (3) The settlement amount determined by AEMO pursuant to this rule for each Market Participant will be a positive or negative dollar amount, where a negative dollar amount is a payment from AEMO to the Market Participant.

237 Participant Compensation Claims

- (1) A Registered participant who wishes to make a claim under rule 343 (intervention) or 349 (administered price cap) must submit notice of its claim to AEMO within 10 business days following the issue of the final statement for that gas day in which the Registered participant made the injection of gas referred to in the claim.
- (2) A compensation claim by a Registered participant is taken to be a relevant dispute for the purposes of Part 15C to which the parties are AEMO and the relevant Registered participant, but the dispute resolution processes apply only to the extent specified in this rule and rule 238.
- (3) Subject to subrule (4), when a Registered participant gives notice of a claim under subrule (1), that Registered participant must specify a date from which AEMO has 5 business days to request the Adviser to establish the Dispute resolution panel under subrule (6).
- (4) The date specified under subrule (3) must be no more than 30 business days following the issue of the final statement for the gas day for which the claim has been made.

- (5) A Registered participant may withdraw a claim at any time before the date specified in subrule (2).
- (6) If a Registered participant has not withdrawn a claim under subrule (5), then AEMO must:
 - (a) within 5 business days of the date specified under subrule (3), request the Adviser to establish a Dispute resolution panel to determine whether it is appropriate in all the circumstances for compensation to be paid and, if so, to determine an appropriate amount of compensation; and
 - (b) refer the claim to the Adviser for determination by the Dispute resolution panel.
- (7) The Adviser must within 5 business days of receiving a request from AEMO, establish a Dispute resolution panel in accordance with rule 135HD.
- (8) Upon a referral of a claim to it, the Dispute resolution panel must:
 - (a) make a determination in accordance with rule 238 and (subject to this subrule) in accordance with the applicable requirements of the dispute resolution process; and
 - (b) notify AEMO of that determination as soon as practicable but in any event within 20 business days following the establishment of the Dispute resolution panel under subrule (7) (or such longer period as the Adviser may permit following a request by the Dispute resolution panel for an extension of time).
- (9) Despite rule 135JA, the costs of the Adviser and the Dispute resolution panel on a compensation claim are to be borne by AEMO unless the Dispute resolution panel re-allocates those costs, or a proportion of those costs, to a party on the ground that the party has unreasonably prolonged the proceedings or there is some other good reason to alter the allocation of those costs.
- (10) AEMO must make Procedures (**compensation procedures**) that describe the principles and methodology upon which compensation amounts are to be determined under rule 238.
- (11) In this rule, **Adviser** means the dispute resolution adviser appointed under rule 135G.

238 Determination and payment of compensation claims

- (1) The Dispute resolution panel must make a determination, consistent with the compensation procedures, on:
 - (a) amounts of compensation to be paid by AEMO to a

Registered participant in respect of claims made by that
Registered participant under rule 344 or 350; and

- (b) amounts to be paid to AEMO by Market Participants and the declared transmission system service provider to fund compensation payment amounts determined under paragraph (a).
- (2) The total of amounts determined by the Dispute resolution panel under subrule (1)(b) must equal the total of amounts determined by it under subrule (1)(a).
- (3) If the Dispute resolution panel makes a determination that compensation should be paid to a Registered participant, AEMO must pay that Registered participant those amounts and must advise the Registered participant as soon as practicable of the determination and of the date AEMO intends to make the payment.
- (4) AEMO must pay interest on the amounts determined in accordance with subrule (1)(a) at the interest rate from the day following the date of the next payment of settlement amounts made under rule 247 following the determination of the Dispute resolution panel to the date when AEMO actually pays the Registered participant the amount of the compensation determined. Interest is to be compounded daily.
- (5) If the Dispute resolution panel determines that an amount is payable in respect of compensation claimed by a Registered participant in accordance with rule 343 or 349, then AEMO is entitled to recover those payments in accordance with this rule and each Market Participant and the declared transmission system service provider must pay to AEMO an amount determined in accordance with this rule.
- (6) Market Participants and the declared transmission system service provider must pay interest on amounts determined in accordance with subrule (1)(b) at the interest rate from the day following the date of the next payment of settlement amounts following the determination of the Dispute resolution panel to the date when the Market Participant or the declared transmission system service provider actually pays the amount to AEMO. Interest is to be compounded daily.

239 Ancillary payments

- (1) Subject to subrule (2), AEMO must make Procedures (***ancillary payment procedures***) governing the determination of ancillary payments.
- (2) If AMDQ has been nominated as a hedge against uplift payments, scheduled injections supporting AMDQ do not qualify for ancillary

payments.

- (3) Subject to subrules (4), (5) and (6), any Market Participant who is given a scheduling instruction to inject or withdraw more gas than the quantity of gas that the Market Participant was scheduled to inject or withdraw under the relevant pricing schedule, is entitled to receive an ancillary payment in accordance with this rule.
- (4) Ancillary payments payable to a Market Participant who is scheduled to inject or withdraw less gas under the relevant pricing schedule than the quantity required in the relevant scheduling instruction are limited to the quantities of gas injected or withdrawn in accordance with the relevant scheduling instruction, as the case may be.
- (5) If and for so long as any of the following apply:
 - (a) the administered price cap applies; or
 - (b) AEMO has declared a system *force majeure* event has occurred; or
 - (c) AEMO has suspended the Market under rule 347;then, for the purposes of determining ancillary payments payable to a Market Participant under this rule, the price steps of the relevant bids must be limited to the administered price cap.
- (6) If a Market Participant is instructed by AEMO to inject or withdraw a quantity of gas less than the amount of gas specified for injection or withdrawal (as the case may be) by that Market Participant in the pricing schedule, that Market Participant is not entitled to be paid ancillary payments for that amount.
- (7) AEMO must determine and publish the estimated total ancillary payments for each scheduling horizon when publishing the operating schedule and pricing schedule applicable to that scheduling horizon.

240 Uplift payments

- (1) Subject to subrule (2), AEMO must make Procedures (***uplift payment procedures***) governing the determination of:
 - (a) an estimate of the portion (if any) of any ancillary payments in respect of a gas day in accordance with rule 239 which are attributable to daily and within day transmission constraints;
 - (b) an estimate of the total size in GJ of the daily and within day transmission constraint (if any) giving rise to the portion of ancillary payments estimated in accordance with paragraph (a); and

- (c) with respect to any ancillary payments, the uplift payments payable by or to each declared transmission system service provider and Market Participant.
- (2) In making the uplift payment procedures, AEMO must apply the following principles:
 - (a) uplift payments are to be allocated so far as practicable to the cause;
 - (b) in allocating uplift payments arising from events occasioning daily transmission constraints AEMO must take into account the extent to which a Market Participant's AMIQ is exceeded by the sum of its forecast demand and scheduled withdrawals;
 - (c) operational gas is excluded from allocation of uplift payments.
- (3) AEMO must determine the AMIQ for each Market Participant for each scheduling interval in accordance with the uplift payment procedures and those procedures must take account of:
 - (a) AMIQ profiles submitted by that Market Participant for the gas day;
 - (b) threshold limits determined by AEMO to limit the AMIQ for each scheduling interval of the gas day;
 - (c) authorised MDQ of that Market Participant and Customers supplied by it, including:
 - (i) authorised MDQ of sites that are tariff D withdrawal points for which the Market Participant is identified in the metering register as the Market Participant responsible, at the relevant time, for settling accounts relating to those withdrawal points;
 - (ii) diversity factors associated with those sites;
 - (iii) authorised MDQ of that Market Participant which is not assigned to tariff D withdrawal points or tariff V withdrawal points;
 - (iv) an assignment of authorised MDQ for tariff V withdrawal points on the basis of the Market Participant's share of total withdrawals of Customers supplied from tariff V withdrawal points in accordance with those procedures;
 - (d) AMDQ credit certificates of that Market Participant and Customers supplied by it;
 - (e) scheduled injections from close proximity injection points to a system injection point associated with authorised MDQ or

AMDQ credit certificates;

- (f) injection hedge nominations by that Market Participant and agency injection hedge nominations as applicable to that Market Participant for the gas day.
- (4) A Market Participant must pay or be paid uplift payments in respect of withdrawals of gas by that Market Participant or by Customers who purchase gas from that Market Participant in accordance with the principles of subrule (2) and the uplift payment procedures.
- (5) Nothing in subrule (4) precludes a Retailer from recovering from its Customers the amount of any liability to pay uplift payments in respect of withdrawals of gas by those Customers.
- (6) Subject to subrule (7), the declared transmission system service provider must pay or be paid uplift payments calculated in accordance with the principles of subrule (2), the quantity determined under subrule (9)(a), and the uplift payment procedures.
- (7) Where the amount of uplift payment attributable to the failure of the declared transmission system service provider to fulfil its obligations under its service envelope agreement in any gas day exceeds any applicable limit on the declared transmission system service provider's liability for uplift payments under its service envelope agreement, then Market Participants must pay or be paid the uplift payment amount in excess of the applicable limit and in accordance with the uplift payment procedures.
- (8) As soon as reasonably practicable, AEMO must publish details of total amounts of ancillary payments to be made in respect of each gas day and the portions of those ancillary payments which are due to transmission constraints, if any.
- (9) If, in accordance with the uplift payment procedures, AEMO determines that any part of any ancillary payments which are payable in respect of a gas day is attributable to a transmission constraint, then AEMO must also determine and publish:
 - (a) after taking into consideration the service envelope agreement, the extent (measured in GJ) to which that transmission constraint was caused by the failure of the declared transmission system service provider to fulfil its obligations under its service envelope agreement in that trading interval;
 - (b) the aggregate of any quantities of gas withdrawn at tariff D withdrawal points in that trading interval in excess of the authorised MDQ applicable to those tariff D withdrawal points;

- (c) the aggregate quantity of gas, if any, withdrawn at all tariff V withdrawal points in that trading interval in excess of the aggregate authorised MDQ applicable to those tariff V withdrawal points; and
- (d) the aggregate quantity of gas withdrawn at all tariff D withdrawal points in that trading interval.

241 Linepack account

- (1) AEMO must maintain a linepack account in respect of each gas day in accordance with subrule (2).
- (2) AEMO must determine the amount to be added to the linepack account in respect of each gas day in accordance with the following formula:

$$LPDA = - (TIP + TDP)$$

Where:

LPDA is the daily linepack amount in \$ to be added to the linepack account in respect of imbalance payments and deviation payments for that gas day (which may be positive or negative); and

TIP is the total of imbalance payments of all Market Participants for the gas day determined in accordance with rule 235(1); and

TDP is the total of deviation payments of all Market Participants and AEMO for the gas day determined in accordance with rule 235(4).

242 Linepack payments

- (1) AEMO must clear the balance on the linepack account each billing period by charging or making payments to Market Participants in accordance with this rule.
- (2) If the daily linepack amount to be added to the linepack account for the relevant billing period is a positive amount for a gas day, each Market Participant who withdrew gas from the declared transmission system in that gas day must pay AEMO an amount calculated as follows:

$$PMD = (LPDA \times QWD) / \Sigma QWD$$

Where:

PMD is the amount that the Market Participant must pay to AEMO in respect of gas day D;

LPDA is the positive daily linepack amount for the relevant gas day;

QWD is the quantity of net adjusted withdrawals from the declared transmission system by that Market Participant in gas day D; and

Σ QWD is the total quantity of net adjusted withdrawals from the declared transmission system by all Market Participants in gas day D.

- (3) If the daily linepack amount to be added to the linepack account for the relevant billing period is a negative amount for a gas day, AEMO must pay each Market Participant who withdrew gas from the declared transmission system in that gas day an amount calculated as follows:

$$PVD = (NLPDA \times QWD) / \Sigma QWD$$

Where:

PVD is the amount that AEMO is required to pay to the Market Participant in respect of gas day D;

NLPDA is the negative daily linepack amount for the relevant gas day;

QWD is as defined in subrule (2); and

Σ QWD is as defined in subrule (2).

- (4) AEMO must determine the total amount to be paid by each Market Participant in respect of the linepack account for a billing period in accordance with the following formula:

$$VLPC = \Sigma PMD + \Sigma PVD$$

Where:

VLPC is the total amount in \$ to be paid by each Market Participant in respect of the linepack account for that billing period (that, for the avoidance of doubt, may be positive or negative);

Σ PMD is the sum of all PMD as defined in subrule (2) for all gas days in the billing period; and

Σ PVD is the sum of all PVD as defined in subrule (3) for all gas days in the billing period.

- (5) Any amount which a Market Participant or AEMO must pay pursuant to this rule must be included by AEMO in the Market

Participant's settlement statement for the relevant billing period.

243 Payment of settlement amount

- (1) Where the settlement amount for a Market Participant is a positive amount, the Market Participant must pay that amount to AEMO in accordance with rule 246.
- (2) Where the settlement amount for a Market Participant is a negative amount, AEMO must pay that amount to the Market Participant in accordance with rule 247.

244 Preliminary statements

- (1) Within 7 business days after the end of each billing period, AEMO must give each Market Participant a preliminary settlement statement that sets out the market transactions of that Market Participant in that billing period and the settlement amount payable by or to that Market Participant.
- (2) The statements issued under this rule must include supporting data for all amounts payable that must be sufficient to enable each Market Participant to audit the calculation of the amount payable by or to that Market Participant.
- (3) If the Market Participant reasonably believes there to be an error or discrepancy in the preliminary settlement statement given to the Market Participant by AEMO under subrule (1), the Market Participant must notify AEMO as soon as practicable of that error or discrepancy and AEMO must review the preliminary settlement statement.
- (4) If AEMO considers that a preliminary settlement statement contains an error or discrepancy after reviewing the preliminary statement under subrule (3), AEMO must notify all Market Participants whose final statements will be affected by the error or discrepancy within 7 days of the date on which the error or discrepancy first came to the attention of AEMO and AEMO must ensure that the error or discrepancy is corrected in the relevant final statements.

245 Final statements

- (1) No later than 18 business days after the end of each billing period, AEMO must give to each Market Participant a final statement stating the amounts payable by the Participant to AEMO or payable by AEMO to the Market Participant (subject to rule 252) in respect of the relevant billing period.
- (2) The statements issued under this rule must include supporting data for all amounts payable that must be sufficient to enable each Market Participant to audit the calculation of the amount payable by

or to that Market Participant.

246 Payment by Market Participants

- (1) No later than 12 noon on the twentieth business day after the end of a billing period or 12 noon on the second business day after receiving a final statement under rule 245, whichever is the later, each Market Participant must pay to AEMO in cleared funds the settlement amount stated to be payable to AEMO by that Market Participant in that Market Participant's final statement.
- (2) Payments made in accordance with subrule (1) must be made using bank clearing house arrangements determined by AEMO after consulting with Market Participants and published by AEMO.

247 Payment to Market Participants

- (1) By no later than 2:00 p.m. on the day on which AEMO is to be paid under rule 246, AEMO must pay to each Market Participant in cleared funds the settlement amount stated to be payable to that Market Participant in that Market Participant's final statement.
- (2) Payments made in accordance with subrule (1) must be made using bank clearing house arrangements determined by AEMO after consulting with Market Participants and published by AEMO.

248 Settlement queries and disputes

- (1) A Market 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 Market Participant notifies AEMO of a query concerning either:
 - (a) the settlement amount stated in a preliminary settlement statement provided under rule 244 to be payable by or to AEMO or a Market Participant; or
 - (b) the supporting data provided in accordance with rule 244,AEMO and the Market 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 249(1), a Market Participant notifies AEMO of a query concerning either:
 - (a) the settlement amount stated in a final statement provided under rule 245 to be payable by or to AEMO or a Market Participant; or

(b) the supporting data provided in accordance with rule 245, AEMO and the Market Participant must each use reasonable endeavours to resolve that query within 113 business days after the end of the billing period.

(4) Proceedings for the resolution of a dispute in respect of:

(a) the settlement amount stated in a revised statement provided under rule 249(1) or (2) to be payable by AEMO or a Market Participant; or

(b) the supporting data provided in accordance with rule 249(1) or (2),

must be initiated in accordance with the dispute resolution processes within 60 business days after the date of issue of that revised statement.

249 Revised statements

(1) AEMO must revise each final statement issued in accordance with rule 245 using, for the purpose of that revision, the most recent information available to AEMO on the 118th business day after the relevant billing period, and AEMO must issue a revised statement for the relevant billing period in accordance with subrule (4).

(2) If, within 18 months of the issue of a revised statement under subrule (1), AEMO becomes aware of an error in an amount stated in that final statement or revised statement and in AEMO's reasonable opinion a Participant would be materially affected if a revision to the final statement or revised statement was not made to correct the error, then AEMO must:

(a) advise each Market Participant likely to be materially affected by the error within 5 business days of AEMO deciding the error is material, and

(b) as soon as practicable issue revised statements for the relevant billing period in accordance with subrule (4).

(3) If an amount in a revised statement issued under subrule (1) or (2) 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 then AEMO must issue a revised statement to each Market Participant affected by the resolution of the dispute, in accordance with subrule (4).

(4) AEMO must issue to each Market Participant affected by a revision a revised statement for the relevant billing period within 5 business days of a revision made in accordance with subrule (1) or (2) or, as the case may be, resolution of a dispute referred to in subrule (3),

setting out:

- (a) the amount payable by the Market Participant to AEMO or, subject to rule 252, the amount payable by AEMO to the Market Participant; and
 - (b) the adjustment to the final statement as agreed or determined plus interest (compounded daily) at the interest rate for the period commencing on the payment date applicable to the final statement or previous revised statement to which the adjustment relates and ending on the payment date applicable to the revised statement.
- (5) Each revised statement issued under this rule must include supporting data for all amounts payable that must be sufficient to enable each Market Participant to audit the calculation of the amount payable by or to that Market Participant.

250 Payment of adjustments

- (1) AEMO must specify the time and date on which a payment of an adjustment under a revised statement issued under rule 249 is due, which date must be not less than 10 business days after the issue of that revised statement.
- (2) If the next final statement payment date occurs 10 business days or more after the issue of a revised statement under rule 249 then 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 the date of issue of a revised statement under rule 249 then 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) By no later than the time and date specified by AEMO pursuant to subrule (1), each Market Participant must pay to AEMO in cleared funds the net amount stated to be payable by that Market Participant in the revised statement issued to it under rule 249.
- (5) Subject to rule 252, on the day on which AEMO is to be paid under subrule (4), AEMO must pay to each Market Participant in cleared funds the net amount stated to be payable to that Market Participant in the revised statement issued to it under rule 249.

251 Payment default procedure

- (1) Each of the following events is a default event in relation to a Market Participant:
 - (a) the Market Participant does not pay any money due for

- payment by it 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 Market Participant under Subdivision 7, the maximum amount which AEMO is entitled to be paid under the security is less than the Market 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 Market Participant, within 90 minutes after the due time for payment of that claim;
 - (d) the Market Participant fails to provide credit support required to be supplied under this Part, including any replacement security under rule 257, by the appointed time on the due date;
 - (e) it is or becomes unlawful for the Market Participant to comply with any of its obligations under these rules or any other obligation owed to AEMO or it is claimed to be so by the Market Participant;
 - (f) it is or becomes unlawful for any Credit Support Provider in relation to the Market 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 Market Participant or a Credit Support Provider that has provided credit support for that Market Participant to carry on their respective principal businesses or activities ceases to have full force and effect;
 - (h) the Market Participant or a Credit Support Provider that has provided credit support for that Market Participant ceases or is likely to cease to carry on its business or a substantial part of its business;
 - (i) the Market Participant or a Credit Support Provider that has provided credit support for that Market 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 Market Participant or a Credit Support Provider that has provided credit support for that Market 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 Market Participant or a Credit Support Provider that has provided credit support for that Market Participant;
 - (l) an administrator, provisional liquidator, liquidator, trustee in bankruptcy or person having a similar or analogous function is appointed in respect of the Market Participant or a Credit Support Provider that has provided credit support for that Market Participant, or any action is taken to appoint any such person;
 - (m) an application or order is made for the winding up or dissolution or a resolution is passed or any steps are taken to pass a resolution for the winding up or dissolution of the Market Participant or a Credit Support Provider that has provided credit support for that Market Participant;
 - (n) a notice under section 601AB(3) of the Corporations Act 2001 is given to the Market Participant or a Credit Support Provider that has provided credit support for that Market Participant unless the registration of that Market Participant or Credit Support Provider is reinstated under section 601AH of the Corporations Act;
 - (o) the Market Participant or a Credit Support Provider that has provided credit support for that Market Participant dies or is dissolved unless the notice of dissolution is discharged; and
 - (p) the Market Participant or a Credit Support Provider that has provided credit support for that Market 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 Market Participant, AEMO may:
- (a) issue a default notice which specifies:
 - (i) the nature of the alleged default event; and
 - (ii) if AEMO considers that the default event is capable of remedy, that the Market Participant must remedy the default event within 24 hours of the issue of the default notice; and/or
 - (b) immediately issue a suspension notice in accordance with rule 260 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 Market 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 Market Participant for such amount as AEMO determines represents the amount of any money actually or contingently owing by the Market Participant to AEMO pursuant to this Part and the Retail Market Procedures.

(3) If:

- (a) a default event is not remedied within 24 hours of the issue of a default notice or any later time agreed to in writing by AEMO; or
- (b) AEMO receives notice from the defaulting Market Participant that it is not likely to remedy the default event specified in the default notice,

then AEMO must issue a suspension notice in accordance with rule 260.

252 Maximum total payment in respect of a billing period

- (1) For the purposes of this rule, the maximum total payment in respect of a billing period is equal to:
 - (a) the aggregate of the amounts received by AEMO from Market Participants under rule 246 in respect of that billing period by 4:00 pm on the payment date; plus
 - (b) if one or more Market Participants are in default, the aggregate amount which AEMO is able to obtain from the credit support provided by those Market Participants under Subdivision 7 before 4:00 pm on the payment date; less
 - (c) the aggregate amount of all participant fees and other payments received by AEMO pursuant to rule 236(2)(b).
- (2) For the purpose of subrule (1), any payment received by AEMO from a Market 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 rule 236(2)(b) payable to AEMO by that Market Participant (as specified in the final statement issued to that Market Participant in respect of that billing period) 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 Market Participants to whom payments are to be made in respect of the billing period, then the amount payable by AEMO to each relevant Market 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 Market Participant in respect of the relevant billing period;

SAP is the net amount that would have been payable to the relevant Market 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 Market Participants under rule 247 in respect of the billing period.

253 Interest on overdue amounts

- (1) A Market Participant or AEMO must pay interest on any unpaid moneys due and payable by it under this Subdivision.
- (2) Subject to rules 238 and 249, the interest accrues at the default interest rate, compounding daily, from the date payment was due up to and including the date the payment is made.

Subdivision 7 Prudential requirements

254 Provision of security

- (1) Subject to subrule (2), a Market Participant must provide and maintain a security complying with the requirements of this Subdivision.
- (2) If AEMO believes it is likely that the amount payable by AEMO to that Market Participant under this Part in respect of a period will consistently exceed the amount payable to AEMO by that Market Participant under this Part in respect of that period, then AEMO may exempt the Market Participant from the requirement to provide a security under subrule (1) for that period.
- (3) If, under subrule (2), AEMO has exempted a Market Participant from the requirement to provide a security under subrule (1), then AEMO may vary or cancel the exemption at any time by giving

written notice of the variation or cancellation of the exemption to the Market Participant.

255 Form of security

The security provided by a Market Participant under this Subdivision must be either:

- (a) a bank guarantee in a form and from a bank acceptable to AEMO; or
- (b) another immediate, irrevocable and unconditional commitment in a form and from a bank or other institution acceptable to AEMO.

256 Amount of security

- (1) Subject to rule 254(2), prior to the end of each financial year AEMO must determine and provide written confirmation to each Market Participant of that Market Participant's minimum exposure, calculated as AEMO's reasonable estimate of the participant fees payable by the Market Participant to AEMO in respect of a billing period in the following financial year.
- (2) AEMO may review its determination of a Market Participant's minimum exposure at any time, provided that any change to a Market Participant's minimum exposure will apply no earlier than 30 days following notification by AEMO to that Market Participant of that change or such earlier period agreed by the Board of AEMO.
- (3) Each Market Participant must ensure that the amount undrawn or unclaimed under the security held by AEMO in respect of that Market Participant never falls below the Market Participant's minimum exposure.
- (4) A Market Participant may in its absolute discretion provide to AEMO a security for an aggregate amount that exceeds its minimum exposure.

257 Replacement security

- (1) If:
 - (a) an existing security provided by a Market Participant under this Subdivision is about to expire or terminate; and
 - (b) the remaining securities provided by the Market Participant will be insufficient to cover the Market Participant's minimum exposure;

the Market Participant must deliver to AEMO, at least 10 business days before the existing security is due to expire or terminate, a

replacement security that complies with this Subdivision (and is, in particular, of sufficient value to enable the Market Participant to comply with rule 256(3)), and will take effect no later than the date the existing security is due to expire or terminate.

- (2) If a Market Participant fails to comply with subrule (1), and does not remedy the failure within 24 hours of being required by AEMO to do so, AEMO must give the Market Participant a default notice in accordance with rule 259.

258 Drawdown of security

- (1) If AEMO exercises its rights under a security provided by a Market Participant under this Subdivision, then AEMO must notify the Market Participant.
- (2) If, as a result of AEMO exercising its rights under a security, the security or securities provided by the Market Participant under this Subdivision are insufficient to cover the Market Participant's minimum exposure, then the Market Participant must, within 24 hours of the notice under subrule (1), provide additional security to ensure that it complies with this Subdivision.
- (3) If a Market Participant fails to comply with subrule (2), AEMO must give the Market Participant a default notice in accordance with rule 259.

259 Default notice

- (1) When issuing a default notice, AEMO must:
 - (a) notify all Participants;
 - (b) publish the default notice;
 - (c) specify in the default notice the conditions applied to the Market Participant, which may include but are not limited to restrictions relating to:
 - (i) submitting bids or demand forecasts;
 - (ii) injecting gas, or tendering gas for injection, into the declared transmission system; and
 - (iii) withdrawing gas, or tendering gas for withdrawal, from the declared transmission system;
 - (d) specify a date in the default notice from which any restrictions set out in the notice will commence; and
 - (e) include the date as specified in the default notice upon which that Market Participant will be subject to a suspension notice.

- (2) Prior to the date specified in subrule (1)(d), AEMO must revoke a default notice if:
 - (a) in the case of a default event, the default event is remedied; or
 - (b) in the case of a failure to maintain compliance with prudential requirements under this Subdivision, that failure has been remedied; and
 - (c) there are no other circumstances in existence which would entitle AEMO to issue a default notice.
- (3) If a default notice is revoked, AEMO must publish that fact.
- (4) A Market Participant must comply with a default notice issued to it under this rule.

260 Suspension of a Market Participant

- (1) Where AEMO has issued a default notice and the Market Participant has failed to comply with the terms of the default notice, AEMO must issue a suspension notice to the Market Participant.
- (2) When issuing a suspension notice under this Part, AEMO must:
 - (a) publish the suspension notice;
 - (b) immediately notify all Participants;
 - (c) specify in the suspension notice the conditions applied to the suspended Market Participant, which must include restrictions relating to:
 - (i) submitting bids or demand forecasts;
 - (ii) injecting gas, or tendering gas for injection, into the declared transmission system; or;
 - (iii) withdrawing gas, or tendering gas for withdrawal, from the declared transmission system; and
 - (d) specify in the suspension notice the gas day from which the suspension will commence.
- (3) Prior to the date specified in subrule (2)(d), AEMO must revoke a suspension notice if:
 - (a) in the case of a default event, the default event is remedied; or
 - (b) in the case of a failure to maintain compliance with prudential requirements under this Subdivision, that failure has been remedied; and

- (c) there are no other circumstances in existence which would entitle AEMO to issue a suspension notice.
- (4) If a suspension notice is revoked, AEMO must publish that fact.
- (5) A Market Participant must comply with a suspension notice issued to it under this Part.
- (6) Following the issue of a suspension notice to a Market Participant, AEMO may do all or any of the following to give effect to the suspension notice:
 - (a) reject any bid or demand forecast submitted by that Market Participant;
 - (b) refuse to accept delivery of any gas injected, or tendered for injection, by that Market Participant;
 - (c) take action AEMO considers necessary to prevent that Market Participant from injecting or withdrawing gas, including action necessary to curtail the supply of gas to that Market Participant;
 - (d) withhold the payment of any amounts otherwise due to that Market Participant under this Part.
- (7) If AEMO does any of the things referred to in subrule (6) it must promptly publish a notice of that fact.
- (8) If AEMO issues a suspension notice to a Market Participant which is a Retailer, AEMO must immediately initiate the Retailer of last resort process and immediately notify Participants of the initiation of that process.
- (9) If a suspension notice has been issued to a Market Participant, and that suspension notice has not been revoked under subrule (3), then on the date specified under subrule (2)(d), the registration of that Market Participant becomes liable to revocation.

261 Trading limits

- (1) Subject to subrule (2), AEMO must set a trading limit for each Market Participant.
- (2) If, under rule 254(2), AEMO has exempted a Market Participant from the requirement to provide a security under rule 254(1) for a period, then AEMO must not set a trading limit for that Market Participant for the period of that exemption.
- (3) The trading limit for a Market Participant at any time must not be less than the greater of:

- (a) the Market Participant's minimum exposure; and
- (b) a level determined and published by AEMO after consulting with Market Participants.

262 Monitoring

- (1) Each business day, AEMO must review its estimated exposure to each Market Participant in respect of previous billing periods under this Part and the Retail Market Procedures.
- (2) In calculating AEMO's estimated exposure to a Market Participant under subrule (1), the period between the start of the billing period in which the review occurs and the start of the gas day immediately following the day on which the review occurs is to be treated as a previous billing period.
- (3) In calculating AEMO's estimated exposure to a Market Participant under subrule (1), AEMO must take into account:
 - (a) outstanding settlement amounts for the Market Participant in respect of previous billing periods; and
 - (b) settlement amounts for the Market Participant for gas days from the start of the billing period in which the review occurs to the end of the gas day on which the review occurs based on:
 - (i) market prices; and
 - (ii) for metering installations, the actual metering data or if actual metering data is not available then metering data substituted by AEMO in accordance with rule 314; and
 - (iii) data provided to AEMO in accordance with the Retail Market Procedures.
 - (c) Amounts that AEMO is entitled to recover from that Market Participant under the Retail Market Procedures.
- (4) If AEMO calculates that its estimated exposure to a Market Participant exceeds the greater of
 - (a) the Market Participant's minimum exposure; and
 - (b) 80% of the Market Participant's trading limit,then AEMO must inform the Market Participant accordingly.

263 Margin calls

- (1) If AEMO calculates that its exposure to a Market Participant exceeds the Market Participant's trading limit, then AEMO must

- make a margin call on that Market Participant by notice to the Market Participant.
- (2) If AEMO makes a margin call on a Market Participant under subrule (1), then the Market Participant must satisfy the margin call within the period determined in accordance with subrule (3) by either:
 - (a) providing to AEMO an additional security or securities complying with the requirements of this Subdivision which enables AEMO to increase the Market Participant's trading limit to a level which exceeds AEMO's estimated exposure to the Market Participant; or
 - (b) prepaying 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 Market Participant to below the Market Participant's trading limit.
 - (3) The period within which a margin call must be satisfied under subrule (2) is:
 - (a) if the margin call is made on a business day before 10:00 am, then the period commences at the time the margin call is made and finishes at 2:00 pm on that business day; and
 - (b) if paragraph (a) does not apply, then the period commences when the margin call is made and ends at 10:00 am on the first business day to occur after the margin call is made.
 - (4) A prepayment under subrule (2)(b) is taken to relate to the earliest billing period in respect of which the relevant Market Participant owes AEMO an amount of money under this Part and, if the amount the Market Participant owes under this Part in respect of that billing period is less than the amount of the prepayment, then the excess is taken to relate to the billing periods occurring immediately after the earliest billing period in respect of which the relevant Market Participant owes AEMO an amount of money under this Part in chronological order until there is no excess.
 - (5) If a Market Participant fails to satisfy a margin call by providing an additional security or making a prepayment under subrule (2) within the time referred to in that subrule, then AEMO must give the Market Participant a suspension notice in accordance with rule 260.

264 Confidential Information

Information provided to AEMO by a Market Participant in relation to its financial circumstances is confidential information.

Subdivision 8 GST

265 Interpretation

Terms used in this Subdivision have the same meaning given to those terms in *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

266 Application of GST

- (1) Subject to subrule (2), 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 for a taxable supply made under this Part must include GST.

Division 3 Technical Matters

Subdivision 1 Connection to the declared transmission system

267 Application of this Subdivision

- (1) This Subdivision applies to:
 - (a) all connection agreements made after 15 March 1999;
 - (b) all deemed connection agreements created pursuant to subrule (2); and
 - (c) all requests to establish a connection or modify an existing connection after 15 March 1999.
- (2) If requested by a Connected Party or by the declared transmission system service provider, the service provider and the Connected Party must document the terms of any connection arrangements made prior to 15 March 1999 and the resulting document will then be deemed to be a connection agreement for the purposes of this Part.
- (3) This Subdivision does not:
 - (a) alter any of the terms of a connection agreement made prior to 15 March 1999; or
 - (b) alter the contractual rights or obligations of any of the parties under a connection agreement between the declared transmission system service provider and the Connected Party made prior to 15 March 1999; or
 - (c) relieve the parties to a connection agreement made prior to

15 March 1999 of their contractual obligations under that agreement.

- (4) Subject to subrule (3), if any right or obligation of a Connected Party under a connection agreement is inconsistent with any provision of this Part, the provisions of this Part prevail.

268 Obligations of declared transmission system service provider

- (1) The declared transmission system service provider must:
- (a) receive and process applications for connection or modification of a connection submitted to it and enter into a connection agreement with each Connected Party and any other person to which it has provided a connection in accordance with this Subdivision;
 - (b) ensure that every connection agreement to which it is a party complies with this Subdivision;
 - (c) consult with AEMO regarding the system operation and security requirements of proposed connections to the declared transmission system; and
 - (d) use its reasonable endeavours to comply with all reasonable requests of the Connection Applicant relating to its connection requirements.
- (2) The declared transmission system service provider must consult with AEMO in relation to a proposed connection prior to submission of the proposed connection agreement for approval by AEMO.
- (3) If the declared transmission system service provider becomes aware of any material change to any information contained in or relevant to an application to connect then it must promptly notify the Connection Applicant in writing of that change.

269 Obligations of AEMO

AEMO must:

- (a) review all proposed connections from a system operation and security perspective; and
- (b) establish system operation and security standards and requirements for connections; and
- (c) use its reasonable endeavours to comply with all reasonable requirements of the Connection Applicant and the declared transmission system service provider relating to the commissioning of connection equipment.

270 Obligations of Connected Parties

- (1) Each Connected Party must ensure that all connection equipment owned, operated or controlled by it at all times complies with applicable requirements and conditions for connection in accordance with its connection agreement with the declared transmission system service provider.
- (2) A Connection Applicant must:
 - (a) comply with the reasonable requirements of the declared transmission system service provider in respect of the design requirements of connection equipment proposed to be connected to the declared transmission system;
 - (b) not make any material modification or addition to any connection equipment that is the subject of a connection agreement without the prior written consent of the declared transmission system service provider and AEMO;
 - (c) provide load forecast information to the declared transmission system service provider and AEMO in accordance with rule 271(3); and
 - (d) allow the declared transmission system service provider to participate in the commissioning of connection equipment that is to be connected to the declared transmission system.
- (3) If a Connection Applicant becomes aware of any material change to any information contained in or relevant to an application to connect then it must promptly notify the declared transmission system service provider in writing of that change.

271 Application for new or modified connection

- (1) A person who wishes to connect or modify a connection to the declared transmission system may make an application in accordance with this rule.
- (2) An application to connect or modify a connection to the declared transmission system must contain the information specified in subrule (3) and must be submitted to the declared transmission system service provider.
- (3) An application to connect or modify a connection must include:
 - (a) details of the location of the new or modified connection point and proposed specifications of the connection equipment;
 - (b) the date by which the proposed connection or modification of the connection is desired;

- (c) details of the forecast load requirements of the connection point, including maximum daily quantity, maximum hourly quantity and maximum and minimum operating pressures; and
- (d) such other information as AEMO or the declared transmission system service provider may reasonably request to enable it to assess the application to connect and prepare an offer to connect.

272 AEMO to approve application

- (1) The declared transmission system service provider must submit details of the load requirements of the proposed connection or modification of a connection (including the information referred to in rule 271(3)) to AEMO for approval and for allocation of any available authorised MDQ to the Connection Applicant in accordance with Division 4, Subdivision 3 as soon as reasonably practicable and in any event within 20 business days of receipt of an application to connect (or within such longer period as the declared transmission system service provider and the Connection Applicant may agree).
- (2) Within 20 business days of receipt of a proposal for a connection or modification of a connection, AEMO must approve or reject the proposal in accordance with principles and procedures in the connection approval procedures and give notice of the approval or rejection to the declared transmission system service provider.
- (3) AEMO may reject a proposed connection or modification of a connection if the proposed connection or modified connection does not meet the requirements specified in the connection approval procedures.
- (4) If AEMO rejects a proposed connection or modification of a connection, AEMO must notify the declared transmission system service provider of its reasons for doing so.
- (5) The declared transmission system service provider and the Connection Applicant must provide AEMO with any information which AEMO may reasonably request to enable it to assess the proposed connection.
- (6) AEMO must make Procedures (***connection approval procedures***) for the approval of new or modified connections to the declared transmission system.
- (7) The connection approval procedures must contain the principles and procedures and the system operation and safety, security and reliability requirements used for approving or rejecting a proposed connection referred to in subrule (2).

273 Offer to connect

- (1) Within 20 business days after the proposed connection has been approved in principle by AEMO (or such longer period as the declared transmission system service provider and the Connection Applicant may agree), the declared transmission system service provider must make an offer to connect the Connection Applicant's pipeline or pipeline equipment to the declared transmission system.
- (2) The offer to connect:
 - (a) must contain the terms and conditions, as proposed by the declared transmission system service provider, for connection to the declared transmission system; and
 - (b) must represent a reasonable attempt on the part of the declared transmission system service provider to meet the Connection Applicant's reasonable requirements including requirements as to the location of the connection point and load requirements; and
 - (c) must be consistent with:
 - (i) the declared transmission system service provider's applicable access arrangement; and
 - (ii) the safe, secure and reliable operation of the declared transmission system; and
 - (d) must be fair and reasonable.
- (3) The offer may be made subject to gaining necessary environmental, planning or other regulatory or statutory approvals.
- (4) The declared transmission system service provider and the Connection Applicant must negotiate in good faith with a view to arriving at a connection agreement acceptable to both parties.

274 Finalisation of connection agreements

If the Connection Applicant accepts an offer to connect or reaches agreement with the declared transmission system service provider on the terms and conditions of connection, the Connection Applicant must, subject to rule 275, enter into a connection agreement with the declared transmission system service provider.

275 Approval of connection agreements by AEMO

- (1) The declared transmission system service provider must submit each connection agreement which it proposes to enter into with a Connection Applicant, in the form agreed by the declared transmission system service provider and the Connection Applicant,

to AEMO within 2 business days after the terms of the proposed connection agreement have been agreed by the relevant service provider and the Connection Applicant.

- (2) The declared transmission system service provider must, at the same time as it submits a connection agreement for approval by AEMO, either:
 - (a) confirm that there has been no material change to the information provided to AEMO pursuant to rule 272 in relation to the proposed connection; or
 - (b) provide AEMO with full details of the load requirements of the proposed connection point to the extent that those requirements differ from the requirements submitted to AEMO pursuant to rule 272 and any other change to the information provided to AEMO pursuant to that rule.
- (3) Within 10 business days of receipt by AEMO of a proposed connection agreement pursuant to subrule (1), AEMO must approve the proposed connection agreement or reject the proposed connection agreement.
- (4) AEMO may reject a proposed connection agreement if:
 - (a) in AEMO's reasonable opinion, the proposed connection has potential to adversely and materially affect the safe, secure and reliable operation of the declared transmission system; or
 - (b) it does not comply with, or is inconsistent with, any provision of this Part.
- (5) The declared transmission system service provider and the Connection Applicant must provide AEMO with any information AEMO may reasonably request to enable it to assess the proposed connection agreement.

276 Confidential Information

Data and information provided by the declared transmission system service provider or a Connection Applicant under this Subdivision is to be prepared and used in good faith and is confidential information.

277 Operating agreements for connected facilities

The owner or operator of a facility that is, or is proposed to be, connected to the declared transmission system must comply with any applicable operating agreement entered into under the NGL.

Subdivision 2 LNG Storage

278 Obligations of AEMO

AEMO is responsible for scheduling LNG injection bids and managing the LNG reserve.

279 Obligations of the LNG storage provider

- (1) The LNG storage provider must ensure that, subject to the terms and conditions of this Part and the right of Market Participants who hold LNG storage capacity to make LNG injection bids, the LNG storage facility is utilised with the objective of maintaining LNG stock at the highest level possible.
- (2) The LNG storage provider must operate the LNG storage facility in accordance with the scheduling instructions issued by AEMO.
- (3) The LNG storage provider must maintain a register of the holders of LNG storage capacity and register transfers of LNG storage capacity and LNG stock in accordance with rules 281 and 282.

280 Declared LNG supply agreement

- (1) The LNG storage provider must, subject to the terms and conditions of the declared LNG supply agreement, keep AEMO informed in a timely manner of all matters or circumstances relating to the declared LNG supply agreement or the operation of the LNG storage facility that may affect the ability of AEMO to schedule LNG injection offers or use the LNG reserve.
- (2) The LNG storage provider must notify AEMO on or before the twelfth day of each month of the following information relating to the operation of the declared LNG supply agreement:
 - (a) the minimum and maximum quantity of gas the LNG storage provider may order for liquefaction by the declared LNG supplier in the following month under the declared LNG supply agreement; and
 - (b) if known, the declared LNG supplier's requirements for gas and LNG stock in the following month.
- (3) If any provision of this Part with which the LNG storage provider is bound to comply is inconsistent with any term of the declared LNG supply agreement, then the term of the declared LNG supply agreement will prevail.
- (4) The LNG storage provider must not terminate or vary the declared LNG supply agreement without the consent of AEMO (whose consent must not be unreasonably withheld or delayed).

281 LNG storage capacity

- (1) AEMO must not do anything, or omit to do anything, that would adversely affect the declared LNG supplier's LNG storage entitlement under the declared LNG supply agreement.
- (2) Unless and until AEMO otherwise agrees, the LNG storage provider must make available 3,000 tonnes of LNG storage capacity for the operation of the LNG reserve in accordance with rule 285.
- (3) If AEMO requests, any LNG storage capacity which is not required to be made available to the declared LNG supplier or is not allocated to Market Participants must be made available to AEMO and will comprise part of the LNG reserve.
- (4) A Market Participant must hold LNG storage capacity in order to use the LNG storage facility.
- (5) The LNG storage provider must maintain and keep updated a register of LNG storage capacity, which must include the following information:
 - (a) the identity of each holder of LNG storage capacity;
 - (b) the amount of storage space to which each holder of LNG storage capacity is entitled; and
 - (c) the quantity of LNG stock held on behalf of each holder of LNG storage capacity.

282 Transfers of LNG storage capacity and LNG stock

- (1) A Market Participant may at any time:
 - (a) transfer all or part of its LNG storage capacity; or
 - (b) transfer all or part of its LNG stock,to another Market Participant, subject to and in accordance with this rule.
- (2) A Market Participant may not transfer LNG storage capacity or LNG stock if as a result the transferor or the transferee would have LNG stock in excess of the LNG storage capacity to which it is entitled.
- (3) A transfer of LNG storage capacity or LNG stock may only be expressed to take effect on the start of a gas day and an instrument of transfer purporting to take effect at some other time is invalid.
- (4) The LNG storage provider must not reject a transfer in respect of which the requirements of this rule are satisfied.

- (5) Where a Market Participant proposes to make an LNG storage transfer, both the transferor and transferee must give notice of the proposed LNG storage transfer to the LNG storage provider, specifying:
 - (a) the identity of the transferor and the transferee;
 - (b) the amount of the LNG storage capacity or LNG stock the subject of the transfer; and
 - (c) the gas day on the commencement of which the LNG storage transfer is to be effective.
- (6) A proposed LNG storage transfer must be notified to the LNG storage provider by the transferor and the transferee by no later than 2 hours before the gas day specified in the notice referred to in subrule (5)(c) starts.
- (7) The LNG storage provider must:
 - (a) register an LNG storage transfer which complies with this rule as soon as reasonably practicable after it has been received; and
 - (b) notify AEMO of an LNG storage transfer and the amount of the LNG storage capacity or LNG stock transferred by no later than 1 hour before the gas day specified in the notice referred to in subrule (5)(c) starts.
- (8) The amount of LNG storage capacity and LNG stock which a Market Participant holds is to be determined by the register of LNG storage capacity maintained by the LNG storage provider in accordance with rule 281(5). The LNG storage provider is not required to have regard to any LNG storage capacity or LNG stock which a Market Participant purports to hold other than LNG storage capacity or LNG stock in respect of which that Market Participant is the registered holder.
- (9) With effect from the commencement of the gas day on which a valid LNG storage transfer is expressed to take effect in accordance with subrule (5)(c) the LNG stock that is the subject of a valid LNG storage transfer is to be added to the transferee's LNG stock and deducted from the transferor's LNG stock.
- (10) If for any reason a Market Participant ceases to be entitled to any LNG storage capacity, the LNG storage provider must, as soon as reasonably practicable after it becomes aware of the cessation, register that fact. Any LNG storage transfer that is notified to the LNG storage provider is valid and capable of registration, notwithstanding that the transferor's entitlement to the LNG storage capacity that is the subject of the LNG storage transfer has ceased,

unless and until the cessation has been registered.

283 Liquefaction of gas

- (1) Unless AEMO otherwise approves, the LNG storage provider must order, in respect of each month, the maximum quantity of gas which it is entitled to require the declared LNG supplier to liquefy for storage in that month under the terms of the declared LNG supply agreement.
- (2) The quantity of gas made available to the declared LNG supplier for liquefaction and storage in the LNG storage facility during each gas day as a result of an order made by the LNG storage provider pursuant to subrule (1) must be allocated to, and is deemed to have been made available by, AEMO or the Market Participants who hold LNG storage capacity in the following order of priority:
 - (a) first, such quantity of gas must be allocated to, and is deemed to have been made available by, AEMO as may be necessary to ensure that the LNG reserve is maintained at the maximum level and that there is sufficient LNG stock for use by the declared LNG supplier in accordance with the terms of the declared LNG supply agreement; and
 - (b) second, a proportion of the remaining quantity, if any, (after a quantity has been allocated to AEMO pursuant to paragraph (a)) must be allocated to, and is deemed to be made available by, each Market Participant who holds LNG storage capacity in accordance with the following formula:

$$Q = (QL \times PAC) / TAC$$

where:

Q is the Market Participant's allocation of the remaining quantity (if any) of gas made available to the declared LNG supplier for liquefaction and storage in a gas day;

QL is the remaining quantity of gas (if any) made available to the declared LNG supplier for liquefaction and storage in that gas day;

PAC is that Market Participant's available LNG capacity at the start of that gas day; and

TAC is the sum of all Market Participants' available LNG capacity at the start of that gas day.

- (3) The LNG storage provider must determine the quantity of gas deemed to have been made available by AEMO and each Market Participant to the declared LNG supplier for liquefaction during each

scheduling interval and notify AEMO of its determination as soon as reasonably practicable after the end of the relevant scheduling interval.

- (4) A quantity of gas deemed to have been made available by a Market Participant to the declared LNG supplier during a scheduling interval in accordance with this rule must be taken into account for the purpose of calculating that Market Participant's actual imbalance in that scheduling interval.

284 Vaporisation of LNG and LNG injection bids

- (1) Subject to subrule (2), AEMO must schedule LNG injection bids in accordance with the provisions of Division 2, Subdivision 2.
- (2) AEMO must call on LNG injection bids by issuing scheduling instructions directly to the LNG storage provider and, to avoid doubt, AEMO is not required to issue scheduling instructions to Market Participants in respect of their LNG injection bids.

285 LNG reserve

- (1) AEMO may utilise the LNG reserve by requiring the LNG storage provider to vaporise LNG stock held by the LNG storage provider on its behalf at such times and in such quantities as AEMO may reasonably consider necessary or desirable to ensure the security of the declared transmission system and to satisfy AEMO's operational requirements.
- (2) The LNG storage provider must comply with all reasonable directions of AEMO relating to the utilisation of the LNG reserve, including any direction to vaporise LNG stock which comprises part of the LNG reserve.
- (3) Any gas vaporised for testing of the LNG facility and boil off gas is to be treated as having been taken from the LNG reserve and included in the linepack account.

286 Provision of information

- (1) The LNG storage provider and AEMO must establish and operate an information exchange system allowing the electronic transfer of information between the LNG storage provider and AEMO relating to the LNG storage facility.
- (2) AEMO and the LNG storage provider must negotiate in good faith with a view to reaching agreement on:
 - (a) the specifications and requirements for the information exchange system; and
 - (b) the proportions in which the cost of providing and maintaining

the information exchange system will be shared between the LNG storage provider and AEMO; and

- (c) an amendment proposed by either party to an earlier agreement under paragraph (a) or (b);

and, in default of agreement, either party may initiate the dispute resolution processes and, in that event, the matters in dispute between the parties will be resolved by agreement or determination reached in accordance with those processes.

- (3) The information exchange system referred to in subrule (1) must allow AEMO to have access to the following information as soon as reasonably practicable after the end of each gas day:

- (a) the quantity of gas made available to the declared LNG supplier for liquefaction during each scheduling interval of the previous gas day; and
- (b) the quantity of LNG stock held in the LNG storage facility at the end of the previous gas day for use by the declared LNG supplier, AEMO and each Market Participant who holds LNG storage capacity (after taking account of any gas made available for liquefaction by AEMO and each Market Participant pursuant to subrule (2) and liquefied during that gas day and any LNG vaporised during that gas day as a result of any scheduling instructions or any other direction by AEMO); and
- (c) the quantity of gas made available to the declared LNG supplier for use in its LNG plant and air separation, nitrogen liquefaction, storage and other facilities and returned to the declared transmission system each scheduling interval of the previous gas day; and
- (d) the register of LNG storage capacity kept under rule 281(5); and
- (e) such other information relating to the operation of the LNG storage facility as AEMO may reasonably require.

- (4) AEMO must, if requested by a Market Participant who holds LNG storage capacity, make available to that Market Participant the following information relating to that Market Participant (if and to the extent that the information is available to AEMO):

- (a) the quantity of gas deemed to be made available by that Market Participant to the declared LNG supplier for liquefaction during each scheduling interval;
- (b) the quantity of LNG stock held by the LNG storage provider on

behalf of the Market Participant at the end of each gas day;
and

- (c) the quantity of LNG vaporised on behalf of the Market Participant during each scheduling interval.

Subdivision 3 Gas Quality

287 Gas quality standards

- (1) AEMO may approve a written agreement that:
 - (a) provides for the injection of gas at a system injection point that does not comply with the standard gas quality specifications;
and
 - (b) sets out the quality standard with which that gas must comply..
- (2) The parties to such an agreement must consist of or include:
 - (a) the Registered participant or Registered participants proposing to inject gas that does not comply with the standard gas quality specifications; and
 - (b) Registered participants with whose gas that gas would be commingled; and
 - (c) any provider of gas processing services for the processing of gas, after its injection into the declared transmission system, that does not comply with the standard gas quality specifications.
- (3) AEMO must not approve an agreement under subrule (1) unless satisfied that the injection of gas in accordance with the agreement would not impair the quality of gas transferred at a system withdrawal point from the declared transmission system into a distribution pipeline so that the gas no longer complies with the standard gas quality specifications.
- (4) AEMO may, by notice to the parties to an agreement under subrule (1), revoke the agreement if:
 - (a) a breach of the agreement occurs; or
 - (b) AEMO is satisfied that the injection of the gas in accordance with the agreement has impaired the quality of gas transferred at a system withdrawal point from the declared transmission system into a distribution pipeline so that the gas no longer complies with the standard gas quality specifications.
- (5) AEMO may determine for a particular transmission delivery point a

gas quality standard that differs from the standard gas quality specifications if all Registered participants who withdraw gas at that transmission delivery point agree to the determination.

288 Gas quality monitoring

- (1) A gas quality monitoring system must:
 - (a) be provided by the declared transmission system service provider at each system injection point and such other points on the declared transmission system as AEMO may consider necessary or desirable to enable AEMO to monitor the quality of gas injected and withdrawn from the declared transmission system; and
 - (b) be paid for by the declared transmission system service provider, unless otherwise agreed by the declared transmission system service provider and the Connected Party associated with that monitoring point.
- (2) The gas quality monitoring system must be approved by AEMO.
- (3) The gas quality monitoring system must provide for the continuous measurement of gas quality and the continuous transmission of gas quality data in real time to the metering database unless AEMO agrees that, having regard to the characteristics of the particular monitoring point, satisfactory measurement can be achieved by sampling or some means other than continuous measurement.
- (4) The gas quality monitoring system must include the following equipment:
 - (a) a gas chromatograph for determination of gas composition, heating value, relative density and wobbe index;
 - (b) an oxygen analyser for determination of the oxygen content;
 - (c) a sulphur analyser for determination of hydrogen-sulphide and total sulphur; and
 - (d) a water analyser,unless AEMO agrees otherwise, having regard to alternate measuring methods or the characteristics of the particular gas supply.
- (5) The provider of a gas quality monitoring system must ensure that, at its own cost, data from the gas quality monitoring system is transmitted to the metering database in a form and manner compatible with the metering database.
- (6) The provider of the gas quality monitoring system must submit to

AEMO for approval a plan to ensure the accuracy and reliability of the gas quality monitoring system. The plan must include:

- (a) provision for the periodic testing and calibration of the gas quality monitoring system in accordance with standards approved by AEMO;
 - (b) procedures ensuring that the gas quality monitoring system will remain free from interference; and
 - (c) provision for the storing of all data relating to the operation and calibration of the gas quality monitoring system.
- (7) The provider of the gas quality monitoring system must provide AEMO and any other affected Participant with all data and information relating to gas quality at the monitoring point, including all test and calibration reports relating to the gas quality monitoring system, on request. The party requesting the information must pay the provider's reasonable costs of providing that information.

289 Off-specification gas

- (1) Each Registered participant must use its reasonable endeavours to ensure that any gas it injects or tenders for injection into the declared transmission system at a system injection point complies with the gas quality specifications for that system injection point.
- (2) If AEMO is aware that off-specification gas is being, or is likely to be, or has been injected by a Registered participant at a system injection point, AEMO may refuse to accept delivery or continued delivery of all or some of the off-specification gas for such period as AEMO may determine.
- (3) AEMO must not refuse to accept, on quality grounds, delivery of gas at a system injection point that complies with the gas quality specifications for that system injection point.
- (4) Each Registered participant must notify AEMO as soon as it becomes aware that gas which does not comply with the gas quality specifications is being, or is likely to be, or has been delivered at a system injection point. Any such notification must include all information available to the Registered participant in respect of the off-specification gas, including each aspect of each specification with which it fails to comply, the degree of its failure to comply and the likely time the Registered participant will be able to resume delivery of gas in accordance with the gas quality specifications.
- (5) AEMO may accept delivery of off-specification gas if the Registered participant who has injected, is injecting, or is likely to inject the off-specification gas has accurately notified AEMO of all information

referred to in subrule (4) that is available to the Registered participant and:

- (a) the gas complies with requirements for exemption from compliance with the standard gas quality specifications under an applicable legislative or regulatory instrument; or
 - (b) in the reasonable opinion of AEMO:
 - (i) acceptance is necessary to ensure the safety of the public or the safety, security or reliability of the declared transmission system; or
 - (ii) off-specification gas can be co-mingled with other gas in the declared transmission system or processed so that:
 - (A) gas transferred from the declared transmission system to each distribution pipeline at a system withdrawal point will, notwithstanding acceptance of that off-specification gas, comply with the standard gas quality specifications; and
 - (B) gas transferred from the declared transmission system to each Transmission Customer will, notwithstanding acceptance of that off-specification gas, comply with the gas quality standards agreed between AEMO and each Transmission Customer in respect of its transmission delivery point.
- (6) If AEMO accepts or intends to accept any off-specification gas in accordance with subrule (5):
- (a) it must promptly provide notice accepting that off-specification gas to the Registered participant who has injected, is injecting or is likely to inject off-specification gas at a system injection point; and
 - (b) it must promptly give notice of that fact to each Registered participant who AEMO reasonably believes is likely to be affected by gas that does not comply with the relevant gas quality specifications and, so far as known, the extent to which gas is likely to fail to comply with the relevant gas quality specifications and the likely quantity and duration of the off-specification gas.
- (7) Without limiting a Registered participant's ongoing obligation under subrule (1), a Registered participant will not be in breach of this rule as a result of the delivery of off-specification gas that AEMO has accepted in accordance with subrules (5) and (6).
- (8) This rule is to be read subject to the terms of an agreement in force

under rule 287.

Subdivision 4 Metering

290 Obligations of Market Participants to establish metering installations

- (1) A Market Participant must not inject or withdraw gas at a connection point on the declared transmission system unless:
 - (a) the connection point has a metering installation; and
 - (b) the metering installation has been installed in accordance with this Subdivision and is accurate in accordance with rule 298; and
 - (c) the metering installation is registered with AEMO.
- (2) A Market Participant must not, without the express permission of AEMO, inject or withdraw gas at a connection point on the declared transmission system if the metering installation at that connection point does not comply with the provisions or requirements of this Subdivision.
- (3) Before a Market Participant can inject gas at a connection point on a declared distribution system, or withdraw or supply gas for withdrawal at a distribution delivery point from which a tariff D Customer purchases gas from a Retailer the Market Participant must in respect of that connection point or distribution delivery point:
 - (a) ensure that there is a metering installation at that connection point or distribution delivery point; and
 - (b) ensure that metering installation is installed in accordance with this Subdivision and is accurate in accordance with rule 298; and
 - (c) register that metering installation with AEMO.
- (4) A Market Participant must not, without the express permission of AEMO, inject gas into a connection point on a declared distribution system, or withdraw or supply gas for withdrawal at a distribution delivery point if the metering installation at that connection point or delivery point does not comply with the provisions of this Subdivision.
- (5) A Market Participant must have in force an agreement with a responsible person under which that Market Participant contributes to its proportionate share of the costs incurred by that responsible person in measuring and testing gas at all metering installations for

which the responsible person is responsible and at which the Market Participant has gas injected or withdrawn. AEMO may provide to a responsible person for use in calculating a Market Participant's proportionate share of costs, any statement submitted to it by an Allocation Agent under rule 229 or 230.

- (6) In subrule (5), and subject to any agreement to the contrary:
- (a) **proportionate share** means a share calculated having regard to the actual quantity of gas injected or withdrawn at the metering installation by that Market Participant against the total quantity of gas injected or withdrawn at that metering installation in any particular billing period; and
 - (b) **costs** means the total costs incurred by the responsible person in operating and maintaining the metering installation and gas quality monitoring system.

291 Obligations of declared transmission system Service Providers to establish metering installations

- (1) The declared transmission system service provider must not withdraw gas at a connection point on the declared transmission system delivering operational gas unless:
- (a) the connection point has a metering installation;
 - (b) the metering installation has been installed in accordance with this Subdivision and is accurate in accordance with rule 298; and
 - (c) the metering installation is registered with AEMO.
- (2) The declared transmission system service provider must not, without the express permission of AEMO, withdraw gas at a connection point on the declared transmission system delivering operational gas if the metering installation at that connection point does not comply with the provisions or requirements of this Subdivision.

292 Responsibility for metering installation

- (1) The person who is responsible for providing a metering installation is the responsible person.
- (2) Subject to subrule (4), the responsible person for a metering installation:
- (a) if the metering installation is situated at a receipt point on the declared transmission system - is the declared transmission system service provider associated with that receipt point, unless otherwise agreed between that declared transmission

- system service provider and the Producer or the Storage Provider associated with that receipt point;
- (b) if the metering installation is situated at a transfer point between the declared transmission system and another transmission pipeline - is the declared transmission system service provider, unless otherwise agreed between the declared transmission system service provider and the interconnected transmission pipeline service provider associated with that transfer point;
 - (c) if the metering installation is situated at a transfer point between the declared transmission system and a distribution pipeline - is the declared transmission system service provider associated with that transfer point unless otherwise agreed between that declared transmission system service provider and the Distributor associated with that transfer point;
 - (d) if the metering installation is situated at a transmission delivery point at which a Transmission Customer is connected - is the declared transmission system service provider associated with that transmission delivery point, unless otherwise agreed between the declared transmission system service provider and that Transmission Customer;
 - (e) if the metering installation is situated at a distribution delivery point at which a Market Customer or a Customer who is buying gas from a Retailer other than the Customer's declared host retailer is connected - is the Distributor associated with that distribution delivery point, unless otherwise agreed by that Distributor and the relevant Market Participant;
 - (f) if the metering installation is situated at a receipt point on a declared distribution system - is the Distributor associated with that receipt point, unless otherwise agreed between the Distributor and the Producer or the Storage Provider associated with that receipt point;
 - (g) if the metering installation is situated at a connection point between declared distribution systems of different Distributors - is the Distributor associated with the distribution system from which the greater quantity of gas flows into the other distribution system unless otherwise agreed between the relevant Distributors.
- (3) The agreement of the relevant Registered participants under this rule must not be unreasonably withheld.
 - (4) A person who is not a Registered participant may only be the responsible person for a metering installation if it agrees with AEMO to be bound by this Subdivision and such other provisions of

this Part as AEMO may require on such terms as AEMO may reasonably require.

- (5) Where agreement is reached under subrule (2), the person who would otherwise be the responsible person must immediately advise AEMO of that agreement.
- (6) Subject to subrule (7) and any agreement between the responsible person and an affected Participant, costs associated with a metering installation are to be borne by the responsible person.
- (7) Subject to any agreement to the contrary, the reasonable costs associated with new metering installations, modifications to existing metering installations, or decommissioning of metering installations are to be borne by the affected Participant to the extent that those costs arise from new, increased or reduced gas demand of, or supply to, that affected Participant.

293 Other responsibilities of a responsible person

The responsible person must:

- (a) ensure that its metering installations are provided, installed and maintained in accordance with this Subdivision and all applicable laws; and
- (b) ensure that the accuracy of each of its metering installations complies with the requirements of rule 298; and
- (c) ensure that each of its metering installations is calibrated in accordance with rule 299; and
- (d) if AEMO requires, arrange for the provision of remote monitoring facilities to alert AEMO or the responsible person of any failure of any components of the metering installation which might affect the accuracy of the metering data derived from that metering installation and, in the case of a facility that alerts the responsible person rather than AEMO, the responsible person must notify AEMO as soon as possible after the responsible person becomes aware of the failure; and
- (e) provide to AEMO the information specified in the metering register procedures for each of its metering installations.

294 Additional metering

- (1) Any affected Participant may at its own cost provide additional meters or similar equipment at or near a connection point on the declared transmission system or a distribution delivery point in addition to the metering installation provided by the responsible person at that connection point or distribution delivery point for the

purposes of checking the metering data obtained from that metering installation or for any other purposes.

- (2) The equipment:
- (a) must not cause any Registered participant to breach any of the requirements of this Part; and
 - (b) must comply with all applicable laws; and
 - (c) must not interfere with that metering installation or affect in any way the integrity or accuracy of the metering data provided by the metering installation.

295 Metering installation components

A metering installation must:

- (a) be accurate in accordance with the Procedures; and
- (b) have facilities to enable metering data to be transmitted or otherwise collected from the metering installation and delivered to the metering database, and be capable of communication with the metering database, as required and in accordance with rule 308; and
- (c) contain a device that has a visible display of metering data or allows the metering data to be accessed and read at the same time by portable computer or other equipment of a type or specification reasonably acceptable to all persons who are entitled to have access to that metering data in accordance with rule 312(1); and
- (d) be secure in accordance with rule 300; and
- (e) have electronic data recording facilities such that all metering data can be measured and recorded in hourly intervals with a time stamp being applied for each hourly interval; and
- (f) be capable of separately registering and recording flows in each direction where bi-directional gas flows occur; and
- (g) have a meter having an internal or external data logger capable of storing the metering data for at least :
 - (i) 35 days, if the metering installation enables AEMO to obtain remote access in accordance with rule 308; or
 - (ii) 70 days, if the metering installation does not enable remote access by AEMO in accordance with rule 308.

296 Location of metering point

The responsible person must ensure that the metering installation is located as close as practicable to the connection point or distribution delivery point in relation to which the metering installation is being provided (taking into account, amongst other things, the cost of installation and security).

297 Procedures

AEMO must make Procedures (***metering uncertainty limits and calibration requirements procedures***) in relation to metering uncertainty limits and calibration requirements for metering installations.

298 Meter accuracy

- (1) A metering installation at a transmission delivery point must satisfy the uncertainty limits in the metering uncertainty limits and calibration requirements procedures over its entire range of flow rates.
- (2) A metering installation at a distribution delivery point must satisfy the uncertainty limits set out in a declared metering requirement over its entire range of flow rates.

299 Calibration of metering installations

- (1) This rule applies only to metering installations at system points.
- (2) The responsible person must procure that its metering installations are calibrated in accordance with the requirements contained in the metering uncertainty limits and calibration requirements procedures.
- (3) AEMO must review the calibration requirements contained in the metering uncertainty limits and calibration requirements procedures at intervals not exceeding one year.
- (4) The responsible person must establish calibration procedures in respect of each of its metering installations. The calibration procedures must comply with requirements that AEMO may from time to time determine.
- (5) AEMO may check calibration results recorded in respect of any metering installation and arrange for testing of metering installations in order to satisfy itself that the accuracy of each metering installation conforms with the requirements of this Subdivision or to determine the consistency between the data held in the metering database and metering data held in a metering installation.
- (6) The responsible person must make available the results of all tests

in respect of its metering installations to AEMO and all affected Participants as soon as practicable after they have been completed.

- (7) If there is an inconsistency between the data held in a metering installation and the data held in the metering database, the data in the metering installation is to be taken as prima facie evidence of the energy data derived from that metering installation.
- (8) The responsible person must permit AEMO and any affected Participant to have a representative present to observe the calibration of its metering installations and any consequential adjustments.
- (9) The responsible person must give AEMO and all affected Participants at least 14 days' written notice, or such shorter notice as may be agreed by AEMO and all affected Participants, of the proposed hours and date or dates on which a metering installation is to be calibrated and the nature of the calibration to be undertaken.
- (10) Each affected Participant who wishes to have a representative present to observe a calibration of a metering installation must give written notice to the responsible person of its intention to have a representative present not less than 7 days prior to the date on which that calibration is to be undertaken as specified in the notice referred to in subrule (9). The responsible person and all affected Participants who wish to have a representative present must use all reasonable endeavours to agree upon the time and date at which the calibration will take place and, in the absence of agreement, the calibration will take place at the time specified in the notice given by the responsible person pursuant to subrule (9).
- (11) The results of the calibration will be binding on AEMO and all affected Participants irrespective of whether they exercise their rights under subrule (8) to have representatives present.
- (12) AEMO and each affected Participant may, at all reasonable times, by giving reasonable prior notice to the responsible person:
 - (a) inspect the responsible person's metering installation and records in respect of a metering installation; and
 - (b) require that the responsible person conduct a calibration of any metering equipment that AEMO or the affected Participant reasonably believes to be inaccurate.
- (13) The cost of any calibration which the responsible person is required to conduct pursuant to subrules (5) or (12) must be borne by the person requiring the calibration if the metering equipment is found to be accurate within the applicable accuracy parameters described in the metering uncertainty limits and calibration requirements

procedures and by the responsible person if found to be outside any of those accuracy parameters.

- (14) The responsible person must monitor its metering installations on a regular basis in order to ensure that they are operating properly in accordance with this Subdivision.
- (15) If the responsible person becomes aware that the accuracy of a metering installation does not comply with the requirements of this Subdivision or of any matter which could affect the integrity of the metering data, the responsible person must:
 - (a) notify all affected Participants and AEMO as soon as practicable after it becomes aware of the matter; and
 - (b) arrange for the accuracy of the metering installation to be restored or for the metering installation to be modified or replaced by such time as AEMO may reasonably determine so that the metering installation meets the requirements of this Subdivision.
- (16) The responsible person must within 2 business days after it becomes aware of any matter described in subrule (15) provide a report to AEMO in relation to that matter and, where requested by AEMO, prepare an estimate of the actual quantity of gas transferred through the affected metering installation.
- (17) The responsible person must notify all affected Participants and AEMO if practicable at least 7 days prior to, and in any event 7 days after, any modification, adjustment, repair or replacement of any of its metering installations where the action may have an impact on metering accuracy or integrity and the notice must, if applicable, include a record of the readings of the relevant metering installation at all relevant times.

300 Security of metering equipment

- (1) The responsible person must use reasonable endeavours to protect the metering installation from unauthorised interference both intentional and inadvertent by providing secure housing for metering equipment or otherwise ensuring that security at the metering point is adequate to protect against unauthorised interference.
- (2) If evidence of tampering with a metering installation is found by a Registered participant, the Registered participant must notify all affected Participants of that fact as soon as reasonably possible.
- (3) If a Registered participant finds evidence that the accuracy of the metering of a metering installation might have been affected by any tampering, then the responsible person must test the metering

installation to ensure that the metering equipment operates within the applicable accuracy parameters described in the metering uncertainty limits and calibration requirements procedures.

- (4) A Registered participant who interferes with a metering installation without the approval of the responsible person must pay the responsible person its reasonable costs of adjustment, repair, replacement and testing of the metering installation.

301 Security of metering data held in a metering installation

- (1) The responsible person must ensure that metering data held in a metering installation is protected from local or remote electronic access by suitable security electronic access controls (including, if required by AEMO, passwords).
- (2) The responsible person must keep secure records of electronic access passwords.
- (3) If required by AEMO, the responsible person must allocate 'read-only' passwords for each metering installation to affected Participants and AEMO, except where separate 'read-only' and 'write' passwords are not available, in which case the responsible person must allocate a password to AEMO only.
- (4) The responsible person must hold 'read-only' and 'write' passwords.

302 Changes to metering parameters and settings

Changes to parameters or settings within a metering installation that may affect the accuracy of metering data must be:

- (a) notified to AEMO by the responsible person at least 2 business days before the change (other than a change made as a result of a calibration carried out pursuant to this Subdivision) is made; and
- (b) confirmed to AEMO by the responsible person within 2 business days after the change has been made; and
- (c) recorded by AEMO in the metering register.

303 Energy metering and measurement

- (1) The responsible person must ensure that the metering installation is capable of determining quantities of gas and where relevant the energy content of gas flowing through the relevant metering point in accordance with this rule.
- (2) A metering installation at a connection point on the declared transmission system must be capable of determining the energy

content of gas flowing through the metering point unless otherwise agreed by AEMO and the responsible person.

- (3) A metering installation at a distribution delivery point must be capable of measuring the volume of gas flowing through the metering point unless AEMO reasonably requires that metering installation also to be capable of determining the energy content of gas flowing through the metering point.
- (4) Where a metering installation measures only the volume of gas flowing through the metering point, the energy content of the gas must be determined by calculation within the metering database.
- (5) The energy content of gas flowing through a metering point at each metering installation whether calculated within the metering installation or within the metering database must be calculated in accordance with American Gas Association Report no. 7 (measurement of gas by turbine meters), American Gas Association Report no. 8 (compressibility factors of natural gas and other related hydro-carbon gas) and ISO6976 (calculation of calorific value, density, relative density and wobbe index from gas composition) unless the responsible person, the affected Participants and AEMO agree otherwise.
- (6) AEMO must make Procedures (**energy calculation procedures**) pursuant to which AEMO and affected Participants are to calculate energy content for meters and metering installations at distribution delivery points.
- (7) Despite Part 15B, AEMO must publish any amended energy calculation procedures not less than 60 business days before they take effect.
- (8) AEMO and affected Participants must calculate the energy content of gas flowing through meters and metering installations at distribution delivery points in accordance with the energy calculation procedures unless the affected Participants and AEMO agree otherwise.
- (9) Where the energy content of gas flowing through a metering point is calculated within a metering installation it must be calculated using heating value and gas composition data collected from the metering installation or, if the data is not available from the metering installation, using data transmitted to the metering installation from the metering database.
- (10) The source of data used for determining the energy content of gas flowing through a metering point at a metering installation (including heating value, gas composition and relative density) must be determined by AEMO, after consultation with the responsible person.

- (11) In determining the appropriate source of data that AEMO must make available to the responsible person to enable the responsible person to calculate the energy content of gas in accordance with this rule, AEMO must have regard to the proximity of the source of the data to the relevant metering installation.
- (12) In determining the heating values to be applied to the calculation of the energy content of gas, AEMO must use reasonable endeavours to ensure that the uncertainty limits specified in the metering uncertainty limits and calibration requirements procedures are satisfied.
- (13) Unless AEMO and the responsible person agree otherwise, data made available by AEMO to the responsible person for the purpose of calculating the energy content of gas flowing through a metering point must be averaged for one hour and applied by the responsible person for the purpose of measuring the energy content of gas flowing through the metering point in the next hour.
- (14) Each metering installation must be capable of recording metering data in hourly intervals.

304 Performance of metering installations

- (1) The responsible person must ensure as far as possible that metering data can be transmitted or otherwise collected and delivered to the metering database from its metering installations:
 - (a) within the applicable accuracy parameters described in the metering uncertainty limits and calibration requirements procedures for metering installations at transmission delivery points, and in any declared metering requirement for metering installations at distribution delivery points;
 - (b) within the time required for settlement, at a level of availability of at least 99% per annum in the case of metering installations (excluding the communication link);
 - (c) within the time required for settlement, at a level of availability of at least 95% per annum in the case of the communication link; and
 - (d) in accordance with the requirements of rule 308,or as otherwise agreed between AEMO and the responsible person.
- (2) If a metering installation malfunction or defect occurs, the responsible person must have repairs made to the metering installation as soon as practicable and in any event within 2 days, unless AEMO otherwise agrees.

- (3) An affected Participant who becomes aware of a metering installation malfunction or other defect must advise AEMO as soon as practicable.

305 Meter Time

- (1) The responsible person must ensure that all metering installation and data logger clocks are referenced to standard time (as distinct from summer time) in the adoptive jurisdiction.
- (2) The metering database must be set within an accuracy of plus or minus 2 seconds of standard time for a system point other than a transmission delivery point and within an accuracy of plus or minus 5 seconds of standard time for a transmission delivery point and a distribution delivery point.

306 Pulse output facilities

- (1) Within a reasonable time of being requested by an affected Participant or AEMO, the responsible person must provide pulse outputs representing the quantities of gas measured for use by the affected Participant in controlling its production or consumption of gas or by AEMO for any system operation purpose.
- (2) The person requesting the pulse output under subrule (1) must pay the responsible person's reasonable costs relating to the provision of the pulse output.

307 Changes to metering data

The responsible person must not make, and must use reasonable endeavours to ensure that no other person makes, any alteration to the original stored data in a metering installation.

308 Data transfer and collection

- (1) AEMO must collect metering data from all metering installations from which metering data is required for settlement purposes unless otherwise agreed by AEMO and the affected Participants.
- (2) Each affected Participant must use its reasonable endeavours to ensure that AEMO is given access to, or is provided with, the metering data referred to in subrule (1).
- (3) The responsible person must, at its own cost, ensure that metering data derived from a metering installation for which it is responsible shows the time and date at which it is recorded and is capable of being transmitted or otherwise collected from the metering installation and delivered to the metering database in accordance with AEMO's reasonable requirements and in accordance with the metering communications procedures.

- (4) AEMO must make Procedures (***metering communications procedures***) relating to the transfer of energy data from metering installations to the metering database.
- (5) The responsible person must ensure that each of its metering installations contains such communication equipment as AEMO may reasonably require to:
 - (a) enable metering data to be transmitted to the metering database; and
 - (b) enable AEMO to obtain remote access to the metering data from the metering database,for the purpose of AEMO's operation of the declared transmission system, for determination of settlement, and for maintaining metering integrity.
- (6) The transfer of metering data from the metering installation to the metering database must occur hourly unless otherwise agreed by AEMO and the affected Participants.

309 Installation databases

- (1) The responsible person must create, maintain and administer an installation database for all its metering installations.
- (2) The responsible person must ensure that each affected Participant and AEMO are given access to the information contained in its installation database at all reasonable times and:
 - (a) in the case of data 16 months old or less, within 2 business days of receiving written notice from the person seeking access; and
 - (b) in the case of data more than 16 months old, within 30 days of receiving written notice from the person seeking access.
- (3) AEMO must make Procedures (***installation database procedures***) setting out the information that must be contained in an installation database.
- (4) The responsible person must ensure that the information specified in the installation database procedures is stored in that database:
 - (a) in accessible format for 16 months; and
 - (b) in archive, for 7 years or for the life of the relevant metering installation, whichever is longer.

310 Metering database

- (1) AEMO must create, maintain and administer a metering database containing information for each metering installation registered with AEMO.
- (2) AEMO may appoint an agent from time to time to create, maintain and administer the metering database.
- (3) AEMO must use its reasonable endeavours to ensure that the metering database is accessible by all affected Participants at all reasonable times and:
 - (a) in the case of data 16 months old or less, within 4 hours of receiving a written request from an affected Participant; and
 - (b) in the case of data more than 16 months old, within 2 business days of receiving a written request from an affected Participant.
- (4) The metering database must include metering data, energy data, energy calculations, gas quality data, data substituted in accordance with this Subdivision or data provided to AEMO for settlement purposes in accordance with the Retail Market Procedures and all calculations made for settlement purposes.
- (5) Data must be stored in the metering database:
 - (a) for 16 months in accessible format; and
 - (b) for 7 years in archive.

311 Register of metering information

- (1) As part of the metering database, AEMO must maintain a metering register of all metering installations that provide metering data used by AEMO for settlement purposes.
- (2) The metering register referred to in subrule (1) must contain the information specified in metering register procedures.
- (3) If the information in the metering register indicates that a metering installation does not comply with the requirements of this Subdivision:
 - (a) AEMO must advise all affected Participants and the responsible person of that fact; and
 - (b) the responsible person must ensure that the metering installation complies with the requirements of this Subdivision within 2 business days after the date of the notice unless otherwise agreed by AEMO.

- (4) AEMO must make Procedures (***metering register procedures***) in relation to the purpose of, and the information to be included in, a metering register.

312 Rights of access to metering data

- (1) The only persons entitled to have either direct or remote access to metering data from a metering installation, the metering database or the metering register in relation to a metering point are:
 - (a) each Market Participant whose settlement amounts are determined by reference to volumes of gas flowing through that metering point;
 - (b) the responsible person who is responsible for the metering installation at that metering point;
 - (c) the declared transmission system service provider or an interconnected transmission pipeline service provider whose pipeline is connected to the metering installation at that metering point;
 - (d) the Distributor whose pipeline is connected to the metering installations at that metering point;
 - (e) AEMO and its authorised agents; and
 - (f) the Allocation Agent appointed in respect of a system injection point or a system withdrawal point to which that metering point relates.
- (2) Notwithstanding subrule (1), a Transmission Customer is entitled to have either direct or remote access to metering data from a metering installation at a transmission delivery point for that Transmission Customer.
- (3) If the relevant Customer consents, a Retailer is entitled to have access to historical data relating to a Customer who has transferred to that Retailer from another Retailer in relation to the period prior to the date on which that Customer transferred to that Retailer.
- (4) Electronic access to metering data from a metering installation must only be provided where passwords are allocated in accordance with rule 301 and otherwise access to metering data must be from the metering database.
- (5) The responsible person must ensure that access to metering data from the metering installation by persons referred to in subrule (1) is scheduled appropriately to ensure that congestion does not occur.
- (6) The responsible person must ensure that all persons referred to in subrule (1) have access to the metering data provided by its

metering installations at all reasonable times and on reasonable notice.

- (7) If remote access is required under rule 308(5) and is unavailable for a period of 5 consecutive business days, the responsible person must, if requested by any person referred to under subrule (1), at its own cost, obtain readings locally from the metering installation and provide those readings to all persons with rights of access under subrule (1).

313 Payment for access to metering data

All reasonable costs (including telecommunications charges) incurred by the responsible person in providing access to metering data at a metering installation or by AEMO in providing access to information in the metering database must be paid by the affected Participant to whom the metering data or information was provided.

314 Data validation and substitution

- (1) AEMO is responsible for the validation and substitution of metering data.
- (2) AEMO must make Procedures setting out data validation processes for metering data (***data validation procedures***).
- (3) If AEMO detects a loss of metering data or incorrect metering data from a metering installation, it must notify all affected Participants of the fact and of details of the loss or error detected as soon as reasonably practicable and in any event at the time the next settlement statement is issued in respect of that metering point.
- (4) If:
 - (a) any metering equipment at a metering installation is removed from service; or
 - (b) any metering data is found to be inaccurate or incorrect; or
 - (c) calibration of any meter at a metering installation reveals a measurement error which exceeds the metering substitution threshold applicable to that meter; or
 - (d) calibration of any meter at a metering installation reveals a measurement error which is less than the metering substitution threshold applicable to that meter and, in AEMO's reasonable opinion, an affected Participant would be materially and adversely affected if no substitution was made pursuant to this rule; or
 - (e) metering data is not transmitted or otherwise collected from a metering installation and delivered to the metering database

within the time required for settlement,

AEMO must adopt substituted readings in accordance with this rule.

- (5) If substituted readings are required pursuant to subrules (4)(c) or (4)(d) and AEMO is not aware of the time at which the error arose, then the substitution must be made for the period which is the shorter of:
 - (a) the period from the time half-way between the time of the most recent calibration which demonstrated that the meter complied with the requirements of this Subdivision and the time when the error was corrected; and
 - (b) the period commencing on the date 6 months prior to the date on which the error was corrected,or such other fair and reasonable period determined by AEMO expiring on the date the error was corrected, being a period of less than 6 months.
- (6) If AEMO is required to make substituted readings pursuant to subrule (4), AEMO must:
 - (a) determine the period of substitution (in accordance with subrule (5) if applicable);
 - (b) calculate the substituted readings in accordance with subrule (8);
 - (c) replace all readings derived from the relevant metering equipment during the period of substitution with the substituted readings; and
 - (d) notify all affected Participants as soon as reasonably practicable after the substitution has been completed.
- (7) If an affected Participant disputes a substitution made by AEMO pursuant to this rule, the following provisions apply:
 - (a) the affected Participant must give notice of the dispute and the matters disputed to AEMO;
 - (b) as soon as reasonably practicable after receiving a notice pursuant to paragraph (a), AEMO must give notice of the dispute and the matters disputed to each affected Participant;
 - (c) the affected Participants must use their reasonable endeavours to resolve the dispute and agree the substituted readings; and
 - (d) if the dispute has not been resolved by the affected

Participants on or before the second business day prior to the next date on which AEMO is required to issue final statements or revised statements, AEMO must use the substituted readings determined by it pursuant to subrule (6) and the dispute must be resolved pursuant to the dispute resolution processes.

- (8) If substituted readings are required pursuant to this rule, they must be determined in the following order of priority:
- (a) if and to the extent that the responsible person is able to provide actual readings from the relevant meter for the period of substitution by manually reading the meter, those readings must be used for the purposes of determining the substituted readings;
 - (b) if and to the extent that meter readings are available from another meter provided for the purposes of checking metering data pursuant to rule 294 and that meter complies with the accuracy requirements for the related metering installation, those readings must be used for the purposes of determining the substituted readings; and
 - (c) if and to the extent that meter readings are not available in accordance with paragraphs (a) and (b), AEMO may use any or all of the following methods for providing data for the purposes of determining the substituted readings:
 - (i) AEMO may use readings available from any other meter which may reflect the flow of gas through the relevant metering point, whether or not such meter complies with the requirements of this Subdivision;
 - (ii) AEMO may use trend data recorded by AEMO, the responsible person or any other affected Participant where, in AEMO's reasonable opinion, such data gives a good approximation of the actual measurement;
 - (iii) AEMO may correct the reading which is required to be substituted if the deviation from the accurate reading is ascertainable by calibration or mathematical calculation;
 - (iv) AEMO may estimate readings based upon readings from the same meter under similar conditions during a period when the meter was registering accurate readings; or
 - (v) AEMO may use any other method that AEMO considers fair and reasonable in the circumstances.

315 Confidentiality

Data provided to AEMO for settlement purposes in accordance with the Retail Market Procedures and all metering data and passwords provided in accordance with this Subdivision are confidential information.

316 Use of meters

- (1) Metering data must be used by AEMO as the primary source of data for settlement purposes or data provided to AEMO for settlement purposes in accordance with the Retail Market Procedures.
- (2) AEMO is not liable to any person in respect of any inaccuracies, discrepancies or other defects in metering data and data provided to AEMO for settlement purposes in accordance with the Retail Market Procedures, including metering data stored in the metering database.
- (3) Where a metering installation is used for providing metering data to AEMO and for other purposes as well (the ***extraneous use***), the responsible person must ensure that the extraneous use does not interfere with the provision of metering data in accordance with this Part.

Subdivision 5 Declared distribution system – unaccounted for gas

317 Procedures for dealing with unaccounted for gas

- (1) AEMO must make Procedures (***Distribution UAFG procedures***):
 - (a) requiring AEMO to calculate gas unaccounted for in a declared distribution system and to determine the payments to be made (and when they are to be made) as between a Retailer and Distributor for that gas; and
 - (b) provide for how the calculation and determination are to be made.
- (2) AEMO must publish its calculations and determinations made under the Distribution UAFG procedures.
- (3) Subject to any agreement to the contrary between a Retailer and Distributor, payments are to be made in accordance with AEMO's determinations.

Division 4 Market information and system planning

Subdivision 1 Market information

318 Provision of information

- (1) Subject to obligations of confidentiality under the NGL and this Part, AEMO must make available to Market Participants on request any information concerning the operation of the market and may charge a fee reflecting the cost of providing that information.
- (2) For the purposes of subrule (1), AEMO must publish, and may amend from time to time, a schedule of information retrieval fees for routine requests.
- (3) AEMO must make available to the public on request information about the market price and, where requested and available, reasons for any significant movements in the market price.

319 Systems and procedures

- (1) All information that must be provided by Registered participants to AEMO under this Part and information that must be provided by AEMO to Registered participants under this Part must be provided by means of an electronic communication system unless otherwise specified in this Part or approved by AEMO.
- (2) Where information is provided by means of an electronic communication system, that information must be provided by using the templates supplied in the electronic communication system unless otherwise approved by AEMO.
- (3) If possible, information provided to AEMO must be time stamped by AEMO on receipt by AEMO's electronic communication system and if stamped, is deemed to be provided at the time indicated by the time stamp.
- (4) AEMO must make Procedures (***electronic communication procedures***) under which:
 - (a) information must be provided by Registered participants to AEMO;
 - (b) information must be provided by AEMO to Registered participants; and
 - (c) information published on the Market information bulletin board may be accessed by Market Participants.
- (5) Following consultation with Registered participants, AEMO may review and alter the requirements for electronic communication

systems from time to time.

320 Spot market

- (1) AEMO must publish operating schedules, pricing schedules, and market prices in accordance with and at the times specified in Division 2, Subdivision 2.
- (2) AEMO must include in each operating schedule the following details for the relevant gas day in respect of the declared transmission system unless otherwise specified below:
 - (a) forecasts of daily demand and hourly demand;
 - (b) forecasts of withdrawals for each hour of the scheduling horizon;
 - (c) forecasts of injections for each hour of the scheduling horizon;
 - (d) details of forecast threats to system security, including the forecast time, location and extent of each the threat;
 - (e) market prices;
 - (f) forecast locational prices for each hour of the gas day;
 - (g) forecast end of day linepack;
 - (h) the linepack which AEMO requires in respect of that gas day; and
 - (i) details of the total quantity of gas scheduled in accordance with withdrawal bids in each system withdrawal zone or other area that AEMO considers appropriate having regard to the commercial sensitivity of information relating to the demand and consumption patterns of Customers and the requirements of rule 324(6).
- (3) By 4:00pm each day, AEMO must publish for each scheduling interval in the previous gas day:
 - (a) the aggregate quantity of withdrawals of gas from each system withdrawal zone or other area that AEMO considers appropriate having regard to the commercial sensitivity of information relating to the demand and consumption patterns of Customers and the requirements of rule 324(6); and
 - (b) prices and quantities of gas specified in bids; and
 - (c) details of the total quantity of gas injected into the declared transmission system at each system injection point; and

- (d) details of operational irregularities including, for example, circumstances evidencing, in AEMO's reasonable opinion, a failure to follow scheduling instructions.

321 Information records

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.

322 Market audit

- (1) AEMO must arrange for a Review to be conducted at least annually by a market auditor.
- (2) AEMO must appoint a market auditor who in AEMO's reasonable opinion is independent and suitably qualified to conduct the required Review.
- (3) The Review must examine compliance by AEMO with its procedures and the effectiveness and appropriateness of systems utilised in the operation of the Market, including:
 - (a) the calculations and allocations performed by the metering and settlements systems; and
 - (b) billing and information systems; and
 - (c) the scheduling and pricing processes; and
 - (d) processes for software management; and
 - (e) the linepack account; and
 - (f) AEMO's compliance with this Part.
- (4) AEMO must establish and implement a consultative process that enables Market Participants to provide input into the development of the scope of the Review on an annual basis.
- (5) AEMO must ensure that the market auditor prepares a report in which the results of the Review are set out.
- (6) The report prepared by the market auditor in accordance with subrule (5) must be made available by AEMO to Registered participants on request.
- (7) In this rule:

Review means an examination 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.

Subdivision 2 Forecasts and Planning and Maintenance Reviews

323 Annual planning reviews

- (1) By no later than 30 November each year, AEMO must prepare and publish an annual planning review in accordance with this rule.
- (2) Each annual planning review must contain annual forecasts by system withdrawal zone of the matters set out in subrule (3) for each year of the 5 years, and (where practicable) for each month of the 12 months, commencing from 1 January immediately following the year in which the annual planning review is provided to Registered participants.
- (3) Annual planning reviews prepared by AEMO must include forecasts for the total system and by system withdrawal zone (except where otherwise specified) in respect of the following matters:
 - (a) peak daily and hourly demands under peak demand conditions for severe weather conditions that would be expected to be exceeded, on average, once in 2 years (**1 in 2 peak demand conditions**), when those peak demands might occur, and an assessment of the impact of demand from gas fired generation on these days;
 - (b) peak daily and hourly demands under peak demand conditions for severe weather conditions that would be expected to be exceeded, on average, once in 20 years (or such other planning criteria as AEMO may determine), and when those peak demands will occur;
 - (c) total annual demand with and without demand from gas fired generation;
 - (d) available and prospective gas supply and the source of that supply;
 - (e) any expansions of, and extensions to, the declared transmission system;
 - (f) declared transmission system capacity for the system as a whole and for major pipelines in the system;
 - (g) the acceptable range of minimum and maximum pressures at

- such declared transmission system locations as AEMO considers appropriate;
 - (h) storage capacities by facility;
 - (i) storage operating parameters including but not limited to injection and withdrawal rates and pressures and the sustainability of those rates and pressures; and
 - (j) mismatches between supply, demand and capacity.
- (4) When preparing an annual planning review AEMO must:
- (a) take into account:
 - (i) the information provided by Registered participants under rules 324(2), (3) and (4);
 - (ii) anticipated future growth in the demand for gas in the adoptive jurisdiction; and
 - (iii) committed projects for new or additional gas production facilities or extensions or expansions of a declared transmission system or a distribution pipeline; and
 - (b) subject to rule 324(6), publish the assumptions upon which it bases its annual planning reviews.
- (5) If AEMO becomes aware of any information that materially alters the most recently published annual planning review, AEMO must update that annual planning review as soon as practicable, and provide Registered participants with the details of that update.

324 Participant disclosure obligations

- (1) All Registered participants must provide to AEMO forecasts in respect of the matters set out in subrule (2) as follows:
- (a) annual forecasts for each year in the 5 year period commencing on each 1 January must be provided to AEMO by 30 September in the immediately preceding year; and
 - (b) monthly forecasts for each month in the 12 month period commencing on each 1 January must be provided to AEMO by 30 September in the immediately preceding year.
- (2) Information supplied by each Registered participant must include forecasts in respect of the following matters, where relevant to the operation or security of the declared transmission system:
- (a) available and prospective supply available to that Registered participant and the source of that supply;

- (b) storage capacities and inventory available to that Registered participant;
 - (c) gas supply, storage, transmission and distribution projects, including pipeline extensions and expansions;
 - (d) storage operating parameters, including injection and withdrawal rates and pressures and sustainability of those rates and pressures.
- (3) Market Customers and Distributors must include the following additional forecasts, where relevant, with the information provided to AEMO under subrule (2):
- (a) peak daily demand for 1 in 2 peak demand conditions ; and
 - (b) anticipated material constraints on the capacity of the declared distribution system and the location of such constraints, where that constraint may have a material effect on the operation of the declared transmission system.
- (4) The declared transmission system service provider, interconnected transmission pipeline service providers, and Storage Providers must include the following additional forecasts, where relevant to the operation or security of the declared transmission system, with the information provided to AEMO under subrule (2):
- (a) the availability of equipment;
 - (b) details of any constraints on the availability of equipment;
 - (c) the time and duration of any proposed maintenance;
 - (d) full details of the proposed maintenance;
 - (e) the longest period likely to be required to recall into operation relevant equipment during the course of maintenance; and
 - (f) operational requirements for maintenance to be performed including:
 - (i) the gas pressure under which the maintenance will be performed;
 - (ii) gas requirements for testing; and
 - (iii) compressor test operations required,

and this additional information must be provided to AEMO in accordance with subrule (1) and also in the form of week-ahead forecasts commencing from Monday in each week which must be provided to AEMO by no later than the immediately preceding

Wednesday.

- (5) A Registered participant must notify AEMO as soon as practicable having regard to the nature of the change if it becomes aware of a material change to information previously provided under subrules (2), (3) and (4).
- (6) Information provided to AEMO under this rule is confidential information.
- (7) Registered participants must provide the information required under this rule in good faith and must take all reasonable measures to ensure that the information is accurate.

325 Disclosure exemptions

- (1) AEMO, in its absolute discretion, may exempt a Registered participant from all or any of the disclosure obligations under rules 324(2), (3) and (4).
- (2) AEMO, in its absolute discretion, may require a Registered participant, who has previously been exempted from the disclosure obligations under rules 324(2), (3) and (4), to make all or any of the disclosures required under those rules.

326 Maintenance planning

- (1) AEMO must, having regard to information provided by Registered participants (under rule 324(4) or otherwise), coordinate all maintenance planned by the declared transmission system service provider, interconnected transmission pipeline service providers and Storage Providers to ensure that system security is not threatened as a consequence of the unavailability of equipment undergoing maintenance.
- (2) AEMO must make Procedures (***maintenance planning procedures***) with respect to maintenance including the following:
 - (a) notification of maintenance;
 - (b) requests to carry out maintenance;
 - (c) approval of requests (including conditions of approval);
 - (d) initiation of maintenance (including initiation at the request of AEMO);
 - (e) risk assessment and management;
 - (f) information exchange and release (including release of confidential information);

- (g) timing (including deferral) of maintenance;
 - (h) the types of equipment to be taken off line and brought back on line in the course of maintenance operations and the procedures for taking it off line and bringing it back on line;
 - (i) any other matter contemplated by, or reasonably incidental to, rule 324 or this rule.
- (3) A service provider or Storage Provider that has provided information under rule 324(4), concerning time and duration of proposed maintenance, must act in accordance with those forecasts unless:
- (a) those forecasts are updated in the manner specified in the maintenance planning procedures more than 5 days before that maintenance is due to commence; or
 - (b) if the update is to occur within 5 days of the day on which that maintenance was due to commence, consent to an update has been obtained from AEMO in the manner specified in the maintenance planning procedures.
- (4) If AEMO believes that any maintenance proposed by a service provider or Storage Provider will threaten system security, AEMO must notify the service provider or Storage Provider and that service provider or Storage Provider must co-operate with AEMO in good faith to minimise any threat to system security that in AEMO's reasonable opinion would be likely to result from that proposed maintenance.
- (5) AEMO may direct a service provider or Storage Provider to cancel, delay or suspend any maintenance if in AEMO's reasonable opinion:
- (a) the service provider or Storage Provider is conducting or proposing to conduct maintenance in a way that does not minimise threats to system security; and
 - (b) the relevant equipment will not be materially damaged by deferring that maintenance.
- (6) If equipment owned or operated by a service provider or a Storage Provider breaks down or is likely to break down, and the breakdown threatens or could threaten system security, the service provider or Storage Provider:
- (a) must immediately provide AEMO with full details of:
 - (i) the breakdown or threatened breakdown; and
 - (ii) its proposed response to the breakdown or threatened

breakdown; and

- (b) must co-operate with AEMO in good faith to minimise the threat to system security.
- (7) If AEMO becomes aware of defective equipment that could adversely affect system security, AEMO must promptly provide all relevant service providers and Storage Providers with full details of the defect.
- (8) In this rule:

equipment means plant or equipment:

- (a) that forms part of a pipeline or a related facility; or
- (b) that is relevant to the safe, secure and reliable operation of a pipeline or related facility,

and includes pipeline equipment.

Subdivision 3 MDQ Authorisation

327 Agreement for provision of transportation services

- (1) Each Market Participant must ensure that it has in place a valid agreement (a **use of system agreement**) with the declared transmission system service provider that provides for the payment of transmission charges to the declared transmission system service provider.
- (2) AEMO is not liable to pay any such transmission charges.
- (3) An access determination may determine the terms of a use of system agreement and, if it does so, a use of system agreement is taken to exist in the terms fixed by the access determination.

328 Allocation of existing authorised MDQ

- (1) AEMO must, on request, inform:
 - (a) each Retailer whose Customers are allocated authorised MDQ of the amount of authorised MDQ allocated to each of its Customers at tariff D withdrawal points;
 - (b) each Market Participant of the amount of authorised MDQ allocated in respect of withdrawals of gas at tariff V withdrawal points;
 - (c) each Market Customer who is allocated authorised MDQ at a tariff D withdrawal point of the amount of the authorised MDQ

allocated to that Market Customer; and

- (d) the declared transmission system service provider or a Retailer who is allocated authorised MDQ in respect of the withdrawal of gas at a system withdrawal point from the declared transmission system into an interconnected transmission pipeline of the amount of authorised MDQ allocated to it.
- (2) A Retailer who sells gas to Customers to whom authorised MDQ is allocated in respect of tariff D withdrawal points must notify each of those Customers of that Customer's authorised MDQ.
 - (3) AEMO must advise a Customer of that Customer's authorised MDQ on request by that Customer.
 - (4) Subject to subrules (1), (2) and (3), information relating to authorised MDQ, including the identity of the Customer or person to whom it has been allocated, is confidential information.
 - (5) Subject to rule 331, if a Customer changes the Retailer from whom it purchases gas, the Customer's authorised MDQ (if any):
 - (a) remains assigned to that Customer; and
 - (b) is not varied,
as a result of the change of Retailer.
 - (6) AEMO must prepare and publish a register of:
 - (a) the total amount of authorised MDQ allocated;
 - (b) the aggregate amount of authorised MDQ allocated in respect of withdrawals of gas from tariff V withdrawal points; and
 - (c) the aggregate amount of authorised MDQ allocated to Customers in respect of withdrawals of gas from tariff D withdrawal points.

329 Allocations of authorised MDQ and AMDQ credit certificates for pipeline extensions or expansions

- (1) If the declared transmission system service provider extends or expands, or proposes to extend or expand, its pipeline or pipelines, it must consult with AEMO for the purposes of reaching agreement with AEMO as to the increase in capacity of the relevant pipeline which results from the extension or expansion.
- (2) Where the declared transmission system service provider undertakes an extension or expansion and the cost of the extension or expansion is entirely added to the declared transmission system

service provider's capital base on the basis that the criteria in rule 79 are met by the time the extension or expansion is commissioned, additional authorised MDQ which becomes available for allocation as a consequence of that extension or expansion is to be allocated in accordance with rule 330.

- (3) Where the declared transmission system service provider undertakes an extension or expansion of the declared transmission system and a part only of the cost of the extension or expansion is added to the declared transmission system service provider's capital base on the basis that the criteria in rule 79 are met by the time the extension or expansion is commissioned, then:
- (a) that portion of the additional authorised MDQ or AMDQ credit certificates made available as a consequence of the extension or expansion which is associated with that part is to be allocated in accordance with rule 330; and
 - (b) the remaining portion of the additional authorised MDQ or AMDQ credit certificates, as the case may be, must be allocated in accordance with subrule (4),

but this subrule only applies if the AER has determined the amount of additional capacity associated with that part of the cost of the extension or expansion, and if for that reason this subrule does not apply then subrule (2) applies.

- (4) Subject to subrule (5), in any case where subrules (2) or (3)(a) do not apply, AEMO must allocate the quantity of additional authorised MDQ or the quantity in the AMDQ credit certificates (as the case may be) made available by the relevant extension or expansion:
- (a) to such Market Participants; and
 - (b) for use within such specified withdrawal zones or for use at system injection points, as the case may be; and
 - (c) for such period,

as the declared transmission system service provider directs.

- (5) Where a quantity in AMDQ credit certificates is to be allocated to a Market Participant under subrule (4) in respect of injections of gas at a system injection point, AEMO must only make such an allocation to the Market Participant:
- (a) where the Market Participant requests the allocation; and
 - (b) in accordance with the direction of the declared transmission system service provider,

and AEMO may specify conditions to apply to that allocation that

AEMO reasonably determines and agrees with the declared transmission system service provider.

- (6) Subrule (5) does not restrict AEMO's allocation of authorised MDQ or of the quantities in AMDQ credit certificates in a case to which rule 330 applies.
- (7) If additional authorised MDQ or AMDQ credit certificates have been allocated by AEMO as a consequence of an extension or expansion, AEMO and the declared transmission system service provider must by no later than the date on which the additional authorised MDQ or AMDQ credit certificates are allocated, amend the service envelope agreement, to reflect that additional capacity of the relevant pipeline as agreed under subrule (1) which results from the extension or expansion and if they are unable to agree, the provisions of section 91BE(4) of the NGL will apply.

330 Subsequent allocations and re-allocations of authorised MDQ

- (1) Where AEMO and the declared transmission system service provider agree that the declared transmission system has available capacity in respect of which authorised MDQ has not previously been allocated or reserved, AEMO must allocate authorised MDQ up to that available capacity to any person who seeks an allocation of authorised MDQ in respect of a delivery point or system withdrawal point, in accordance with this rule.
- (2) If a tariff V withdrawal point becomes designated as a tariff D withdrawal point, then AEMO must allocate authorised MDQ to the Customer, who withdraws gas at that tariff D withdrawal point in a manner which, in AEMO's reasonable opinion, is fair and equitable, and AEMO must make a proportionate reduction to the total amount of authorised MDQ assigned to tariff V withdrawal points.
- (3) If a tariff D withdrawal point becomes designated as a tariff V withdrawal point, then AEMO must reallocate any authorised MDQ remaining allocated to that withdrawal point by making a proportionate increase to the total amount of authorised MDQ assigned to tariff V withdrawal points.
- (4) AEMO must allocate authorised MDQ under subrule (1) as follows:
 - (a) if there is sufficient available authorised MDQ to satisfy the requirements of all persons who have requested an allocation of authorised MDQ, AEMO must allocate the available authorised MDQ to each of those persons in respect of a delivery point or system withdrawal point at which each of those persons withdraws or proposes to withdraw gas, in accordance with their requirements; and
 - (b) if there is insufficient available authorised MDQ to satisfy the

requirements of all persons who have requested an allocation of authorised MDQ, AEMO must conduct an auction amongst all persons from whom AEMO has received requests for authorised MDQ and allocate the available authorised MDQ to the persons who offer the highest amount for that authorised MDQ in accordance with the AMDQ auction procedures.

- (5) Allocation of authorised MDQ made in accordance with subrule (4) is effective only in respect of a delivery point or system withdrawal point at which the person applied to AEMO for the allocation of authorised MDQ.
- (6) AEMO must make Procedures (***AMDQ auction procedures***) pursuant to which it will allocate available authorised MDQ under subrule (4)(b).

331 Transfer of authorised MDQ or AMDQ credit certificates

- (1) AEMO must make Procedures (***AMDQ transfer procedures***) for the transfer of authorised MDQ or AMDQ credit certificates between parties in accordance with this rule.
- (2) A person that has acquired authorised MDQ or AMDQ credit certificates in accordance with this Subdivision may transfer the whole or a part of that authorised MDQ or AMDQ credit certificates to another person in accordance with this rule and subject to the AMDQ transfer procedures.

332 Relinquishment of authorised MDQ or AMDQ credit certificate

- (1) Subject to subrule (2), if a person holds authorised MDQ or AMDQ credit certificates in accordance with this Part and ceases to be a Registered participant, or in the case of a Customer, is disconnected from the declared transmission system or a declared distribution system, that person's entitlement to the authorised MDQ or AMDQ credit certificates will revert to AEMO for reallocation to other persons in accordance with rule 330 unless that person transfers that authorised MDQ or AMDQ credit certificates in accordance with rule 331.
- (2) If a person:
 - (a) to whom authorised MDQ or AMDQ credit has been allocated under rule 329; or
 - (b) to whom authorised MDQ or AMDQ credit originally allocated under rule 329 has been transferred in accordance with rule 331,

ceases to be a Registered participant, or in the case of a Customer, is disconnected from the declared transmission system or a

declared distribution system, that person's entitlement to the authorised MDQ or AMDQ credit certificates will revert to the declared transmission system service provider unless that person transfers that authorised MDQ or AMDQ credit certificates in accordance with rule 331.

Division 5 Intervention and market suspension

Subdivision 1 Emergencies

333 Emergency

- (1) An emergency occurs when:
 - (a) AEMO reasonably believes there to be a situation which may threaten:
 - (i) reliability of gas supply; or
 - (ii) system security or the security of a declared distribution system; or
 - (iii) public safety,and AEMO in its absolute discretion considers that the situation is an emergency and declares there to be an emergency; or
 - (b) AEMO declares there to be an emergency at the direction of a government authority authorised to give such directions.
- (2) A Registered participant must notify AEMO as soon as practicable of:
 - (a) any event or situation of which the Registered participant becomes aware where, in the reasonable opinion of the Registered participant, that event or situation is of a kind described in subrule (1)(a); and
 - (b) any action taken by the Registered participant under its safety plan and safety procedures or otherwise in response to that event or situation.
- (3) AEMO may specify a process for communicating to Registered participants the existence of an emergency and all relevant information relating to the emergency.
- (4) Subject to subrule (1)(b), the existence of an emergency under subrule (1)(a) will be determined by AEMO in its absolute discretion, irrespective of the cause of the emergency, and whether AEMO or any other person has caused or contributed to the

emergency.

- (5) Each Registered participant must use its best endeavours to ensure that its safety plan (if any) permits it to comply with emergency directions.
- (6) An emergency will continue until such time as AEMO determines that the emergency has ended.
- (7) When an emergency has ended in accordance with subrule (6), AEMO must notify all Registered participants that the emergency has ended.

Subdivision 2 Emergency Planning by Participants

334 Participant emergency contacts

- (1) Each Registered participant must provide AEMO with:
 - (a) a single telephone number and facsimile number at which a representative of the Registered participant is contactable by AEMO, 24 hours a day; and
 - (b) the name and title of the Registered participant's representative who is contactable at those numbers.
- (2) The representative of each Registered participant must be a person having appropriate authority and responsibility within the Registered participant's organisation to act as the primary contact for AEMO in the event of an emergency.
- (3) Each Registered participant must immediately notify AEMO of a change to the details required under subrule (1) and where possible in advance.

335 Participant safety procedures

- (1) To the extent that:
 - (a) a Registered participant is not required to have its own safety plan; or
 - (b) a Registered participant's safety plan does not provide for the Registered participant to respond to all events and situations included in rule 333(1),

that Registered participant must establish and maintain its own internal safety procedures necessary to enable it and, where relevant, its Customers to comply with emergency directions and this Division.

- (2) Each Registered participant must ensure that the safety procedures it establishes under subrule (1) are consistent with the emergency protocol and its safety plan (if any).

336 Emergency procedures awareness

- (1) Each Registered participant must at all times ensure that all of its relevant officers and staff and, where relevant, its Customers, are familiar with the emergency protocol and the Registered participant's safety plan or safety procedures.
- (2) For the purposes of subrule (1), relevant officers and staff are those whose functions or areas of responsibility are such that they are likely to be required to make decisions or take action in an emergency.

Subdivision 3 Emergency curtailment of Customers

337 Distribution Customers - curtailment information

- (1) Subject always to the requirement that a Distributor must use its best endeavours to provide information to AEMO under this rule in a way that does not reveal the identity of a Customer, each Distributor must provide information to AEMO in accordance with subrule (2), for each transfer point relating to that Distributor's distribution pipelines, by no later than 28 February in each year.
- (2) Unless otherwise agreed by AEMO, the information provided to AEMO under subrule (1) must set out for each transfer point referred to in subrule (1):
 - (a) the system withdrawal zone in which that transfer point is located; and
 - (b) the name and address of the Distributor on whose distribution pipeline that transfer point is located; and
 - (c) a single telephone number and facsimile number at which one or more representatives of the Distributor having appropriate authority and responsibility within the Distributor's organisation to act as the primary contact for AEMO in the event of an emergency are contactable by AEMO 24 hours a day, and the name and title of those representatives of the Distributor who are contactable at those numbers; and
 - (d) the number of Distribution Customers which withdraw gas from any distribution delivery point on the Distributor's distribution pipelines after that gas has passed through each of those transfer points; and
 - (e) the aggregate size of demand of all Distribution Customers

- represented by that transfer point; and
 - (f) the type of demand of all Distribution Customers represented by that transfer point; and
 - (g) the time it would take to implement curtailment in respect of the Distribution Customers represented by that transfer point.
- (3) Each Distributor must immediately notify AEMO of a change to the details required under subrule (2) and where possible in advance.

338 Transmission Customers - curtailment information

- (1) By no later than 28 February in each year, each Transmission Customer must provide to AEMO the information set out in subrule (2) and if that Transmission Customer is not a Market Customer, then the Transmission Customer must arrange for the Retailer from whom it purchases gas to provide that information on its behalf.
- (2) The information to be provided to AEMO under subrule (1) must set out:
- (a) the name and address of the Transmission Customer; and
 - (b) a single telephone number and facsimile number at which a representative of the Transmission Customer is contactable by AEMO, 24 hours a day; and
 - (c) the name and title of the Transmission Customer's representative who is contactable at those numbers and is a person having appropriate authority and responsibility within the Transmission Customer's organisation to act as the primary contact for AEMO in the event of an emergency; and
 - (d) the system withdrawal zone in which that transmission delivery point is located; and
 - (e) the maximum daily and hourly quantity of the Transmission Customer; and
 - (f) the type of demand of the Transmission Customer; and
 - (g) the time it would take to implement curtailment in respect of that Transmission Customer; and
 - (h) the minimum required pressure at the transmission delivery point.
- (3) The person responsible for providing the information to AEMO under subrule (1) must immediately notify AEMO of a change to the details required under subrule (2) and where possible in advance.

Subdivision 4 Response to an emergency

339 Declarations and directions in an emergency

- (1) When an emergency arises, AEMO must:
 - (a) liaise with any jurisdictional safety body as required by applicable regulatory instruments or as directed by a government authority; and
 - (b) inform Registered participants, as soon as reasonably practicable, of the commencement, nature, extent and expected duration of the emergency and the way in which AEMO reasonably anticipates it will act in response to the emergency; and
 - (c) keep Registered participants informed of any material changes in the nature, extent and expected duration of an emergency.
- (2) Upon being informed of an emergency, each Registered participant must advise all relevant officers and staff (as defined in rule 336(2)) and, where relevant, its Customers, of the existence and nature of the emergency.
- (3) During an emergency, each Registered participant must comply with its safety plan (if any) and safety procedures (if any).
- (4) A Registered participant must use its reasonable endeavours to ensure that, during an emergency, its Customers act in a manner that enables that Registered participant to comply with all its obligations under this Division.

Subdivision 5 System security threat

340 Non-firm gas

- (1) Gas is described as **non-firm gas** if it may be available for injection, but its availability cannot be guaranteed.
- (2) Non-firm gas may include:
 - (a) gas that will only be available through use of a Producer's or Storage Provider's peak, or near peak, production and technical operational capacity; or
 - (b) gas available from an interconnected transmission pipeline service provider's peak, or near peak capacity; or
 - (c) gas subject to a supply contract that may not be required for delivery under that contract on the gas day, or for part of the

gas day; or

- (d) gas subject to a supply contract, in relation to which the supply contract offers some flexibility for managing delivery so that supplies could be made available to the market on restricted terms on the gas day.

341 Notice of threat to system security

(1) If AEMO believes that a threat to system security is indicated by:

- (a) the annual planning reviews prepared by AEMO under Division 4, Subdivision 2; or
- (b) an operating schedule; or
- (c) any other fact or circumstance of which AEMO becomes aware,

then it must provide to Registered participants without delay details of that threat to system security including AEMO's estimate of:

- (d) the nature and magnitude of the threat to system security, including an estimate of the likely duration of the threat to system security and the likely shortfall in gas supplies likely to occur during that period; and
- (e) whether AEMO will need to intervene in the market to avert the threat and, if so, the time by which intervention will be required if the threat has not subsided; and
- (f) the system withdrawal zones within the declared transmission system in which the threat to system security is likely to be located.

(2) If AEMO provides Registered participants with details under subrule (1) regarding a threat to system security, AEMO may issue a notice requiring each Registered participant to provide to AEMO the Registered participant's best estimates of the following:

- (a) whether the Registered participant is in a position to make additional injections or withdrawals of gas and whether the Registered participant would need to reschedule maintenance or other work in order to do so;
- (b) whether the Registered participant is in a position to inject non-firm gas into the declared transmission system;
- (c) whether the Registered participant is in a position to inject off-specification gas into the declared transmission system;
- (d) the period of notice the Registered participant would require

before making additional injections and withdrawals under paragraphs (a), (b) and (c);

- (e) the costs the Registered participant would incur in facilitating or implementing an injection or withdrawal under paragraphs (a), (b) and (c).
- (3) A Registered participant must not unreasonably withhold information required by AEMO under a notice under subrule (2) and must provide AEMO with that information as soon as practicable after it has received a notice from AEMO under subrule (2).
 - (4) AEMO must treat all information provided to it by a Registered participant under subrule (2) as confidential information and may only use that information for the purpose of maintaining or re-establishing system security by taking the action referred to in rules 342 and 343.
 - (5) AEMO must inform Registered participants immediately when it reasonably considers a threat to system security to be at an end.

342 Market response to threat to system security

If AEMO reasonably considers that a threat to system security will subside without intervention, AEMO must:

- (a) if it has not already done so, provide Registered participants with the information set out under rule 341(1); and
- (b) advise those Registered participants that AEMO considers would be required to take or refrain from action if the threat to system security is not resolved without intervention, including Market Participants whose bids are likely to be scheduled in accordance with an operating schedule, of the following information:
 - (i) the existence of the threat to system security; and
 - (ii) the likely nature of any requirement of AEMO if AEMO determines that it should intervene; and
- (c) keep all Registered participants informed with up-to-date information about the threat to system security and measures taken to avert the threat.

343 Intervention due to system security threat

- (1) If AEMO reasonably considers that a threat to system security is unlikely to subside without intervention, AEMO must intervene in the Market by taking any measures it believes are reasonable and necessary to overcome the threat to system security, including (without limitation) injecting gas from AEMO's LNG reserve or

making the following directions under section 91BC of the NGL:

- (a) curtailment in accordance with the emergency curtailment list, subject to subrule (2);
 - (b) increasing withdrawals;
 - (c) requiring Registered participants to use reasonable endeavours to inject gas which is available and to which the Registered participant is entitled, but which has not been bid into the market on the relevant gas day or which is non-firm gas, recognising in the case of non-firm gas the uncertainties associated with the supply and injection of that gas;
 - (d) requiring any Registered participant to inject off-specification gas into the declared transmission system;
 - (e) requiring Registered participants to do any reasonable act or thing that AEMO believes necessary in the circumstances.
- (2) If a threat to system security is attributable to a transmission constraint then to the extent practicable, AEMO must, prior to curtailing any other Customers, use reasonable endeavours to curtail those Customers who, in AEMO's reasonable opinion, are using more than the authorised MDQ or quantities in AMDQ credit certificates assigned to those Customers.
- (3) A demand forecast override by AEMO is not an intervention.
- (4) Registered participants must comply with all requests and directions issued by AEMO under this Subdivision.

344 Participant Claims in respect of intervention

- (1) If AEMO intervenes under rule 343 to require a Registered participant to inject gas into the declared transmission system, the Registered participant may claim compensation under rule 237 if it incurs a loss (beyond the value of the gas injected and the transmission charges) as a direct result of injecting the gas.
- (2) If AEMO intervenes under rule 343 to require a Registered participant who is not a Market Participant to inject gas into the declared transmission system, the Registered participant:
- (a) must be paid for the gas at the applicable market price as if the Registered participant were a Market Participant; and
 - (b) must pay to the declared transmission system service provider the tariff determined under the service provider's applicable access arrangement.
- (3) The declared transmission system service provider must invoice the

Registered participant for transmission charges payable under subrule (2)(b) and allow a reasonable time for payment.

Subdivision 6 *Force majeure* and market suspension

345 Administered price cap

AEMO must determine an administered price cap to be used as described in rules 222 and 349, and included in the administered pricing procedure.

346 System *force majeure* events

- (1) A system *force majeure* event is the occurrence of any one or more of the events or circumstances set out in subrule (2) where AEMO reasonably considers that:
 - (a) either:
 - (i) the event has resulted in a reduction in the normal capacity of part or all of the declared transmission system and/or the volume of gas which would otherwise normally flow in the declared transmission system; or
 - (ii) the event has resulted in a reduction in the normal capacity of part or all of a Producer's or Storage Provider's plant or facility reducing the volume of gas which would otherwise normally flow into the declared transmission system; and
 - (b) that reduction is likely to materially affect the operation of the Market or materially threaten system security.
- (2) An event referred to in subrule (1) is any of the following events:
 - (a) a government authority gives directions to AEMO or a declared transmission system service provider in respect of the operation of the declared transmission system; or
 - (b) an event that is a Participant *force majeure* event and which, in the reasonable opinion of AEMO, satisfies the requirements of subrule (1).
- (3) AEMO must notify all Registered participants without delay of the occurrence of any system *force majeure* event.
- (4) Registered participants and AEMO must use all reasonable endeavours to:
 - (a) ensure that they do not cause or exacerbate a system *force majeure* event; and

- (b) mitigate the occurrence and effects of a system *force majeure* event.
- (5) If any system *force majeure* event occurs then AEMO must declare an administered price period during which the price must be determined by AEMO in accordance with the principles in rule 349(2).
- (6) Following a declaration by AEMO of an administered price period in accordance with subrule (5), the administered price period is to continue until AEMO declares the system *force majeure* event and the administered price period to be at an end and notifies all Registered participants accordingly.

347 Conditions for suspension of the market

- (1) Subject to subrule (2), AEMO may declare the Market to be suspended when:
 - (a) a system *force majeure* event occurs; or
 - (b) an emergency occurs; or
 - (c) AEMO has been directed by a government authority to suspend the Market or operate all or part of the declared transmission system in a manner contrary to the provisions of this Part; or
 - (d) AEMO determines that it is necessary to suspend the Market because it has become impossible to operate the Market in accordance with the provisions of this Part.
- (2) AEMO must not suspend the Market solely because:
 - (a) market price has reached VoLL; or
 - (b) AEMO has issued an emergency direction; or
 - (c) AEMO has intervened in the Market because of a threat to system security under Subdivision 5.

348 Declaration of market suspension

- (1) If the Market is suspended, AEMO must notify all Registered participants of the suspension without delay.
- (2) The suspension takes effect at a time fixed in the declaration (but the declaration cannot operate retrospectively).
- (3) A Market suspension continues until AEMO makes a declaration fixing a time for the resumption of market operation and notifies all Registered participants of the time so fixed.

349 Effect of market suspension

- (1) If AEMO declares the market to be suspended:
 - (a) AEMO may determine prices that are to be regarded as market prices for gas during the period of suspension; and
 - (b) AEMO may determine a process for the submission of information by Market Participants and the scheduling of gas injections and withdrawals to apply during the period of suspension.
- (2) In determining prices under subrule (1)(a), AEMO:
 - (a) must act in accordance with rule 221 if and to the extent AEMO considers it reasonably practicable to do so; and
 - (b) to the extent AEMO considers it impracticable to act in accordance with rule 221 – must act on any other basis that AEMO considers relevant and reasonable in the circumstances; and
 - (c) must not determine a price that exceeds the administered price cap.
- (3) A process determined by AEMO under subrule (1)(b):
 - (a) must conform with the relevant provisions of Division 2, Subdivision 2, if and to the extent AEMO considers compliance with those provisions reasonably practicable; and
 - (b) to the extent AEMO considers compliance with those provisions not reasonably practicable – must be determined on a basis AEMO considers reasonable in the circumstances.
- (4) AEMO must publish a determination under this rule.

350 Registered participant claims in respect of application of administered price cap

Registered participants may claim compensation from AEMO in accordance with rule 237 in respect of gas injected into the declared transmission system if, because of the application of an administered price cap:

- (a) the resultant market price payable to that Registered participant is less than the price specified in its injection bid; or
- (b) ancillary payments to the Registered participant for the gas injected are reduced in accordance with rule 239(5).

351 Intervention reports

(1) Within 10 business days after one or more of the following events:

- (a) an intervention by AEMO;
- (b) an event which, in AEMO's reasonable opinion, is or may be a threat to system security;
- (c) a system *force majeure* event;
- (d) an emergency,

AEMO must investigate the circumstances of that event and prepare a report to assess:

- (e) the adequacy of the provisions of this Part relevant to the event or events; and
- (f) the appropriateness of actions taken by AEMO in relation to the event or events; and
- (g) the costs incurred by AEMO and Registered participants as a consequence of responding to the event or events.

(2) AEMO must publish the report on completion.

Division 6 Dispute Resolution

352 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 Division 3 of this Part:

- (a) Connection Applicants; and
- (b) responsible persons or persons who intend to become responsible persons; and
- (c) persons appointed by AEMO as metering database agents under Division 3.

353 Time limits

(1) For the purposes of rule 135H(2)(a), the latest time for service of a Stage 1 notice is:

- (a) in the case of a dispute about whether an unintended scheduling result has occurred or about compensation for an unintended scheduling result, 90 business days after the issue of the relevant operating schedule; and

- (b) in the case of a dispute to which rule 229(17) or 314(7) applies, 2 business days after the end of the period specified in the relevant rule for determining or resolving the relevant matters; and
 - (c) in the case of a dispute to which rule 248(4) applies, the end of the period specified in that rule for raising the dispute.
- (2) For the purposes of rule 135HG(2), the maximum time limit for the Dispute resolution panel to decide any dispute arising under or in connection with this Part 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, 150 business days after the dispute was referred to the Dispute resolution panel.

Division 7 Enforcement and Monitoring

354 Monitoring the market

The AER must monitor trading activity in the Market:

- (a) with a view to ensuring that the trading activity is in accordance with this Part; and
- (b) to identify any significant price variations.

355 Significant price variations

- (1) If the AER identifies any significant price variations, the AER must:
- (a) within 10 business days notify Participants of this event; and
 - (b) within 20 business days following the issue of the final statement for that gas day, publish a report setting out the identified significant price variations.
- (2) The AER must develop and publish guidelines as to what constitutes a significant price variation.

Division 8 Development of proposals for rules under this Part

356 Rule proposals

- (1) Any person may make a proposal to AEMO to submit a request to the AEMC for a rule that amends this Part.

- (2) A proposal under subrule (1) must be given to AEMO in writing and:
- (a) must include the name and address of the proponent;
 - (b) must include a statement of the reasons why the proposed rule is:
 - (i) necessary or desirable; and
 - (ii) consistent with the national gas objective; and
 - (iii) compatible with the proper performance of AEMO's declared system functions; and
 - (iv) technically, operationally and economically feasible to implement; and
 - (c) may include a draft of the proposed rule; and
 - (d) may include any other information the proponent considers relevant.
- (3) AEMO may request the proponent to provide any further information it reasonably requires, or the AEMC is likely to require, for the proper assessment of the proposal.

357 Consultation on rule proposal

- (1) As soon as practical after AEMO receives a proposal for a rule and any further information requested under rule 356(3), AEMO must consult with all Registered participants and any other persons AEMO reasonably considers would be affected by the proposed rule.
- (2) AEMO must make Procedures (***rule consultation procedures***) for the conduct of consultations under this rule.

358 AEMO decision on rule proposal

- (1) AEMO must decide whether or not to request a rule based on a proposal made under rule 356, with such amendments as AEMO considers appropriate, within 60 business days after receiving that proposal.
- (2) The period of 60 business days referred to in subrule (1) is extended:
- (a) by the number of business days from the date of any request by AEMO for further information under rule 356(3) to the date on which it receives all of the information requested; and
 - (b) by such further period as AEMO may notify the proponent in

writing, being a period reasonably required by AEMO to complete its consultation on, and assessment of, the proposal.

- (3) AEMO must decide to request a proposed rule if it is satisfied that the proposed rule, with any amendments that AEMO considers appropriate, meets the criteria in rule 356(2)(b) and, if it is not so satisfied, must decide not to request the proposed rule.
- (4) If AEMO decides to request a rule proposed by a person under rule 356, AEMO must submit a request to the AEMC under the NGL within a further 20 business days.
- (5) If AEMO decides not to request a proposed rule, AEMO must notify the proponent of the reasons for its decision.

359 Other rule requests by AEMO

AEMO may also make a request to the AEMC for a rule on its own initiative, and for those purposes AEMO may undertake such consultation as it considers to be appropriate.

Division 9 Derogations

360 Gas injections at Longford

Rule 329(5) does not apply in respect of the injection of gas at a system injection point at Longford.

361 Uplift payment procedures

For the purposes of rule 240(3)(e), the system injection point at Longford is the system injection point associated with authorised MDQ.

362 Longford measuring station

- (1) The provisions of Division 3, Subdivision 4 (other than rules 290(1)(a) and (c), 292, 294, 295(2) and (5), 302, 304(1)(b) and (c), (2) and (3), 305(1), 307, 308, 309, 310, 311(1) and (2), 312, 313, 314, 315 and 316) do not apply to the Longford measuring station.
- (2) The derogation contained in subrule (1) ceases when the Longford measuring station is replaced, upgraded or materially modified.
- (3) In this rule:

Longford measuring station means the metering installation that is:

- (a) adjacent to the system injection point at Longford; and

- (b) the subject of the Gas Sales Agreement dated 20 November 1996 between Esso Australia Resources Ltd, BHP Petroleum (Bass Strait) Pty Ltd, and Gascor.

14 Amendment of Schedule 1 (Transitional provisions)

- (1) Schedule 1, clause 1, definition of ***date of transition***, paragraph (b)

Omit “section 31 of the National Gas Access (Western Australia) Act 2008”

Insert “section 30 of the National Gas Access (WA) Act 2009”

- (2) Schedule 1, after clause 8

Insert

9 Review of operation of clause 10

- (1) The NSW Minister must have periodic reviews of the operation of clause 10 carried out.
- (2) The reviews are to be carried out:
 - (a) in the case of the first review – within 5 years after the commencement of the Procedures governing the NSW/ACT retail gas market; and
 - (b) in the case of a later review – within one year after the conclusion of the previous review.
- (3) The reviews will be designed to ascertain whether clause 10 continues to be required to ensure:
 - (a) that the provision of services to participants in the NSW/ACT retail gas market is efficient and cost-effective; and
 - (b) that service providers are able to recoup material costs of performing obligations under the rules or the Procedures related to the NSW/ACT retail gas market.

Note

A finding that clause 10 is no longer necessary to ensure the above objectives is described below as a positive finding.

- (4) The NSW Minister must:
 - (a) publish the results of each review in the NSW Government Gazette;
 - (b) give a copy of the results of each review to AEMO for publication on AEMO’s website.

- (5) If a review results in a positive finding:
 - (a) no further review is required under this clause; and
 - (b) the NSW Minister must make an order fixing a date for the expiry of this clause and clause 10.
- (6) This clause will expire on the date fixed for its expiry under subrule (5).
- (7) The NSW Minister must consult with AEMO and the ACT Minister on the conduct of reviews, and the exercise of Ministerial powers, under this clause.

10 Obligations imposing additional costs on service providers in NSW/ACT

- (1) This clause applies to new Procedures governing the operation of the NSW/ACT retail gas market if AEMO is satisfied on the application of a service provider that:
 - (a) the new Procedures add to, or otherwise change, the service provider's obligations; and
 - (b) the changes would (apart from this clause) increase the service provider's material costs of participation in the relevant market; and
 - (c) the service provider is not able to recoup the increase under the existing regulatory framework.
- (2) An application cannot be made more than 20 business days after the date fixed for the commencement of the new Procedures.
- (3) The Procedures governing the operation of the NSW/ACT retail gas market continue to apply to the applicant service provider as if the new Procedures had not been made until:
 - (a) the regulatory framework is changed to allow for recovery of the increased costs by the service provider; or
 - (b) AEMO takes other steps that have the effect of relieving the service provider from the obligation to incur the increase in costs.
- (4) In this clause:

new Procedures means Procedures governing the operation of the NSW/ACT retail gas market made after the first such Procedures are made under section 294A of the NGL.
- (5) On the day on which clause 9 expires, this clause also expires.

11 Presumptive exemption from registration

- (1) An exemption from registration is taken to have been granted on the relevant changeover date under rule 135AG(1)(b) in favour of the following participants in the NSW/ACT retail gas market:
 - (a) a person who holds a supplier's authorisation but does not supply gas by means of a designated distribution pipeline;
 - (b) a person who holds a reticulator's authorisation but not in respect of a designated distribution pipeline;
 - (c) a supplier of gas by means of a distribution pipeline specified in the reticulator's authorisation held by the Albury Gas Co;
 - (d) the Albury Gas Co;
 - (e) a person that holds a licence, approval or authorisation under the *Utilities Act 2000* of the Australian Capital Territory corresponding to a supplier's authorisation but does not supply gas.
- (2) An exemption from registration as a participant in the Victorian retail gas market is taken to have been granted on the relevant changeover date under rule 135AG(1)(b) in favour of the service provider for the distribution pipeline that serves Mildura and its environs.
- (3) An exemption under this clause is subject to revocation in the same way as if granted by AEMO on the changeover date.
- (4) In this clause:

Albury Gas Co means The Albury Gas Co Limited (ACN 000 001 249).

designated distribution pipeline means a pipeline to which a reticulator's authorisation held by any of the following relates:

- (a) ACTEW/AGL Distribution (a partnership between Actew Distribution Limited (ACN 073 025 224) and AGL Gas Company (ACT) Pty Ltd);
- (b) AGL Gas Networks Limited (ACN 003 004 322);
- (c) the Albury Gas Co;
- (d) Country Energy Gas Pty Ltd (ACN 083 199 839);
- (e) Central Ranges Pipeline Pty Ltd (ACN 108 218 355).

reticulator's authorisation means a reticulator's authorisation

under the *Gas Supply Act 1996* (NSW).

supplier's authorisation means a supplier's authorisation under the *Gas Supply Act 1996* (NSW).

12 Examination and assessment of proposals for the making of Procedures

- (1) AEMO is not required to comply with the approved process for examining, assessing, and reporting on, a proposal for the making of Procedures if the proposal is made within 6 months of the first changeover date.
- (2) However, in examining, assessing, and reporting on such a proposal, AEMO must act as AEMO considers reasonable and appropriate having regard (where applicable) to procedures for regulatory change that were observed before the changeover date.
- (3) In this clause:

approved process means the process contemplated by rule 135EC for examining and assessing a proposal for the making of Procedures and the preparation of an impact and implementation report.