



National Gas Amendment (STTM Deviations and the Settlement Surplus and Shortfall) Rule 2013 No. 4

under the National Gas Law to the extent applied by:

- (a) the National Gas (South Australia) Act 2008 of South Australia;
- (b) the National Gas (ACT) Act 2008 of the Australian Capital Territory;
- (c) the National Gas (New South Wales) Act 2000 of New South Wales;
- (d) the National Gas (Queensland) Act 2008 of Queensland;
- (e) the National Gas (Tasmania) Act 2008 of Tasmania;
- (f) the National Gas (Victoria) Act 2008 of Victoria; and
- (g) the National Gas (Northern Territory) Act 2008 of Northern Territory;
- (h) the Australian Energy Market Act 2004 of the Commonwealth.

The Australian Energy Market Commission makes the following Rule under the National Gas Law.

John Pierce
Chairman
Australian Energy Market Commission

National Gas Amendment (STTM Deviations and the Settlement Surplus and Shortfall) Rule 2013 No. 4

1 Title of Rule

This Rule is the *National Gas Amendment (STTM Deviations and the Settlement Surplus and Shortfall) Rule 2013 No. 4*.

2 Commencement

This Rule commences operation on 1 May 2014.

3 Amendment of the National Gas Rules

The National Gas Rules are amended as set out in Schedule 1.

Schedule 1 Amendments of the National Gas Rules

(Clause 3)

[1] Rule 364 Definitions

In rule 364 substitute the following definitions:

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

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

[2] Rule 364 Definitions

In rule 364 insert the following definition:

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

Note

The deviation price may be zero.

[3] Rule 364 Definitions

Omit the definitions "graduated deviation parameters" and "settlement surplus cap".

[4] Rule 461 Amounts for gas days

Omit rule 461(2)(g) and substitute:

(g) the amount payable by or to a Trading Participant at a hub in respect of deviation charges or deviation payments; and

[5] Rule 462 Graduated deviation parameters

Omit rule 462 and substitute:

462 Determining deviation charges and deviation payments

The STTM Procedures must specify the basis and method for determining deviation charges and deviation payments payable to or by a Trading Participant in accordance with the following:

- (a) the principle that, to the extent practicable, the determination of deviation charges or deviation payments should:
 - (i) promote the economically efficient operation of the STTM by efficiently allocating the risks of deviations from schedules;

- (ii) reflect the costs of providing MOS; and
 - (iii) minimise any settlement shortfall charge or settlement surplus payment;
- (b) when determining the amount of the deviation charge or deviation payment for a gas day:
- (i) the maximum deviation price used to calculate a deviation charge must not exceed the dollar per GJ amount of the MPC plus the MOS cost cap; and
 - (ii) the minimum deviation price used to calculate a deviation payment must not be less than the dollar per GJ amount of the MMP minus the MOS cost cap

except if an administered price cap state has been determined under rule 428(1)(c), in which case the deviation price to be used for determining a:

- (iii) deviation charge, will be the administered price cap; and
- (iv) deviation payment, will be the ex ante market price for that gas day.

[6] Rule 464 Settlement amounts for billing periods

After rule 464(2) insert:

- (2A) The STTM Procedures must specify the basis and method for calculating the settlement shortfall charge or settlement surplus payment under subrule (2)(b)(i) in accordance with the principle that any settlement shortfall or settlement surplus should be allocated to Trading Participants on the basis of their total deviation quantity at that hub for that billing period.

[END OF RULE AS MADE]
