



## **Draft National Gas Amendment (DWGM Improvement to AMDQ regime) Rule 2019**

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;
- (g) the National Gas (Northern Territory) Act 2008 of Northern Territory; and
- (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

## **Draft National Gas Amendment (DWGM Improvement to AMDQ regime) Rule 2019**

### **1 Title of Rule**

This Rule is the *Draft National Gas Amendment (DWGM Improvement to AMDQ regime) Rule 2019*.

### **2 Commencement**

Schedule 1 of the rule commences operation on [1 January 2023].

Schedule 2 of the rule commences operation on [12 December 2019].

### **3 Amendment to the National Gas Rules**

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

### **4 Savings and Transitional Amendment to the National Gas Rules**

The National Gas Rules are amended as set out in Schedule 2.

## Schedule 1 Amendment to the National Gas Rules

(Clause 3)

### [1] Rule 200 Definitions

In rule 200 of Part 19, omit the following definitions:

**AMDQ credit**, **AMDQ credit certificate**, **AMDQ credit certificates auction procedures**, **AMDQ transfer procedures**, **authorised MDQ**, **Authorised MDQ auction procedures**.

### [2] Rule 200 Definitions

In rule 200 of Part 19, substitute the following definition:

**AMIQ** or **Authorised Maximum Interval Quantity** means the quantity of capacity 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 the Procedures under rules 239 and 240.

### [3] Rule 200 New definitions

In rule 200 of Part 19, insert the following new definitions in alphabetical order:

**auction fees** - See rule 328B(18).

**auction participant** means an eligible person participating in a capacity certificates auction.

**auction product** means a capacity certificate of a certain tenure that is available for allocation in a capacity certificates auction.

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

**capacity certificates** means exit capacity certificates, entry capacity certificates and uncontrollable exit capacity certificates.

**capacity certificates auction** means the auction conducted by AEMO under rule 329B for the allocation of capacity certificates.

**capacity certificates auction procedures** means the Procedures made under rule 328B(2).

**capacity certificates transfer procedures** means the Procedures made under rule 331(2).

**capacity certificates zone** means a group of one or more system injection points or system withdrawal points (as the case may be) in the declared transmission system which comprise a capacity certificates zone, as determined by AEMO, and specified as such in the capacity certificates auction procedures.

**eligible person** means a person who is eligible to participate in capacity certificates auctions under rule 328B(3).

**entry capacity certificate** means a certificated right, measured in GJ per gas day, in respect of a specified capacity certificates zone that is allocated under Division 4 Subdivision 3 for a specified tenure for the purposes of determining priority in scheduled injections in accordance with rule 214.

**exit capacity certificate** means a certificated right, measured in GJ per gas day, in respect of a specified capacity certificates zone that is allocated under Division 4 Subdivision 3 for a specified tenure for the purposes of determining:

- (a) priority in scheduled withdrawals in accordance with rule 214; and
- (b) congestion uplift payments in accordance with rule 240.

**maximum daily quantity (MDQ)** means the maximum daily quantity of gas, expressed in GJ per gas day, to be withdrawn from or injected into the declared transmission system.

**system capability modelling** means a load-flow analysis carried out by AEMO under rule 328 for the purpose of determining the maximum amount of capacity of the declared transmission system that is available to support the allocation of capacity certificates under Division 4 Subdivision 3.

**uncontrollable exit capacity certificate** means a certificated right, measured in GJ per gas day, in respect of tariff D withdrawal points or tariff V withdrawal points (as the case may be) in respect of a specified capacity certificates zone that is allocated under Division 4 Subdivision 3 for a specified tenure for the purposes of determining:

- (a) curtailment in accordance with rule 343; and
- (b) congestion uplift payments in accordance with rule 240.

#### **[4] Rule 211                      Timing of submissions by Market Participants**

Omit paragraph (b) of subrule 211(2A) and substitute:

- (b) a nomination of entry capacity certificates; or

#### **[5] Rule 211                      Timing of submissions by Market Participants**

In the note in subrule 211(2A), omit "authorised MDQ or AMDQ credit" and substitute "entry capacity certificates".

**[6] Rule 211                      Timing of submissions by Market Participants**

In subrule 211(4), omit "authorised MDQ or AMDQ credit" and substitute "capacity certificates".

**[7] Rule 211                      Timing of submissions by Market Participants**

In subrule 211(5A), omit all references to "authorised MDQ or AMDQ credit" and substitute "entry capacity certificates".

**[8] Rule 211                      Timing of submissions by Market Participants**

In subrule 211(7), omit "authorised MDQ or AMDQ credit" and substitute "capacity certificates".

**[9] Rule 214                      Priority of bids in the scheduling process**

In rule 214, omit the opening paragraph, and substitute:

- (1) 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:

**[10] Rule 214                      Priority of bids in the scheduling process**

In rule 214, omit paragraphs (d) and (e) and substitute:

- (d) where two or more injection bids are equally beneficial, then those injection bids that are associated with entry capacity certificates should be scheduled before other injection bids that are not associated with entry capacity certificates; and
- (e) where two or more withdrawal bids are equally beneficial, then those withdrawal bids that are associated with exit capacity certificates should be scheduled before other withdrawal bids that are not associated with exit capacity certificates.

**[11] Rule 217                      Unintended scheduling results**

In paragraph (a)(viii) of subrule 217(2), omit "authorised MDQ or AMDQ credit certificates" and substitute "capacity certificates".

**[12] Rule 239                      Ancillary payments**

Omit subrule 239(2), and substitute:

- (2) If exit capacity certificates or uncontrollable exit capacity certificates (as the case may be) have been nominated as a hedge against uplift payments,

scheduled injections supporting capacity certificates do not qualify for ancillary payments.

**[13] Rule 240 Uplift payments**

Omit paragraph (c) of subrule 240(3) and substitute "[deleted]".

**[14] Rule 240 Uplift payments**

Omit paragraph (d) of subrule 240(3) and substitute:

(d) entry capacity certificates of that Market Participant;

**[15] Rule 240 Uplift payments**

In paragraph (e) of subrule 240(3), omit "authorised MDQ or AMDQ credit certificates" and substitute "entry capacity certificates".

**[16] Rule 240 Uplift payments**

In paragraph (b) of subrule 240(9), omit "authorised MDQ" and substitute "uncontrollable exit capacity certificates".

**[17] Rule 240 Uplift payments**

In paragraph (c) of subrule 240(9), omit "authorised MDQ" and substitute "uncontrollable exit capacity certificates".

**[18] Rule 272 AEMO to approve application**

In subrule 272(1), omit the words "and for allocation of any available authorised MDQ to the Connection Applicant in accordance with Division 4, Subdivision 3".

**[19] Subdivision 3 MDQ Authorisation**

In Part 19, omit the heading of Subdivision 3 of Division 4 and substitute:

**Subdivision 3 Capacity certificates**

**[20] Subdivision 3 Capacity certificates**

In Subdivision 3 of Division 4 in Part 19, omit rules 327A and 328 and substitute:

**327A Register of capacity certificates**

- (1) AEMO must prepare, maintain and publish a register of the capacity certificates allocated under this Subdivision.
- (2) The register referred to in subrule (1) must contain the information specified in the electronic communication procedures.

### **328 AEMO to conduct system capability modelling**

- (1) At least once each calendar year, AEMO must conduct a load-flow analysis of the declared transmission system for the purpose of determining the maximum amount of capacity of the declared transmission system that is available to support the allocation of capacity certificates under this Subdivision (**system capability modelling**).
- (2) The purpose of the system capability modelling performed under subrule (1) is to:
  - (a) measure the capacity of the declared transmission system that is available for allocation of capacity certificates, in relation to each capacity certificates zone, by testing for the maximum capacity that is:
    - (i) deliverable across all system injection points and system withdrawal points; and
    - (ii) simultaneously physically feasible when tested against a 1 day in 20 year peak demand gas day assumption for the declared transmission system,  
for each month in a calendar year;
  - (b) inform AEMO's determination of the types of auction products and the types of capacity certificates that will be available in respect of each capacity certificates zone.
- (3) When performing the system capability modelling under subrule (1), AEMO must:
  - (a) assume all declared transmission system assets are available in accordance with the availability specified in the service envelope agreement;
  - (b) take into account the physical and operational characteristics of the declared transmission system; and
  - (c) account for transmission constraints.
- (4) As soon as reasonably practicable after completion of the system capability modelling each year, AEMO must publish the assumptions upon which the system capability modelling is based, as well as the outcomes of the system capability modelling.

### **328A General requirements for allocation of capacity certificates**

- (1) Subject to rules 329D and 331, AEMO is responsible for allocating capacity certificates under this Subdivision in accordance with:

- (a) the requirements of this rule; and
  - (b) on the basis of a capacity certificates auction carried out in accordance with rule 328B.
- (2) The total allocation of capacity certificates must be consistent with the outcomes of the system capability modelling carried out by AEMO under rule 328.
- (3) The determination of auction products must be consistent with the outcomes of the system capability modelling carried out by AEMO under rule 328.

### **328B Auctions of capacity certificates**

- (1) If AEMO is responsible for allocating capacity certificates under this rule, then AEMO must allocate those capacity certificates on the basis of an auction (**capacity certificates auction**), which must be conducted in accordance with this rule and the capacity certificates auction procedures.
- (2) Subject to the requirements of this Subdivision, AEMO must make Procedures (**capacity certificates auction procedures**) pursuant to which it will conduct the capacity certificates auctions under this rule.
- (3) Only a person (an **eligible person**) who satisfies, and continues to satisfy, the following criteria is eligible to participate in a capacity certificates auction:
- (a) the person is a Market Participant; and
  - (b) any other criteria specified in the capacity certificates auction procedures.
- (4) AEMO must, in accordance with the capacity certificates auction procedures, suspend, or in the case of subrule (4)(b), limit, the access of a person to a capacity certificates auction if:
- (a) the person ceases to be an eligible person; or
  - (b) AEMO is otherwise required or permitted to do so under the capacity certificates auction procedures.
- (5) Each capacity certificates auction must take place in one round with a reserve price of zero.
- (6) Each capacity certificates auction must be conducted on a sealed bid basis (that is, bids submitted by an auction participant must not be visible to other auction participants while the auction is being conducted).
- (7) In relation to the determination of clearing prices, each capacity certificates auction must operate on a pay as cleared basis with all winners of a particular auction product to pay the same clearing price per GJ for that auction product.



- (8) The capacity certificates auction procedures must set out:
  - (a) the procedures for conducting the capacity certificates auctions;
  - (b) the timing of the capacity certificates auctions in respect of each type of auction product;
  - (c) the location of the capacity certificates zones in the declared transmission system, and auction products associated with each capacity certificates zone, that AEMO considers promote the greatest utilisation of capacity of the capacity certificates zone for the allocation of capacity certificates;
  - (d) the procedures and timing requirements for billing and settling of auction amounts payable by or to auction participants, which must include a requirement that an auction participant cannot receive an allocation of capacity certificates unless and until that participant has paid all amounts owing in full;
  - (e) a description of the information to be published by AEMO in relation to the capacity certificates auction before and after it is held on each occasion, including the auction results required under subrule (17);
  - (f) the matters which this Subdivision requires to be specified in the capacity certificates auction procedures; and
  - (g) any other matters necessary or convenient to deal with in the capacity certificates auction procedures.
- (9) In relation to the auction products that will be available in a capacity certificates auction, the capacity certificates auction procedures must, as a minimum, include provision for the following types of auction products:
  - (a) at least one type of capacity certificate with a tenure of at least three years that accounts for no more than 50% of available capacity of the declared transmission system, taking into account the aggregate of such products sold at any one auction (sometimes called a long term auction product);
  - (b) at least one type of capacity certificate with a tenure of one year (sometimes called an annual auction product); and
  - (c) at least one type of capacity certificate with a seasonal tenure (the months of the year and duration of which is defined by AEMO in the capacity certificates auction procedures) that accounts for at least 10% of the available capacity of the declared transmission system (sometimes called a seasonal auction product).
- (10) AEMO must review the auction products specified in the capacity certificates auction procedures:
  - (a) at least once every 5 years; and

- (b) if the outcomes of the most recently completed system capability modelling indicate that different auction products, in addition to those made available in accordance with subrule (9), should be made available.
- (11) In relation to the allocation of capacity certificates in a capacity certificates auction, the capacity certificates auction procedures must provide for:
- (a) a minimum bid quantity;
  - (b) the quantity of capacity certificates allocated to a particular winning bid to be any quantity between the bid quantity and zero;
  - (c) the lowest accepted bid for any particular auction product to be partially filled if necessary;
  - (d) capacity certificates to be allocated for a period of time that commences no earlier than the date of allocation; and
  - (e) capacity certificates that have become available for allocation as a consequence of an extension or expansion of a pipeline, must be for a period that commences no earlier than the date on which the relevant extension or expansion is commissioned.
- (12) The capacity certificates auction procedures may:
- (a) require capacity certificates auction results to be treated as final and not subject to review or the payment of compensation in the event of error in the determination of auction results;
  - (b) specify additional conditions for participation in the capacity certificates auction (including during the course of bidding), which may include a requirement for an auction participant to enter into an auction participation agreement with AEMO.
- (13) No later than 20 business days' prior to any capacity certificates auction, AEMO must publish a notice which sets out:
- (a) the date and time of the auction;
  - (b) the type of auction products available at the auction;
  - (c) the amount of each auction product available at the auction;
  - (d) the minimum bid quantity for each auction product; and
  - (e) any other information AEMO considers relevant or convenient to include in the notice.
- (14) AEMO may delay or cancel a capacity certificates auction for a period of time specified by AEMO in the circumstances provided for in the capacity certificates auction procedures.

- (15) If AEMO takes any action under subrule (14), it must publish a notice specifying the action taken as soon as practicable after taking it, and provide at least 5 business days' notice of when the replacement capacity certificates auction will be held.
- (16) Any capacity certificates in respect of a particular auction product that are unallocated at the conclusion of a capacity certificates auction must be made available for allocation at the next capacity certificates auction and be allocated as the same type of auction product of that next auction.
- (17) Following each capacity certificates auction, AEMO must publish the auction results as soon as reasonably practicable after the information becomes available to AEMO, including:
  - (a) the clearing price of each auction product;
  - (b) the quantities of each auction product successfully allocated to auction participants; and
  - (c) any unallocated quantities of each auction product.
- (18) AEMO may charge fees (**auction fees**) relating to the establishment, operation and administration of the capacity certificates auctions conducted under this rule, which are payable by auction participants in accordance with the requirements of the capacity certificates auction procedures.
- (19) AEMO must use the proceeds of capacity certificates allocated at capacity certificates auctions to offset its costs of operating the declared wholesale gas market.

### **[21] Subdivision 3 Capacity certificates**

In Subdivision 3 of Division 4 of Part 19, omit rules 329A, 329B, 329C, 329D, 329E, 329F and 329G and substitute:

#### **329A Capacity which is available for allocation as capacity certificates**

- (1) During the declared transmission system service provider's *access arrangement period*, any increase in capacity of the declared transmission system that is agreed or determined under rule 329 becomes available for allocation as capacity certificates in accordance with rule 329B when the relevant extension or expansion is commissioned.
- (2) During the declared transmission system service provider's *access arrangement period*, any existing capacity that becomes available for allocation as capacity certificates is to be allocated in accordance with rule 329C.

### **329B Responsibility for allocation of additional capacity certificates relating to new capacity**

- (1) Subject to subrule (2), AEMO is responsible for allocating all additional capacity certificates, which become available for allocation as a consequence of an extension or expansion undertaken by the declared transmission system service provider during an *access arrangement period*, in accordance with rule 328B.
- (2) If the declared transmission system service provider undertakes an extension or expansion of the declared transmission system during an *access arrangement period* and less than 100% of the cost of the extension or expansion is approved capex, then the declared transmission system service provider may request the AER to determine the amount of additional capacity associated with any part of the cost of an extension or expansion undertaken during the *access arrangement period* that is not approved capex.
- (3) If the AER has made a determination under subrule (2) by the date on which the relevant extension or expansion is commissioned, AEMO is responsible for allocating:
  - (a) that portion of the additional capacity certificates made available as a consequence of the extension or expansion the costs of which are approved capex in accordance with rule 328B; and
  - (b) the remaining portion of the additional capacity certificates made available as a consequence of the extension or expansion (the costs of which are not approved capex) in accordance with rule 329D.
- (4) If the AER has not made a determination under subrule (2) by the date on which the relevant extension or expansion is commissioned, AEMO must allocate all additional capacity certificates that become available for allocation as a consequence of that extension or expansion in accordance with rule 328B.
- (5) If additional capacity certificates are available for allocation under this rule, AEMO and the declared transmission system service provider must amend the service envelope agreement as soon as practicable to reflect that additional capacity of the relevant pipeline which results from the extension or expansion.
- (6) AEMO must not allocate any additional capacity certificates that become available for allocation under this rule unless and until the service envelope agreement has been amended to reflect the additional capacity of the relevant pipeline which results from the extension or expansion.

**329C Responsibility for allocation of capacity certificates relating to existing capacity**

- (1) The AER may, following a request by the declared transmission system service provider, determine the amount of capacity associated with any part of the cost of an extension or expansion that is not included in the declared transmission system service provider's opening capital base for the relevant *access arrangement period*.
- (2) If the AER has made a determination under subrule (1) by the date that is 50 business days before the scheduled commencement date of the relevant *access arrangement period*, then AEMO must allocate that portion of the capacity certificates which relate to the amount of capacity determined by the AER in accordance with rule 329D.
- (3) If the AER has not made a determination under subrule (1) by the date that is 50 business days before the scheduled commencement date of the relevant *access arrangement period*, then AEMO must allocate capacity certificates in accordance with rule 328B.

**329D Allocation of capacity certificates at direction of declared transmission system service provider**

- (1) If AEMO is responsible for allocating capacity certificates under this rule, then, subject to subrules (2) and (3), AEMO must allocate the capacity certificates made available by the relevant extension or expansion:
  - (a) to such Market Participants;
  - (b) as an exit capacity certificate, entry capacity certificate or uncontrollable exit capacity certificate (as the case may be); and
  - (c) for such specified tenure,as the declared transmission system service provider directs.
- (2) Subject to its access arrangement, the declared transmission system service provider may determine the method it will use to determine the direction it will give to AEMO to allocate capacity certificates under this rule.
- (3) Where capacity certificates are to be allocated to a Market Participant under this rule, AEMO can only make such an allocation to the Market Participant:
  - (a) where the Market Participant requests the allocation;
  - (b) subject to any conditions that AEMO reasonably determines and agrees with the declared transmission system service provider; and
  - (c) where otherwise permitted to do so under this Subdivision.

**[22] Rule 330**                      **Proceeds of AEMO auctions of  
Authorised MDQ or AMDQ credit  
certificates**

In rule 330, omit the heading and substitute "[Deleted]".

**[23] Rule 330**                      **[Deleted]**

Omit rule 330 and substitute "[Deleted]".

**[24] Rule 331**                      **Transfer of authorised MDQ or AMDQ  
credit certificates**

Omit rule 331, including the heading, and substitute:

**331**                      **Bilateral transfer of capacity certificates**

- (1) Subject to the requirements of this rule, a Market Participant that has been allocated with a capacity certificate in accordance with this Subdivision may transfer the whole or part of that capacity certificate to another Market Participant.
- (2) AEMO must make Procedures (**capacity certificates transfer procedures**) for the transfer of capacity certificates between parties in accordance with this rule.
- (3) The capacity certificates transfer procedures must set out:
  - (a) the requirements for an eligible transfer of capacity certificates between parties;
  - (b) a requirement that an application for transfer be submitted to AEMO in a form acceptable by AEMO and a list of the requirements for such an application; and
  - (c) any requirements in respect of the appointment of a transfer agent.
- (4) A Market Participant who wishes to transfer capacity certificates (**transferor**) to another Market Participant under this rule must apply to AEMO for registration of the transfer in accordance with the requirements of this rule and the capacity certificates transfer procedures.
- (5) AEMO must not approve an application submitted under subrule (4) if the application does not comply with the requirements of this rule and the capacity certificates transfer procedures.
- (6) If AEMO does not approve an application submitted under subrule (4), then the transferor must choose whether the capacity certificates associated with the application are:
  - (a) retained by the transferor; or

- (b) transferred to another Market Participant in accordance with this rule;  
or
- (c) relinquished by the transferor and allocated on the basis of a capacity certificates auction conducted in accordance with rule 328B.

**[25] Rule 332                      Relinquishment of authorised MDQ or  
AMDQ credit certificate**

Omit rule 332, including the heading, and substitute:

**332                      Relinquishment of capacity certificates**

- (1) Subject to subrule (2), if a Market Participant holds a capacity certificate in accordance with this Part and:
  - (a) ceases to be a Market Participant; or
  - (b) ceases to be an eligible person;then that person's capacity certificate will revert to AEMO for reallocation to other persons on the basis of a capacity certificates auction conducted in accordance with rule 328B.
- (2) Subrule (1) will not apply if:
  - (a) that person transfers their capacity certificate in accordance with rule 331; or
  - (b) the capacity certificate has been allocated pursuant to a direction by the declared transmission system service provider under rule 329D, in which case the capacity certificate will revert to the declared transmission system service provider for allocation in accordance with rule 329D.
- (3) A person who relinquishes a capacity certificate under subrule (1) is not entitled to the proceeds of a capacity certificates auction conducted in respect of that capacity certificate.

**[26] Rule 343                      Intervention due to system security  
threat**

Omit subrule 343(2) and substitute:

- (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 quantity of gas provided by relevant uncontrollable exit capacity certificates assigned to those Customers.



## **Schedule 2 Savings and Transitional Amendment to the National Gas Rules**

(Clause 4)

### **[1] Part 13 Transitional provisions consequent on the National Gas Amendment (DWGM Improvement to AMDQ regime) Rule 2019**

In Schedule 1, after Part 12, insert a new Part:

### **Part 13 Transitional provisions consequent on the National Gas Amendment (DWGM Improvement to AMDQ regime) Rule 2019**

#### **66 Definitions**

- (1) Unless otherwise specified, terms defined in rule 200 have the same meaning when used in this Part.
- (2) Terms defined in the Amending Rule have the same meaning when used in this Part.
- (3) For the purposes of this Part 13:

**Amending Rule** means the National Gas Amendment (DWGM improvement to AMDQ regime) Rule 2019.

**commencement date** means 1 January 2023.

**Culcairn AMDQ cc** means the 30TJ of AMDQ cc allocated to the declared transmission system service provider at the Culcairn system injection point and which expires on 30 June 2023.

**effective date** means [commencement date of this schedule].

**exchange agreement** has the meaning given in Part 22 of these rules.

**new DWGM rules** means Part 19 as in force immediately after the commencement date.

**old DWGM rules** means Part 19 as in force immediately prior to the commencement date.

#### **67 Current procedures**

- (1) By 1 January 2022, AEMO must review, and where necessary, update and publish the following Procedures (to apply from the commencement date) to take into account the Amending Rule:
  - (a) the gas scheduling procedures referred to in rule 206;



- (b) the electronic communication procedures referred to in rule 319;
- (c) the gas load curtailment and gas rationing and recovery guidelines;  
and
- (d) the uplift payment procedures referred to in rule 240.

## **68 First system capability modelling**

- (1) By 1 January 2022, AEMO must carry out the system capability modelling required by rule 328 of the new DWGM rules in accordance with the requirements of rule 328 of the new DWGM rules.

## **69 Secondary trading**

- (1) By 1 January 2022, AEMO must propose an amendment to the exchange agreement in accordance with rule 540 for the purpose of including a product, or number of products, for trading on the gas trading exchange that would allow for the secondary trading of the whole or part of a capacity certificate by reference to one or more whole gas days.

## **70 New procedures**

- (1) By 1 April 2022, AEMO must make and publish the following Procedures (to apply from the commencement date) to take into account the Amending Rule:
  - (a) capacity certificates auction procedures under rule 328B(2) of the new DWGM rules; and
  - (b) capacity certificates transfer procedures under rule 331(2) of the new DWGM rules.
- (2) AEMO must make the Procedures referred to in subrule (1) in accordance with Part 15B of these rules.
- (3) For the purposes of subrule (2), information and notices published by AEMO and consultation undertaken by AEMO in relation to the proposed procedures before 1 April 2022 is taken to satisfy the requirements for publication and consultation under rules 135EE and 135EF if, and to the extent that, publication and consultation would have satisfied those requirements if it had been conducted after that date.
- (4) AEMO may publish the Procedures listed in subrule (1) as one document.

## **71 First auction**

- (1) By no later than 1 October 2022, AEMO must publish the notice required by rule 328B(13) of the new DWGM rules.
- (2) AEMO must conduct a capacity certificates auction to allocate capacity certificates prior to the expiration of AMDQ credit certificates on 31

December 2022 in accordance with the requirements of rule 328B of the new DWGM rules.

- (3) Any capacity certificates allocated pursuant to subrule (2) must be for a period that commences no earlier than the start of the gas day on the commencement date.

## **72 Allocations of authorised MDQ and AMDQ credit certificates**

- (1) Any AMDQ credit certificates allocated or auctioned between the effective date and the commencement date must expire no later than the end of the gas day on 31 December 2022.
- (2) At the start of the gas day on the commencement date, the Culcairn AMDQ cc is taken to be converted into an 'entry capacity certificate' of 30TJ and with an expiration date of 30 June 2023.
- (3) Each of the following expire at the end of the gas day on 31 December 2022:
  - (a) all authorised AMDQ allocated to tariff V withdrawal points;
  - (b) all authorised AMDQ allocated to tariff D withdrawal points; and
  - (c) any authorised MDQ allocated to the declared transmission system service provider or a Retailer in accordance with rule 328(1)(d) of the old DWGM rules.