

## **Changes to the National Gas Rules made by the National Gas Amendment (DWGM distribution connected facilities) Rule 2022**

### **Note:**

This document shows changes to the relevant parts of the National Gas Rules (NGR) made by the *National Gas Amendment (DWGM distribution connected facilities) Rule 2022*.

The changes are shown in a modified version of Part 19 of the NGR that incorporates changes made by Schedule 1 of the *National Gas Amendment (DWGM Improvement to AMDQ regime) Rule 2020* and Schedule 2 of the *National Gas Amendment (DWGM simpler wholesale price) Rule 2020*, each of which comes into effect on 1 January 2023.

This modified version of parts of the NGR is provided for information only and should not be used for any other purpose. The Australian Energy Market Commission does not guarantee the accuracy, reliability or completeness of this version of the NGR.

## Part 15A Registered participants

### Division 1 Registration

#### 135A Participation in declared wholesale gas market of adoptive jurisdiction

(1) 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.
- (c1) Registrable capacity: distribution connected facility operator  
A person that injects gas into a declared distribution system at a DDS injection point from a storage facility, gas production facility or blend processing facility.
- (d) Registrable capacity: Market Participant – Producer  
A producer that buys or sells ~~natural gas~~ in the declared wholesale gas market.
- (d1) Registrable capacity: Market Participant — blend processing service provider  
A blend processing service provider that buys or sells 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 *retailer* that sells ~~natural gas~~ that has been transported through the declared transmission system or a declared distribution system.
- (l) Registrable capacity: Market Participant - Trader  
Any other person that buys or sells ~~natural gas~~ in the declared wholesale gas market.

(2) In this rule:

- (a) blend processing facility, gas, gas production facility, declared distribution system and DDS injection point have the meaning given in Part 19;
- (b) blend processing service provider means a person who owns, operates or controls a blend processing facility.

## Part 15B                      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 a ROLR scheme;
  - (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 *retail 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;
  - (b1) coordination between AEMO and the service providers for declared distribution systems;
  - (b2) net bidding facilities;
  - (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);
  - (j1) gas quality and gas quality monitoring;
  - (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.
- (4) The STTM Procedures may deal with the following matters:
- (a) specifying the points that comprise the hubs to which Part 20 of these rules applies;
  - (b) information required and processes to be followed for the registration of persons, information, services and trading rights by AEMO for the purposes of the STTM;
  - (c) administration of the market operator service;

- (d) submission of offers and bids in the ex ante market and for contingency gas;
  - (e) scheduling of offers and bids in the ex ante market and for contingency gas;
  - (f) allocation of quantities of natural gas supplied to or withdrawn from a hub;
  - (g) submission of variations to schedules on or after a gas day;
  - (h) the application of administered pricing or scheduling arrangements;
  - (i) the process to be followed in relation to a requirement, or potential requirement, for contingency gas;
  - (j) determination of quantities, prices and amounts payable by or to Registered participants for the purposes of market settlement;
  - (k) determination and payment of claims relating to administered pricing;
  - (l) prudential requirements applicable to Registered participants;
  - (m) consultation in relation to proposals that may lead to a request to the AEMC for a rule relating to the STTM;
  - (n) any matter consequential or related to any of the above.
- (5) The Capacity Transfer and Auction Procedures may deal with the following matters:
- (a) information required and processes to be followed for the registration of transportation service providers and transportation facilities by AEMO under Part 24;
  - (b) establishing, maintaining and administering a register of transportation service providers and transportation facilities;
  - (c) establishing, maintaining and administering the transportation service point register;
  - (d) the provision by transportation service providers of service point specifications for the transportation service point register and changes to those specifications;
  - (e) the determination of zones and pipeline segments;
  - (f) obligations of transportation service providers in connection with transaction support arrangements and the capacity auction established under Part 25, including arrangements for:
    - (i) access to and use of the systems established by AEMO;
    - (ii) the calculation of auction quantity limits;
    - (iii) the provision of information to AEMO including contract reference information, auction quantity limits and information about transportation facilities, service points, nominations and curtailment;
    - (iv) the validation of transactions entered into on the gas trading exchange or through the capacity auction including timing, the criteria for validation and rejection of transactions that fail validation; and

- (v) information required and processes to be followed to give effect to transactions entered into on the gas trading exchange or through the capacity auction;
- (g) arrangements for transactions entered into on the gas trading exchange or through the capacity auction to be taken into account for the purposes of Part 19 or Part 20;
- (h) the calculation of payments to transportation service providers for use of an operational transportation service after termination of the contract from which the transportation capacity is first derived;
- (i) establishing the capacity auction in accordance with Part 25, including:
  - (i) the standard form of auction agreement;
  - (ii) eligibility to enter into an auction agreement and to participate in the capacity auction;
  - (iii) prudential requirements applicable to auction participants;
  - (iv) access to and use of the systems established by AEMO;
  - (v) the specification of auction products and the auction quantity or the manner in which those matters are determined;
  - (vi) the conduct of the capacity auction including timing, the form of bids, the determination of capacity auction results and when the capacity auction may be delayed, suspended or cancelled; and
  - (vii) a description of the information to be published by AEMO in relation to the capacity auction and any restrictions that may be placed on access to that information;
- (j) the calculation of amounts payable to or by transportation service providers and auction participants in connection with the capacity auction;
- (k) contingency arrangements for events affecting the transaction support arrangements or the capacity auction including:
  - (i) the failure of systems or processes; and
  - (ii) default in the performance of obligations under the Procedures or other instruments;
- (l) any other subject relevant to the matters in Part 24 or Part 25 on which the *NGL* or these rules contemplate the making of Procedures; and
- (m) any matter consequential or related to any of the above.



## Part 19 Declared Wholesale Gas Market Rules

### Division 1 Preliminary

#### 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 ~~market injection points 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(11).

**administered price cap** See rule 224.

**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.

**allocate** means the process of determining an allocation.

**allocation** means ~~the~~a 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.

**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.

**approved capex** means forecast capital expenditure approved by the AER as conforming capital expenditure in its access arrangement decision for the relevant *access arrangement period*.

**auction fees** - See rule 328B(12).

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

**auction product** means a capacity certificate type offered for allocation as a month-long product commencing at the start of the first gas day of the month and expiring at the end of the last gas day of the month.

**auction quantity** – See rule 328B(4).

**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 or a declared distribution 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.

**blend processing facility** means a facility in which gas of different types is blended for injection into a pipeline.

**capacity certificate** means an exit capacity certificate or an entry capacity certificate.

**capacity certificate type** means each combination of exit capacity certificate or entry capacity certificate and capacity certificates zone.

**capacity certificates auction** means the auction conducted by AEMO under rule 328B(1) for the allocation of capacity certificates.

**capacity certificates auction procedures** means the Procedures made under rule 328D.

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

**capacity certificates zone** means a group of one or more market injection points ~~system injection points~~ or market withdrawal points ~~system withdrawal points~~ (as the case may be) ~~in the declared transmission system~~ which comprise a capacity certificates zone, as determined by AEMO under rule 327B, and specified as such in the capacity certificates zone register.

**capacity certificates zone register** means the register of capacity certificate zones established by AEMO in accordance with rule 327B(2).

**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:
  - (i) a transmission delivery point; or
  - (ii) a distribution delivery point for a distribution connected facility (other than a delivery point for a net bidding facility).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.

**cumulative price threshold** See rule 224.

**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.

**DDS constraint methodology – See rule 317B.**

**DDS injection point** means a receipt point on a declared distribution system.

**DDS transfer monitoring point** – See rule 289(1).

**declared distribution system** means a declared distribution system within the meaning of the *NGL* but does not include a distribution system, or part of a distribution system, that is:

- (a) not connected directly or indirectly to a declared transmission system; or
- (b) indirectly connected to a declared transmission system but by means of a pipeline that does not form part of a declared transmission system.

**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** has the meaning given to it in rule 3.

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

**delivery point** means a transmission delivery point or a distribution delivery point ~~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 connected facility** means a storage facility, gas production facility or blend processing facility connected to a declared distribution system.

**distribution connected facility operator** means a person who owns, operates or controls a distribution connected facility.

**distribution constraint** means equations or constraints relating to the flow of gas in a declared distribution system at any time, notified to AEMO by the relevant Distributor, including by reason of maintenance or plant failure.

**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 distribution connected facility~~storage facility~~.

**distribution operational coordination procedures** means the Procedures made under rule 317A.

**distribution supply or demand point constraint** means a constraint relating to injections at a DDS injection point or withdrawals at a market withdrawal point on a declared distribution system, provided by a Distributor or the distribution connected facility operator or determined in accordance with a Distributor's DDS constraint methodology.

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

**DTS monitoring point** – See rule 289D.

**DWGM facility operator** means:

- (a) ~~the~~ declared transmission system service provider;
- (b) ~~, an~~ interconnected transmission pipeline service provider;
- (c) ~~a~~, Producer; and
- (d) ~~a~~ Storage Provider.

**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).

**eligible person** means a person who is eligible to participate in capacity certificates auctions under rule 328B(5).

**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.

**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 the purposes of tie-breaking in accordance with rule 214(1)(d).

**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 the purposes of tie-breaking in accordance with rule 214(1)(e).

**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 past a point on the declared transmission system or a declared distribution 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 or blend processing facility.

**gas quality monitoring arrangements** – See rule 289E(1).

**gas quality monitoring plan** means a plan for monitoring gas quality and for the operation and maintenance of gas quality monitoring systems that a responsible gas quality monitoring provider is required to provide pursuant to rule 289E and that satisfies the requirements of rule 289H.

**gas quality monitoring procedures** means the Procedures made under rule 289B.

**gas quality monitoring system** means a system for monitoring gas quality that a responsible gas quality monitoring provider is required to provide pursuant to rule 289E and that satisfies the requirements of rule 289G. ~~Registered participant is required to provide at a system injection point pursuant to rule 288.~~

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

- (a) the standard gas quality specifications; or
- (b) in the case of a system injection point, a gas quality standard approved by AEMO in respect of that system injection point pursuant to rule 287(1); ~~or~~
- (c) in the case of a DDS injection point, a gas quality standard approved by the Distributor in respect of that DDS injection point pursuant to rule 287A(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 ~~market injection point~~system injection point.

**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~~a declared transmission system.

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

**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.

**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 an LNG storage facility.

**LNG injection bid** means a bid by a Market Participant to AEMO to withdraw LNG stock from an 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 an LNG storage facility held on behalf of AEMO, a Market Participant or any other person.

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

**LNG Storage Provider** means a declared LNG storage provider (as that term is defined in the NGL).

**maintenance** means work carried out by DWGM facility operators that, in AEMO's opinion, may affect:

~~(a) AEMO's ability to supply gas through the declared transmission system; or~~

(a) the supply of gas through the Market; 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 and the declared distribution systems.

**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 injection point** means a system injection point or a DDS injection point.

**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.

**market withdrawal point** means a system withdrawal point or a distribution delivery point for a distribution connected facility.

**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 310.

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

**metering installation coordination procedures** means the Procedures made under rule 292A.

**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 bidding facility** means a distribution connected facility that satisfies the criteria for classification as a net bidding facility under ~~the net bidding facility procedures and is classified as a net bidding facility in accordance with rule 204B.~~

**net bidding facility procedures** means the procedures made under rule 204B.

**net injected quantity** means, in relation to:

(a) a net bidding facility in any period:

(i) the quantity of gas injected in that period at the facility's DDS injection point; less

(ii) the quantity of gas withdrawn in that period at the facility's distribution delivery point; and

(b) a Market Participant and a DDS injection point for a net bidding facility in any period, the share of the net injected quantity of the net bidding facility treated as injected by the Market Participant at the DDS injection point for the period in accordance with Subdivision 5 of Division 2 of this Part (which may be negative).

**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 ~~market injection point 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.

**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.

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

**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 person that injects ~~natural~~ gas into 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 or a blend processing 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 gas quality monitoring provider** – See rule 289C.

**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.

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

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

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

**RoLR process** means the process for transferring *retail customers* to a RoLR.

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

**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.

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

**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 bid, to an 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 metering point means:**

- (a) a system point;**
- (b) a point where gas is transferred between declared distribution systems;**
- (c) a distribution delivery point at which gas is withdrawn from a declared distribution system and injected into a distribution connected facility; or**
- (d) a point approved for a metering installation for a net bidding facility under rule 290A.**

**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 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.

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

**Storage Provider** means a person whose storage facility is connected to the declared transmission system.

**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 an 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 capability modelling** means modelling carried out by AEMO in accordance with rule 328.

**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 ~~market injection point~~~~system injection point~~, a ~~market withdrawal point~~~~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.

**tie-breaking event** – See rule 214(1).

**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 interval** means a period of one gas day.

**trading limit** – See rule 261.

**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 market withdrawal points~~system withdrawal point~~.

## 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 1A Participation in relation to distribution connected facilities

### 204A Multiple facility operators for a distribution connected facility

- (1) This rule applies in relation to this Part if:
  - (a) more than one distribution connected facility operator (an **operator group**) owns, controls or operates a distribution connected facility; and
  - (b) a distribution connected facility operator is required or allowed to do a thing under this Part.
- (2) A distribution connected facility operator of the operator group which is authorised by the other distribution connected facility operators of the operator group to do a thing on behalf of the operator group (the **complying operator**) may do that thing on behalf of all the distribution connected facility operators of the operator group.
- (3) Unless these rules otherwise provide, on the doing of a thing referred to in subrule (2) by a complying operator, the distribution connected facility operators of the operator group must, for the purposes of this Part, each be taken to have done the thing done by that complying operator.

### 204B Classification of net bidding facilities

- (1) The distribution connected facility operator for a distribution connected facility that satisfies the criteria in the net bidding facility procedures for classification as a net bidding facility must apply to AEMO for classification of the facility under this Part as a net bidding facility.
- (2) A person must not classify a distribution connected facility as a net bidding facility unless it has obtained the approval of AEMO to do so.
- (3) AEMO must make Procedures (**net bidding facility procedures**) governing:
  - (a) the criteria for classification as a net bidding facility;
  - (b) the classification process, including the information to be provided and time frames;
  - (c) proposals for alternative metering configurations for net bidding facilities under rule 290A;

- (d) cessation of classification as a net bidding facility; and
- (e) any other matters contemplated for inclusion in the net bidding facility procedures by this Part.
- (4) In making criteria for classification as a net bidding facility, AEMO must have regard to the need for a distribution connected facility to be classified as a net bidding facility where the facility withdraws gas from a declared distribution system and at the same time reinjects at least the same quantity of gas, unless that classification is not consistent with the efficient operation of the Market.
- (5) An application by a distribution connected facility operator for classification of a distribution connected facility as a net bidding facility must contain the information specified in the net bidding facility procedures.
- (6) AEMO must classify a distribution connected facility as a net bidding facility if AEMO is reasonably satisfied that the distribution connected facility satisfies the criteria for classification as a net bidding facility.
- (7) A person that has classified a distribution connected facility as a net bidding facility must promptly notify AEMO if the facility ceases to satisfy the criteria for classification as a net bidding facility.

#### **204C Net injected quantities to be used for net bidding facilities**

- (1) For the purposes of this Part, other than Subdivisions 3, 3.1 and 4 of Division 3, and except as otherwise provided in the net bidding facility procedures, in respect of a net bidding facility, a reference in this Part to a quantity of gas injected, or proposed or scheduled to be injected, at the DDS injection point for a net bidding facility is taken to be a reference to a net injected quantity.
- (2) Registered participants, AEMO, Allocation Agents and Sub-Allocation Agents must perform their obligations under this Part in a manner consistent with the principle in subrule (1) and the provisions in the net bidding facility procedures made in accordance with this rule.
- (3) The net bidding facility procedures may provide for the application of this Part in respect of net injected quantities, to give effect to the principle in subrule (1) and to provide for the efficient operation of the Market in relation to net bidding facilities.
- (4) The net bidding facility procedures must provide for the application of this Part in respect of negative net injected quantities, including provision for:
  - (a) negative net injected quantities to be excluded from the calculation of actual injections;
  - (b) Market Participants to include negative net injected quantities in demand forecasts;
  - (c) for subrules 235(8) and 235(10), calculation of a Market Participant's adjusted withdrawals at a distribution delivery point for a net bidding facility where its net injected quantity is negative in the period; and

- (d) cessation of classification as a net bidding facility where negative net injected quantities occur other than in exceptional circumstances.

## Division 2      Market Operation and Administration

### Subdivision 1      System Security

### Subdivision 2      Gas Scheduling

#### 206      Gas scheduling

- (1) AEMO must schedule:
  - (a) injections of gas into the declared transmission system;
  - (b) injections of gas into a declared distribution system at a DDS injection point; and
  - (c) withdrawals of gas from the declared transmission system or from a declared distribution system, in each case for which bids are submitted,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 or a declared distribution 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 or a declared distribution 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 quantity 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;~~;~~
  - (c) if AEMO so requires – from one or more specified distribution delivery points; and
  - (d) from declared distribution systems, excluding:
    - (i) quantities covered by paragraph (a), (b) or (c); and
    - (ii) quantities to be withdrawn at the distribution delivery point for a net bidding facility.
- (2) AEMO may require the submission of a separate demand forecast for a specified system withdrawal point or specified distribution delivery 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 or distribution delivery 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 or distribution delivery 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 market injection point 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 market withdrawal point 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 market injection point system injection point (in the case of an injection bid) or system withdrawal point market 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 or withdraw 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~~market withdrawal point on a gas day if the Market Participant has nominated a controllable quantity for that ~~system withdrawal point~~market 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~~market withdrawal point; or
  - (b) submitting injection bids in respect of a ~~market injection point~~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 ~~market injection point~~system injection point to which the application relates;

- (b) details of the injection characteristics of the controllable quantity at the market injection point~~system injection point~~, including:
    - (i) minimum and maximum hourly quantity of gas to be injected at that market injection point~~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 market injection point~~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 market injection point ~~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) [Deleted]
- (7) Subject to subrule (7A), 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; ~~and-~~
  - (c) in the case of a distribution delivery point, it is the distribution delivery point for a distribution connected facility.
- (7A) AEMO must not accredit controllable quantities for a delivery point for a net bidding facility.
- (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.

## 213 Other requirements for submissions by Market Participants

- (1) A Market Participant may submit, vary or revoke standing demand forecasts or standing bids.
- (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 and declared distribution systems~~ declared transmission system in each hour of the relevant scheduling horizon, excluding quantities that are not required to be included in the demand forecast under rule 208;
  - (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 market injection point ~~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~~ market withdrawal point on the relevant gas day should AEMO schedule that gas; and
  - (d) if scheduled to do so by AEMO, ~~the Market Participant~~ is able to modify the quantities of gas which it injects into, or withdraws from, the declared transmission system or a declared distribution system on a gas day in accordance with the bids submitted by that Market Participant in respect of that gas day.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (3) ~~[Deleted] 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.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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.

#### **214A Reporting on tie-breaking events**

- (1) AEMO must publish the information in subrule (2) about tie-breaking events that occurred on each gas day D on the following gas day D+1.
- (2) The following information must be published under subrule (1) for each schedule in gas day D:
  - (a) the total number of tie-breaking events at each ~~market injection point system injection point~~ or ~~system withdrawal point market withdrawal point~~; and
  - (b) for the total number of tie-breaking events at each ~~market injection point system injection point~~ or ~~market withdrawal pointsystem withdrawal point~~:
    - (i) the number for which all of the equally beneficial bids were associated with capacity certificates;
    - (ii) the number for which some of the equally beneficial bids were associated with capacity certificates; and
    - (iii) the number for which none of the equally beneficial bids were associated with capacity certificates, and in each case, the corresponding quantity of gas bid but not scheduled~~;~~ and in each case, the corresponding quantity of gas bid but not scheduled.

#### **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 respect of the declared transmission system 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;
  - (f1) any distribution supply or demand point constraints;
  - (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 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 using valid demand forecasts and bids submitted by Market Participants and taking into account:
- (a) any transmission constraints affecting the transportation of gas in the declared transmission system during that gas day; and
  - (b) any distribution constraints affecting the transportation of gas in a declared distribution system during 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 ~~system point 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.

## **215A Failure to publish operating schedules**

- (1) If AEMO is unable to produce an operating schedule in accordance with rule 215, AEMO must nevertheless determine the operating schedule.
- (2) In determining an operating schedule under this rule, AEMO must:
  - (a) act in accordance with rule 215 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 215 - act on the basis of knowledge and information AEMO considers to be relevant and reasonable.

## 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.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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) **[Deleted]**
  - (d) provide AEMO with such evidence of the reasons for the failure as AEMO may reasonably require.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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) **[Deleted]**
  - (b) if, in the case of the Market Participant, not being a Producer, distribution connected facility operator, 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, distribution connected facility operator, 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) [Deleted].

(6) [Deleted].

(7) [Deleted].

(8) [Deleted].

(9) [Deleted].

(10) [Deleted].

## 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) capacity certificates associated with a relevant system point;
    - (ix) supply-demand point constraints in respect of the declared transmission system as defined in the gas scheduling procedures;
    - (x) directional flow point constraints in respect of the declared transmission system as defined in the gas scheduling procedures;
    - (xi) any other provision of this Part or other applicable legislation; ~~or~~
    - (xii) any distribution supply or demand point constraints; 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:

$CPI_0$  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<sub>n</sub> 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.

## 219 Injection and withdrawal confirmations

- (1) Each Registered participant who is registered as a Producer, a distribution connected facility operator, 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:

(a) inject into, and withdraw from, the declared transmission system; or

(b) inject into, and withdraw from, a declared distribution 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.

**Note:**

This rule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

## 220 Title, custody and risk in relation to gas in the declared transmission system

- (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.

**220A Title, custody and risk in relation to gas in the declared distribution system**

(1) Each Market Participant unconditionally and irrevocably agrees that transfer of title to gas injected by it into a declared distribution system, the time and place of transfer and the quantities of gas transferred are to be determined in accordance with this rule.

(2) Title to gas withdrawn on a gas day from a declared distribution system is taken to have passed immediately prior to withdrawal:

(a) from the Market Participants that injected gas into any of the declared distribution systems (whether at a DDS injection point or from the declared transmission system through a transfer point) on that gas day;

(b) to the Market Participants that withdrew gas at one or more distribution delivery points on that gas day,

in the quantities that each such Market Participant is treated as having injected or withdrawn (in aggregate) under subrule (3).

(3) For subrule (2):

(a) the aggregate quantity of gas that a Market Participant is treating as having injected into declared distribution systems on a gas day is the sum, for that gas day of:

(i) the quantities of gas that are treated as having been injected by that Market Participant on the gas day at DDS injection points;

(ii) for a DDS injection point for a net bidding facility, the Market Participant's share of the quantity of gas actually injected in that period at the DDS injection point, to the extent not included in the quantities under subparagraph (i); and

(iii) the quantities of gas that are treated as having been withdrawn by that Market Participant on the gas day from the declared transmission system under rule 235(9) at transfer points between the declared transmission system and a declared distribution system;

(b) the aggregate quantity of gas that a Market Participant is treating as having withdrawn at distribution delivery points on a gas day is the sum, for that gas day, of:

(i) the quantities of gas that are treated as having been withdrawn by that Market Participant on the gas day from distribution delivery points under rule 235(10); and

(ii) for a distribution delivery point for a net bidding facility, the Market Participant's share of the quantity of gas actually withdrawn in that period at the distribution delivery point, to the extent not included in the quantities under subparagraph (i).

- (4) For the purposes of this Part, the terms and conditions of access applicable under a Distributor's access arrangement govern the passing of custody and control, and risk of loss, of gas:
  - (a) when it is injected into a declared distribution system at a DDS injection point or at a transfer point between the declared transmission system and a declared distribution system; and
  - (b) when it is withdrawn from a declared distribution system at a distribution delivery point (including a distribution delivery point for a net bidding facility).
- (5) A Distributor has the right to co-mingle a Market Participant's gas with other gas in a declared distribution system.
- (6) Each Market Participant is taken to accept that the gas delivered to it at a distribution delivery point may not match the specifications of the gas injected, or tendered for injection, into the declared distribution system by that Market Participant.

### **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 in respect of the declared transmission system applied by AEMO in accordance with the gas scheduling procedures;
  - (f1) any distribution supply or demand point constraints;
  - (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 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~~:
  - (a) must take into account any transmission constraints affecting withdrawals of gas at system withdrawal points in the declared transmission system at which withdrawal bids may be made during that gas day; ~~and~~
  - (b) must not take into account any transmission constraints affecting injections of gas in the declared transmission system during that gas day; ~~and~~
  - (c) may take into account distribution constraints affecting injections or withdrawals of gas in a declared distribution system during that gas day.
- (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.

## 224 Administered Pricing

- (1A) For the purposes of this Part, AEMO must determine:
  - (a) an administered price cap; and
  - (b) a cumulative price threshold to be used as a factor in determining the start and end of an administered price period.
- (1) AEMO must make Procedures (**administered pricing procedures**) that specify:
  - (a) the administered price cap and the cumulative price threshold determined by AEMO under subrule 224(1A);
  - (b) the process by which AEMO will consult with Market Participants on the approach to determining the administered price cap and the cumulative price threshold; and
  - (c) 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 net adjusted withdrawals of gas which it expects all Market Participants will withdraw from the ~~Market 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 ~~Market declared transmission system~~ by that Market Participant during the relevant billing period as determined under rule 235(11) as its aggregate net adjusted withdrawals~~Division 3, Subdivision 4.~~

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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.



## 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 quantities of gas treated as injected into and withdrawn from the declared transmission system by each Market Participant and the quantities of gas treated as injected into and withdrawn from a declared distribution system by each Market Participant are determined in accordance with this Subdivision.

### 229 Injection allocations

- (1) Subject to subrule (16), where gas is injected, or tendered for injection, at a market injection point ~~a system injection point~~ by more than one Market Participant, the Market Participants who inject gas, or tender gas for injection, at that market injection point ~~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 or a declared distribution system by each of those Market Participants from time to time at that market injection point ~~system injection point~~.
- (2) If an Allocation Agent has not been appointed by a Market Participant for a market injection point ~~system injection point~~ or an Allocation Agent has ceased to act in respect of that market injection point ~~system injection point~~ for any reason, AEMO may appoint an Allocation Agent for that market injection point ~~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 market injection point ~~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 market injection point ~~system injection point~~.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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 ~~market injection point 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 ~~market injection pointsystem 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 or declared distribution system at that ~~market injection point system injection point~~ during that gas day;
  - (d) the total quantity of gas injected into the declared transmission system or declared distribution system at that ~~market injection point 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 or declared distribution system at that ~~market injection point system injection point~~ in each hour of that gas day.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (8) The total quantity of gas allocated by each Allocation Agent in respect of an hour at a ~~market injection point system injection point~~ must equal the total quantity of gas injected into the declared transmission system or declared distribution system during that hour at that ~~market injection point system injection point~~ (determined in accordance with this Subdivision).

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

**Note:**

At the market injection point for a net bidding facility, the total quantity of gas allocated in respect of an hour must equal the net injected quantity for the facility for the hour – refer to rule 204C(1). The net bidding facility procedures govern the calculation of quantities for settlement where the net injected quantity is negative.

- (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 or a declared distribution system at a ~~market injection point system~~

~~injection point~~ on a gas day, any Sub-Allocation Agent appointed at that market injection point 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 or declared distribution system at that market injection point 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 market injection pointsystem ~~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 or declared distribution 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~~ market injection point; or
  - (b) a Sub-Allocation Agent has not been appointed in respect of a ~~system injection point~~ market 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~~ market 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~~ market 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~~ market 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~~ market injection point in accordance with the following formula:

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

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~~ market injection point in an hour;

MQ is the actual quantity of gas injected into the declared transmission system or declared distribution system at that ~~system injection point~~ market 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~~ market injection point in that hour; and

$\sum$ 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~~ market 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~~ market injection point and may also be appointed to act in relation to one or more market withdrawal points~~system withdrawal points~~.
- (16) If:
  - (a) AEMO requires a Registered participant to inject gas at a ~~system injection point~~ market injection point under rule 343; and
  - (b) another Registered participant, or other Registered participants, inject gas at the same ~~system injection point~~market 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~~market 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~~market 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~~market 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 or declared distribution system at that delivery point during that gas day; and
  - (d) the total quantity of gas withdrawn from the declared transmission system or declared distribution 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 or declared distribution 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 or declared distribution 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 or declared distribution 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 and declared distribution systems 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.

## **Subdivision 6 Settlements**

### **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 (other than a distribution delivery point for a net bidding facility where the net injected quantity is positive) 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)~~ and (d) 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); ~~and-~~

(d) at a distribution delivery point for a net bidding facility, as zero if the net injected quantity from that net bidding facility for the Market Participant is positive in the relevant period or, if it is negative, in accordance with the net bidding facility procedures.

- (11) A Market Participant's aggregate net adjusted withdrawals in a scheduling interval are determined as:

$$\sum AW = \sum AWT + \sum AWD$$

Where:

$\sum AW$  is the aggregate of all that Market Participant's net adjusted withdrawals in that scheduling interval;

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

$\sum AWD$  is the sum of all that Market Participant's ~~net~~-adjusted withdrawals in that scheduling interval at distribution delivery points supplied from DDS injection points or system withdrawal points other than system withdrawal points~~these~~ for which quantities have been included in  $\sum AWT$ .

- (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.

## 240 Uplift payments

- (1) Subject to subrule (2), AEMO must make Procedures (**uplift payment procedures**) governing the determination of:
- (a) the total payments for each category of uplift payment determined by AEMO in the uplift payment procedures (**UP category**) that are required in

- respect of a gas day to recover any ancillary payments determined in respect of that gas day in accordance with rule 239; and
- (b) the uplift payments by UP category payable by or to each declared transmission system service provider and Market Participant in respect of a gas day.
- (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) the total uplift payments determined in respect of a gas day must equal the total of any ancillary payments determined in accordance with rule 239 for that gas day;
- (c) operational gas is excluded from allocation of uplift payments.
- (3) **[Deleted]**.
- (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), 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:
- (a) the total amounts of uplift payments by UP category; and
- (b) the total quantity volume of gas in GJ giving rise to uplift payments by UP category to be made in respect of each gas day.
- (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 caused by the failure of the declared transmission system service provider to fulfil its obligations under its service envelope agreement in that trading interval, then AEMO must also determine and publish the extent (measured in GJ) to which that transmission constraint was caused by that failure.

## Subdivision 7 Prudential requirements

### 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 or a declared distribution system; and
    - (iii) withdrawing gas, or tendering gas for withdrawal, from the declared transmission system or a declared distribution 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.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

### 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 a declared distribution system; or
    - (iii) withdrawing gas, or tendering gas for withdrawal, from the declared transmission system or a declared distribution 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.

**Note:**

This subrule is classified as a civil penalty provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 3 and Schedule 1 of the National Gas (Victoria) (Declared System Provisions) Regulations.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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 RoLR process and immediately notify Participants and the AER 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.

## Division 3      Technical Matters

### Subdivision 1      Connection to the declared transmission system

#### 267      ~~[Deleted]~~ **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.~~

### Subdivision 3      Gas **q**Quality specifications

#### 287      Gas quality standards for system injection points

- (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.

### **287A Gas quality standards for DDS injection points**

- (1) Subject to any duty or requirement under any regulatory instrument relating to gas quality or safety, the Distributor for a DDS injection point may at the request of a distribution connected facility operator enter into a written agreement that:
  - (a) provides for the injection of gas at a DDS injection point that does not comply with the standard gas quality specifications;
  - (b) sets out the quality standard with which that gas must comply; and
  - (c) provides for the Distributor to terminate the agreement in accordance with subrule (3).
- (2) The parties to an agreement under subrule (1) must consist of or include:
  - (a) the Distributor;
  - (b) the Registered participant or Registered participants proposing to inject gas that does not comply with the standard gas quality specifications;

- (c) Registered participants also proposing to inject gas at the same DDS injection point;
  - (d) where any part of the gas may be reinjected into the declared transmission system, AEMO; and
  - (e) where any part of the gas may be injected from the declared distribution system into another declared distribution system, the Distributor for the other declared distribution system.
- (3) A Distributor may, by notice to the parties to an agreement under subrule (1), terminate the agreement if:
- (a) a breach of the agreement occurs; or
  - (b) the injection of the gas in accordance with the agreement is no longer consistent with a duty or requirement under a regulatory instrument relating to gas quality or safety.

**288**      **[Deleted]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.~~

**Note:**

~~This rule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.~~

**289 Off-specification gas in the declared transmission system**

- (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.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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.

### **289A Off-specification gas in a declared distribution system**

- (1) Each Registered participant must use its reasonable endeavours to ensure that any gas it injects or tenders for injection into a declared distribution system at a DDS injection point complies with the gas quality specifications for that DDS injection point.

**Note:**

The AEMC recommends that this subrule be classified as a conduct provision.

- (2) Each Registered participant must notify the relevant Distributor as soon as it becomes aware that gas which does not comply with the applicable gas quality specifications is being, or is likely to be, or has been delivered at a DDS 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 applicable gas quality specifications.

**Note:**

The AEMC recommends that this subrule be classified as a conduct provision.

- (3) A Distributor 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 the Distributor of all information referred to in subrule (2) that is available to the Registered participant and:

(a) the gas complies with requirements for exemption from compliance with the applicable gas quality specifications under an applicable regulatory instrument; or

(b) in the reasonable opinion of the Distributor:

(i) acceptance is necessary to ensure the safety of the public or the safety, security or reliability of its declared distribution system; or

(ii) off-specification gas can be co-mingled with other gas in its declared distribution system or processed so that gas delivered to Customers at a distribution delivery point will, notwithstanding acceptance of that off-specification gas, comply with the standard gas quality specifications.

- (4) If a Distributor accepts or intends to accept any off-specification gas in accordance with subrule (3):

(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 the DDS injection point; and

(b) it must promptly give notice of that fact to each Registered participant who the Distributor reasonably believes is likely to be affected by gas that does not comply with the applicable gas quality specifications and, so far as

known, the extent to which gas is likely to fail to comply with the applicable gas quality specifications and the likely quantity and duration of the off-specification gas.

- (5) 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 a Distributor has accepted in accordance with subrule (3).
- (6) This rule is to be read subject to the terms of an agreement in force under rule 287A.

### **Subdivision 3.1 Gas quality monitoring**

#### **289B Gas quality monitoring procedures**

- (1) AEMO must make Procedures (**gas quality monitoring procedures**) providing for:
- (a) the application of the standard gas quality specifications in relation to the declared transmission system;
  - (b) gas quality monitoring requirements, including:
    - (i) monitoring standards; and
    - (ii) the use of gas quality monitoring systems and other required gas quality monitoring measures;
  - (c) the equipment to be included in gas quality monitoring systems and equipment standards;
  - (d) the matters to be addressed in gas quality monitoring plans;
  - (e) the process for making an election or seeking approval or consent from AEMO in accordance with this Subdivision;
  - (f) arrangements for applying for temporary or permanent modifications to gas quality monitoring arrangements;
  - (g) arrangement for monitoring compliance with gas quality monitoring arrangements;
  - (h) testing of gas quality monitoring systems and the costs of tests; and
  - (i) other matters AEMO reasonably considers necessary or desirable to deal with in the gas quality monitoring procedures relation to gas quality monitoring for the declared transmission system or operation of the Market.
- (2) The gas quality monitoring procedures must be consistent with:
- (a) the standard gas quality specifications; and
  - (b) any duty or requirement under any regulatory instrument relating to gas quality or safety.

- (3) The gas quality monitoring procedures may include information relating to the application of the standard gas quality specifications in a declared distribution system, where that information is available to AEMO.

**289C Responsibility for gas quality monitoring at market injection points**

- (1) The person responsible for establishing and maintaining gas quality monitoring arrangements for market injection points is the **responsible gas quality monitoring provider**.
- (2) Except in relation to a system injection point or DDS injection point for which an election has been made under subrule (3) or (4):
- (a) the declared transmission system service provider is the responsible gas quality monitoring provider for a system injection point; and
- (b) the Distributor is the responsible gas quality monitoring provider for a DDS injection point.
- (3) A Registered participant (other than the declared transmission system service provider) may by notice to AEMO and the declared transmission system service provider elect to be the responsible gas quality monitoring provider for a system injection point (other than a system injection point for which another person is and intends to remain the responsible gas quality monitoring provider) if the Registered participant:
- (a) injects, or intends to inject, gas at the system injection point; and
- (b) has any necessary rights (whether as owner, or under contract) to install, operate and maintain the gas quality monitoring system for the system injection point at the location at which it will be installed.
- (4) A Registered participant (other than a Distributor) may by notice to AEMO and the relevant Distributor elect to be the responsible gas quality monitoring provider for a DDS injection point (other than a DDS injection point for which another person is and intends to remain the responsible gas quality monitoring provider) if the Registered participant:
- (a) injects, or intends to inject, gas at the DDS injection point; and
- (b) has any necessary rights (whether as owner, or under contract) to install, operate and maintain the gas quality monitoring system for the DDS injection point at the location at which it will be installed.
- (5) A responsible gas quality monitoring provider for a system injection point may request approval from AEMO to cease to be the responsible gas quality monitoring provider for the system injection point. AEMO must refuse to grant approval unless another Registered participant has elected to be, or the declared transmission system service provider has agreed to be, the responsible gas quality monitoring provider for the system injection point with effect from the time the approval takes effect.

- (6) A responsible gas quality monitoring provider for a DDS injection point may request approval from the Distributor to cease to be the responsible gas quality monitoring provider for the DDS injection point. The Distributor must refuse to grant approval unless another Registered participant has elected to be, or the Distributor has agreed to be, the responsible gas quality monitoring provider for the DDS injection point with effect from the time the approval takes effect.
- (7) An election or request for approval under this rule must be made in accordance with any applicable provisions in the gas quality monitoring procedures.

### **289D Responsibility for gas quality monitoring at other points**

- (1) AEMO may require gas quality monitoring arrangements to be established for:
- (a) points on the declared transmission system (DTS monitoring points); and
  - (b) points at which gas is transferred between declared distribution systems (DDS transfer monitoring points),
- that AEMO considers necessary or desirable to enable AEMO to monitor the quality of gas in the declared transmission system or for the calculation of Market settlements.
- (2) The responsible gas quality monitoring provider for a DTS monitoring point is the declared transmission system service provider.
- (3) The responsible gas quality monitoring provider for a DDS transfer monitoring point is the Distributor nominated by AEMO in its discretion unless otherwise agreed between the relevant Distributors.

### **289E Obligations of the responsible gas quality monitoring provider**

- (1) A responsible gas quality monitoring provider for a market injection point, DTS monitoring point or DDS transfer monitoring point must ensure that gas quality monitoring arrangements comprising:
- (a) a gas quality monitoring system that satisfies the requirements of rule 289G; and
  - (b) a gas quality monitoring plan that satisfies the requirements of rule 289H,
- where applicable approved in accordance with subrule (2), have been established and are being maintained in respect of the relevant point.

**Note:**

The AEMC recommends that this subrule be classified as a tier 1 civil penalty provision.

- (2) Gas quality monitoring arrangements (including any modifications to them) must be approved as follows:
- (a) in the case of a system injection point, DTS monitoring point or DDS transfer monitoring point, AEMO's approval is required; and
  - (b) in the case of a DDS injection point for which the Distributor is not the responsible gas quality monitoring provider, the Distributor's approval is required.

- (3) The responsible gas quality monitoring provider for a market injection point must ensure that gas quality monitoring arrangements are in place and operational at all times that gas is injected at the market injection point, unless otherwise agreed with AEMO.

**Note:**

The AEMC recommends that this subrule be classified as a tier 1 civil penalty provision.

- (4) A responsible gas quality monitoring provider for a market injection point, DTS monitoring point or DDS transfer monitoring point must:

(a) install, operate and maintain its gas quality monitoring system in accordance with the Rules and where applicable, any approval under subrule (2); and

(b) comply with the applicable gas quality monitoring plan, where applicable as approved under subrule (2).

**Note:**

The AEMC recommends that this subrule be classified as a tier 1 civil penalty provision.

- (5) The responsible gas quality monitoring provider for the gas quality monitoring system must, on request, provide AEMO and any other affected Participants 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. The party requesting the information (other than AEMO) must pay the responsible gas quality monitoring provider's reasonable costs of providing that information.

**Note:**

The AEMC recommends that this subrule be classified as a conduct provision.

- (6) Subject to any agreement between the responsible gas quality monitoring provider and an affected Participant and rule 289F(2), costs associated with gas quality monitoring are to be borne by the responsible gas quality monitoring provider.

- (7) The responsible gas quality monitoring provider for 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.

**Note:**

The AEMC recommends that this subrule be classified as a tier 2 civil penalty provision.

**Note:**

The AEMC recommends that this subrule be classified as a conduct provision.

## **289F Obligations of Market Participants**

- (1) A Market Participant must not, without the express permission of AEMO, supply gas at a market injection point unless gas quality monitoring arrangements that comply with rule 289E have been established and are being maintained in respect of that market injection point.

- (2) A Market Participant must have in force an agreement with the responsible gas quality monitoring provider for a market injection point under which that Market Participant contributes to its proportionate share of the costs incurred by the



responsible gas quality monitoring provider in establishing and maintaining the gas quality monitoring arrangements for the market injection point. AEMO may provide to a responsible gas quality monitoring provider 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.

(3) In subrule (2), and subject to any agreement to the contrary:

(a) **proportionate share** means a share calculated having regard to the actual quantity of gas injected at the market injection point by that Market Participant against the total quantity of gas injected at that market injection point in any particular billing period; and

(b) **costs** means the total costs incurred by the responsible person in establishing and maintaining the gas quality monitoring arrangements.

(4) A Market Participant must provide to AEMO or a Distributor on request information, records and access to facilities that:

(a) AEMO or the Distributor reasonably requires in order to verify that the gas supplied by the Market Participant at a market injection point complies with the applicable gas quality specifications and that reasonable precautions are in place to prevent the delivery of off-specification gas to the market injection point; and

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

**Note:**

The AEMC recommends that this rule be classified as a conduct provision.

## **289G Gas quality monitoring systems**

(1) A gas quality monitoring system for a market injection point or a DDS transfer monitoring point must include:

(a) a gas chromatograph for determination of gas composition, heating value, relative density and wobbe index; and

(b) other equipment specified in the gas quality monitoring procedures unless, having regard to alternate measuring methods or the characteristics of the particular gas supply:

(i) except where subparagraph (ii) applies, AEMO agrees otherwise; or

(ii) in the case of a DDS injection point, the Distributor decides (where it is the responsible gas quality monitoring provider) or agrees (where the Distributor is not the responsible gas quality monitoring provider) otherwise.

(2) A gas quality monitoring system for a DTS monitoring point must include the equipment specified in the gas quality monitoring procedures unless AEMO agrees otherwise.



- (3) A 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.

## **289H Gas quality monitoring plans**

- (1) A gas quality monitoring plan must address the matters provided for in the gas quality monitoring procedures.
- (2) A gas quality monitoring plan for a market injection point must identify:
- (a) the sources of the gas reasonably likely to be delivered to the market injection point (including where it is commingled with other gas); and
  - (b) the precautions in place, including gas quality monitoring by or at the source, to prevent the delivery of gas to the market injection point that does not comply with the gas quality specifications.
- (3) A gas quality monitoring plan must include an operation and maintenance plan to ensure the accuracy and reliability of each gas quality monitoring system covered by the plan. The operation and maintenance plan must include:
- (a) provision for the periodic testing and calibration of the gas quality monitoring system in accordance with standards specified in the gas quality monitoring procedures;
  - (b) procedures for 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.

## **Subdivision 4 Metering**

### **290 Obligations of Market Participants in relation to to establish metering installations**

- (1) A Market Participant must not inject or withdraw gas at a connection point on the declared transmission system or, subject to rule 290A, at a connection point for a distribution connected facility, 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 (or as approved in accordance with rule 290A); 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~~.

**Note:**

This rule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

**290A Metering installations for injections into net bidding facilities**

- (1) AEMO may, on application by the distribution connected facility operator for a net bidding facility (or proposed net bidding facility), approve a location (that is not a connection point for the facility) for a metering installation for the purposes of rule 290, if AEMO is reasonably satisfied that:
  - (a) the net quantities injected in respect of the net bidding facility will be accurately measured; and

(b) any other requirements specified in the net bidding facility procedures for the purposes of this paragraph are met.

(2) AEMO's approval under subrule (1) may be given subject to conditions.

(3) A distribution connected facility operator for a net bidding facility must comply with any conditions made under subrule (2).

**Note**

The AEMC recommends that this subrule be classified as a tier 1 civil penalty provision.

**291 Obligations of declared transmission system service providers Service Providers to establish in relation to 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.

**Note:**

This rule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

**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:
    - (i) otherwise agreed between that the declared transmission system service provider and the Producer or the Storage Provider associated with that receipt point agree otherwise; or
    - (ii) the Producer or Storage Provider associated with that receipt point is a Registered participant and has elected in accordance with subrule (3A) to be the responsible person;

- (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:
- (i) ~~otherwise agreed between the~~ declared transmission system service provider and the interconnected transmission pipeline service provider associated with that transfer point agree otherwise; or
  - (ii) the interconnected transmission pipeline service provider associated with that transfer point is a Registered participant and has elected in accordance with subrule (3A) to be the responsible person;
- (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:
- (i) ~~otherwise agreed between~~ the declared transmission system service provider and that Transmission Customer agree otherwise; or
  - (ii) that Transmission Customer is a Registered participant and has elected in accordance with subrule (3A) to be the responsible person;
- (e) subject to paragraph (f), 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 local area retailer (as defined in the National Energy Retail Law) is connected - is the Distributor associated with that distribution delivery point, unless:
- (i) ~~otherwise agreed by~~ that Distributor and the Market Customer or relevant (in the case of a Customer) the Market Participant that sells gas to the Customer agree otherwise; or
  - (ii) in the case of a Market Customer, the relevant Market Customer has elected in accordance with subrule (3A) to be the responsible person;
- (f) if the metering installation is situated at a receipt point on a declared distribution system, or a distribution delivery point for a distribution connected facility - is the Distributor associated with that receipt point, unless:
- (i) ~~otherwise agreed between~~ the Distributor and the distribution connected facility operator ~~Producer or the Storage Provider~~ associated with that receipt point agree otherwise; or
  - (ii) the distribution connected facility operator associated with that receipt point is a Registered participant and has elected in accordance with subrule (3A) to be the responsible person;
- (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.

(3A) A Registered participant may make an election to be the responsible person for a metering installation (other than a metering installation for which another person is and intends to remain the responsible person) for the purposes of subrule (2) (other than subparagraphs (c) and (g) of that subrule) by giving notice to the person who would otherwise be the responsible person for that metering installation.

- (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) or an election is made under subrule (3A), the person who would otherwise be the responsible person must immediately advise AEMO of that agreement or election.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

(5A) A person that is the responsible person for a metering installation as the result of an election made under subrule (3A) may request approval from AEMO to cease to be the responsible person for the metering installation. AEMO must refuse to grant approval unless another Registered participant has elected to be, or the declared transmission system service provider or Distributor (as applicable) has agreed to be, the responsible person for the metering installation with effect from the time the approval takes effect.

(5B) Where a person that is the responsible person for a metering installation as the result of an election made under subrule (3A) ceases to be a Registered participant, the person must comply with subrule (4).

- (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.

## **292A Metering installation coordination procedures**

AEMO must make Procedures (metering installation coordination procedures) providing for the obligations of the responsible person with respect to the following matters relating to metering installations for settlement metering points:

- (a) temporary changes to metering installations or facilities connected to metering installations that affect the accuracy of the metering installations;
- (b) addressing the consequences of temporary metering data failures;
- (c) monitoring of metering installations;
- (d) audit requirements, and the cost of audits; and
- (e) investigation and reporting in accordance with rule 293(6).

## **293 Other rResponsibilities of a responsible person**

(1) The responsible person must:

- (a) ensure that its metering installations are provided, installed and maintained in accordance with this Subdivision, the metering installation coordination procedures 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.

**Note:**

This rule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

(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 agrees otherwise.

**Note:**

The AEMC recommends that this subrule be classified as a conduct provision.

(3) The responsible person for a metering installation for a settlement metering point must:

- (a) monitor its metering installation on a regular basis in order to ensure that the installation is operating properly in accordance with this Subdivision;

(b) make available to AEMO and all affected Participants the results of all tests in respect of the metering installation as soon as practicable after they have been completed; and

(c) allow AEMO and each affected Participant, at all reasonable times, by giving reasonable prior notice to the responsible person, to inspect the metering installation and records in respect of a metering installation.

**Note:**

Under rule 318A, a responsible person may request AEMO to provide information under this subrule and subrules (5) and (7) to affected Participants on its behalf.

**Note:**

The AEMC recommends that this subrule be classified as a conduct provision.

(4) AEMO may notify the responsible person if AEMO becomes aware, or reasonably believes, that:

(a) a metering installation for a settlement metering point does not comply with the requirements of this Subdivision or has malfunctioned or is defective; or

(b) any other matter is or may be affecting the integrity of the metering data from a metering installation for a settlement metering point or the use of the metering data for the Market.

(5) If the responsible person for a metering installation for a settlement metering point is notified by AEMO under subrule (4) or otherwise becomes aware that the accuracy of the metering installation does not comply with the requirements of this Subdivision or of any matter which could affect the integrity of the metering data or the use of the metering data for the Market, the responsible person must:

(a) notify all affected Participants and AEMO as soon as practicable; and

(b) arrange for the accuracy of the metering installation to be restored or for the metering installation to be reinstated, modified or replaced by such time as AEMO may reasonably determine so that the metering installation meets the requirements of this Subdivision.

**Note:**

The AEMC recommends that this subrule be classified as a tier 1 civil penalty provision.

(6) The responsible person must within 2 business days after receiving a notice from AEMO under subrule (4) or otherwise becoming aware of any matter described in subrule (5):

(a) provide a report to AEMO in relation to that matter containing the information in the metering installation coordination procedures; and

(b) where requested by AEMO, prepare an estimate of the actual quantity of gas transferred through the affected metering installation.

**Note:**

The AEMC recommends that this subrule be classified as a tier 1 civil penalty provision.

(7) The responsible person for a metering installation for a settlement metering point must notify all affected Participants and AEMO if practicable at least 7 days prior to, and in any event 7 days after, any (including temporary) modification,



adjustment, repair or replacement of any of the metering installation (including 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.

**Note:**

The AEMC recommends that this subrule be classified as a tier 1 civil penalty provision.

(8) 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.

**Note:**

The AEMC recommends that this subrule be classified as a conduct provision.

## 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.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

## 295 Metering installation components

The responsible person for a A-metering installation must ensure that the metering installation:

- (a) ~~is~~**be** accurate in accordance with the Procedures; and
- (b) ~~has~~**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) ~~contains~~ 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) ~~is~~ secure in accordance with rule 300; and
- (e) ~~has~~ 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) ~~is~~ capable of separately registering and recording flows in each direction where bi-directional gas flows occur; and
- (g) ~~has~~ 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.

**Note:**

This rule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

**299 Calibration of metering installations**

- (1) This rule applies only to metering installations at ~~pointssystem points~~ settlement metering 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~~ five years and not more than once a year.
- (4) The responsible person must establish and provide to AEMO 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) ~~[Deleted]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) ~~[Deleted]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.

**Note:**

Under rule 318A, a responsible person may request AEMO to provide information under this subrule to affected Participants on its behalf.

- (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) ~~[Deleted]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) ~~[Deleted]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) ~~[Deleted] 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) ~~[Deleted] 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) ~~[Deleted] 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 or a responsible person, the Registered participant or responsible person (as applicable) must notify all affected Participants and (where applicable) the responsible person of that fact as soon as reasonably possible.

**Note:**

Under rule 318A, a Registered participant or responsible person may request AEMO to provide information under this subrule to affected Participants on its behalf.

- (3) If a Registered participant or responsible person finds evidence that the accuracy of the metering of a metering installation might have been affected by any tampering, then the responsible person must as soon as practicable and in the case of a metering installation for a settlement metering point, within 2 business days, or any longer period approved by AEMO, 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.

**Note:**

This rule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

### 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 and, for a DDS injection point or a market withdrawal point on a declared distribution system, the Distributor, 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 and, for a DDS injection point or a market withdrawal point on a declared distribution system, the Distributor, by the responsible person within 2 business days after the change has been made; and
- (c) recorded by AEMO in the metering register.

**Note:**

This rule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

### 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.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (2A) A metering installation at a DDS injection point or a market withdrawal point on a declared distribution 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.

**Note:**

The AEMC recommends that this subrule be classified as a conduct provision.

- (3) A metering installation at a distribution delivery point (other than a market withdrawal 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.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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 the industry standards specified in the energy calculation procedures 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 wobble index from gas composition) unless the responsible person, the affected Participants and AEMO agree otherwise.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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 and specifying the industry standards to be used to calculate the energy content of gas flowing through a metering point.
- (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 distribution delivery points for distribution connected facilities, and in any declared metering requirement for metering installations at other 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) ~~[Deleted]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.

**Note:**

This rule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

### 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.

**Note:**

This rule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

### 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 injection or withdrawal ~~production or consumption~~ of gas or by AEMO for any system operation purpose.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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.

### 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 ~~market injection points~~system injection point or a ~~market withdrawal point~~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.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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.

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (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).

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.



### 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 (including on a temporary basis); 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.

**316 Data used for settlementsUse of meters**

- (1) ~~AEMO must use as the primary source of data for settlement purposes m~~ Metering data ~~must be used by AEMO as the primary source of data for settlement purposes~~ and 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) ~~[Deleted] 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.~~

**Note:**

This subrule is classified as a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations. See clause 4 and Schedule 2 of the National Gas (Victoria) (Declared System Provisions) Regulations.

- (4) 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.

**Subdivision 5 Matters relating to the declared distribution systemsDeclared distribution system – unaccounted for gas**

**317A Operational coordination between AEMO and Distributors**

- (1) AEMO must make Procedures (distribution operational coordination procedures) providing for:
  - (a) submission, assessment, acceptance and review of methodologies for determining distribution supply or demand point constraints applicable at DDS injection points and market withdrawal points on the declared distribution system in accordance with rule 317B;
  - (b) arrangements for AEMO to provide information to Distributors:
    - (i) available to or created by AEMO in operating the declared transmission system or the Market; and

- (ii) reasonably required by the Distributor for the operation of its declared distribution system having regard to the impact or potential impact of the injection of gas into its declared distribution system at DDS injection points and the scheduling of injections and withdrawals of gas through the Market; and
  - (c) arrangements for Distributors to provide information to AEMO:
    - (i) available to or created by the Distributor relating to its declared distribution system (including demand for or injections of gas); and
    - (ii) reasonably required by AEMO for the operation of the declared transmission system or the Market.
- (2) The information provided by AEMO to Distributors under the distribution operational coordination procedures may include demand forecasts for demand nodes in the declared distribution system.
- (3) The distribution operational coordination procedures must specify:
  - (a) the purpose for which information disclosed to a Distributor under the procedures may be used; and
  - (b) arrangements for the protection of confidential information disclosed to a Distributor under the procedures and the circumstances in which confidential information may be disclosed.
- (4) A Distributor must, in relation to information disclosed to it in accordance with the distribution operational coordination procedures:
  - (a) only use the information for the purpose for which it was disclosed; and
  - (b) maintain the confidentiality of the information in accordance with the distribution operational coordination procedures; and
  - (c) only disclose the information in circumstances where disclosure is permitted in accordance with those procedures.

**Note**

The AEMC recommends that this subrule be classified as a conduct provision.

- (5) Information of a Distributor disclosed to AEMO in accordance with arrangements made under distribution operational coordination procedures is confidential information.

**317B Declared distribution system constraint methodology**

- (1) The distribution operational coordination procedures must set out arrangements for a Distributor to submit to AEMO, and for AEMO to assess and where applicable accept, a methodology (DDS constraint methodology) to determine one or more distribution supply or demand point constraints that:
  - (a) apply in respect of the market injection points or market withdrawal points on the Distributor's declared distribution system;
  - (b) the Distributor reasonably considers are required for the operation of its declared distribution system; and

- (c) are to be taken into account by AEMO in accordance with rule 215(1)(c1) in determining operating schedules or in accordance with rule 221(3)(f1) in determining pricing schedules.
- (2) A DDS constraint methodology for a Distributor's declared distribution system may set a fixed constraint in respect of one or more market injection points or market withdrawal points, or may provide for the constraint to be determined having regard to operating conditions or other matters relevant to the setting of the constraint.
- (3) A Distributor must ensure that its DDS constraint methodology does not result in outcomes that are inconsistent with the principle that operating schedules which specify injections and withdrawals for each hour of the gas day should do so in a way that minimises the cost of satisfying expected demand for gas over that gas day.
- Note**
- Constraint methodologies are not intended to be used to reserve or prioritise access to capacity in a declared distribution system.
- Note:**
- The AEMC recommends that this subrule be classified as a conduct provision.
- Note:**
- The AEMC recommends that this subrule be classified as a tier 1 civil penalty provision.
- (4) AEMO may decline to accept a proposed DDS constraint methodology where, in the reasonable opinion of AEMO, the proposed DDS constraint methodology:
- (a) is not feasible to implement;
  - (b) would impose unreasonable costs for AEMO to implement or apply; or
  - (c) is otherwise not consistent with the efficient operation of the Market.
- (5) The distribution operational coordination procedures must set out:
- (a) supporting information to be provided by a Distributor in relation to a proposed DDS constraint methodology; and
  - (b) matters AEMO may have regard to when assessing a proposed DDS constraint methodology.
- (6) The distribution operational coordination procedures must provide for review of constraint methodologies accepted by AEMO including:
- (a) reviews by the Distributor, scheduled reviews and reviews at the request of AEMO or an affected Market participant; and
  - (b) requirements for Distributors to submit a revised DDS constraint methodology where AEMO is no longer satisfied that the methodology satisfies the criteria for acceptance by AEMO and the time by which it must be submitted.
- (7) A Distributor must comply with a requirement to revise a DDS constraint methodology in accordance with the distribution operational coordination procedures.

**Note:**

The AEMC recommends that this subrule be classified as a tier 1 civil penalty provision.

**Note**

The AEMC recommends that this subrule be classified as a conduct provision.

- (8) A Distributor must publish its current DDS constraint methodology on its website but may exclude from the published version any information of a third party in relation to which the Distributor owes a duty of confidentiality.

**317C Ad hoc constraints applied to distribution connected facilities**

- (1) A Distributor may constrain the injection or withdrawal of gas by a distribution connected facility:
- (a) in accordance with the terms and conditions of its access arrangement or any agreement with the distribution connected facility operator;
  - (b) in circumstances where the constraint is required or permitted by law; or
  - (c) in order to mitigate or avoid a situation that may threaten:
    - (i) reliability of gas supply; or
    - (ii) the security of a declared distribution system; or
    - (iii) public safety.
- (2) A Distributor must promptly notify AEMO of any constraint the Distributor applies to a distribution connected facility including information about the facility constrained and the level and expected duration of the constraint.
- (3) No compensation is payable under this Part in relation to a constraint referred to in subrule (1).

**Division 4 Market information and system planning**

**Subdivision 1 Market information**

**318A Provision of metering installation information**

- (1) A person who is required by rule 293(3), (5) or (7), rule 299(9) or rule 300(2) to send information to one or more Registered participants may, in accordance with the electronic communication procedures, request AEMO to send the information to those Registered participants on the person's behalf.
- (2) AEMO must use reasonable endeavours to comply with a request under subrule (1) in accordance with the electronic communication procedures.

**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; ~~and~~
  - (d) a request may be made under rule 318A.
- (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 for the declared transmission system;
  - (h) the linepack for the declared transmission system 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 or a declared distribution system at each market injection points~~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.

## Subdivision 2 Forecasts and Planning and Maintenance Reviews

### **326A Maintenance information for distribution connected facilities**

- (1) The maintenance planning procedures must provide for the provision of information reasonably required by AEMO about maintenance of distribution connected facilities.
- (2) A distribution connected facility operator must provide information to AEMO about maintenance of its distribution connected facility in accordance with the maintenance planning procedures.

**Note:**

The AEMC recommends that this subrule be classified as a tier 3 civil penalty provision.

## Subdivision 3 Capacity certificates

### **327B AEMO to determine capacity certificates zones**

- (1) AEMO must determine and may amend the allocation of market injection points or market withdrawal points ~~system injection points or system withdrawal points~~ (as the case may be) ~~in the declared transmission system~~ to capacity certificates zones.
- (2) AEMO must publish its determination in a capacity certificates zone register setting out:
  - (a) the location of the capacity certificates zones in the declared transmission system; and
  - (b) the market injection points ~~system injection points~~ or market withdrawal points ~~system withdrawal points~~ associated with each capacity certificates zone.
- (3) In determining the allocation of system points ~~system injection points or system withdrawal points~~ to capacity certificate zones, AEMO may have regard to any matter that AEMO reasonably considers relevant to that determination including:



- (a) the impact of the proposed allocation on capacity certificates auctions including the impact on the demand for auction products or liquidity;
  - (b) the impact on the use of capacity certificates for tie-breaking events, whether over time or at particular times or in particular conditions; and
  - (c) the technical or operational characteristics of the declared transmission system.
- (4) The allocation of ~~system points system injection points or system withdrawal points~~ to capacity certificates zones must also comply with the following principles:
- (a) ~~market injection points system injection points~~ must be allocated to entry capacity certificates zones;
  - (b) ~~market withdrawal points system withdrawal points~~ must be allocated to exit capacity certificates zones; and
  - (c) a system point cannot be in more than one capacity certificates zone.
- (5) Before making or amending a determination under subrule (1), AEMO must consult in accordance with the capacity certificates auction procedures.
- (6) When making or amending a determination under subrule (1), AEMO must take into account the information provided by Registered participants under rules 324(1), (2), (3) and (4).
- (7) AEMO must review its determination under subrule (1) if:
- (a) there is a change that could reasonably be expected to affect the allocation of system points to capacity certificate zones, which may include:
    - (i) an extension or expansion of the declared transmission system that AEMO reasonably considers could affect the allocation of system points to capacity certificate zones; or
    - (ii) any other change in the technical or operational characteristics of the declared transmission system that could affect the allocation of system points to capacity certificate zones; or
  - (b) a proposal for a review is made in accordance with the capacity certificates auction procedures, subject to those procedures.
- (8) If AEMO amends a determination under subrule (1), it may defer the effective date of the amendment or take other measures under the determination to mitigate or avoid adverse impacts on capacity certificates allocated before the amendment is made.

### **328D Capacity certificates auction procedures**

- (1) Subject to the requirements of this Subdivision, AEMO must make Procedures (**capacity certificates auction procedures**) pursuant to which it will conduct capacity certificates auctions and which give effect to the principles, and contain the information, specified in this rule and rules 328B and 328C.

- (2) The capacity certificates auction procedures must set out:
  - (a) the process for conducting capacity certificates auctions;
  - (b) the approach AEMO uses for system capability modelling;
  - (c) information about the method AEMO uses to determine the quantity of each auction product available to auction under rule 328A(3) and the auction quantity under rule 328B(4);
  - (d) the frequency of capacity certificates auctions and how far in advance of the start of the rolling forward period they will be held;
  - (e) if required by AEMO, the form of the capacity certificates auction participation agreement and requirements for the provision of payment security;
  - (f) the arrangements for a person to participate in the auction as an agent for a Market Participant;
  - (g) the procedures and timing requirements for billing and settlement of amounts payable in respect of the auction, 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 by it in respect of the auction in full;
  - (h) 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 rule 328B(11);
  - (i) the matters which this Subdivision requires to be specified in the capacity certificates auction procedures; and
  - (j) any other matters necessary or convenient to deal with in the capacity certificates auction procedures.
  
- (3) The capacity certificates auction procedures must set out the arrangements for AEMO to consult in accordance with rule 327B(5) on the proposed allocation of ~~system points system injection points or system withdrawal points~~ to capacity certificates zones. The arrangements must include provisions with respect to:
  - (a) the time frame and process for AEMO to consult, which may allow for extensions of time in reasonable circumstances;
  - (b) an expedited process for AEMO to consult in circumstances where the matter is of a minor or administrative nature;
  - (c) the submission to AEMO of proposals for change to a current determination;
  - (d) rejection of proposals for change without consultation, including where in the reasonable opinion of AEMO the proposal is for a change proposed, but rejected, in the previous 12 months or is misconceived or lacking in substance; and
  - (e) the time at which a determination takes effect and the matters to be taken into account for that purpose, including the impact on capacity certificates already allocated

## **Division 5 Intervention and market suspension**

### **Subdivision 5 System security threat**

#### **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 or a declared distribution 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 or the Distributor 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 Market suspension**

#### **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 or a declared distribution 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).

## Schedule 1 Transitional Provisions

### Part 17 Transitional provisions consequent on the National Gas Amendment (DWGM distribution connected facilities) Rule 2022 No. 3

#### Division 1 Application and interpretation

##### 83 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 17:

**Amending Rule** means the National Gas Amendment (DWGM distribution connected facilities) Rule 2022.

**commencement date** means the date of commencement of schedules 1, 2 and 3 of the Amending Rule.

**connection agreement** means an agreement between a Distributor and another person pursuant to which a pipeline or pipeline equipment owned, operated or controlled by that other person is connected to a declared distribution system.

**effective date** means the date of commencement of schedule 5 of the Amending Rule.

**existing gas quality monitoring system** means a gas quality monitoring system that immediately before the commencement date was approved by AEMO in accordance with rule 288 of the old DWGM rules.

**Gas Distribution System Code of Practice** means the code of practice of that name made by the Essential Services Commission of Victoria.

**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.

**transition period** means the period commencing on the commencement date and ending 6 months after the commencement date.

#### Division 2 General

##### 84 Current procedures

- (1) No later than 3 months before the commencement date, AEMO must review, and where necessary, update the Wholesale Market Procedures (to apply from the commencement date) to take into account the Amending Rule.

- (2) For subrule (1), AEMO must review and update the Wholesale Market Procedures, in accordance with Part 15B of the rules.

## **85 New procedures**

- (1) No later than 3 months before the commencement date, AEMO must make the following Procedures (to apply from the commencement date) to take into account the Amending Rule:
  - (a) the distribution operational coordination procedures under rule 317A of the new DWGM rules;
  - (b) the gas quality monitoring procedures under rule 289B of the new DWGM rules;
  - (c) the metering installation coordination procedures under rule 292A of the new DWGM rules; and
  - (d) the net bidding facility procedures under rule 204C of the new DWGM rules.
- (2) AEMO must make the Procedures referred to in subrule (1) in accordance with Part 15B of the rules.

## **86 Gas quality monitoring systems and gas metering**

- (1) A person who, immediately before the commencement date was the responsible person for a metering installation under the old DWGM rules continues on and from the commencement date to be the responsible person for the metering installation.
- (2) A person who, immediately before the commencement date was the provider of an existing gas quality monitoring system is taken, on and from the commencement date, to be the responsible gas quality monitoring provider for the system injection point or other point for which the gas quality monitoring system is provided.
- (3) An existing gas quality monitoring system is taken, with effect from the commencement date, to have been approved in accordance with the gas quality monitoring procedures for the purposes of rule 289E(2) of the new DWGM rules.
- (4) Subrule (3) ceases to apply in respect of an existing gas quality monitoring system if it is altered or replaced.
- (5) During the transition period, rule 289E(1)(b) of the new DWGM rules does not apply to an existing gas quality monitoring system.
- (6) The responsible gas quality monitoring provider for an existing gas quality monitoring system must ensure that on and from the end of a transition period, a gas quality monitoring plan under rule 289E(1)(b) of the new DWGM rules has been established for the point for which the gas quality monitoring system is provided and, where applicable, has been approved in accordance with rule 289E(2) of the new DWGM rules.

### **Division 3            Interconnection principles for declared distribution systems**

#### **87            Application**

- (1) This Division applies to a Distributor in relation to its declared distribution system from the effective date.
- (2) This Division ceases to apply when the South Australian Minister first makes a Rule under section 294FB of the *Law*.

#### **88            Interconnection to a declared distribution system**

- (1) A person has a right to connect a proposed distribution connected facility to a declared distribution system (an **interconnection**) where:
  - (a) it is technically feasible and consistent with the safe and reliable operation of the pipeline and the safe and reliable supply of gas to end users; and
  - (b) the person agrees to fund the costs associated with making the interconnection.
- (2) The party seeking to establish the interconnection (the **interconnecting party**) has, subject to subrule (1) and the Gas Distribution System Code of Practice, the option to:
  - (a) construct, operate and maintain the interconnection at its own cost (option A); or
  - (b) have the Distributor do so (option B); or
  - (c) proceed with a combination of option A and option B if both the interconnecting party and the Distributor:
    - (i) will own equipment or infrastructure associated with the interconnection; or
    - (ii) agree to share the costs and responsibilities associated with the interconnection.
- (3) If the interconnecting party develops the interconnection (or part of the interconnection), it must do so in accordance with good industry practice and comply with all standards and legislation that relate to the establishment and on-going operation of the interconnection and with any reasonable technical, safety and reliability requirements requested by the existing service provider.
- (4) If the Distributor develops the interconnection (or part of the interconnection), the interconnection fee that it charges to the interconnecting party must be based on the directly attributable cost of:
  - (a) constructing, operating and maintaining the interconnection; and
  - (b) where gas is to be injected into the declared distribution system at the interconnection point, installing, operating and maintaining metering and gas quality monitoring equipment required to be installed as a result of the interconnection,

to the extent that this is undertaken by the Distributor, including so as to achieve a rate of return calculated in accordance with the applicable rate of return instrument.

- (5) Without limiting any other provision, the Distributor must ensure that there is sufficient information available to the interconnecting party to enable it to assess the likely availability of capacity to or from the interconnection point.

## **89 Interconnection policy**

- (1) A Distributor must develop and maintain an interconnection policy that relates to the principles applying under this Part and must publish the policy in a publicly accessible part of its website.
- (2) The policy must:
  - (a) set out information about the right to interconnect to its declared distribution system in accordance with the pipeline interconnection principles; and
  - (b) describe the interconnection process, starting at the application stage through to the point of commencing operations using an interconnection; and
  - (c) set out the information to be provided in an application by a person seeking to establish an interconnection, and the information that each party will then provide to each other in the course of the process associated with establishing an interconnection; and
  - (d) provide a link to any of the service provider's policies that are relevant to establishing an interconnection; and
  - (e) include a description of any technical, safety or reliability principles, requirements or processes that the service provider will use to assess an interconnection application; and
  - (f) set out information about how interconnection fees will be calculated and recovered (taking into account the requirements under rule 88(4) of this Schedule); and
  - (g) set out the standard terms and conditions of any connection agreement that the service provider may require an interconnecting party to enter into.
- (3) A Distributor is not required to have an interconnection policy under subrule (1) (as in force after the effective date) until 6 months after the effective date.