Indicative changes to the National Gas Rules

Note:

This is an indicative version of the changes to the National Gas Rules proposed to be made by the *Draft National Gas Amendment (ECGS Notice of closure for gas infrastructure) Rule 2025*. It comprises extracts from Parts 15D and 19 of version 85 of the National Gas Rules.

This document is provided for information purposes only. The actual amendments are set out in the *Draft National Gas Amendment (ECGS Notice of closure for gas infrastructure) Rule 2025*.

The Australian Energy Market Commission does not guarantee the accuracy, reliability or completeness of this indicative mark-up of the National Gas Rules.

Part 15D Gas statement of opportunities

Division 1 Interpretation and application

135K Definitions

In this Part:

BB blend processing facility has the meaning given in Part 18.

BB blended gas distribution system has the meaning given in Part 18.

BB compression facility has the meaning given in Part 18.

BB pipeline has the meaning given in Part 18.

BB production facility has the meaning given in Part 18.

BB reporting entity has the meaning given in Part 18.

BB storage facility has the meaning given in Part 18.

demand-supply balance information for an LNG export project includes:

- (a) the quantity of natural gas that participants in the LNG export project expect to:
 - (i) produce for the project from their own reserves or take for the project from storage; or
 - (ii) procure for the project from third parties; and
- (b) the quantity of natural gas that participants in the LNG export project are required to supply or expect to supply under:
 - (i) contracts for the export of LNG; or
 - (ii) other gas supply contracts.

LNG export project means the operation of an LNG export facility (as defined in Part 18) and associated activities including the production or purchase of processable gas or natural gas for conversion to LNG or for supply to the domestic market.

LNG import facility has the meaning given in Part 18.

participating jurisdiction does not include Western Australia unless this Part applies in that jurisdiction.

remote BB facility has the meaning given in Part 18.

reportable closure decision means a decision to permanently cease supply of covered gas services from a BB production facility, BB pipeline, BB storage facility, BB compression facility, BB blend processing facility, BB blended gas distribution system or LNG import facility.

Division 2 Content and publication of the gas statement of opportunities

135KB Content of the gas statement of opportunities

- (1) The gas statement of opportunities must contain, for each participating jurisdiction, for the period of 10 years commencing on 1 January in the year of its publication, information about:
 - (a) natural gas reserves (including prospective or contingent resources); and
 - (aa) gas production forecasts, gas blend processing forecasts and LNG import forecasts; and
 - (ab) the volume of gas production, gas blend processing and LNG imports that has been contracted for each year of the forecast horizon; and
 - (ac) production cost estimates that have been prepared by or for AEMO; and
 - (b) annual and peak day capacity of, and constraints affecting, gas processing plants, blend processing facilities or LNG import facilities; and
 - (c) committed and proposed new or expanded gas processing plants, blend processing facilities or LNG import facilities; and
 - (d) projected demand for gas (including annual and peak day forecasts) for each jurisdiction; and
 - (e) annual and peak day transmission capacity and constraints (including interconnection constraints); and
 - (f) peak day capacity of, and constraints on, storage facilities; and
 - (g) committed and proposed new transmission pipelines and pipeline augmentations; and
 - (h) committed and proposed new or expanded storage facilities; and
 - (i) factors that may affect the volume of gas supplied by gas processing plants, blend processing facilities, LNG import facilities, transmission pipelines or storage facilities (for example, planned and unplanned outages and, in the case of transmission pipelines, unaccounted for gas).
- (1A) The gas statement of opportunities must also include:
 - (a) information about the number and type of wells drilled for each participating jurisdiction in periods prior to its publication as provided for in the GSOO Procedures; and
 - (b) short and medium term demand-supply balance information for LNG export projects-; and
 - (c) information about any reportable closure decisions that have been notified to AEMO.
- (2) The gas statement of opportunities must also, if practicable, include forecasts of natural gas reserves (including prospective and contingent resources) and annual demand for a further period of 10 years from the end of the period of 10 years referred to in subrule (1).

- (2A) The gas statement of opportunities may include information about:
 - (a) the feedstock used to create primary gases (other than natural gas); and
 - (b) the factors that may affect the availability of that feedstock for the period of 10 years commencing on 1 January in the year of its publication.
- (3) Forecasts made for the purposes of the gas statement of opportunities must be made as far as possible on a consistent basis.

135KC Revision of gas statement of opportunities

The gas statement of opportunities must be revised and re-published by 31 March each year.

135KD Publication of supplement to gas statement of opportunities

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

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

135KDA Publication of notice regarding reportable closure decision

If AEMO receives new information relating to a reportable closure decision under subrule 135KE(4B) then, in addition to any supplement to the gas statement of opportunities published in accordance with rule 135KD, AEMO must publish a notice on its website regarding the reportable closure decision as soon as practicable after receiving the new information including any reasons provided under subrule 135KE(4D).

Division 3 GSOO surveys

135KE Obligation to participate in a GSOO survey

- (1) A GSOO survey may require information in relation to the covered gas industry that AEMO considers is reasonably necessary for the preparation, review, revision or publication of the gas statement of opportunities.
- (2) AEMO may in accordance with the GSOO Procedures require a GSOO reporting entity to participate in a GSOO survey.
- (3) If required under subrule (2), a GSOO reporting entity must participate in a GSOO survey in accordance with the GSOO Procedures.

Note

This subrule is classified as a tier 1 civil penalty provision under the National Gas (South Australia) Regulations. (See clause 6 and Schedule 3 of the National Gas (South Australia) Regulations.)

(4) A GSOO reporting entity required to participate in a GSOO survey must provide to AEMO information in relation to the covered gas industry that the GSOO reporting entity has in its possession or control and is requested in the GSOO survey.

Note

See section 91DB(1) of the *NGL* requires a person who has possession or control of information in relation to the covered gas industry to give the information to AEMO for use by AEMO in the preparation, review, revision or publication of the gas statement of opportunities if the person is required to do so under the Rules. Section 91DB(1) is classified as a tier 1 civil penalty provision.

- (4A) A GSOO survey must require a GSOO reporting entity to provide information in relation to any reportable closure decision for any facility for which it is the BB reporting entity, including:
 - (a) details of the BB production facility, BB pipeline, BB storage facility, BB compression facility, BB blend processing facility, BB blended gas distribution system or LNG import facility for which the decision has been made to cease supply; and
 - (b) the intended date for cessation of supply.
- (4B) Where a GSOO reporting entity identifies new information relating to a reportable closure decision for a facility for which it is the BB reporting entity at any time after responding to a GSOO survey, including:
 - (a) a new reportable closure decision; or
 - (b) a change to the intended date for cessation of supply previously disclosed to <u>AEMO</u>,
 - it must provide the new information to AEMO as soon as practicable.
- (4C) AEMO must be informed about a reportable closure decision under subrule (4A) or (4B) as soon as practicable after a decision is made to permanently cease supply at the relevant facility and, where practical, at least 36 months prior to the intended date for cessation of supply.
- (4D) If, under subrule (4C), the intended date for cessation of supply is within 36 months of the reportable closure decision, the relevant GSOO reporting entity must provide reasons in writing to AEMO for why it has not been practical to provide at least 36 months' notice.
- (5) This Part does not require a GSOO reporting entity to disclose to AEMO:
 - (a) information that is not required to be disclosed due to the operation of subsection 91DB(4)(a) or (b) of the *NGL*;
 - (b) actual production costs or production cost estimates; or
 - (c) demand-supply balance information for an LNG export project beyond a medium term forecast horizon specified in the GSOO Procedures.

Part 19 Declared Wholesale Gas Market Rules

Division 1 Preliminary

199 Application of this Part

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

200 Definitions

In this Part:

basic meter means a meter without a data logger.

BB reporting entity has the meaning given in Part 18.

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.

relevant year means each of 2023, 2024 and 2025.

reportable closure decision has the meaning given in Part 15D.

responsible gas quality monitoring provider - See rule 289C.

Division 4 Market information and system planning

Subdivision 2 Forecasts and Planning and Maintenance Reviews

323 Planning reviews

- (1) By no later than 31 March 2015 and by 31 March in every second year thereafter, AEMO must prepare and publish a planning review in accordance with this rule.
- (2) Each planning review must contain annual forecasts by system withdrawal zone of the matters set out in subrule (3) for each year of the 5 years, and (where practicable) for each month of the 12 months, commencing from 1 January in the year in which the planning review is provided to Registered participants.
- (3) Planning reviews prepared by AEMO must include forecasts for the total system and by system withdrawal zone (except where otherwise specified) in respect of the following matters:
 - (a) peak daily and hourly demands under peak demand conditions for severe weather conditions that would be expected to be exceeded, on average, once in 2 years (1 in 2 peak demand conditions), when those peak demands might occur, and an assessment of the impact of demand from gas fired generation on these days;
 - (b) peak daily and hourly demands under peak demand conditions for severe weather conditions that would be expected to be exceeded, on average, once

in 20 years (or such other planning criteria as AEMO may determine), and when those peak demands will occur;

- (c) total annual demand with and without demand from gas fired generation;
- (d) available and prospective gas supply and the source of that supply;
- (e) any expansions of, and extensions to, the declared transmission system;
- (f) declared transmission system capacity for the system as a whole and for major pipelines in the system;
- (g) the acceptable range of minimum and maximum pressures at such declared transmission system locations as AEMO considers appropriate;
- (h) storage capacities and blend processing facility capacities, by facility;
- (i) storage operating parameters including but not limited to injection and withdrawal rates and pressures and the sustainability of those rates and pressures; and
- (j) mismatches between supply, demand and capacity.
- (4) When preparing a planning review AEMO must:
 - (a) take into account:
 - (i) the information provided by Registered participants under rules 324(2), (3) and (4);
 - (ii) anticipated future growth in the demand for gas in the adoptive jurisdiction; and
 - (iii) committed projects for new or additional gas production facilities, blend processing facility capacities, or extensions or expansions of a declared transmission system or a distribution pipeline; and

(iv) any reportable closure decisions notified to AEMO; and

- (b) subject to rule 324(6), publish the assumptions upon which it bases its planning reviews.
- (5) If AEMO becomes aware of any information that materially alters the most recently published planning review, AEMO must update that planning review as soon as practicable, and provide Registered participants with the details of that update.
- (6) If AEMO receives notice under subrule 324(5) of a material change to information in relation to a reportable closure decision:
 - (a) AEMO must publish a notice on its website as soon as practicable after receiving the new information including any reasons provided under subrule 324(5B); and
 - (b) AEMO must publish a supplement to the planning review, if it considers that the new or changed information materially alters the most recently published planning review.

324 Participant disclosure obligations

- (1) All Registered participants must provide to AEMO forecasts in respect of the matters set out in subrule (2) as follows:
 - (a) annual forecasts for each year in the 5 year period commencing on each 1 January must be provided to AEMO by 30 September in the immediately preceding year; and
 - (b) monthly forecasts for each month in the 12 month period commencing on each 1 January must be provided to AEMO by 30 September in the immediately preceding year.

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) Information supplied by each Registered participant must include forecasts in respect of the following matters, where relevant to the operation or security of the declared transmission system:
 - (a) available and prospective supply available to that Registered participant and the source of that supply;
 - (b) storage capacities and inventory available to that Registered participant;
 - (c) gas supply, storage, blend processing facility, transmission and distribution projects, including extensions and expansions of such facilities;
 - (d) storage operating parameters, including injection and withdrawal rates and pressures and sustainability of those rates and pressures; and
 - (e) blend processing facility capacities; and-
 - (f) any reportable closure decision for a facility for which the Registered participant is the BB reporting entity.
- (3) Market Customers and Distributors must include the following additional forecasts, where relevant, with the information provided to AEMO under subrule (2):
 - (a) peak daily demand for 1 in 2 peak demand conditions ; and
 - (b) anticipated material constraints on the capacity of the declared distribution system and the location of such constraints, where that constraint may have a material effect on the operation of the declared transmission system.

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) DWGM facility operators must include the following additional forecasts, where relevant to the operation or security of the declared transmission system, with the information provided to AEMO under subrule (2):
 - (a) the availability of equipment;

- (b) details of any constraints on the availability of equipment;
- (c) the time and duration of any proposed maintenance;
- (d) full details of the proposed maintenance;
- (e) the longest period likely to be required to recall into operation relevant equipment during the course of maintenance; and
- (f) operational requirements for maintenance to be performed including:
 - (i) the gas pressure under which the maintenance will be performed;
 - (ii) gas requirements for testing; and
 - (iii) compressor test operations required,

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

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) A Registered participant must notify AEMO as soon as practicable having regard to the nature of the change if it becomes aware of a material change to information previously provided under subrules (2), (3) and (4).

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) AEMO must be informed about a reportable closure decision under subrule (2)(f) or subrule (5) as soon as practicable after a decision is made to permanently cease supply at the relevant facility and, where practical, at least 36 months prior to the intended date for cessation of supply.
- (5B) If, under subrule (5A), the intended date for cessation of supply is within 36 months of the reportable closure decision, the relevant Registered participant must provide reasons in writing to AEMO for why it has not been practical to provide at least 36 months' notice.
- (6) Information provided to AEMO under this rule is confidential information.
- (7) Registered participants must provide the information required under this rule in good faith and must take all reasonable measures to ensure that the information is accurate.
- (8) AEMO may use information provided to it under this rule to prepare, review, revise or publish the gas statement of opportunities.