

Rule determination

National Gas Amendment (ECGS projected assessment of system adequacy) Rule 2026

Proponents

Energy Senior Officials
Victorian Minister for Energy and Resources

Inquiries

Australian Energy Market Commission
Level 15, 60 Castlereagh Street
Sydney NSW 2000

E aemc@aemc.gov.au

T (02) 8296 7800

Reference:

About the AEMC

The AEMC reports to the energy ministers. We have two functions. We make and amend the national electricity, gas and energy retail rules and conduct independent reviews for the energy ministers.

Acknowledgement of Country

The AEMC acknowledges and shows respect for the traditional custodians of the many different lands across Australia on which we all live and work. We pay respect to all Elders past and present and the continuing connection of Aboriginal and Torres Strait Islander peoples to Country. The AEMC office is located on the land traditionally owned by the Gadigal people of the Eora nation.

Copyright

This work is copyright. The Copyright Act 1968 (Cth) permits fair dealing for study, research, news reporting, criticism and review. You may reproduce selected passages, tables or diagrams for these purposes provided you acknowledge the source.

Citation

To cite this document, please use the following:

AEMC, ECGS projected assessment of system adequacy, Rule determination, 25 June 2026

Summary

- 1 A reliable east coast gas system (ECGS) will continue to be essential to manage Australia’s energy transition. It is important for industrial and commercial entities that are still natural gas dependent, as well as residents with gas hot water, cooking and heating.
- 2 In addition, gas for electricity generation is now critical to maintaining the reliable and secure operation of the national electricity market. This is because gas-powered generation (GPG), along with batteries, help manage extended periods of low variable renewable energy generation, providing firming support and grid security as coal generators gradually retire.¹
- 3 Peak day gas consumption from GPG in winter is also forecast to grow above historical levels as GPG winter peaks become greater than those in summer. This growth reflects the likelihood of lower renewable generation in winter, combined with the decline in coal-fired electricity generation and the increasing rate of electrification across society. This makes gas infrastructure investment critical to address demand volatility.²
- 4 For these reasons, the ECGS will need to maintain high levels of reliability during the energy transition while also managing the evolving role of natural gas as the sector transforms. This necessitates that industry participants and AEMO be better informed of the balance between supply and demand, as well as the infrastructure’s capability to deliver gas to end users who require it. This is where a projected assessment of system adequacy (PASA) for the ECGS plays an important role – it fills current information gaps and its publication enables well-informed decisions on how to meet structural and peak day demand in the challenging context of the energy sector’s transformation.

The final rule implements ST and MT PASA

- 5 The Australian Energy Market Commission (AEMC or Commission) has made a more preferable final rule (final rule) that introduces short term (ST) and medium term (MT) PASA into the National Gas Rules (NGR). The new PASA arrangements will provide stakeholders with better information on the demand and supply balance across the ECGS.
- 6 This final rule has been made in response to the rule change request submitted by Energy Senior Officials and the Honourable Lily D’Ambrosio MP, Victorian Minister for Climate Action, Minister for Energy & Resources and Minister for the State Electricity Commission (the proponents), on 21 January 2025. This final rule is part of a set of four rule changes that together form the stage 2 RSA reforms.
- 7 The final rule introduces two new PASA forecasts for the ECGS with seven-day and 12-month outlooks to empower:
 - participants to make better decisions around their supply and demand for gas, and facility maintenance
 - AEMO to make better-informed decisions about responding to any risks or threats to reliability and supply adequacy in the ECGS.
- 8 As ST and MT PASA information is published, it will also inform governments on the operation of the ECGS, highlighting where the market is operating efficiently and where there may be issues that could require policy change.

¹ AEMO, 2026 Gas statement of opportunities, p 6.

² AEMO, 2026 Gas statement of opportunities, pp 6-7.

- 9 The final rule implements the objective of the rule change request but differs in details to give effect to the changes, including introducing a new PASA objective and amending the information disclosure provisions. These changes are intended to minimise the implementation costs for industry participants while also providing AEMO with the ability to provide fit for purpose useful information from its forecasts.

Key features of the PASA rule

- 10 The final rule introduces an objective for PASA to outline what PASA is, the goal the information seeks to achieve and to guide AEMO's future development and administration of PASA.
- 11 Consistent with these objectives, the final rule introduces a PASA framework that consists of two forecasts that cover the intra-year period in the ECGS, which AEMO would publish on its website:
- short-term (ST) PASA with a daily publication frequency and seven-day horizon
 - medium-term (MT) PASA with a weekly publication frequency and 12-month horizon.
- 12 Each PASA would include a forecast of demand, supply, and infrastructure availability over regions as determined by AEMO according to the ECGS Procedures (with the same defined regions used for both ST and MT PASA).
- 13 The ST PASA would also include any identified threats to reliability and supply adequacy over the next week. The projected assessment would be based on information collected from participants and/or modelled by AEMO on market, non-market, storage, LNG export and GPG demand, and supply and infrastructure availability. Most of this information is already collected through the Bulletin Board rules or through provisions introduced in the stage 1 RSA reform package.
- 14 However, the existing information needs to be supplemented to enable AEMO to determine ST and MT PASA consistent with the PASA objective and provide useful, fit for purpose information to industry participants. The new or modified information disclosure requirements are set out in the NGR, so impacted industry participants have clarity and predictability regarding the obligations that apply to them.
- 15 The final rule also prescribes the minimum output requirements for each forecast to provide stakeholders with clarity over the core outputs of PASA. To support future developments and improvements in PASA, the rule enables AEMO to produce additional outputs in consultation with stakeholders where AEMO considers they would support the achievement of the new PASA objective.
- 16 In addition, the final rule streamlines and consolidates reporting by moving several requirements from Part 27 to Part 18. These changes result in a single part of the NGR that outlines the information disclosure obligations for industry participants, providing clarity for successful compliance.

How we made the final rule

- 17 The Commission has considered the NGO and the issues raised in the rule change request, and has assessed the final rule against four assessment criteria outlined below. We gathered and analysed stakeholder feedback on the draft determination in relation to these criteria:
- promoting safety, security, and reliability
 - aligning with principles of market efficiency
 - considering implementation issues
 - considering principles of good regulatory practice

- 18 The key finding is that many stakeholders supported the intent of the rule change request to improve information transparency in the ECGS. However, some stakeholders indicated in principle support for PASA but considered the potential cost of providing the necessary additional information would outweigh the benefits of PASA.
- 19 Noting the concerns raised by stakeholders regarding the possible implementation costs of PASA, and that a handful of stakeholders preferred PASA not be implemented, the Commission has carefully considered this issue in making the final rule, as discussed below and in chapter 2.

The final rule contributes to achieving the national gas objective

- 20 The Commission has made a more preferable final rule that contributes to the NGO and would do so in a manner better than the proposal in the rule change request or maintaining the current arrangements. The final rule implements the objective of the proposed rule but differs in details, such as introducing a PASA objective and amending the information disclosure provisions to support a more accurate PASA. It is similar to the draft rule, differing in some details to provide greater clarity and workability.
- 21 The final rule contributes to achieving the national gas objective by:
- Promoting safety, security, and reliability – PASA will provide better information on gas demand, supply and infrastructure capacity to industry participants, AEMO and the public. It will support more timely, informed and efficient decision-making by industry participants and AEMO to address any potential demand-supply issues. PASA is a key component of the tiered risk and threat signalling framework set out in the ECGS Enhancing reliability and supply adequacy arrangements (ERSAA) rule.³ This signalling framework enables AEMO to inform industry participants of relevant shortfalls, enabling them to respond appropriately. As a result, PASA supports improving reliability outcomes in the ECGS.
 - Aligning with principles of market efficiency – PASA will increase transparency in the ECGS by providing all stakeholders with a more complete, consistent and reliable suite of information on reliability and supply adequacy over the short and medium term. It will reduce information asymmetry and thus promote competition between larger stakeholders (who may currently be relatively well-informed through their own information sources) and smaller stakeholders who rely on AEMO for information about the operation of the ECGS.
 - Considering implementation issues – Implementing PASA will increase the regulatory burden and costs for some stakeholders, who will be required to provide additional information to AEMO. Many of these new requirements extend the current timeframe for information, and others require more detail than is currently needed. When combined with existing reporting requirements, such information will enable AEMO to produce more reliable and informed ST and MT PASA reports. On balance, these costs are outweighed by the benefits that will arise from enabling more informed decisions and responses to reliability and supply adequacy risks and threats. In addition, the PASA rule enables the ERSAA and ECGS Supplier of last resort mechanism (SoLR) final rules to be implemented more effectively over time than would otherwise be possible. Consequently, PASA plays a critical role in the total stage 2 RSA reform package.
 - Considering principles of good regulatory practice – PASA is aligned and a critical part of the broader program of reform on reliability and supply adequacy in the ECGS. It may also be

³ AEMC, *ECGS Enhancing reliability and supply adequacy arrangements*, final determination, 25 June 2026.

relevant to informing decisions under the proposed domestic gas reservation scheme, should it be implemented.

Key differences between the draft and final rules

- 22 The Commission has made several changes to the draft rule to refine and clarify the rules to improve the workability of the PASA framework. These changes reflect feedback from industry participants and AEMO. Changes are discussed in the relevant chapters and appendix C of the final determination and include:
- inserting a new requirement that ST PASA includes an assessment of the supply-demand balance
 - retaining the Bulletin Board exemptions framework instead of replacing it with the Part 27 framework as it provides greater clarity to AEMO and reporting entities on the reporting obligations that may be exempted
 - removing the draft rule requirement that LNG export projects register as a reporting entity as existing reporting arrangements for LNG export facilities can be used
 - assigning responsibility for reporting LNG export facility consumption to the operators LNG export facilities and not LNG export projects.

Implementation timeframe and cost recovery for PASA

- 23 The final rule specifies key dates for implementing PASA, acknowledging that the system changes needed for AEMO to analyse information to produce ST and MT PASA are significant. The key dates are:
- 1 April 2027: AEMO ECGS and BB Procedure updates to be completed. These would set out the details of PASA and the new and amended information disclosure requirements, respectively.
 - 6 April 2028: New information disclosure obligations commence for industry participants, and AEMO commences a PASA trial. This period allows AEMO and industry participants to make system and process upgrades as guided by the procedures. It allows AEMO to validate that PASA is producing the expected outputs and to resolve any initial issues, before the outputs are publicly available. The two months before 'go live' also allow industry participants to test and refine their information reporting obligations.
 - 8 June 2028: PASA formally commences and is published by AEMO.
- 24 The final rule would be taken to be a 'major gas project'. This entitles AEMO to recover the costs incurred in the implementation of the rule through participant fees. This aligns with the widespread benefits arising from PASA of improved visibility into gas reliability and supply adequacy. It is also relevant to acknowledge the associated benefits of implementing the ERSAA and SoLR rules so that industry participants and AEMO can work together to support a more reliable ECGS that benefits gas users.

Contents

1	The Commission has made a final determination	1
1.1	Our final rule requires AEMO to provide system adequacy information	1
1.2	Stakeholder feedback has shaped our determination	2
1.3	Making the final determination in a changing landscape	3
1.4	How the stage 2 rules will be implemented	6
2	The rule will contribute to the national gas objective	7
2.1	The Commission must act in the long-term interests of gas consumers	7
2.2	The final rule contributes to the NGO	7
2.3	The benefits of PASA outweigh its costs	11
3	Establishing a clear and flexible PASA framework	14
3.1	An objective will guide AEMO’s development and use of PASA	15
3.2	Two PASA forecasts will be published by AEMO	15
3.3	AEMO must consult in developing procedures for PASA	19
3.4	AEMO will have discretion on how to forecast GPG	19
3.5	Defining PASA regions will be guided by procedures	20
4	New information disclosure obligations for PASA	22
4.1	ST PASA	23
4.2	MT PASA	28
4.3	Clarifying the definition of daily capacity	32
4.4	Registration of an LNG export project	35
4.5	Notifying AEMO of events affecting the reliability of gas supply	35
4.6	Exemptions from the obligation to provide information to AEMO	36
4.7	Clarifying what information can be published and how	37
5	Implementation timeline and cost recovery	40
5.1	Staged implementation will enable procedure updates and system upgrades	40
5.2	AEMO’s implementation costs will be recovered through participant fees	41
5.3	AEMO can incorporate results from the HLIA process	42
Appendices		
A	The rule making process and rule change request	43
A.1	The rule making process	43
A.2	About this rule change request	44
A.3	The proponents’ key concerns outlined in the request	44
B	Legal requirements to make a rule	46
B.1	Final rule determination and more preferable final rule	46
B.2	Power to make the rule	46
B.3	Commission’s considerations	46
B.4	Making gas rules in Western Australia	47
B.5	Civil penalty provisions and conduct provisions	48
C	Changes from draft to final	52
C.1	Overview of the final rule	52
C.2	Changes from draft to final rule	55

Abbreviations and defined terms 60

Tables

Table 1.1:	The rules will be implemented progressively	6
Table B.1:	Civil penalty recommendations	48
Table B.2:	Deleted civil penalty recommendations	49
Table B.3:	Conduct provision recommendations	50
Table C.1:	Key differences between the draft and final rules	55

Figures

Figure 1.1:	Key components of the RSA framework	4
Figure 1.2:	Stage 2 RSA reforms: Relationship between NOC, PASA, ERSAA, and SoLR rules	5

1 The Commission has made a final determination

This final determination is to make a more preferable final rule in response to a rule change request submitted by the Acting Chair of the Energy Senior Officials and the Honourable Lily D'Ambrosio MP, Victorian Minister for Climate Action, Minister for Energy & Resources and Minister for the State Electricity Commission (the proponents) on 21 January 2025.

The rule change request proposed rules to improve information on reliability and supply adequacy in the east coast gas system (ECGS) by the introduction of a requirement for the Australian Energy Market Operator (AEMO) to calculate and publish short term (ST) and medium term (MT) projected assessment of system adequacy (PASA) information for the ECGS.

In response, the more preferable final rule addresses the issues raised in the rule change request with arrangements in the National Gas Rules (NGR) that:

- enable AEMO to gather additional information from industry participants that fills gaps that otherwise would exist for the determination of PASA
- requires AEMO to determine the operational details of PASA and document these in procedures through consultation with industry participants
- requires AEMO to produce ST and MT PASA on an ongoing basis to inform industry participants of the ECGS demand and supply balance.

The final rule is the same as the draft rule in many aspects. However, it differs in some details to reflect stakeholder and AEMO feedback on how to operationalise the rule. Changes include: inserting a new requirement that ST PASA includes an assessment of the supply-demand balance, amending the exemptions framework, clarifying the reporting entity for LNG export facilities, amending some reporting obligations for Bulletin Board (BB) large users and liquefied natural gas (LNG) export facilities and projects, and refining the reporting of pipeline linepack information.

This chapter outlines:

- Section 1.1 provides an overview of the final rule
- Section 1.2 describes stakeholder feedback to the draft determination that helped make the final rule
- Section 1.3 describes how our determination supports gas sector reforms
- Section 1.4 outlines the implementation timeframe for the stage 2 RSA rules.

1.1 Our final rule requires AEMO to provide system adequacy information

Consistent with the objective of the rule change request, the final rule introduces a requirement on AEMO to produce and publish PASA that consists of two forecasts for the ECGS:

- ST PASA with a daily publication frequency and seven-day horizon
- MT PASA with a weekly publication frequency and 12-month horizon.

AEMO would publish both forecasts on its website, in a format that is accessible to all stakeholders, such as csv files.

In addition, the final rule:

- Sets out an objective for PASA to outline what PASA is, the goal the information seeks to achieve and to guide AEMO's future development and administration of PASA.
- Requires AEMO to set out the process for determining regions for the PASA in the ECGS Procedures, with the same regions used across both forecasts.

- Specifies that each PASA would include a forecast of demand, supply, and infrastructure availability. The ST PASA would also include any identified threats to reliability and supply adequacy over the next week.
- Provides that each PASA would be based on information already collected from participants and/or modelled by AEMO on market, non-market, storage, LNG export and GPG demand, and supply and infrastructure availability.
- Supplements the existing information available to AEMO with some additional information from some industry participants to improve the dataset for PASA.
- Prescribes the minimum output requirements for each forecast to provide stakeholders with clarity over the core outputs of PASA.
- Provides scope for AEMO to produce additional outputs in consultation with stakeholders where AEMO considers they would support the achievement of the new PASA objective.
- Streamlines and consolidates reporting by moving several requirements from Part 27 to Part 18 to outline the information disclosure obligations for industry participants.

As noted, the final rule places some new additional reporting obligations on some industry participants. This is discussed further in chapter 4. However, in brief, these new obligations are:

- For the ST PASA:
 - extending the STTM and DWGM bid and demand forecast horizons to seven days, respectively
 - requiring BB shippers and gas offtakers to provide facility operators with nominations or good faith estimates of their use/gas demand over seven days.
- For the MT PASA:
 - requiring BB facilities (excluding BB large user facilities) to submit daily capacity for every day, instead of only the periods when reductions are forecast to occur
 - extending the LNG export facility demand forecast horizon to 12 months
 - allowing AEMO to require BB pipeline operators to provide their medium term capacity outlook (MTCO) by pipeline segment.

1.2 Stakeholder feedback has shaped our determination

In developing PASA for the ECGS as set out in the more preferable final rule, we have considered all stakeholder feedback received. This includes prior consultation conducted by Commonwealth and jurisdictional officials, submissions to the consultation paper and the draft determination, and other information provided by stakeholders, as well as meetings with stakeholders on relevant issues.

In addition, AEMO has provided ongoing assistance to enable the Commission to establish a workable, fit for purpose PASA framework that meets the needs of industry participants and supports the other rules in the stage 2 RSA reform package.

Many stakeholders supported the intent of the rule change request to improve information transparency in the ECGS.⁴ However, some stakeholders indicated in principle support for PASA but considered the potential cost of providing the necessary additional information would outweigh the benefits of PASA.⁵ EnergyOne and APLNG did not support the implementation of PASA, as they considered the benefits were outweighed by the potential costs.⁶

⁴ Submissions to the draft determination: APGA, p 1; Jemena, p 1; Lochard Energy, p 1; Alinta, p 1; ACCC, p 1; EnergyAustralia, p 1.

⁵ CS Energy, pp 1-2; Engie, p 1; AFMA, p 1.

The key findings and observations that shaped the Commission’s final determination included:

- in principle, a PASA framework has the potential to provide relevant information to AEMO and industry participants
- some concern was expressed that the final design of the PASA framework could result in costs exceeding benefits
- that any additional information reporting obligations must be carefully considered to minimise the impact on industry participants
- that developing procedures and then the necessary systems may take longer than set out in the draft determination for AEMO and industry participants to complete.

1.3 Making the final determination in a changing landscape

1.3.1 Our determination supports RSA reforms

The PASA rule change request is one of four rule changes in the stage 2 reliability and supply adequacy (RSA) reform package.⁷ Together, they seek to refine and build on the stage 1 reforms introduced in 2023, which established a reliability and supply adequacy framework for the ECGS.⁸

Since the lodgement of the stage 2 RSA rule change requests, governments have continued to work on reforming the gas sector. Of most relevance to this final determination is a third reform package for the RSA framework (the LT RSA reforms). This package included two aspects: a new ability for AEMO to support investment in gas infrastructure, and including in the GSOO more detailed information on potential supply-side projects that could be developed to alleviate potential structural shortfalls in the ECGS.

Following public consultation on these proposed policy changes, Energy Ministers decided not to progress the investment support role for AEMO. However, the proposed changes to the GSOO are anticipated to be implemented in the future.⁹

Figure 1.1 below illustrates the full RSA framework for the ECGS, assuming that the stage 2 package and the GSOO extension changes are made as they are currently described. As indicated, some tools within the framework interact with others.

6 Submissions to the draft determination: EnergyOne, p 1; APLNG, p 2.

7 The other stage 2 RSA rule change requests are: ECGS Notice of closure for gas infrastructure; ECGS Enhancing reliability and supply adequacy arrangements and ECGS Supplier of last resort mechanism.

8 AEMC, *ECGS reliability and supply adequacy rule change requests*, background paper, 20 March 2025.

9 Energy and Climate Change Ministerial Council, meeting communique, 8 May 2026.

Figure 1.1: Key components of the RSA framework

Market settings in the DWGM and STTM					
Gas Reliability Committee (stage 2 reforms) Appointed by the AEMC to provide advice on the market price settings in the DWGM and STTM to ensure they remain appropriate					
Monitoring and communication of risks or threats					
Monitoring tools			Communication tools		
GSOO and VGPR (stage 2 reforms) AEMO assesses supply shortfalls and provides location information	ST and MT PASA (stage 2 reforms) Provide rolling assessments of supply and infrastructure adequacy to meet forecast demand	Notice of closure (stage 2 reforms) Require notification of planned supply and infrastructure outages to improve market transparency	GSOO (LTRSA reforms) Proposal to extend the GSOO to assess investment options that could address longer-term supply adequacy risks	GSAR Conferences (stage 1 reforms) Enable AEMO to obtain information and signal emerging risks and the potential need for market response	Risk or threat notices (stage 2 reforms) Introduce a tiered risk or threat signalling framework to improve transparency on supply adequacy risks to and reduce the need for intervention
AEMO last resort RSA powers					
ECGS Directions tool (stage 1 reforms) Allows AEMO to direct relevant entities to take certain actions if it is of the opinion that it is necessary to prevent, reduce or mitigate an identified threat			ECGS SoLR mechanism (stage 2 reforms) Allows AEMO to obtain covered gas or gas services if it considers that it is necessary to prevent, reduce or mitigate an identified and notified threat		
Jurisdictional emergency arrangements					
Jurisdictional powers (stage 1 reforms) Jurisdictions have their own emergency powers that can be exercised by a Minister or agency in an emergency. They have also established the National Gas Emergency Response Advisory Committee to help manage multijurisdictional emergencies					
Accountability measures					
Reporting to Energy Ministers (stage 1 reforms) AEMO must report to Energy Ministers annually on the performance of its RSA functions			ECGS intervention reports (stage 2 reforms) AEMO must publish a post-intervention report if it uses its directions or SoLR functions		
Gas reservation scheme					
Energy Ministers to consult on a proposed gas reservation scheme to address any structural supply shortfalls in the ECGS					

Note: Stage 1 reforms came into effect in May 2023, Stage 2 has been delivered through the NOC, PASA, ERSAA and SoLR rules. Energy Ministers are considering the long-term reliability and supply adequacy (LTRSA) proposals

Source: AEMC.

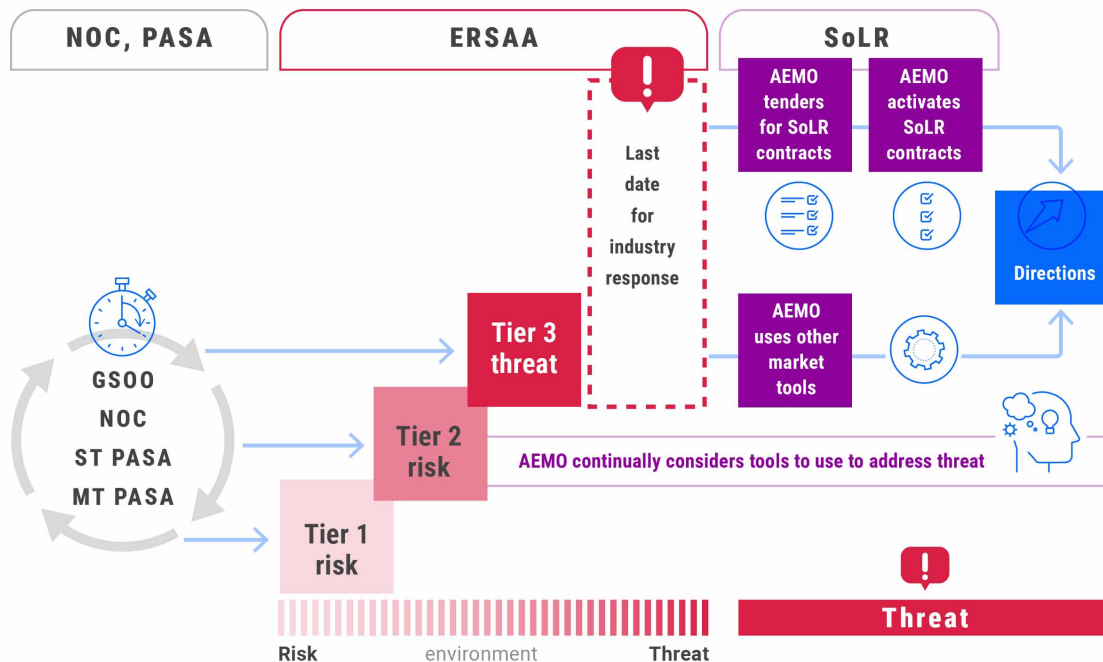
In making this final determination and final rule, the Commission has considered the interaction with and impacts on the ECGS Enhancing reliability and supply adequacy arrangements (ERSAA) and ECGS Supplier of last resort (SoLR) rules.¹⁰ This has meant assessing each rules' market and technical arrangements holistically and individually to best promote the national gas objective (NGO).

For example, as illustrated in Figure 1.1 above, this final rule provides a key input into the ERSAA rule. Specifically, the ERSAA rule utilises the reporting requirements as described in this PASA rule to inform AEMO of events that may be notified to industry participants through the tiered risk or threat signalling framework. This in turn informs AEMO's ability to use SoLR in response to a tier 3 threat in the ECGS. As a result, the combined effect of the rules is a single, systematic framework that provides guidance to AEMO and industry participants on the nature of risks and threats and, as relevant, the use of the SoLR mechanism.

The relationships between the three rules, and the ECGS Notice of closure of gas infrastructure (NOC) rule, are illustrated in Figure 1.2 below.

10 The ECGS Notice of closure of gas infrastructure (NOC) rule change process was completed on 11 September 2025.

Figure 1.2: Stage 2 RSA reforms: Relationship between NOC, PASA, ERSAA, and SoLR rules



Source: AEMC.

1.3.2 Our determination supports broader gas sector reforms

The Commonwealth's Gas Market Review report was published in December 2025. The review's key recommendation is to replace the Australian Domestic Gas Supply Mechanism (ADGSM), heads of agreement (HoA) and key parts of the Gas Market Code with a domestic gas reservation scheme. As proposed, this scheme would require LNG exporters to commit to supply a share of their production, equivalent to 20 per cent of exports, to the domestic market in return for the ability to export LNG.¹¹ Complementary recommendations from the review include changes regarding:¹²

- pricing – to remove the Gas Market Code reasonable price mechanism and make other changes to improve price competition and transparency
- market conduct and efficiency – amend the expression of interest provisions of the Gas Market Code and make other reforms to improve market liquidity
- market transparency – expand AEMO's reporting remit on the Bulletin Board in conjunction with improving information sharing arrangements between energy market bodies and the Australian Competition and Consumer Commission (ACCC) and minimising duplicative information collection regimes.

Some of the review's recommendations leverage the stage 2 RSA rules, particularly PASA.¹³ The Commonwealth is progressing work on its recommendations, with consultation on the draft design closing on 30 June 2026.

11 Media release, [Albanese Government to secure Australian gas for Australian users](#), 7 May 2026.

12 DCCEE and DISR, *Gas market review report*, 22 December 2025.

13 DCCEE and DISR, *Domestic gas reservation scheme draft design framework*, May 2026, p 19.

1.4 How the stage 2 rules will be implemented

The final rules comprising this package of reforms will be implemented progressively. The final rules specify key dates for implementing the package of reforms. The sequence of key dates, milestones and related rules is listed in Table 1.1 below.

Table 1.1: The rules will be implemented progressively

Date	Milestone	RSA rule
16 July 2026	Transitional rules commence. This commencement enables the following activities and milestones.	PASA, ERSAA, SoLR
5 November 2026	After the completion of the 2026 market settings review, AEMO is no longer required to conduct those reviews.	ERSAA
1 April 2027	AEMO's ECGS and BB procedure updates, including: <ul style="list-style-type: none"> • Details of PASA related new and amended information disclosure requirements • Details of the SoLR mechanism • Risk or threat signalling framework From this date AEMO will use its existing processes to operate the risk or threat signalling framework, until the new PASA is fully operational (8 June 2028).	PASA, ERSAA, SoLR
1 October 2027	AEMO publishes the gas supply adequacy assessment (GSAA) methodology.	ERSAA
6 April 2028	New information disclosure obligations commence for industry participants AEMO commences a PASA trial.	PASA
8 June 2028	AEMO formally commences PASA. AEMO to use PASA outputs to inform its assessment of risks or threats.	PASA

Source: AEMC.

2 The rule will contribute to the national gas objective

This chapter sets out how the final rule contributes to the achievement of the national gas objective (NGO). The final rule has been assessed on whether it promotes the reliability of the gas system and aligns with principles of market efficiency, good regulatory practice and implementation considerations.

In this chapter:

- section 2.1 outlines the NGO test that the Commission must apply to make a final rule
- section 2.2 explains how the final rule contributes to the achievement of the NGO
- section 2.3 outlines the costs and benefits of making the final rule.

2.1 The Commission must act in the long-term interests of gas consumers

The Commission can only make a rule if it is satisfied that the rule will or is likely to contribute to the achievement of the relevant energy objectives.¹⁴

For this rule change, the relevant energy objective is the NGO:¹⁵

to promote efficient investment in, and efficient operation and use of, natural gas services for the long term interests of consumers of natural gas with respect to—

- (a) price, safety, reliability and security of supply of natural gas; and
- (b) the achievement of targets set by a participating jurisdiction—
 - (i) for reducing Australia’s greenhouse gas emissions; or
 - (ii) that are likely to contribute to reducing Australia’s greenhouse gas emissions.

The targets statement, available on the AEMC website, lists the emissions reduction targets to be considered, as a minimum, in having regard to the NGO.¹⁶

There are also a number of relevant legal requirements for the Commission to consider under the NGL to make a final determination. These include:

- whether to make a more preferable rule (see appendix B for the legal test): the Commission has determined to make a more preferable final rule, for the reasons set out below and in the following chapters
- whether the rule is compatible with AEMO’s functions: the Commission has concluded that the final rule is compatible with AEMO’s functions, for the reasons set out in appendix B
- whether the rule applies in Western Australia: the Commission has concluded that it does not, for the reasons set out in appendix B.

2.2 The final rule contributes to the NGO

As noted above, the Commission must evaluate the impacts of the various policy options against the NGO, using relevant assessment criteria, and taking into account stakeholder submissions and

¹⁴ Section 291(1) of the NGL.

¹⁵ Section 23 of the NGL.

¹⁶ Section 72A(5) of the NGL.

any other relevant information. It has also considered how the rule supports AEMO in developing and publishing ST and MT PASA to satisfy the criteria and contribute to achieving the NGO.

For this rule change process, we have applied the following criteria as the most relevant to this rule, to assess whether the final rule would contribute to the achievement of the NGO:¹⁷

- Safety, security and reliability: whether PASA would support more timely, informed and efficient decision-making and market-led responses to reliability or supply adequacy threats, thus improving security and reliability outcomes in the ECGS.
- Principles of market efficiency: whether PASA would reduce information asymmetry and promote competition between larger, more sophisticated stakeholders who can infer more information from the available information, and less sophisticated stakeholders who may not be able to do this.
- Implementation considerations: if PASA can be feasibly implemented by AEMO and whether PASA will provide the expected benefit of providing new information to industry.
- Principles of good regulatory practice: whether PASA is aligned with the broader direction of gas market reform.

These assessment criteria reflect the key potential impacts – costs and benefits – of the rule change request within the NGO’s scope. Our reasons for choosing these criteria are set out in our consultation paper.¹⁸

The Commission has made a more preferable final rule that contributes to the NGO and would do so in a manner better than the proposal in the rule change request or maintaining the current arrangements. The final rule implements the objective of the proposed rule but differs in details, such as introducing a PASA objective and amending the information disclosure provisions to support a more accurate PASA. It is similar to the draft rule, differing in some details to provide greater clarity and workability.

The following discussion sets out the Commission’s assessment of the final rule with reference to the relevant assessment criteria.

2.2.1 PASA supports gas reliability and improves market efficiency

The Commission considers that PASA would enhance decisions across the ECGS on gas reliability by providing greater transparency on demand, supply and infrastructure capacity to enable AEMO to publish its assessments of the demand-supply balance in the ECGS. The PASA outputs can inform demand and supply decisions by industry participants and gas users within ordinary market dynamics and in extraordinary situations when supply-demand balance is tight and an industry response is sought. PASA would also provide policymakers and regulators with information to inform actions or interventions when there are threats to gas reliability and to support wider gas market policy development. Such improvements, compared with the current situation without PASA, are also expected to support improved market efficiency.

The Commission considers that PASA would support timely decision-making in the:

- operational timeframe: up to seven days horizon in the ST PASA
- short-term planning timeframe: up to 12 months horizon in the MT PASA.

In addition, PASA, with its near-term focus, would complement the longer-term purview of the Gas Statement of Opportunities (GSOO), which has a 20-year outlook across the ECGS, and the

¹⁷ AEMC, *ECGS Projected assessment of system adequacy*, consultation paper, 10 April 2025, pp 21-23.

¹⁸ AEMC, *ECGS Projected assessment of system adequacy*, consultation paper, 10 April 2025.

Victorian Gas Planning Report (VGPR), which has a 5-year horizon focused on the Victorian declared wholesale gas market (DWGM).

The improvements are expected to impact a range of participants and interested parties in the ECGS as follows:

- Small gas users (residential, small business): In situations where small gas users follow market developments, it would improve transparency of gas markets, including GPG, and hence greater understanding of interactions with the NEM.
- Larger gas users (commercial, industrial): It will improve operational and commercial decisions and be an input to investment decisions. For example, a large gas user will be able to readily access PASA to make operational decisions on its gas consumption, such as whether to increase or reduce demand and at what time periods based on the supply, demand and infrastructure capacity information in PASA. This would support improved efficiency of gas use.
- Industry participants (established): There may be limited operational and commercial impact as some established market participants would already have sophisticated internal systems in place. However, these market participants would receive greater transparency of gas markets and interactions with electricity markets, including on GPG impacts. Where industry participants do not already have their own systems in place, PASA reporting will provide new information to support their decision-making.
- Industry participants (new entrant): New entrants would have greater visibility of the gas sector which would enhance operational and commercial decisions. The PASA will reduce information asymmetry between established and new market entrants, as well as provide more information to gas users. This reduced information asymmetry would support increased competition and improved market efficiency in the ECGS by lowering barriers to entry and should result in lowering costs for consumers.
- AEMO: An important benefit for AEMO is that PASA informs the tiered signalling framework established under the ERSAA rule, which then feeds into decision-making on using the SoLR mechanism. As a total package, the rules will enable AEMO to make better informed decisions about reliability risks and threats in the ECGS and be able to take targeted action appropriately. In addition, AEMO would have greater visibility of the gas sector outside the facilitated markets in the ECGS, but with limited increase in visibility within the facilitated markets, as it already has access to detailed information. PASA information will also benefit AEMO in NEM operational decisions and support more integrated decision-making between the electricity and gas markets, which is expected to become more relevant through the course of the energy transition.
- Market bodies & jurisdictions: The increased transparency of demand and supply balances will enable better-informed regulatory and policy decisions on any interventions. This would guide targeted policy reforms and highlight where the market is operating efficiently and no policy change is required.

In summary, enabling better informed decision-making across the ECGS, and importantly for AEMO, will in turn enable industry participants and AEMO to more successfully (compared to without the final rule) maintain reliability and supply adequacy in the ECGS. And, where reliability is at risk, enable industry participants and AEMO to make well-informed decisions to respond to such risk.

The Commission observes that, as the key components of the PASA framework are set in the NGR and the details are developed by AEMO in its procedures, this provides for certainty for industry

participants with reporting obligations while supporting flexibility. This approach allows PASA to be adjusted over time with input from industry participants through AEMO's consultation processes. As a result, PASA will be able to provide decision-makers with insights into changing circumstances, such as interactions between gas and electricity markets during the energy transition. It therefore supports adaptive decision-making across the ECGS throughout the energy transition and maintains supporting improving market efficiency.

2.2.2 PASA is aligned with good regulatory practice and market reforms

The Commission has considered principles of good regulatory practice in developing PASA relating to:

- the design of the PASA is fit-for-purpose and proportionately balances policy objectives over the long term while being sensitive to regulatory burdens or costs on industry participants
- the extent to which PASA is aligned with the direction of gas market regulatory reform.

In consultation with industry stakeholders and AEMO, the Commission has designed PASA to fit within the stage 2 RSA reforms package as follows:

- The demand-supply assessment provided by PASA contributes directly as an input to the tiered risk and threat signalling framework in the ERSAA rule.
- PASA and the tiered risk and threat signalling framework provide information to AEMO to assess whether it can and should intervene in the ECGS to address a threat to gas reliability and would inform the use of the SoLR mechanism.
- MT PASA, which has an up to 12-month outlook, and the notice of closure obligation, which has a 36-month notice period, are complementary sources of information to AEMO and industry participants on potential risks and threats to gas reliability and supply adequacy. Information from closure notices would eventually be fed into the PASA.¹⁹ This provides comprehensive information to all ECGS participants and interested parties to support better and more efficient decision-making.

PASA has been designed to play an important role in the stage 2 RSA reforms - it provides key information to AEMO and industry on the outlook of demand and supply in the ECGS, enabling better informed decisions by AEMO in using the other tools within the reform package. In total, the stage 2 rules package supports the operation of a more reliable ECGS for the benefit of gas users.

The Commission has also considered how PASA fits in with wider gas market reforms underway, namely the Commonwealth's Gas Market Review.²⁰ The key recommendation of this review is the development of a domestic gas reservation scheme intended to address structural gas shortfalls. The Commonwealth is continuing to develop the details of this policy proposal for implementation.

The Commission observes that the RSA package of reforms and the Gas Market Review's recommendations address differing yet connected policy problems. The Gas Market Review's key recommendation for a reservation scheme is intended to address structural gas shortfalls, while the stage 2 RSA reforms, including the PASA, are intended to address seasonal or peak day threats to gas reliability in the ECGS. The Commission considers that addressing structural shortfalls may reduce the risk of seasonal or peak day shortfalls, but not necessarily eliminate that risk. It also notes that peak day shortfalls could still arise, which is particularly relevant for the stage 2 RSA reforms, as that is their focus.

¹⁹ AEMC, *ECGS Notice of closure for gas infrastructure*, rule determination, 11 September 2025.

²⁰ See: <https://www.dcceew.gov.au/energy/markets/gas-markets/gas-market-review-reforms>

In submissions to the draft determination, Alinta and APLNG suggested that assessment and implementation of PASA should be delayed until after the Gas Market Review is completed.²¹

In addition, Origin suggested that the Commission consider the potential limitations of the PASA forecasts when considering how to integrate them into the broader suite of ECGS reforms, such as the use of interventions by AEMO.²²

On the first point, the Commission considers that the timing of implementing the PASA rule does not pose any difficulties for the development of the proposed policies set out in the Gas Market Review report. In fact, the government's policy development will be aided by the clarity provided by the PASA rule (as well as the ERSAA and SoLR rules) being made. This is particularly the case for PASA, which has been identified as one of the potential sources of information that could feed into decisions for a domestic gas reservation scheme.²³

Further, to Origin's point, making the decision to align the final determinations for ERSAA, SoLR and PASA, has enabled the Commission to consider the interlinkages between the three rules and refine how they work together. In doing so, the Commission has considered the operational needs for PASA as suggested by Origin.

The final rule has been designed with principles of good regulatory practice and implementation considerations that relate to achieving policy objectives from a long-term perspective, in a proportionate way, while being sensitive to administrative burdens. This is because:

- There is a clear PASA framework in Part 27 of the NGR with details and operational information to be developed by AEMO with industry participants in procedures. Using procedures provides a method for AEMO and industry participants to work together to adjust PASA as circumstances arise. The final rule enables AEMO, in consultation with stakeholders, to update the details of PASA over time. This is consistent with principles of good regulatory practice because it strikes a balance between providing certainty and the ability to adapt over time to respond to changing needs of decision-makers.
- The detailed, prescriptive information disclosure rules in Part 18 of the NGR provide regulatory certainty to enable industry participants to understand and comply with their obligations. These detailed information disclosure provisions have been designed so PASA has accurate information inputs while being sensitive to regulatory compliance cost considerations for industry participants.

Overall, the final rule establishes a PASA framework that can be developed and adjusted over the longer term to support decisions in the ECGS as the gas sector evolves during the energy transition.

2.3 The benefits of PASA outweigh its costs

This section outlines the qualitative analysis of the potential costs and benefits of the PASA final rule as part of its NGO assessment.

On balance, the Commission consider the benefits arising from making the PASA rule outweigh the costs incurred in implementing and operating the new framework.

In forming this view, the Commission has had regard to the costs and benefits of the ERSAA and SoLR rules as the three rules work together to complete the stage 2 RSA reforms. As a whole, the

²¹ Submissions to the draft determination: APLNG, p 2; Alinta, p 1.

²² Submission to the draft determination: Origin, p 1.

²³ DCCEE and DISR, *Domestic gas reservation scheme draft design framework*, May 2026, p 19.

stage 2 rules provide benefits across the ECGS of a workable and well-defined reliability and supply adequacy framework, which better informs AEMO and industry participants of risks and threats to reliability and supply adequacy. The package also enables and supports industry participants to respond to risks and threats in the first instance and clarifies that AEMO can intervene when industry responses are exhausted.

The following provides further details on PASA costs and benefits.

2.3.1 Costs of implementing and using PASA

Introducing a PASA framework into the ECGS creates costs for AEMO and industry participants. These can be considered as implementation costs and ongoing operational costs.

Implementation costs would include costs incurred by:

- AEMO for developing IT and internal systems for PASA
- some industry participants to uplift their processes and systems to enable future compliance with the new information provisions
- AEMO and industry participants for procedure development and consultation as well as then testing PASA in the trial period.

AEMO has provided the Commission with a high-level estimate that its costs to implement PASA could be \$15 million (including establishing probabilistic modelling for the ERSAA rule). This estimate was based on the draft rule and the High Level Impact Assessment report AEMO published in August 2025. The information indicates that this cost estimate is comparable to the implementation costs of projects of similar scale:

- The Integrating Energy Storage Systems into the NEM rule established a new NEM market participant category. AEMO's estimated costs were \$14-\$25.7 million to establish the new category and associated systems and process upgrades.²⁴
- In the Shortening the settlement cycle rule change, AEMO estimated a cost of \$19 million to update settlement processes to shorten the settlement cycle from 20 business days to 9 business days.²⁵

As discussed in chapter 5 of this final determination, PASA will be categorised as a 'major gas project' as it requires significant enhancements to its processes and systems to develop PASA (as outlined in the High Level Impact Assessment report). As a result, AEMO's implementation costs will be recovered through participant fees.

Ongoing costs for PASA are expected to include:

- administration and operation of the systems to produce and report PASA information for AEMO
- administration, compliance and operational costs for industry participants reporting the additional information specified in the final rule
- consultation and engagement on any future procedure or systems changes.

AEMO advised the Commission that its high-level cost estimate for operating PASA could be \$1.3 million per year. These costs would be recovered through ECGS fees.

²⁴ AEMC, *Integrating energy storage systems into the NEM*, rule determination, 2 December 2021.

²⁵ AEMC, *Shortening the settlement cycle*, rule determination, 12 December 2024.

2.3.2 Benefits arising from PASA

The key benefits of the final rule are increased transparency and improved decision-making for consumers, industry, market participants, regulators and governments to enhance reliability outcomes for the ECGS. There are also benefits from improved market efficiency, including reduced information asymmetry and greater competition in the ECGS, which would help reduce costs for consumers.

In addition, PASA is an information platform that provides broader benefits that support the other stage 2 RSA reforms. Specifically:

- PASA is an input to the tiered signalling framework to be designed AEMO in accordance with the ERSAA rule to identify risk or threats to gas reliability in the ECGS.
- Combined with the tiered signalling framework, PASA will provide industry participants with information to provide a commercial response to address risks and threats to gas reliability. It will provide information on whether that industry response is insufficient to address the threat and the basis for AEMO to consider interventions to safeguard reliability, such as the use of its tools within the facilitated markets, the SoLR mechanism or directions.

The Commission is conscious of stakeholder feedback that the information disclosure requirements will create compliance or administrative costs for some industry participants and that these costs should be justified, minimised or avoided where possible.

Stakeholders also observed that the distribution of benefits and costs varied across different stakeholders. For example, some participants would incur compliance costs to provide information for PASA while receiving relatively lower benefits compared to other parties that enjoyed the benefits of PASA without incurring the same level of costs.²⁶

The Commission acknowledges and has assessed these points against the NGO assessment criteria of enhancing reliability outcomes, principles of market efficiency, principles of good regulatory practice and implementation considerations. It notes:

- PASA should be viewed from a system-wide perspective where there are benefits of increased transparency, better decision-making and improved market efficiency across the ECGS.
- The information disclosure provisions are necessary for AEMO to create an accurate and reliable PASA to inform decision-making. It builds on the current information disclosure provisions in Parts 18 and 27 of the NGR. The Commission has carefully considered each additional information requirement and sets out its reasoning in chapters 3 and 4 of this final determination.
- Clarifying and consolidating information disclosure provisions from Part 27 to Part 18 of the NGR have been made in response to stakeholder feedback, so these provisions are clear and fit-for-purpose while minimising the administrative burden on participants. For example, the final rule amends the definition of 'material change' relating to the information that would trigger an LNG export project to report to AEMO.²⁷ This amended definition takes into account the large size of LNG export projects and incorporates AEMO's current reporting practice for LNG export projects. In this way, the final rule has sought to implement targeted information disclosure provisions that will enable AEMO to produce an accurate PASA to support decision-making while being sensitive to compliance burdens.

²⁶ Submission to the draft determination: APLNG, p 5.

²⁷ Rule 141 of the final rule.

3 Establishing a clear and flexible PASA framework

The final rule sets out the framework for PASA in the ECGS. AEMO will develop the specific details of PASA in its procedures in consultative with stakeholders. The final rule specifies two PASA forecasts:

- ST PASA with a daily publication frequency and seven-day horizon
- MT PASA with a weekly publication frequency and 12-month horizon.

AEMO's development and administration of PASA is to be guided by the PASA objective outlined below.

The final rule includes a modest uplift in the ECGS information disclosure regime. The information provided would constitute the necessary inputs for an accurate and robust PASA. Maintaining a clear set of requirements for the information disclosure regime in the NGR would also provide regulatory certainty and consistency to the parties providing the information.

This chapter describes the final rule as follows:

- section 3.1 - sets out the PASA objective
- section 3.2 - describes the ST PASA and MT PASA forecasts
- section 3.3 - describes how AEMO would develop the details of the PASA
- section 3.4 - sets out that AEMO would retain its discretion on GPG forecasts
- section 3.5 - sets out the approach to defining regions.

Box 1: Final rule on the PASA framework

The final rule articulates the PASA objective to guide AEMO's development and administration of the PASA framework.

The final rule identifies the key inputs and outputs of the PASA but gives AEMO flexibility to determine how it prepares these in the ECGS procedures. Both of these aspects enable the PASA to iterate over time to meet stakeholder needs. AEMO must consult on the initial and future updates of the ECGS procedures for the PASA.

The final rule states that AEMO will be responsible for publishing:

- ST PASA with a daily publication frequency and seven-day horizon
- MT PASA with a weekly publication frequency and 12-month horizon.

Both the ST PASA and the MT PASA will provide demand-supply assessments. This will inform the tiered risk and threat signalling framework set in the ERSAA rule. The ST PASA, MT PASA and the risk and threat signalling framework would inform AEMO's consideration on an appropriate tool to address gas shortfall threats, such as the potential use of the SoLR mechanism.

Change from draft rule to final rule

The final rule on the ST PASA does not include actual or potential threats to the reliability and adequacy of supply over the next seven days. Assessments of threats to reliability are part of the tiered risk and threat signalling framework in the ERSAA rule. The Commission consulted on this aspect of the ST PASA in the ERSAA draft determination.

Following consultation through the ERSAA draft determination, the final rule for PASA includes a demand-supply balance assessment for ST and MT PASA.

3.1 An objective will guide AEMO’s development and use of PASA

Box 2: ECGS PASA objective

The ECGS PASA is a program of information collection, analysis, and disclosure of medium term and short term reliability and adequacy of supply prospects in the east coast gas system to inform decisions about supply, demand, and outages of plant and equipment used in the production, transportation and consumption of covered gases for periods up to 12 months in advance.

In developing, preparing, and administering the PASA, AEMO will be required to consider the PASA objective defined in rule 683(2) of the final rule and outlined in the box above. This objective provides scope for PASA to evolve over time with the needs of the ECGS, while providing AEMO and industry participants with clarity on the framework’s overarching objective.

In its submission to the draft determination, APLNG considered that the PASA objective should include consideration of the efficiency and effectiveness of data collection and reporting relative to the burden on participants for providing that data.²⁸ While these aspects are relevant, they are addressed through other requirements. Considerations of efficiency, costs and proportionality would be addressed as AEMO consults with industry on procedures. In making its procedures, AEMO must do so in accordance with rule 135EB, which sets out the preconditions for making procedures with regard to the NGO and compliance costs.²⁹ For this reason, the Commission considers that the PASA objective should remain focused on assessing reliability and supply adequacy.

The final rule remains consistent with draft rule. The Commission considers the final rule contributes to the achievement of the NGO because the PASA objective guides AEMO and stakeholders on how they can use PASA to inform decisions on reliability. The PASA objective in the final rule promotes certainty for AEMO and stakeholders, consistent with principles of good regulatory practice.

3.2 Two PASA forecasts will be published by AEMO

As in the draft rule, the final rule requires AEMO to develop and publish two PASA forecasts:

- short term (ST) PASA³⁰
- medium term (MT) PASA.³¹

The ST PASA would cover a week, from gas day D-1 to D+6, while the MT PASA would cover a horizon out to 12 months, from gas week W+1 to W+51.

The final rule provides AEMO with discretion on the format and location in which the PASA reports would be published. We expect AEMO to publish the reports on a readily accessible part of its website – for example on the Bulletin Board – in a format that a broad range of stakeholders can engage with, such as in csv files as is done for the equivalent provisions in the NEM.³²

28 Submission to the draft determination: APLNG, p 4.

29 Rule 135EB of the NGR.

30 Rule 686 of the final rule.

31 Rule 685 of the final rule.

32 The NEM ST and MT PASA outputs are published [here](#).

PASA will develop and improve over time

This final rule has introduced the concept of PASA to the ECGS. It sets out a framework comprising key features and requirements, enabling AEMO and industry participants to work together to establish relevant procedures to support operationalising the final rule. AEMO and industry participants will also work together following the procedure-making process to develop the necessary systems and carry out a trial before PASA 'goes live' on 8 June 2028.³³

This framework – of rules setting out the most critical features while providing industry participants with the means to inform the associated procedures – is consistent with the established approach of using procedures to address detailed implementation matters. However, it allows for refinements and improvements to the PASA framework over time at the procedures level, informed by operational experience and the needs of industry participants. For example, one approach may be to commence PASA with a limited number of key scenarios to determine gas system forecasts for the DWGM and STTM for ST and MT PASA, before considering whether a more complex approach would better address industry participants' needs.

Consistent with this, the minimum output requirements for each forecast have been prescribed to provide clarity over the core outputs of the PASA. The rule also provides scope for AEMO to produce additional outputs where it considers they would support the achievement of the PASA objective. These can be added over time.

ST and MT PASA focus on demand and supply information

The final rule states that a key output of the ST PASA and MT PASA is AEMO's assessment of the supply and demand balance for each gas day in the respective forecast period.³⁴ This is a change from the draft rule where the ST PASA was to play a role in signalling potential and actual risks or threats to the reliability and supply adequacy of covered gas.³⁵ The removal of this draft rule requirement enables ST PASA to focus on providing an assessment of the supply-demand balance and more clearly distinguishing this from the risk and threat signalling framework in the ERSAA rule. The Commission consulted on this change in the ERSAA draft determination and received no responses.³⁶ The Commission considers this provision would contribute to the achievement of the NGO because it clearly articulates the outputs of the PASA compared to the tiered signalling framework and this clarity for AEMO and stakeholders is consistent with principles of good regulatory practice.

The specific details of each of the PASA forecasts are set out below.

3.2.1 ST PASA will be published daily

Consistent with the draft determination, the final rule requires the ST PASA to be published daily and cover the period of seven days into the future (that is, it would cover gas days D to D+6). A seven-day horizon is appropriate as it aligns with the horizon for the data that is already collected for the short term capacity outlook (STCO), BB forecast and nominated facility use, as well as the NEM ST PASA. This alignment provides consistency for data collection and reporting, and minimises the cost of implementing a new obligation.

In submissions to the draft determination, the Australian Financial Markets Association (AFMA) supported a return to a three-day horizon on the basis that it imposes no additional cost to market

³³ See chapter 5.

³⁴ Rule 685(3) and rule 686(3) of the final rule.

³⁵ Draft rule 686(2)(d).

³⁶ <https://www.aemc.gov.au/rule-changes/ecgs-enhancing-reliability-supply-adequacy-arrangements>

participants.³⁷ AFMA considers it difficult to obtain accurate demand forecasts over a seven-day horizon, particularly for GPG demand forecasts linked to NEM price conditions.³⁸ In response to this submission, the Commission considers that obtaining demand forecast data directly from market participants is necessary for an accurate PASA and would increase the accuracy of AEMO forecasts based on that data.

Origin suggested that ST PASA and MT PASA be updated more frequently to allow for intraday updates aligned with the NEM PASA. The Commission considers that such granularity is not necessary for the ECGS, particularly at this stage of PASA development. Daily publication of the STCO and weekly publication of the MTCO are sufficient, given the frequency of data submissions to the Bulletin Board. Further, AEMO can publish updates to the PASA for any changes it considers material.³⁹

The inputs and outputs relating to ST PASA are outlined below.

Inputs

The final rule permits AEMO to have regard to any relevant information it collects under the NGR and NER as inputs in preparing the ST PASA.⁴⁰ As a result, relevant input information may include:⁴¹

- market demand – from STTM and DWGM bids and demand forecasts
- non-market, storage and LNG export demand – from nominated and forecast use of BB pipelines and BB storage facilities
- GPG demand – an AEMO forecast generated using data from across the ECGS and NEM. This is discussed in more detail in section 3.4
- supply – nominated and forecast use of BB supply facilities and BB transportation facilities
- infrastructure capacity – STCO information for BB facilities, linepack capacity adequacy indicators, pipeline segment daily capacity information, and linepack information.

Outputs

The final rule specifies ST PASA outputs. It requires AEMO to produce a seven-day forecast for the ECGS and each ECGS region of:⁴²

- the demand for covered gas, including the assumed level of GPG demand
- the aggregate capacity of BB supply facilities, including any anticipated reductions in capacity
- the capacity of BB transportation facilities including any anticipated reductions in capacity.

The final rule also requires ST PASA to include:

- AEMO's assessment of the supply-demand balance for each day in the forecast period
- any other information specified in the ECGS procedures.

37 Submission to the draft determination: AFMA, p 2.

38 Submission to the draft determination: AFMA, p 1.

39 Rule 686(4) and 685(4) of the final rule. This is a change from the draft rule which used the term 'significant'.

40 See section 91FD of the NGL and section 53D of the NEL.

41 Several of these inputs are based on changes to existing information disclosure requirements discussed in chapter 4.

42 Rules 686(2) and (3) of the final rule.

3.2.2 MT PASA will be published weekly

Consistent with the draft rule, the final rule specifies that the MT PASA would be published weekly, providing information over a 12-month horizon (that is, it would cover gas weeks W to W+51).⁴³ A 12-month horizon for MT PASA outputs is appropriate as it would bridge the gap between the ST PASA and the GSOO, as well as requiring minimal changes to the existing ECGS information disclosure framework for industry participants who have information provision obligations, and so limiting implementation costs from MT PASA.

In its draft determination submission, Shell Energy suggested that the MT PASA's 12-month horizon may be too short to align with business processes, such as contracting, and may not seamlessly connect with the GSOO.⁴⁴ Shell Energy suggested there be greater consideration on how the GSOO and MT PASA processes could be integrated coupled with guidance to AEMO or otherwise extend the MT PASA for a 24-month horizon.

Better integration between the MT PASA and the GSOO is desirable where appropriate. However, ease of implementation and implementation costs are also relevant. On balance, and noting this early stage in the development of the ECGS PASA framework, more weight has been placed on managing changes to the existing ECGS information disclosure regime. It may be preferable for AEMO to use common assumptions, methods and data where it is appropriate as between the GSOO and MT PASA. This would drive coherence and consistency between the two publications where it is feasible and enable implementation costs to be managed.

In the final rule, the Commission retains its position in the draft rule that the MT PASA would be published weekly and cover a 12-month horizon.⁴⁵

The inputs and outputs relating to MT PASA are outlined below.

Inputs

Like with ST PASA, the final rule permits AEMO to have regard to any relevant information it collects under the NGR and NER as inputs in its preparation of MT PASA.⁴⁶ As a result, MT PASA inputs may include:⁴⁷

- Demand:
 - AEMO developed models for residential, small to medium enterprise, C&I user and GPG demand, in similar manner to GSOO
 - Daily capacity and maintenance information from the MTCO for LNG exporters
 - Demand forecasts submitted by LNG exporters
 - Maintenance information for BB large user facilities.
- Supply – daily capacity and maintenance information from the MTCO.
- Infrastructure capacity – daily capacity and maintenance information from the MTCO.

Outputs

The final rule specifies MT PASA outputs. The final rule requires AEMO to produce a 12-month forecast for the ECGS and each ECGS region of:⁴⁸

43 Rule 685 of the final rule.

44 Submission to the draft determination: Shell Energy, p 2.

45 Rule 685 of the final rule.

46 See section 91FD of the NGL and section 53D of the NEL.

47 Several of these inputs are based on changes to existing information disclosure requirements discussed in chapter 4.

48 Rules 685(2) and (3) of the final rule.

- the demand for covered gas, including the assumed level of GPG demand
- the aggregate capacity of BB supply facilities, including any anticipated reductions in capacity
- the capacity of BB transportation facilities, including any anticipated reductions in capacity

The final rule also requires MT PASA to include:

- AEMO's assessment of the supply-demand balance for each day in the forecast period
- any other information specified in the ECGS procedures.

3.3 AEMO must consult in developing procedures for PASA

The substantive detail of PASA must be set out in the ECGS Procedures, including the:⁴⁹

- methods AEMO will use to produce the demand, supply, and infrastructure forecasts
- processes and methodologies to be used when preparing the ECGS PASA
- outputs to be published
- manner and form in which the outputs will be published (including aggregation)
- timetable for publication of the PASA.

The ECGS Procedures may also set out any other additional outputs AEMO considers necessary to promote the PASA objective.

AEMO would be best placed to develop the specific detail of the PASA framework through a consultative process, in line with other procedure development. Setting out details of the PASA framework in the ECGS Procedures would allow the detail to iteratively evolve over time with stakeholder feedback, without the need for rule change processes.

Industry participants would have the opportunity to provide input on the requisite updates to the ECGS Procedures resulting from the final rule. AEMO is required to follow the ordinary process for making procedures set out in rule 135EE of the NGR when it updates the ECGS Procedures. This requires AEMO to:

- publish a notice setting out the proposed procedures together with an impact and implementation report
- invite stakeholder submissions on or before a date at least 20 business days after the notice is published
- publish a decision within 20 business days after the closing date for submissions that sets out the final procedures.

In its submission to the draft determination, GLNG suggested the provision setting out the details for the procedures should be amended to ensure commercially sensitive information is de-identified and reported on an aggregate basis, and must comply with rule 194 relating to the type of information that can be published and in what manner.⁵⁰ The Commission considers this unnecessary, as Part 18 specifies the information that can or cannot be published and the manner in which any information is published.

3.4 AEMO will have discretion on how to forecast GPG

The draft determination recognised that GPG has a significant and growing influence on the demand-supply balance in the ECGS and there are uncertainties surrounding GPG forecasts.

⁴⁹ Rule 684A of the final rule.

⁵⁰ Submission to the draft determination: GLNG, p 6.

AEMO has commented on this issue in its PASA design report, which outlines its proposed approach to GPG forecasting.⁵¹

A range of stakeholder views were provided in response to the draft determination. Alinta supported AEMO being responsible for GPG forecasts.⁵² However, Shell Energy suggested there is sufficient information in the electricity market for robust GPG forecasts, which would involve using the existing NEM seven-day pre-dispatch and NEM ST PASA outputs. Shell Energy noted it would be an undesirable outcome for divergent approaches to GPG forecasting as between the NEM ST PASA and ECGS ST PASA, as it could result in conflicting signals between electricity and gas markets.⁵³

Other stakeholders reinforced the difficulties in accurately forecasting GPG.⁵⁴ For example, Engie suggested that further clarity is needed on the value of GPG forecasting and how GPG assets would be reported, as it considered GPGs are not registered in the facilitated markets.⁵⁵ AGL identified the potential risk of double counting GPG demand with participant demand forecasts, which may include GPG demand, and the GPG forecasts created by AEMO.⁵⁶

Having considered these points, the Commission affirms its view that it is appropriate for AEMO to conduct GPG forecasts and to exercise discretion over the appropriate methodology for this task. AEMO should draw on reported participant information and relevant information from the NEM, as noted by Engie. Participant information can include data directly from GPGs registered as large user facilities in the facilitated markets (as some are).

Forecasting GPG gas consumption is challenging, as stakeholders noted, due to the inherent variability of the operations of those facilities. However, AEMO does have relevant information it can draw on to determine a workable methodology. For example, AEMO could use NEM information to develop a few defined GPG usage cases for the short- and medium-term time frames to form scenario-based estimates of GPG demand that may be fit-for-purpose for ST and MT PASA. Consultation with industry participants will also support identifying a methodology that is fit for purpose and in line with the PASA objective. Inclusion of accurate but also fit-for-purpose PASA GPG forecasts is critical to PASA's accuracy and its subsequent benefits of improving transparency and decision-making capability to address risks and threats to gas reliability in the ECGS.

The final rule is consistent with the draft rule in that AEMO is to develop the methodologies to inform its forecasts for PASA, including regarding GPG.⁵⁷ The details of this methodology are for AEMO to develop in its procedures in consultation with industry participants. In providing a NGR framework for PASA and enabling the details of which to be included in procedures, the final rule aligns with considering the implementation of the PASA framework and good regulatory practice. This is consistent with achieving the NGO.

3.5 Defining PASA regions will be guided by procedures

The draft rule provided AEMO with discretion to determine the regions used for PASA.⁵⁸ It required AEMO to set out the process for determining regions in the ECGS Procedures following

51 Available from the PASA project page at <https://www.aemc.gov.au/rule-changes/ecgs-projected-assessment-system-adequacy>.

52 Submission to the draft determination: Alinta, p 2.

53 Submission to the draft determination: Shell Energy, p 2.

54 Submissions to the draft determination: EnergyOne, p 2; Engie, p 3.

55 Submission to the draft determination: Engie, p 3.

56 Submission to the draft determination: AGL, p 2.

57 To support this, the final rule introduces a definition of 'gas-powered generating system' in rule 682 of the final rule.

58 Draft rule 683(4)-(5).

consultation with stakeholders. The same regions would be used for both the ST and MT PASA forecasts. Specifying the PASA regions in procedures was considered to provide the flexibility for regions to adapt to changes in the topology of the ECGS, and industry needs.

In its submission to the draft determination, Jemena acknowledged that while AEMO would be best placed to determine appropriate regions, this could create uncertainty. It suggested that the AEMC provide a clear statement of expectations to address this uncertainty.⁵⁹

Origin suggested that AEMO consider leveraging the gas zones, configured based on GPGs, used in the development of the Integrated System Plan.⁶⁰ Origin also commented that AEMO would need to consider how to reconcile gas and electricity outputs and the physical flow constraints based on the ECGS configuration.⁶¹

In addition, the ERSAA draft determination expanded AEMO's requirement to determine, review and amend regions within the ECGS for matters in addition to PASA. However, it retained AEMO's discretion (that the PASA draft rule had earlier provided) to determine regions for PASA as part of the ECGS Procedures.

Having considered the comments regarding the PASA draft rule, the Commission has retained its draft rule approach for the final rule. Specifically, AEMO will have discretion to define regions for PASA purposes, and the process to be employed will be set out in the ECGS Procedures. This does not impact the operation of the ERSAA final rule (rule 681B of the ERSAA final rule) and that rule acknowledges that regions are not only for PASA.

The Commission anticipates that industry participants will provide valuable feedback on defining regions and reflect the guidance provided in the NGR and the need to inform decisions on risks and threats to gas reliability and supply adequacy in the ECGS. That is, the regions need to be appropriate for the PASA objective, the tiered risk and threat signalling framework and for any interventions available to AEMO, such as the SoLR mechanism.

59 Submission to the draft determination: Jemena, p 3.

60 Submission to the draft determination: Origin, p 1.

61 Submission to the draft determination: Origin, p 2.

4 New information disclosure obligations for PASA

The information provided by industry participants is necessary for a transparent PASA that can reliably inform the commercial and operational decisions of industry participants and AEMO as well as inform decisions by governments.

The final rule contains new or modified information disclosure provisions under Part 18 of the NGR to inform the PASA. In response to submissions on the draft determination and in light of further work with AEMO, the final rule has been adjusted to improve its efficiency, effectiveness and clarity. These changes are noted in the relevant sections of this chapter.

The Commission acknowledges that there are costs for AEMO and industry participants involved in implementing and complying with these obligations. It has only made changes that are necessary and proportionate to support PASA information suitable for the ECGS reliability and supply adequacy framework. As noted in chapter 3, the PASA framework introduced by this final rule supports future developments and refinements, building on this rule to meet the needs of industry participants.

This chapter sets out the new or modified obligations in detail as follows:

- section 4.1 - ST PASA
- section 4.2 - MT PASA
- section 4.3 - Clarifying the definition of daily capacity
- section 4.4 - Registration of an LNG export project
- section 4.5 - Notifying AEMO of events or circumstances that affect the reliability of gas supply
- section 4.6 - A single framework on exemptions to provide information to AEMO
- section 4.7 - Clarifying what information can be published and how this must be done.

Box 3: Final rule on new information disclosure obligations for PASA

The final rule sets out new information disclosure obligations:

- For the ST PASA:
 - Extending the STTM and DWGM bid and demand forecast horizons to seven days
 - Requiring BB shippers and gas offtakers to provide facility operators with good faith estimates of their use/gas demand over seven days
- For the MT PASA:
 - Requiring BB facilities (excluding BB large user facilities) to submit daily capacity for every day, instead of only the periods when reductions are forecast to occur
 - Extending the LNG export facility demand forecast horizon to 12 months
 - Requiring BB pipeline operators to provide a Medium Term Capacity Outlook by pipeline segment
- The final rule also sets out other provisions about providing information to AEMO. These are:
 - Retaining the current definition of 'daily capacity' for infrastructure.
 - Clarifying that short and medium term capacity outlook information for BB production facilities should reflect known deliverability limitations.

- Requiring BB facilities (other than BB large user facilities) to notify AEMO as soon as they are aware of an event that will or may affect the reliability of gas supply
- Retaining the existing Part 18 framework for participants seeking an exemption to reporting obligations.
- Clarifying what information provided to AEMO can be published and how.

Change from draft rule to final rule

The following key changes were made to improve the clarity, efficiency and effectiveness of the PASA information disclosure provisions:

- Definition of 'material change' that sets the threshold above which an LNG export project would be required to report to AEMO.
- Establishing the Part 18 exemptions framework as the ongoing Bulletin Board exemptions framework, removing the Part 27 framework from the NGR.
- Replacing the draft rule 'BB gas buyer' with 'BB offtaker' and clarifying the information that these parties are to provide to relevant BB reporting entities.
- The draft rule change to 'daily capacity' to capture infrastructure deliverability of gas is relocated to STCO and MTCO.
- Requirement to report linepack actuals for BB pipelines.
- Remove the draft rule requirements on LNG export project to nominate a responsible reporting entity, and instead rely on existing provisions for LNG export facilities.

4.1 ST PASA

4.1.1 Extending STTM and DWGM bid and demand horizons to seven days

The draft rule required market participants in the STTM and DWGM to submit their bids or demand forecasts over a seven-day horizon, which extends the current three-day horizon.⁶² This would provide AEMO the demand information needed for the ST PASA, which is also over a seven-day horizon. Specifically, the demand information sought for the:

- DWGM would have retained the requirement for bids two days before the gas day and a new requirement to submit demand forecasts over seven days.⁶³ The Commission also sought feedback on making rule 211 as a tier 1 civil penalty provision.
- STTM would have required market participants to submit their bids seven days in advance, noting there is no provision for demand forecasts to be submitted.⁶⁴

The draft rule also had a provision for STTM market participants to revise their bids or demand forecasts within that seven-day window.⁶⁵

In submissions to the draft determination, AEMO, AGL and Hydro Tasmania considered that seven-day demand information for the STTM should only apply to price-taker bids, as these bids reflect demand, not ex ante offers or ex ante bids.⁶⁶

62 Draft rule 211(1) for the DWGM and draft rule 410(2) for the STTM.

63 Draft rule 211(1).

64 Draft rule 410(2).

65 Draft rule 410(2).

66 Submissions to the draft determination: AEMO, p 3; AGL, p 2; Hydro Tasmania, p 1.

In addition, EnergyAustralia sought clarification on whether the ‘demand forecast’ includes controlled withdrawals and how bidding behaviours, reforecasting and subsequent rescheduling may be considered.⁶⁷

Alinta did not support the requirements to submit DWGM and STTM bid and demand information as a tier 1 civil penalty provision.⁶⁸

In response to the issues raised in submissions, the final rule includes the following:

- In the STTM, only information on price taker bids would be extended out to seven days, while maintaining the current three-day horizon for ex ante offer and ex ante bids.⁶⁹ As noted in the submissions, this more closely aligns with the STTM design and price taker bids are the appropriate are the relevant data for ST PASA.
- In the DWGM, controlled withdrawal bids apply to the first two days of the information set, and demand forecasts would apply from days three to seven.⁷⁰ This amendment has been made to retain the intention of the draft rule but provides greater clarity as sought by stakeholders.

The final rule has aligned the timeframes for making revisions to demand information between the STTM and DWGM. Currently, revisions to demand information provided in the DWGM are only required before the gas day commences compared to the STTM where there is more prescription at which points in time over a seven-day period revisions are to be received.⁷¹ The final rule amends the timing for revisions to demand information in the STTM to align with timings for revisions to demand information in the DWGM.⁷²

The Commission considers by making provisions that enable demand information to be more accurate, this would improve PASA outcomes and would contribute to the achievement of the NGO through enhanced reliability outcomes.

Noting that Alinta did not support making the rules on submitting DWGM and STTM demand information as a tier 1 civil penalty provision, the Commission considers that its draft determination recommendation remains appropriate. Making the relevant rules tier 1 civil penalty provisions is consistent with the established approach of the Bulletin Board rules. As a result, the Commission intends to recommend that rules 211(1) and 211(1A) be a new tier 1 civil penalty provision after considering the Decisions Matrix and Concepts Table.⁷³ The Commission considers that compliance with final rules 211(1) and 211(1A) is necessary for AEMO to monitor the reliability of the gas system because the quality of demand information provided directly affects the accuracy of the PASA.⁷⁴ More details on civil penalties can be found at Appendix B.

4.1.2 BB shippers and BB gas offtakers will provide estimates of facility use

High-quality estimates of gas infrastructure facility use over a seven-day horizon are necessary to inform an accurate and reliable ST PASA. The draft rule:

- Introduced a new definition of a ‘BB gas buyer’ to capture an entity that only has a contractual right for supply of the gas commodity from a production facility or gas import facility. The

67 Submission to the draft determination: EnergyAustralia, p 3.

68 Submission to the draft determination: Alinta, p 3.

69 Rules 410(2)(a) and (2A) of the final rule.

70 Rule 211(1) and 211(1A) of the final rule.

71 Rule 211(2)(a) and rule 410(2).

72 Rule 410(2A) of the final rule.

73 <https://www.energy.gov.au/energy-and-climate-change-ministerial-council/energy-ministers-consultations/proposed-classification-tiers-reform-australian-energy-regulator-civil-penalty-regime>

74 This rule is also a conduct provision under the National Gas (Victoria) (Declared System Provisions) Regulations.

definition of BB shippers applies to those entities who buy services, but does not extend to those entities who only buy the gas commodity.⁷⁵

- Required BB shippers and BB gas buyers to provide facility operators with good faith estimates of their use of those facilities over the next seven days.⁷⁶ The Commission recommended that this be a tier 2 civil penalty provision.
- Required facility operators are required to have regard to those good faith estimates in the data they submit to AEMO for the PASA.⁷⁷
- Provided for BB shippers and BB gas buyers to provide information as required under Part 18, and are subject to the BB information standard.⁷⁸

Submissions to the draft determination made some observations:

- APA supported the obligation to ensure the accuracy of BB shipper nominations be placed on shippers and not facility operators.⁷⁹
- Alinta questioned how good faith estimates would be enforced and considered it would introduce subjectivity, increase regulatory burden and be disproportionate to the potential impacts of non-compliance.⁸⁰
- EnergyAustralia considered that the aggregated daily good faith estimates of use from BB facility operators as nominated to them from other participants could create uncertainty in the resulting PASA.⁸¹ Further, EnergyAustralia noted that as GPG decision-making can change quickly, the provision of BB facility total capacities and not seven-day good-faith estimates was more appropriate for PASA. It also suggested that the ECGS Guidelines would be more appropriate for these requirements by providing clarity while being more adaptable to change.⁸²
- AGL considered that market participants should not be exposed to tier 1 civil penalties for failing to meet forecast expectations that are inherently uncertain, and the focus should be on the provision of good faith best estimates.⁸³

Having considered the issues raised in submissions and following further assessment of the draft rules' intention, the Commission has made some changes to the draft rule. As a result, the final rule differs from the draft rule. The obligations on BB shippers have been retained and clarified, while the BB gas buyer obligations now sit with BB gas offtakers, as explained below.

Replacing BB gas buyer with BB gas offtaker

The final rule replaces 'BB gas buyer' with a 'BB gas offtaker' (rule 185 of the final rule).⁸⁴ Making this change has enabled the final rule to accommodate a broader range of commercial arrangements than the draft rule. For example, the new term accommodates tolling arrangements that LNG import and production facilities may use. It also accommodates different joint venture arrangements as well as separate marketing by parties that are otherwise in partnership or co-own a facility. Nevertheless, the intention of the draft rule remains – BB reporting entities for

75 Draft rule 141, definition of 'BB gas buyer'

76 Draft rule 185B.

77 Draft rules 182(2), 183(1A), 183(2A), 184(1A), 184A(1A), 185(1A).

78 Draft rule 165-166.

79 Submission to the draft determination: APA, p 4.

80 Submission to the draft determination: Alinta, p 3.

81 Submission to the draft determination: EnergyAustralia, p 3.

82 Submission to the draft determination: EnergyAustralia, p 3.

83 Submission to the draft determination: AGL, p 2.

84 Rule 141 of the final rule.

production and LNG import facilities are to provide AEMO with nominated and forecast demand informed by the nominations of parties that take gas from those facilities (the BB gas offtaker). The rule acknowledges that BB offtaker information may be known to the BB reporting entity or may be able to be forecast based on contract or other information.

The obligations of BB gas offtakers in the final rule work in conjunction with the obligations of the reporting entities for production facilities and LNG import facilities⁸⁵ to promote the accuracy of information provided by BB reporting entities for production and LNG import facilities. Under the final rule, BB gas offtakers must provide short term (that is, seven days) offtake data comprising their nominations and good faith estimates, unless this data has already been provided under contract.

Requiring BB shippers and BB gas offtakers to provide their estimated usage of gas infrastructure facilities is necessary to promote the accuracy of demand information in the ST PASA is accurate as it would be sourced from the users of gas infrastructure facilities. The information provided by BB shippers and BB gas offtakers is necessary for the ST PASA to then support well-informed decisions by industry participants and AEMO. Consistent with the framework and approach of the Bulletin Board rules, the Commission considers that it is appropriate that these obligations sit in the NGR, not in the ECGS Guidelines as suggested by EnergyAustralia.

Providing information on a good faith basis

Alinta and EnergyAustralia expressed some concern about the use of good faith indicative nominations. The Commission has considered these points. However, it remains of the view that good faith estimates of usage by BB shippers and BB gas offtakers of gas infrastructure facilities remains appropriate, because high quality, detailed information improves the accuracy of the ST PASA.

Information from the AER is available to industry participants seeking greater clarity on how good faith estimates would be enforced in practice given how quickly this data could change, such as the variability of usage driven by GPG. The AER has set out its compliance approach and expectations for regulating demand forecasts, including good faith provisions, in the gas markets.⁸⁶ The AER's approach is to establish a proper methodological basis, processes to review forecasts and to ensure that forecasts are unbiased estimates. This approach addresses the issues raised by stakeholders.

Civil penalty provisions

The Commission notes AGL's view on the recommendation of tier 1 civil penalties for failing to meet forecast reporting expectations. However, consistent with the intention of the draft rule, it recommends that the obligation on BB shippers and BB offtakers in final rules 185B and 185C be classified as tier 2 civil penalty provisions. The Commission has applied the Decisions Matrix and Concepts Table, and considers that rules 185B and 185C are necessary to support efficient market administration in because they would promote the efficient operation of energy services for the long term interests of consumers. The information provided through this information is necessary to support an accurate PASA that can be reliably used by industry participants and AEMO. More detail on civil penalty provisions can be found in Appendix B.

Overall, the final rule on BB shippers and BB gas offtakers providing information to BB reporting entities affirms the draft rule's intention with some updates to rule drafting. The Commission

85 Rules 185C and 185 of the final rule.

86 AER, *Gas Markets Demand Forecasting Compliance Bulletin*, 2022, p 6; AER, *Gas Transparency Measures (Reporting) Compliance Bulletin*, 2023, p 9.

considers that these obligations would promote the achievement of the NGO as these are necessary for PASA to be suitable for informing decisions about managing and responding to risks and threats to reliability and supply adequacy in the ECGS.

4.1.3 Linepack information for BB pipelines

Linepack information is useful in understanding the capacities of BB pipelines, and is a key input for the supply-demand assessments in the ST PASA. Under the draft rule, a BB reporting entity would have been required to provide a forecast of the amount of linepack in each linepack zone for each of its BB pipelines for seven consecutive gas days.⁸⁷

AEMO stated that actual linepack data for each pipeline for the previous day is required from BB pipelines for validation purposes, but noted this was not reflected in the draft rule.⁸⁸ However, APA did not support the reporting of the previous gas day's actual linepack data, as it noted that gas market dynamics could lead to forecast deviations. It stated that such data lacks critical operational context, could be misinterpreted, and lead to unnecessary interventions when forecast data is compared to actual data. APA instead suggested strengthening real time communication when there are material concerns between AEMO and facility operators and improving the accuracy of forecast inputs.⁸⁹

Linepack is a key input to understanding supply and the overall supply-demand assessment in the PASA. Actual linepack data is important for AEMO to validate its analysis for PASA and enable it to improve and refine its approach if appropriate. This information is already available and the cost of providing it may not be high for the facility operators who hold this information. However, the Commission acknowledges commercial confidentiality concerns if this information were published. Given the significance of this information for AEMO's PASA responsibilities, the final rule requires BB reporting entities, including BB pipelines, to report actual pipeline data, but does not require the publication of actual linepack data.⁹⁰

The final rule also:

- enables AEMO to provide guidance in the procedures on whether start of day or end of day linepack is to be reported⁹¹
- includes definitions of 'linepack' and 'linepack outlook' (used for reporting seven-day outlooks) in rule 141.

The Commission is also supportive of better real time communication between AEMO and facility operators as suggested by APA, as this will aid understanding between industry participants and AEMO to better achieve the intention of the PASA framework.

The Commission considers this part of the final rule contributes to the achievement of the NGO, as this information is necessary for the accuracy of PASA to inform decisions on gas reliability while also being consistent with principles of good regulatory practice in not publishing data that unnecessarily risks confidentiality concerns from industry participants.

87 Draft rule 179A of the final rule.

88 Submission to the draft determination: AEMO, p 3.

89 Submission to the draft determination: APA, p 3.

90 Rules 187A and 194(a3) of the final rule.

91 Rule 135EA(3)(c2) of the final rule.

4.2 MT PASA

4.2.1 Providing BB facility medium term capacity outlook information

The medium term capacity outlook (MTCO) of BB facilities (except BB large user facilities, see section 4.2.2 below) provides a view of the expected infrastructure capacity across the ECGS and is a key input to MT PASA. Under the draft rule:

- BB facilities, except BB large user facilities, would have been required to submit good faith estimates of the daily capacity for every day of the 24-month MTCO outlook period.⁹²
- Facility operators would have been required to submit:⁹³
 - a description of the matters expected to affect the daily capacity of the BB facility, which may include maintenance work
 - where the daily capacity is reduced due to maintenance work, over what period of time the facility is capable of being recalled into operation if AEMO were to direct that the facility, and the expected capacity of the facility if it is to be recalled into operation.

In addition, the draft rule merged rule 689 from Part 27 of the NGR into draft rule 181 in Part 18, resulting in a single obligation.

Submissions to the draft determination commented:

- Alinta and Hydro Tasmania supported the retention of an exemption for BB large user facilities from the positive obligation to submit daily capacity over the 24-month MTCO outlook period.⁹⁴
- APA recommended that changes to the MTCO to incorporate daily capacity data for 24 months be provided in blocks rather than individual daily rows to reduce administrative burden.⁹⁵

The Commission acknowledges stakeholder support for this provision. In response to APA, the Commission observes that reporting daily capacity is consistent with the NEM MTCO and reporting in blocks would result in further complexity in IT system implementation. Considering the implementation impacts, the final rule does not include this suggestion.

The final rule is the same as the draft rule, although drafting refinements have been made and, as discussed below, MTCO for BB production facilities must take into account limitations known to the facility operator.⁹⁶ The Commission considers the final rule will contribute to the achievement of the NGO because it is necessary to support an accurate MT PASA and inform gas reliability decisions by AEMO and industry participants in the ECGS.

4.2.2 Providing BB large user facility medium term maintenance outlook information

In the draft rule, BB large users were exempted from the positive obligation in rule 181 (as noted above). Instead, BB large user facilities would have been required to report periods the facility is expected to be affected by maintenance work over the medium term capacity outlook period with the resulting expected reduction in daily capacity.⁹⁷ This requirement was already included in Part 27, but was moved to Part 18 under the draft rule. The draft rule exempted AEMO from publishing this information on the Bulletin Board.⁹⁸

92 Draft rule 181(3)(a).

93 Draft rule 181(3).

94 Submissions to the draft determination: Alinta, p 2; Hydro Tasmania, p 1.

95 Submission to the draft determination: APA, p 4.

96 Definition of 'medium term capacity outlook' in final rule 141; final rule 181.

97 Draft rule 181A.

As noted above, Alinta and Hydro Tasmania supported the draft rule retaining the exemption for BB large user facilities in providing MTCO data under draft rule 181.⁹⁹

The final rule has the same intention as the draft rule, modified to improve clarity on the reporting obligation that applies to BB large user facilities. Specifically, rule 181A of the final rule states that medium term facility maintenance outlook information must be provided to AEMO monthly, except where the BB Procedures allow the BB reporting entity to rely on default values. This continuous obligation will contribute to the achievement of the NGO because it is necessary to support an accurate MT PASA which is then used by industry participants and AEMO to make better-informed decisions about gas reliability and supply adequacy in the ECGS. Providing BB large user facilities to report monthly is also consistent with principles of regulatory practice by streamlining provisions and reducing administrative burden.

4.2.3 Providing BB pipeline segment medium term capacity outlook information

Reporting an MTCO for each BB pipeline segment recognises the differing capacities over the length of a pipeline. This additional detail would support a more accurate information on the capacity of BB pipelines and improve the accuracy and granularity of the PASA. In the draft rule:

- BB pipeline operators would have been required to report a MTCO for each pipeline segment¹⁰⁰
- AEMO would have established the approach to defining pipeline segmentation in the BB Procedures.¹⁰¹

In submissions to the draft determination, APA, Jemena and APGA expressed caution in defining pipeline segments as granularity may materially increase reporting costs.¹⁰² APGA and Jemena supported the Commission reiterating its expectations that the approach AEMO should take to define pipeline segments would be similar to its approach to defining BB pipeline nameplate ratings in clause 6.1(g) of the BB Procedures.¹⁰³

In response to submissions, the Commission notes stakeholder support for its draft rule approach that enables AEMO to define pipeline segments in its BB Procedures in consultation with industry participants. This approach will allow AEMO to meet evolving needs of industry participants in light of the PASA objective.

However, pipeline service providers were also concerned about the potential additional reporting costs. Unless benefits clearly outweighed by the costs, the Commission expects AEMO to adopt a similar approach to that currently used in its BB Procedures for pipeline nameplate ratings in defining pipeline segments. Using this existing approach would balance the need for sufficiently granular pipeline capacity information to inform PASA while minimising reporting costs on industry participants.

Noting that the procedures already require reporting of some information by pipeline segment and the industry support for this procedures-based approach and the flexibility it will provide, the final rule provides that the BB Procedures may require pipeline segment MTCO information¹⁰⁴ The final rule also enables the BB Procedures to specify pipeline segment reporting for nameplate rating, detailed facility information and short term capacity outlook.¹⁰⁵

98 Draft rule 194(2)(ab).

99 Submissions to the draft determination: Alinta, p 2; Hydro Tasmania, p 1.

100 Draft rule 181(1A).

101 Draft rule 135EA(3)(c1).

102 Submissions to the draft determination: APA, p 4; APGA, pp1-2; Jemena, p 3.

103 Submissions to the draft determination: APGA, pp 1-2; Jemena, p 3.

104 Rule 167A of the final rule.

As a result, the final rule achieves the same outcome as the draft rule with respect to reporting by pipeline segment and for consistency, extends it to nameplate rating and detailed facility information. However, the additional flexibility provided to AEMO and industry participants by allowing procedures to address the detail is beneficial for implementation. It will enable additional granularity of reporting by pipeline segment to occur when it is most relevant for industry participants' needs of PASA. As a result, this approach supports improving PASA over time as needed and in consultation with industry without additional changes to the NGR. For these reasons, the Commission considers this aspect of the final rule to be consistent with implementation considerations and good regulatory practice and, accordingly, contributes to achieving the NGO.

4.2.4 Providing LNG export facility medium term demand outlook information

Information on LNG export demand over a 12-month horizon is important for the accuracy of the PASA, given the substantial quantities of gas involved in LNG export and consequent impact on the demand-supply balance in the ECGS. In the draft rule:

- The requirement for LNG export projects to report their gas demand was extended from seven days to 12 months.¹⁰⁶
- LNG export project reporting entities would have been required to submit information to AEMO weekly at a daily resolution in line with the MTCO.¹⁰⁷
- AEMO was able to accept data at lower resolution and calculate daily demand using averaging or other approximation methods where it is not practicable to submit actual information.¹⁰⁸
- The MTCO demand information was required to be updated if there was a material change in that information.¹⁰⁹

Submissions to the draft determination made several suggestions on various aspects of draft rule 185A:

- AEMO suggested that draft rule 185A should clarify that an LNG export facility's daily gas consumption extends to the quantity of covered gas required for feed gas as this is a component of demand.¹¹⁰
- AEMO suggested that the materiality threshold for updates to daily gas consumption should allow a greater range and provide more flexibility, given the 12-month horizon.¹¹¹
- APLNG also suggested changes to the materiality threshold to trigger LNG export facility reporting by incorporating the existing arrangements in the ECGS Procedures (see clause 2.2.1(i) of the ECGS Procedures). This clause requires updates only if there is a 'net impact' on gas available for supply from the LNG export project to the domestic market.¹¹²
- GLNG suggested that draft rule 185A is not necessary given rules 178 on the STCO and rule 181 on the MTCO.¹¹³

105 Rule 167A of the final rule also provides for the BB Procedures to specify linepack zone and linepack type reporting of the information set out in rules 179A and 187A.

106 Draft rule 185A(1).

107 Draft rule 185A(3).

108 Draft rule 185A(2).

109 Draft rule 185A(4).

110 Submission to the draft determination: AEMO, p 3.

111 Submission to the draft determination: AEMO, p 4.

112 Submission to the draft determination: APLNG, p 3.

113 Submission to the draft determination: GLNG, p 3.

- The ACCC suggested that PASA information requirements also collect additional LNG export information such as that currently undertaken to support the ADGSM decision-making process. This would include differentiating between LNG exports that are required under long term foundational contracts and excess volumes sold onto international markets.¹¹⁴

In response to these submissions, the Commission makes the following points on the operation of the final rule:

- Regarding AEMO's suggestion on draft rule 185A, this rule should be read with rule 141, which defines 'medium term demand outlook' for an LNG export facility as that operator's good faith estimate of the quantity of gas received by the facility. Consistent with current ECGS Procedures, this will include the quantity of gas the facility will process to LNG and the quantity of gas for own use (such as fuel).
- The final rule incorporates the 'net impact' concept in the ECGS Procedures in relation to reporting a material change in an LNG export facility's medium term demand outlook, as suggested by APLNG. Given the quantities of gas involved in LNG export facilities, this threshold strikes a balance between reporting key impacts that affect demand-supply assessments in PASA and minimising the regulatory burden on LNG export facility entities. Utilising an existing practice established by procedures also supports efficient and cost-effective implementation. APLNG's suggestion is implemented through rule 141 of the final rule, which specifies the 'material change' for an LNG export facility medium term demand outlook as the change in the quantity of gas that the facility will receive that is from a source not the LNG export project and exceeds the 'material change threshold'. This threshold is also defined in rule 141, as the greater of A and B where:
 - A is 5 TJ
 - B is the lesser of 10 per cent of the nameplate rating of the facility and 30 TJ.
- Rule 185A is not duplicative with other provisions as suggested by GLNG, as it relates to LNG gas consumption where rules 178 and 181 relate to infrastructure capacities.
- The inclusion of more granular LNG export information as proposed by the ACCC for the purpose of informing ADGSM decision-making is not aligned with the PASA objective. Nor is it consistent with the purpose of the PASA rule, which is to inform AEMO and industry participants of demand and supply outlooks in the ECGS and support the operation of the RSA framework. In addition, since the draft determination, the Australian Government has indicated that implementing its recommended gas reservation scheme from the Gas Market Review may result in the cessation of the ADGSM.

The final rule reflects the intention of the draft rule but differs in its rule drafting approach:

- the entity to provide the medium term demand outlook has changed from the reporting entity for a LNG export project to the reporting entity for a LNG export facility, aligning with other provisions in the rules on where reporting obligations sit
- the relevant definition of material change uses the 'net impact' on gas available for supply from the LNG export project to the domestic market and the standard definition for the materiality threshold.¹¹⁵

The Commission considers that making rule 185A of the final rule would contribute to the achievement of the NGO, as the provision of LNG export facility demand information is key to informing an accurate demand-supply assessment for the ECGS through PASA. This in turn

¹¹⁴ Submission to the draft determination: ACCC, pp 1-2.

¹¹⁵ Definition of 'material change' and 'material change threshold' in final rule 141.

enables PASA to be used to support the ERSAA tiered signalling framework, which informs industry participants about risks and threats to reliability and supply adequacy for the ECGS. Additionally, this rule can be readily implemented as data on expected demand over 12 months for LNG export facilities should be available in light of the highly contracted nature of the LNG export industry. Having regard to these considerations, the Commission is satisfied that this aspect of the final rule, specifying the provision of LNG export facility demand information for the medium term outlook, is consistent with achieving the NGO.

4.2.5 Detailed facility information to inform the MT PASA

In its submission to the draft determination, AEMO suggested:

- introducing a provision in the NGR to enable AEMO to request detailed facility information to be defined through procedures for its MT PASA modelling.¹¹⁶ AEMO stated that, in its experience, some BB facilities' nameplate values do not reflect limitations and are not feasible over longer periods. For example, a storage facility may report a specific capacity to AEMO, but that capacity cannot be sustained for more than a couple of days given dependencies such as reservoir levels or available compression services.
- rule 168 should clarify that a BB reporting entity for a BB storage facility should report nameplate capacity, accounting for any limitations.¹¹⁷

The Commission understands AEMO's view that the provision of this detailed facility information would support more accurate capacity information and lead to a more accurate MT PASA. Rule 168 (nameplate rating information) has not been amended by this final rule, as this information is focused on the relatively static capacity of facilities as they are built and permanently changed (rule 168(1)(b)). This has been relevant information for the Bulletin Board and should be retained.

The Commission has worked with AEMO to clarify the nature of the information it has referred to in its submission. A new requirement has been included for storage facilities to provide information as part of their detailed facility information about the impact of storage inventory level on the rate of injections and withdrawals.¹¹⁸ Other changes relating to deliverability are discussed below.

4.3 Clarifying the definition of daily capacity

The definition of daily capacity for gas infrastructure facilities is a key parameter for ensuring an accurate assessment of the supply-demand balance in PASA because the forecast daily capacity is provided through the MTCO and STCO. In the draft rule, the definition of daily capacity was amended as follows:¹¹⁹

- for a production facility, daily capacity would take into account any limitations, such as gas field performance, that may impact the availability of gas supply
- for a gas storage facility, daily capacity would exclude storage cushion gas
- for a user facility, daily capacity refers to the quantity of gas received by the facility on a gas day through available pipeline connections.

In submissions to the draft determination, stakeholders commented:

¹¹⁶ Submission to the draft determination: AEMO, p 3.

¹¹⁷ Submission to the draft determination: AEMO, p 1.

¹¹⁸ Rule 169(4)(c) of the final rule.

¹¹⁹ Draft rule 141.

- AEMO noted that LNG import facility MTCO reporting presents an issue in that the actual quantity of gas available for supply depends on whether there is a ship docked or if there is LNG available in storage at the facility. That is, there is a difference between capacity and the deliverability of gas. It suggested the NGR clarify that LNG import facilities provide information on the availability of gas that can be supplied to the market for MTCO reporting in accordance with the procedures.¹²⁰
- APGA and Jemena suggested that the draft rule has not sufficiently taken into account the circumstances of BB production facilities, and other mid-stream infrastructure providers, which are operated on a third-party access basis.¹²¹ In situations where a field operator is a third party with access to use a BB production facility, the BB reporting entity for that BB production facility may not know the future performance of a gas field as this information lies with the field operator. Jemena suggested that BB production facilities should only provide daily capacity information that is known to the facility operator or otherwise provide exemptions for BB production facilities that offer third-party access.¹²²
- AEMO suggested that the daily capacity definition:
 - For transmission pipelines be amended to explicitly account for pipeline segment reporting rather than directional reporting.¹²³
 - For gas storage facilities should reflect any limitations that may impact injections, withdrawals, and the quantity of gas the storage facility can hold.¹²⁴

Further, AEMO suggested that the definition of daily capacity in the NGR be transferred to the BB Procedures, where it would be defined by AEMO to provide flexibility to refine definitions as market conditions evolve using its processes to incorporate stakeholder consultation.¹²⁵ However, in response to the consultation paper, stakeholders noted that the definition of daily capacity should remain in the NGR rather than in AEMO's Procedures.¹²⁶ These stakeholders observed that the definition of daily capacity impacts a number of reporting obligations, which in turn impacts business processes and compliance requirements. As a result, certainty about the definition was important for reporting entities. It was also noted that AEMO had not indicated its preferred new definition of daily capacity.

Location of the daily capacity definition

The Commission acknowledges concerns from industry participants about AEMO's suggestion that the definition of daily capacity could be moved from the NGR to procedures. We acknowledge that daily capacity is a key concept in Bulletin Board reporting obligations for infrastructure owners and operators. In addition, it is important to consider the architecture of Part 18 – that it seeks to provide clarity on reporting obligations for industry participants to support successful compliance. It is also relevant to note civil penalties are attached to Bulletin Board reporting obligations.

Reflecting these considerations, the Commission has not moved the definition of daily capacity from the NGR to the BB Procedures. It is appropriate that the definition remain in Part 18. The resulting clarity and certainty about the definition supports compliance for reporting entities and this is aligned with achieving the NGO as it is consistent with good regulatory practice.

¹²⁰ Submission to the draft determination: AEMO, p 3.

¹²¹ Submissions to the draft determination: APGA, p 2; Jemena, p 2.

¹²² Submission to the draft determination: Jemena, p 2.

¹²³ Submission to the draft determination: AEMO, p 3.

¹²⁴ Submission to the draft determination: AEMO, p 1.

¹²⁵ Submission to the draft determination: AEMO, p 1.

¹²⁶ Submissions to the consultation paper: APA, p 9; APGA, p 2; Jemena, p 4.

Including deliverability in daily capacity

As noted above, the draft rule made changes to the definition of daily capacity so that the information provided to AEMO would reflect capacity of infrastructure and limitations that may impact the availability of gas from that infrastructure.

Some refinements to the draft rule were suggested by AEMO and industry participants. These suggestions have necessitated the Commission to also consider:

- the issue, as raised by APGA and Jemena, of how reporting entities can reflect the circumstances of other connected infrastructure that they may not control
- how the draft rule changes sit with the purpose of the Bulletin Board.

Daily capacity is an established Bulletin Board definition and has been an important piece of published information. If AEMO has found reporting entities interpret the definition differently, that may warrant clarifying the definition. However, any clarification must have regard to the definition's intention, the information being sought and its purpose.

In working with AEMO on the issues raised in response to the draft rule, the Commission has concluded that an alternative approach may better address those issues and the concerns initially raised in the rule change request. In brief, the final rule:

- Largely retains the original definition of daily capacity, removing the changes made in the draft rule.¹²⁷ As a result, the original concept of daily capacity is maintained, acknowledging the usefulness of the information. As a result, reporting entities will be required to provide information on the facility's physical capacity.
- Extends reporting obligations to better meet AEMO's PASA needs by amending the provision on medium term capacity outlook (MTCO) so that the MTCO information reported by BB facilities (except for BB large user facilities) covers daily capacity over the outlook period, retains the current obligation to provide information about matters expected to affect the daily capacity of the BB facility and specified that where this includes maintenance additional information must be provided.¹²⁸ This provides scope for relevant reporting entities to include some deliverability type of information to the extent that information is known. (see section 4.2.1 above)
- Requires the STCO and MTCO of a production facility to take into account any limitations known to the facility operator, such as gas field performance, that may impact the availability of processable gas.¹²⁹
- Provides additional information to AEMO about the impact of storage inventory levels on the rate of gas flows in and out of storage, as outlined above.
- Rule 167A sets out that the BB Procedures can include requirements on providing certain information (nameplate rating, detailed facility information, short term and medium term capacity outlooks) by pipeline segment. This rule similarly provides that linepack outlooks and quantities may be provided by linepack zone or linepack type. As the more granular information set out in this rule is to be specified by the BB Procedures, this gives industry participants the ability to input into the details through consultation with AEMO.

The Commission acknowledges that as experience with PASA grows, more deliverability type of information may be identified as useful for industry participants. If that were to arise, it could be addressed in future rule changes which can assesses the costs and benefits of additional

¹²⁷ Paragraph (g) has been amended in the final rule to clarify the term for user facilities.

¹²⁸ Rule 181(3) of the final rule.

¹²⁹ Final rule 141, definitions of MTCO and STCO.

functionality. This approach is consistent with the objective of this final rule, which is to establish a PASA framework that supports and is proportionate to the stage 2 RSA reform package, and can also be refined over time.

4.4 Registration of an LNG export project

The draft rule introduced registration of responsible reporting entities for LNG export projects.¹³⁰ This included registration of a responsible reporting entity when there was more than one owner, operator or controller of the LNG export project.¹³¹

In its submission to the draft determination, AEMO stated that draft rule 150A is not consistent with existing Part 18 rules about group reporting and that the NGR should provide for only one BB reporting entity for an LNG export project. AEMO stated that maintaining the existing Part 18 approach would avoid unnecessary system changes as all LNG export projects report in this manner.¹³²

In response to this feedback, the Commission has determined that there is no need to require LNG export projects to nominate a responsible reporting entity. Instead, the rules can leverage the existing provisions on reporting entities for LNG export facilities. Utilising the existing provisions will still result in the required information being reported to AEMO without the additional administrative burden.

As noted by AEMO, this change from the draft rule is consistent with current practice. It eliminates unnecessary administrative requirements for AEMO and the relevant parties. This would minimise regulatory costs of compliance for those entities as well as AEMO and therefore contribute to the achievement of the NGO as it aligns with principles of good regulatory practice. The Commission is satisfied that AEMO will obtain the required information.

4.5 Notifying AEMO of events affecting the reliability of gas supply

The draft rule contained a provision to notify (not routinely report) AEMO of an event or circumstances which affects the reliability of gas supply, including equipment failure.¹³³ The draft rule moved across a current provision from Part 27 to Part 18 but also amended it by excluding its application to BB large user facilities and LNG processing facilities.¹³⁴ This provision was part of the streamlining and consolidation of information disclosure provisions from Part 27 into Part 18 of the NGR.

In submissions to the draft determination, stakeholders made the following comments:

- APA and GLNG were concerned that draft rule 190H is already captured by submissions such as the STCO, MTCO and linepack capacity adequacy.¹³⁵ Both noted that the draft rule drafting was too broad and that there should be some form of threshold reached before this reporting is triggered.
- AEMO considered that LNG import facilities should be obligated to notify AEMO of events that affect the reliability of gas supply and recommended that references to LNG processing facilities be removed and replaced with LNG export facilities.¹³⁶

130 Draft rule 150A.

131 Draft rule 150A(3).

132 Submission to the draft determination: AEMO, p 3.

133 Draft rule 190H.

134 The existing provisions are located in rule 689(4).

135 Submissions to the draft determination: APA, p 3; GLNG, p 5.

136 Submission to the draft determination: AEMO, p 4.

- AEMO noted that rule 190H should be accompanied by a corresponding entry in rule 135EA to enable it to make procedures for the circumstances in which this information must be reported.¹³⁷

In response to APA and GLNG, the obligation in draft rule 190H is a positive obligation to formally notify AEMO of a relevant event. The final rule does not require the information provided to be published. This requirement is in addition to routine submissions of information, for example for the STCO or MTCO.

The broad scope of this provision is appropriate to capture notifications of a range of circumstances that will or may affect the reliability of gas supply. Further detail on AEMO's approach to this obligation is currently set out in its ECGS Procedures, which include materiality thresholds for triggering notification for BB facilities and LNG export projects.¹³⁸

The Commission considers it appropriate that a general obligation to notify is set in the NGR while the specific details are set out in the AEMO's procedures developed in consultation with industry participants.

In response to submissions, the final rule:

- retains draft rule 190H, but moves it to Division 6 of Part 18 so that AEMO has a discretion whether to publish information provided to it under the rule on the Bulletin Board
- removes LNG processing facilities from rule 190H and instead includes LNG export facilities, consequently clarifying that LNG import facilities are to notify AEMO of events that may impact the reliability of gas supply
- amends rule 135EA for AEMO to make BB Procedures specifying the details of the circumstances in which information must be reported in line with rule 190H.

The Commission considers that this provision would contribute to the achievement of the NGO, because it would result in a more accurate PASA as AEMO is notified of events or circumstances that will or may affect the reliability of gas supply. A more accurate PASA can better support AEMO notifying industry participants of risks or threats to reliability and supply adequacy using the tiered signalling framework introduced by the ERSAA rule. This in turn enables better-informed industry participant decisions to address risks or threats to gas reliability.

4.6 Exemptions from the obligation to provide information to AEMO

AEMO currently has the discretion to exempt relevant entities from the obligation to provide certain information in specified circumstances and substitute this with standing or default values in both Parts 18 and Part 27 of the NGR.¹³⁹

The draft rule consolidated the exemptions provisions in Part 27 into Part 18, resulting in a single exemptions framework.¹⁴⁰ The intent of the draft rule was to streamline and clarify similar provisions and reduce the regulatory burden on industry participants.

In submissions to the draft determination, stakeholders supported consolidating the exemption provisions in Part 27 into Part 18 of the NGR.¹⁴¹ In consolidating provisions in Part 18, APGA and Jemena suggested adopting the exemptions approach in Part 27, which enabled AEMO to exercise its discretion flexibly and pragmatically in preference to retaining the Part 18

¹³⁷ Submissions to the draft determination: AEMO, p 4.

¹³⁸ AEMO ECGS Procedures, section 2.1.3.

¹³⁹ Rules 164, and 167 in Part 18 and rules 682 and 686 in Part 27.

¹⁴⁰ In the draft rule, rule 682 and 686 in Part 27 was deleted. The draft rule added a new rule 164A and amendments to rules 164 and 167 in Part 18.

¹⁴¹ Submissions to the draft determination: APGA, p 2; Jemena, p 3.

framework.¹⁴² GLNG suggested that exemptions should apply where information has already been provided to comply with another NGR provision.¹⁴³

The Commission affirms the benefit of consolidating the exemption provisions from Part 27 into Part 18 for a streamlined and consistent approach in the NGR. This clarity would minimise regulatory burden on industry participants.

While two stakeholders preferred retaining the Part 27 exemption framework over the Part 18 framework, the Commission has determined that the Part 18 framework is preferable. The long-standing Part 18 framework applies across the Bulletin Board. It provides clear guidance on the conditions of a reporting exemption. This supports administrative simplicity for AEMO and industry participants. The more controlled exemptions framework also aligns with the purpose of creating and maintaining reliable data for the purpose of PASA and operating the RSA framework more generally.

Relevantly, the framework enables exemptions where the information is already reported, consistent with GLNG's comment. This provides relief to parties from reporting obligations while also ensuring that AEMO does not suffer from information gaps that would reduce the usefulness of the Bulletin Board and any reporting and analysis based from that data. In the context of the purpose of PASA, the Part 18 exemption framework approach seems relevant and appropriate.

In the final rule:

- Rules 164 has been retained. The draft rule change, which would have moved the Bulletin Board exemption framework to the broader framework under Part 27, has not progressed.
- Rule 167 has been amended to refer to 'default values' only as 'standing values' have the same meaning and so the draft rule change is not necessary. This clarifies the meaning of the rule for industry participants who have been operating with the current drafting for some time.
- Existing rules 682 and 686 from Part 27 have been deleted.

The Commission considers that these provisions in the final rule contribute to achieving the NGO, because they provide a pragmatic and proportionate approach to an exemptions framework. The approach will enable the provision of information necessary to maintain the operation of the Bulletin Board, as well as support a reliable, well-informed PASA. This in turn will support decision-making on risks and threats to reliability and supply adequacy.

A single, clear and consistent framework on exemptions from the obligation to provide information aligns with principles of good regulatory practice and contributes to the achievement of the NGO.

4.7 Clarifying what information can be published and how

Transparency on the information used as inputs for PASA is important for confidence in the outputs of PASA. However, this must be balanced with the protection of any commercially confidential information provided by industry participants, where appropriate.

The draft rule stated that:

- AEMO must publish aggregated and anonymised information provided to AEMO relating to:¹⁴⁴
 - BB pipeline linepack outlooks

¹⁴² Submissions to the draft determination: APGA, p 2; Jemena, p 3.

¹⁴³ Submission to the draft determination: GLNG, p 5.

¹⁴⁴ Draft rule 194(1)(c)

- Maintenance outlook for BB large user facilities
- 12-month demand outlooks for LNG export projects.
- AEMO must not publish the following information unless that information is de-identified and published in an aggregated form:¹⁴⁵
 - LNG import facility MTCO
 - BB pipeline segment STCO
 - BB pipeline linepack outlooks
 - Maintenance outlooks for BB large user facilities
 - 12-month demand outlooks for LNG export projects.

In submissions to the draft determination, stakeholders made the following points:

- AEMO identified issues with the draft rule that would reduce transparency and remove information currently published for the market. Specifically:¹⁴⁶
 - AEMO should be able to publish LNG import facility MTCO information in an unaggregated form consistent with the current Part 18 framework applying to BB facilities.
 - AEMO should be able to continue publishing BB pipeline segment STCO as it does currently.
 - The final rule should expressly permit aggregated publication when one or more LNG export projects are on maintenance or outage. AEMO states that with only three LNG export projects currently reporting on the BB, restricting publication at these times would create visibility gaps in MT PASA.
 - AEMO should be able to publish maintenance outlooks for BB large user facilities as this information is not sensitive and most GPG facilities already publish equivalent outage information through the NEM ST PASA which is made public.
- APLNG suggested that provisions that were classified as ‘protected information’ in Part 27 and which the draft rule moved to Part 18 were in fact a change of policy. APLNG noted that Chapter 2, Part 6, Division 7 of the NGL allowed for the authorised disclosure of protected information for reasons such as safety and reliability.¹⁴⁷
- GLNG agreed with aggregated data being published for linepack outlooks, maintenance work affecting large users and 12-month outlook for LNG export projects.¹⁴⁸

In response to submissions, the final rule provides for:

- AEMO being required to publish aggregated and anonymised information on BB pipeline linepack outlooks and 12-month demand outlooks for LNG export projects.
- AEMO can publish in line with current practice and framework in Part 18:
 - BB pipeline segment STCO
 - maintenance outlooks for BB large user facilities
 - LNG import facility MTCO.
- AEMO must not publish actual linepack data.

The Commission considers that it is unnecessary for these provisions to be classified as ‘protected information’ under the NGL. The same policy effect can be achieved in Part 18 by

¹⁴⁵ Draft rule 194(2)(aa)-(ab)

¹⁴⁶ Submission to the draft determination: AEMO, pp 1-2.

¹⁴⁷ Submission to the draft determination: APLNG, p 3.

¹⁴⁸ Submission to the draft determination: GLNG, p 5.

specifying the publication of some information in certain ways and identifying that other information is not to be published, or is to be published in aggregated form only, for example.

The Commission considers the final rule will promote transparency in the information inputs for PASA. The rule is also consistent with the approach established for the Bulletin Board in Part 18. In this way, the arrangements will be familiar to industry participants and not require any new administrative processes. This will ease implementation.

Using the existing Bulletin Board arrangements to clarify publication and non-publication of information is consistent with achieving the NGO. This is because the approach in the final rule provides transparency to support well-informed decision-making as needed but also provides a clear approach to confidentiality in line with principles of good regulatory practice.

5 Implementation timeline and cost recovery

This chapter sets out the implementation timeline for the PASA, and outlines how AEMO will recover its implementation costs. The key dates for the next steps for PASA are included in the box below.

Box 4: Final rule on implementation timeframe and recovery of costs

The final rule specifies the key dates for implementation as:

- 1 April 2027: AEMO ECGS and BB Procedure updates to be completed.
- 6 April 2028: New information disclosure obligations commence for industry participants and AEMO commences a PASA trial.
- 8 June 2028: PASA formally commences and is published by AEMO.

These dates differ from the draft rule, reflecting the extended rule change process and providing sufficient time for AEMO and industry stakeholders to implement changes for PASA and also the ERSAA and SoLR rules.

To enable AEMO to recover its implementation costs, the final rule would enable PASA to be recognised as a 'major gas project'. This entitles AEMO to recover its implementation costs through participant fees. This is consistent with the draft rule.

5.1 Staged implementation will enable procedure updates and system upgrades

The draft rule set out a staged approach to implementing the PASA rule. The key dates discussed in the draft determination were:

- 9 October 2025: AEMC publishes its final determination.
- 5 March 2026: AEMO ECGS and BB Procedure updates to be completed.
- 1 March 2027: New information disclosure obligations commence for industry participants and AEMO commences a PASA trial.
- 3 May 2027: PASA formally commences and is published by AEMO.

Submissions to the draft determination commented:

- AEMO stated that timeframe did not allow enough time for implementation, given the complexity of developing GPG forecasts and implementing a fit-for-purpose methodology.¹⁴⁹
- AEMO stated that a transitional rule will also be required to enable it to include feedback from the High Level Impact Assessment process into the Procedure change process.¹⁵⁰
- Jemena supported AEMO's preferred timeline for the PASA to go live on 27 October 2027, as set out in AEMO's High Level Implementation Assessment (HLIA).¹⁵¹

The Commission has considered these points, and acknowledges that it extended the rule change process to provide for more time to make the final determination and enable it to consider the interactions of this PASA rule with the ERSAA and SoLR rules, as these rules work as a package of reforms.

¹⁴⁹ Submission to the draft determination: AEMO, p 2.

¹⁵⁰ Submission to the draft determination: AEMO, p 2.

¹⁵¹ Submission to the draft determination: Jemena, p 3.

Following further discussions with AEMO about how to implement PASA for the ECGS, the Commission sets the implementation date for PASA to formally commence or 'go live' as 8 June 2028.

As discussed in the draft determination, a staged implementation process will occur that allocates:

- Nine months from the publication date of the PASA, ERSAA and SoLR final determinations (25 June 2026) for AEMO to update its procedures in consultation with stakeholders.
- Twelve months from when AEMO's procedures are complete across PASA, ERSAA and SoLR rule changes (1 April 2027) to when the PASA information disclosure obligations commence for industry on 6 April 2028. This period allows AEMO and market participants to make system and process upgrades as guided by the procedures.
- Two months from when PASA information disclosure obligations commence for industry (6 April 2028) to when PASA formally goes live, and where AEMO begins to publish the PASA on 8 June 2028. This period enables AEMO to conduct a trial to test systems in place and resolve any remaining issues before the PASA goes live. It also allows industry participants to test and refine their information reporting obligations arising from the PASA rule.

With AEMO's procedures in place on 1 April 2027, key elements of the stage 2 RSA reforms will be available for winter 2027 as sought in the rule change requests:

- the tiered risk and threat signalling framework as set in the ERSAA rule could be used to inform industry participants of risks or threats to reliability if needed, even though PASA information will not be available
- SoLR would be available to use if needed.

This timeframe in the final rule will contribute to achieving the NGO's objectives, because it aligns with principles of good regulatory practice. It allows adequate time for AEMO and industry participants to make the necessary process and systems upgrades for a successful go live date, while balancing the objective of improving the RSA framework for the ECGS in a timely manner.

5.2 AEMO's implementation costs will be recovered through participant fees

In the draft rule, the PASA is considered a 'major gas project' given the significant work AEMO must undertake to upgrade its systems to implement it.¹⁵² This would entitle AEMO to recover the costs incurred in implementing the rule through participant fees.

In its submission to the draft determination, APLNG stated that producers should not subsidise the PASA through participant fees.¹⁵³ Instead, APLNG suggested that the cost-reflective principle should be used to ensure that participant fees are based on the relative benefit received by a party rather than the non-discrimination principle where costs are evenly spread across participants, resulting in undue financial burden on some participants.

In setting participant fees, AEMO must have regard to the NGO and a range of principles in setting the fee structure.¹⁵⁴ There is also a clear process for reviewing and consulting on participant fees.¹⁵⁵

152 Draft rule, transitional rule 5.

153 Submission to the draft determination: APLNG, p 5.

154 Rule 135CA(4) of the NGR.

155 Rule 135CA of the NGR.

As noted by APLNG, this cost recovery approach may result in costs being shared among many industry participants across the markets. However, this approach is appropriate for recovering PASA's implementation costs. This is because the potential benefits of published PASA information - of improved visibility of gas reliability and supply adequacy and the implementation of the ERSAA and SoLR rules - are spread across participants of the ECGS and outweigh those costs.

As a result, the final rule is consistent with the draft rule and enables AEMO to recover its PASA implementation costs through participant fees, spreading the costs over many industry participants.

5.3 AEMO can incorporate results from the HLIA process

In preparation for PASA, AEMO conducted and published its High Level Impact Assessment (HLIA) in August 2025.¹⁵⁶ In its submission to the draft determination, AEMO suggested that a transitional rule would be required to enable AEMO to include feedback from the HLIA process in the procedure change process.

The Commission considers leveraging the HLIA work would provide the benefit of recognising the work to date on developing PASA that has been carried out by AEMO and industry participants. It provides a base for future work on procedures and the development of PASA. This approach would support a more efficient and timely implementation process compared to requiring AEMO to undertake HLIA again. It would enable AEMO to meet the PASA implementation timetable discussed above.

However, following further consultation with AEMO, the Commission has not included a transitional rule as initially suggested by AEMO. Both market bodies are satisfied that AEMO is able to incorporate the insights gathered during the HLIA process when it carries out the procedure change process. As a result, the draft transitional rule is not reflected in the final rule.

¹⁵⁶ Available on AEMO's website.

A The rule making process and rule change request

This appendix provides an outline of the rule making process relevant to this request, as well as an overview of the rule change request.

A.1 The rule making process

The standard rule change request includes the following stages:

- a proponent submits a rule change request
- the Commission initiates the rule change process by publishing a consultation paper and seeking stakeholder feedback
- stakeholders lodge submissions on the consultation paper and engage through other channels to make their views known to the AEMC project team
- the Commission publishes a draft determination and draft rule (if relevant)
- stakeholders lodge submissions on the draft determination and engage through other channels to make their views known to the AEMC project team
- the Commission publishes a final determination and final rule (if relevant).

More information on the rule change process on the AEMC website.¹⁵⁷

The Commission has progressed this rule change under a timeline that is longer than standard.

On 10 April 2025, the Commission published a notice advising of the initiation of the rule making process and consultation in respect of the rule change request.¹⁵⁸ A consultation paper identifying specific issues for consultation was also published. Submissions in response to the rule change request and consultation paper closed on 8 May 2025. The Commission received 15 submissions in this first round of consultation.

The draft determination was published on 17 July 2025. Submissions in response to the draft determination closed on 28 August 2025. The Commission received 20 submissions in this second round of consultation.

On 2 October 2025, the Commission extended the date for the final determination to 18 December 2025. This was necessitated by the issues of complexity raised in stakeholder submissions to the draft determination.¹⁵⁹

The Commission again extended the date for the final determination to 25 June 2026.¹⁶⁰ This was necessitated by the issues of complexity raised in stakeholder submissions to the draft determination. It also enabled the Commission to consider this rule change request in conjunction with the remaining stage 2 RSA rules – ECGS Enhancing reliability and supply adequacy arrangements (GRC0076) and ECGS Supplier of last resort mechanism (GRC0077).

The Commission has considered all issues raised by stakeholders in submissions in making this final determination. Issues raised in submissions are discussed and responded to throughout this rule determination.

¹⁵⁷ <https://www.aemc.gov.au/our-work/changing-energy-rules>

¹⁵⁸ This notice was published under section 303 of the NGL.

¹⁵⁹ This notice was published under section 317 of the NGL.

¹⁶⁰ This notice was published under section 317 of the NGL.

A.2 About this rule change request

This section outlines the rule change request. Further information can be obtained from the consultation paper and draft determination and the request published on our project page.

The ECGS Projected assessment of system adequacy (PASA) rule change request is one of four rule change requests that together seek to establish specific tools for the existing RSA framework for the ECGS. These tools would allow AEMO and market participants to better respond to reliability and supply adequacy threats.

The RSA stage 1 reforms in early 2023 were made in the face of impending risks of gas shortfalls forecast for winter 2023.¹⁶¹

Following the implementation of the stage 1 RSA reforms, energy ministers considered additional changes to the NGR were needed to complement the framework and make it fit for purpose to address reliability and supply adequacy risks in the short, medium and long term. In December 2023, ministers directed senior energy officials to progress a package of reforms to implement stage 2 of the RSA framework through changes to the NGR.¹⁶²

A.3 The proponents' key concerns outlined in the request

The rule change request proposes changes to the NGR to introduce a:

- ST PASA with a daily publication frequency and seven-day horizon
- MT PASA with a weekly publication frequency and 12-month horizon.

It proposed that AEMO be required to outline the substantive detail and methodology for producing the ST PASA in the ECGS procedures. This includes the:

- method AEMO will use to prepare the demand forecasts and other key inputs to the ST and MT PASA
- regions to be used for the ST and MT PASA
- processes and methodologies to be used by AEMO when preparing the ST and MT PASA
- outputs to be published as part of the ST and MT PASA, over and above those specified in the NGR
- manner and form in which ST and MT PASA outputs will be published (including how this information will be aggregated or disaggregated) and the timetable for publication.

The proposal also includes a modest uplift in the prescriptive, rules-based information disclosure regime. This is to ensure accuracy and efficacy of a PASA based on a high quality, complete dataset. For more information about the proposed solution see Chapter 3 of the [consultation paper](#).

A.3.1 Improving the quality of information in the ECGS for intra-year periods

The proponents consider that the ECGS lacks a complete set of high quality information on gas supply and demand over the intra-year period. This is reducing stakeholders' ability to make timely, informed and efficient decisions about how to plan for and manage any emerging reliability and supply adequacy threats. In the context of a tightening supply-demand balance in the ECGS, the

¹⁶¹ Stage 1 reforms gave AEMO some power to address and mitigate reliability risks and threats in the ECGS such as to issue directions to relevant entities or trade gas where no industry responses to reliability threats are feasible. For more details on the stage 1 reforms, see Chapter 3 of the AEMC's [background paper](#).

¹⁶² See Chapter 1 of the [background paper](#).

proponents consider it is imperative that stakeholders are empowered to make the best decisions with respect to their supply and demand for gas.

The proponents consider that an inability of participants to respond to threats to reliability and supply adequacy in the ECGS would have a range of adverse effects on both the system and gas consumers. This could include:¹⁶³

- increased costs due to inefficient decision making with respect to supply and demand
- increased volatility when threats arise
- greater reliance on AEMO intervention to resolve threats, which may be less efficient and potentially less effective.

The proponents note that while the stage one RSA reforms increased the scope of information market participants are required to report to AEMO relating to gas supply and demand in the ECGS, there is not a systematic intra-year assessment of ECGS reliability or adequacy of supply.¹⁶⁴ It also notes that while AEMO can publish updates if new information comes to light, neither the GSOO nor the VGPR are designed to be updated with the frequency required to provide participants the information they would require to have a good understanding of the intra-year reliability or adequacy of supply and to respond accordingly. The request considers that while the Bulletin Board may be suited to publishing such data at a higher frequency, there are a number of limitations with the data collected for the Bulletin Board that mean it cannot be relied upon for this purpose.

A.3.2 Improving participants' ability to respond to ECGS reliability threats

The proponents consider that by improving the information available to participants over the operational to short-term planning horizon, they would be empowered to make better decisions around:

- gas demand
- facility maintenance
- gas supply
- bilateral trading.

The request notes that the improved information would induce more timely, efficient and market-led responses to reliability and supply adequacy threats.¹⁶⁵ It also notes it would reduce the need for AEMO intervention, directions, and gas RSA conferences, thus allowing for more efficient operation of the ECGS.

¹⁶³ Rule change request, p 23.

¹⁶⁴ Rule change request, p 18.

¹⁶⁵ Rule change request, pp 58-59.

B Legal requirements to make a rule

This appendix sets out the relevant legal requirements under the NGL for the Commission to make this final rule determination.

B.1 Final rule determination and more preferable final rule

In accordance with section 311 of the NGL, the Commission has made this final rule determination for a more preferable final rule in relation to the rule change request.

The Commission's reasons for making this rule determination, and the more preferable rule, are set out in chapter 2 and the following chapters.

A copy of the more preferable final rule is attached to and published with this final determination. Its key features are described in this final determination.

B.2 Power to make the rule

The Commission is satisfied that the more preferable final rule falls within the subject matters about which the Commission may make rules.

The more preferable final rule falls within section 74 of the NGL as it relates to regulating:

- the collection, use, disclosure, copying, recording, management and publication of information in relation to the covered gas industry¹⁶⁶
- AEMO's east coast gas system reliability and supply adequacy functions.¹⁶⁷

Additionally, the more preferable final rule falls within the matters set out in Schedule 1 of the NGL as it relates to:

- the way in which AEMO must or, without limitation, may exercise or perform its east coast gas system reliability and supply adequacy functions (item 55W)
- item 55ZD, being the payment of fees and charges under section 91E to enable AEMO to recover costs relating to its east coast gas system reliability and supply adequacy functions
- item 55ZE, being the provision of information to AEMO in relation to its east coast gas system reliability and supply adequacy functions, who must give AEMO the information, the circumstances in which the information may or must be given and the way in which the information may or must be given, including a way set out in the procedures.

Under section 296 of the NGL, the Commission may make a rule that is different (including materially different) to a proposed rule if it is satisfied, having regard to the issue or issues raised in the rule change request, the more preferable rule will or is likely to better contribute to the achievement of the NGO. The Commission is satisfied the more preferable final rule is likely to better contribute to the achievement of the NGO. The Commission's reasons are set out in chapter 2 and throughout this determination.

B.3 Commission's considerations

In assessing the rule change request, the Commission considered:

- its powers under the NGL to make the final rule, including a more preferable rule
- the rule change request

¹⁶⁶ Section 74(1)(a)(iii) of the NGL.

¹⁶⁷ Section 74(1)(a)(ac) of the NGL.

- submissions received during the first round of consultation
- information and other feedback from stakeholders received during consultation
- the Commission’s analysis as to the ways in which the final rule will or is likely to contribute to the achievement of the NGO
- submissions received during the second round of consultation
- the application of the draft rule to Western Australia.

There is no relevant Ministerial Council on Energy (MCE) statement of policy principles for this rule change request.¹⁶⁸

The Commission may only make a rule that has effect with respect to an adoptive jurisdiction (relevantly, Victoria) if satisfied that the proposed rule is compatible with the proper performance of AEMO’s declared system functions in that jurisdiction.¹⁶⁹ The more preferable final rule is compatible with AEMO’s declared system functions because it supports AEMO’s functions to operate and administer the declared wholesale gas market and provide information to facilitate decisions for economically efficient investment in the covered gas industry in that adoptive jurisdiction.¹⁷⁰

The more preferable final rule makes changes to Part 19 of the NGR. The Commission is able to change Part 19 rules as the Victorian Minister is a proponent of the rule change request.

B.4 Making gas rules in Western Australia

Under the *National Gas Access (WA) Act 2009* (WA Gas Act), a modified version of the NGL, known as the National Gas Access (Western Australia) Law (WA Gas Law), was adopted. Under the WA Gas Law, the NGR applying in Western Australia is version 1 of the NGR, as amended by rules made by the South Australian Minister for Energy¹⁷¹ and rules made by the AEMC in accordance with its rule making powers under sections 74 and 313 of the WA Gas Law.¹⁷²

The final rule falls within the subject matters about which the Commission may make rules under the WA Gas Act, as it relates to rules regulating the collection, use, disclosure, copying, recording, management and publication of information in relation to natural gas services.¹⁷³

The final rule amends Part 27 of the NGR which contains the east coast gas system reliability and supply adequacy provisions. The east coast gas system comprises certain facilities, markets and systems located wholly or partly within an east coast jurisdiction. An east coast jurisdiction means a participating jurisdiction other than Western Australia.¹⁷⁴ Consequently, Part 27 of the NGR does not apply in the WA version of the NGR.

The final rule also amends a Parts 15B, 18, 19, 20 and 27 of the NGR, none of which apply in the WA version of the NGR. Accordingly, the final rule would not apply in Western Australia.

168 Under s. 33 of the NEL and s. 73 of the NGL the AEMC must have regard to any relevant MCE statement of policy principles in making a rule. The MCE is referenced in the AEMC’s governing legislation and is a legally enduring body comprising the Federal, State and Territory Ministers responsible for energy.

169 Section 295(4) of the NGL.

170 Sections 91BA(1)(d) and (f) of the NGL.

171 The Statutes Amendment (National Energy Laws) (Binding Rate of Return Instrument) Act 2018 and the National Gas (South Australia (Pipelines Access—Arbitration) Amendment Act 2017.

172 See our website for further information at <https://www.aemc.gov.au/regulation/energy-rules/national-gas-rules/western-australia>.

173 Section 74 and Schedule 1 of the WA Gas Law specify the subject matter for rules that can be made by the AEMC in Western Australia.

174 Section 2 of the NGL.

B.5 Civil penalty provisions and conduct provisions

The Commission cannot create new civil penalty provisions or conduct provisions. However, it may recommend to Energy Ministers that new or existing provisions of the NGR be classified as civil penalty provisions or conduct provisions. In the case of the provisions governing the DWGM, the Commission may recommend to the Victorian Minister for Energy and Resources that new or existing provisions of the NGR be classified as civil penalty provisions or conduct provisions under the *National Gas (Victoria) (Declared System Provisions) Regulations*.

B.5.1 Civil penalty provisions

The NGL sets out a three-tier penalty structure for civil penalty provisions in the NGL and the NGR.¹⁷⁵ A Decision Matrix and Concepts Table,¹⁷⁶ approved by Energy Ministers, provides a decision-making framework that the Commission applies, in consultation with the AER, when assessing whether to recommend that provisions of the NGR should be classified as civil penalty provisions, and if so, under which tier.

Following consultation with the AER and the Victorian Department of Energy, Environment and Climate Action (DEECA), the Commission will make the following civil penalty recommendations to Energy Ministers in relation to rules 165, 185, 211, 684 and 715 of the final rule. The AER has confirmed its support regarding rules 165, 185, 684, and 715 of the final rule and to the Victorian Minister for Energy and Resources in relation to rule 211.

Table B.1: Civil penalty recommendations

Rule	Description of rule	Proposed classification	Reason for classification
New 165(1A)	This subrule requires a BB shipper or BB gas offtaker required under Part 18 or the BB Procedures to give information or data to another entity to do so in accordance with the BB information standard.	Tier 1	Compliance with this subrule is necessary to ensure the security and safety of the gas supply. This corresponds with the Civil Penalties Decision Matrix tier 1 classification. It also corresponds with the civil penalty tiering of rule 165(1), a similar provision.
New rule 185B	This rule requires BB shippers to provide BB facility operators with nominations for the following day and good faith indicative nominations for its use of the BB facility over the 6 days after that.	Tier 2	A breach of this subrule involves inadequate record keeping or administrative processes. This corresponds with the Civil Penalties Decision Matrix tier 2 classification.
New rule 185C	This rule requires BB gas offtakers to provide BB facility	Tier 2	A breach of this subrule involves inadequate record keeping or

¹⁷⁵ Further information is available at <https://www.aemc.gov.au/regulation/energy-rules/civil-penalty-tools>

¹⁷⁶ The Decision Matrix and Concepts Table is available at: https://web.archive.org/awa/20210603104757mp_/https://energyministers.gov.au/sites/prod.energycouncil/files/publications/documents/Final%20-%20Civil%20Penalties%20Decision%20Matrix%20and%20Concepts%20Table_Jan%202021.pdf

Rule	Description of rule	Proposed classification	Reason for classification
	operators with offtake nominations for the following day and good faith indicative nominations for the 6 days after that		administrative processes. This corresponds with the Civil Penalties Decision Matrix tier 2 classification.
211(1)	This rule requires Market Participants to submit demand forecasts and bids to AEMO by 11:00 am on the day that is 2 days before the day on which a gas day commences.	Tier 1	Compliance with this rule is necessary to ensure the security and safety of the gas supply. This corresponds with the Civil Penalties Decision Matrix tier 1 classification. This is also consistent with rule 410, a similar rule applying in the STTM.
New rule 211(1A)	This rule requires demand forecasts to be provided 7 days before the day on which a gas day commences.	Tier 1	Compliance with this rule is necessary to ensure the security and safety of the gas supply. This corresponds with the Civil Penalties Decision Matrix tier 1 classification.

See the [Civil Penalties Decision Matrix and Concepts Table](#) for more information on civil penalty tiering.

The Commission proposes to recommend to Energy Ministers that the classifications for a number of provisions are removed given the relevant rules have been deleted, and therefore the current classifications are redundant.

Table B.2: Deleted civil penalty recommendations

Rule	Description of rule	Current classification	Reason
Rule 684(1)	This subrule requires a relevant entity required by Division 2 of Part 27 or the ECGS Procedures to give information to AEMO to do so in accordance with the ECGS information standard.	Tier 1	The disclosure obligations in Division 2 of Part 27 are deleted under the rule and as such, this civil penalty is no longer required.
Rule 684(4)	This subrule requires a relevant entity required by Division 2 of Part 27 or the ECGS Procedures to update information	Tier 1	The disclosure obligations in Division 2 of Part 27 are deleted under the rule and as such, this civil penalty is no longer required.

Rule	Description of rule	Current classification	Reason
	provided to AEMO to do so each time facts or circumstances arise that require the information to be updated and within any applicable timeframe specified in the ECGS Procedures.		
Rule 715(1)	This rule requires the owner, operator or controller of an LNG export project to apply to AEMO to register as the responsible reporting entity for the LNG export project.	Tier 1	The requirement to register as the responsible reporting entity for the LNG export project is moved to Part 18 and as such, this civil penalty is no longer required.

See the [Civil Penalties Decision Matrix and Concepts Table](#) for more information on civil penalty tiering.

B.5.2 Conduct provisions

Where the rule amends provisions that are currently classified as conduct provisions, the Commission proposes to recommend to Energy Ministers that no changes are made to the classification of those provisions. This is relevant for rule 165(1) as noted in the table below.

The Commission will also make the following recommendations to the Victorian Minister for Energy and Resources with respect to the classification of rules 211(1) and (1A) as conduct provisions.

Table B.3: Conduct provision recommendations

Rule	Description of rule	Reason to retain conduct provision
Rule 165(1)	This subrule requires a BB reporting entity required by Part 18 or the BB Procedures to give information or data to AEMO to do so in accordance with the BB information standard. The rule extends this obligation to other entities required under Part 18 to give information or data to AEMO.	As this amendment extends the obligation to other entities required to provide information under the rule and does not change the nature of the obligation, no change to the conduct provision classification is

Rule	Description of rule	Reason to retain conduct provision
		recommended.
Rule 211(1)	This rule requires Market Participants to submit demand forecasts and bids to AEMO by 11:00 am on the day that is 2 days before the day on which a gas day commences. The draft rule proposes to amend the requirement for demand forecasts to be provided 7 days before the day on which a gas day commences in new subrule (1A).	As the timing for bid submission is unchanged, no change to the conduct provision classification is recommended.
Rule 211(1A)	This rule amends the requirement for demand forecasts to be provided, to extend it to 7 days before the day on which a gas day commences.	As this amendment changes the timeframe in which Market Participants are to submit demand forecasts but does not change the nature of the obligation, the Commission's recommendation is to classify this subrule as a conduct provision.

C Changes from draft to final

C.1 Overview of the final rule

Our final rule inserts the new PASA framework in the NGR and makes related changes to rules about providing information to AEMO.

The new PASA framework requires AEMO to:¹⁷⁷

- administer the PASA, having regard to the PASA objective and using regions determined by AEMO
- include in the ECGS Procedures, information about how (in summary) AEMO will prepare the PASA, what AEMO will publish as part of the PASA and the PASA timetable
- publish both a Medium Term PASA and Short Term PASA, and update these if there is a change AEMO considers to be material.

C.1.1 Streamlining of reporting obligations

To administer the PASA, AEMO will require information from industry participants. This includes information currently provided under the provisions governing the Bulletin Board,¹⁷⁸ and the ECGS reliability and supply adequacy framework.¹⁷⁹ The final rule consolidates the provisions under the Bulletin Board framework. This enables some streamlining. In particular, the final rule:

- relies on the reporting exemptions in the current Bulletin Board framework for remote BB facilities, BB blended gas distribution systems and exempt NT facility operators¹⁸⁰
- merges what is currently the ECGS information standard into the BB information standard, to cover the new categories of participant required to report under Part 18¹⁸¹
- requires reporting in accordance with the BB Procedures, rather than in accordance with the ECGS Procedures¹⁸²
- retains the arrangements under which AEMO can exempt reporting entities by allowing them to rely on standing or default values, but only using the Bulletin Board term ‘default values’ for simplicity.¹⁸³

The final rule does not replicate AEMO’s general exemption power from the ECGS framework but instead relies on the existing exemption framework in the Bulletin Board rules.¹⁸⁴

C.1.2 Changes to the reporting entity

The final rule makes some changes to the entity required to report information, and to whom the information is reported. In particular, the final rule:

- relies on the reporting entity for LNG export facilities to report information relating to the LNG export project it is part of, with the result that the current obligation for LNG export projects to nominate a responsible reporting entity is no longer needed¹⁸⁵

¹⁷⁷ New Division 2 of Part 27.

¹⁷⁸ Part 18 of the NGR.

¹⁷⁹ Part 27 of the NGR.

¹⁸⁰ Deletion of current rule 682 in Part 27, with the current application rules in Division 1 of Part 18 having the same effect.

¹⁸¹ Deletion of current rule 684 and amendments to rule 165.

¹⁸² Deletion of current rule 685 and amendments to rule 166.

¹⁸³ Deletion of current rules 682(b) and 686; these are now covered by current rule 167.

¹⁸⁴ Deletion of current rule 682(2)(a); current rules 164 and 167.

¹⁸⁵ Deletion of current rule 715 and related definitions in rule 680, and new paragraph (b) of ‘material change’ in rule 141 which, in summary, provides for changes to 12-month demand forecasts for LNG export facilities to be measured by reference to the net impact on the market.

- omits the obligation in the ECGS framework for retailers that sell gas to report daily gas demand and related information and instead, to improve the quality of the nominated and forecast information provided to AEMO, inserts new provisions under which facility operators must be provided with daily nominations by BB shippers and BB gas offtakers.¹⁸⁶

The term 'BB gas offtaker' is new and covers BB shippers and other entities that nominate for gas supply from production facilities and LNG import facilities.

C.1.3 BB large user facilities and LNG export projects

The final rule changes the reporting obligations for BB large user facilities and LNG export projects (now reported for LNG export facilities), as follows:

- seven-day forecasts of gas demand are no longer required from BB large user facilities¹⁸⁷
- forecasts of gas demand for LNG export facilities are no longer required to be broken down into quantities taken from the markets and quantities supplied under gas supply agreements¹⁸⁸
- LNG export facilities will provide medium term demand outlooks covering a period of 12 months from the date of the forecast¹⁸⁹
- the obligation for LNG export projects to report expected maintenance work over a 24-month horizon has been removed and is instead covered by the reporting of medium term capacity outlooks for LNG export facilities¹⁹⁰
- BB large user facilities continue to report expected maintenance work over a 24-month horizon, but will do so under a continuing obligation to report medium term facility maintenance outlooks, allowing for the use of default values, rather than reporting only when maintenance is expected.¹⁹¹

C.1.4 Daily capacity forecasts for facilities other than BB large user facilities

The final rule moves, and modifies, the obligations under the ECGS framework (for facilities other than BB large user facilities and LNG processing facilities) to provide daily capacity forecasts over a six-month forecasting horizon and expected maintenance work over a 24-month horizon.¹⁹² This is achieved as follows:

- The final rule amends the current obligation in the Bulletin Board provisions for facilities other than BB large user facilities to provide medium term capacity outlooks over a 24 month outlook period. The current provisions only require reporting of matters expected to affect daily capacity over the outlook period. The final rule instead requires reporting of expected daily capacity during the outlook period, including specified information about maintenance.¹⁹³
- The final rule amends the definitions of 'short term capacity outlook' and 'medium term capacity outlook' for BB production facilities to require the facility operator to take into account any limitations known to it, such as gas field performance, that may impact the availability of processable gas. The term 'processable gas' is from the NGL.

¹⁸⁶ Deletion of current rule 687 and the insertion of new rules 185B and 185C; new definition of 'BB gas offtaker' in rule 141, amendments to rule 165, and the insertion of rule 166(2A).

¹⁸⁷ Deletion of rule 688.

¹⁸⁸ Deletion of rule 688.

¹⁸⁹ New rule 185A; definition of 'medium term demand outlook' in rule 141.

¹⁹⁰ Deletion of rule 688(3) and reporting under amended rule 181.

¹⁹¹ Deletion of rule 688(3), new rule 181A; new definition of 'medium term facility maintenance outlook' in rule 141 and new paragraph (f) in the definition of 'material change' in rule 141.

¹⁹² Deletion of subrules 689(1), (2) and (3). The term 'daily capacity forecast' is currently explained in the ECGS Procedures.

¹⁹³ Final rule, amended rule 181, amended definition of 'medium term capacity outlook' in rule 141.

- The final rule requires the reporting entity for a gas storage facility to give AEMO information about changes in injection and withdrawal rates under different storage inventory levels.¹⁹⁴

C.1.5 Linepack reporting and reporting by pipeline segment

The final rule moves and amends the ECGS reporting obligations for BB pipelines, by:

- moving the obligation to provide a seven-day linepack forecast to the Bulletin Board framework and adding a new obligation to report actual daily linepack¹⁹⁵
- allowing AEMO, through the BB Procedures, to require nameplate rating information, detailed facility information, capacity outlooks and linepack outlooks to be reported by pipeline segment, linepack type or linepack zone, as applicable.¹⁹⁶

C.1.6 Events affecting reliability

The final rule moves and amends the ECGS reporting obligation relating to events that may affect the reliability of gas supply.¹⁹⁷ The obligation is now part of the Bulletin Board framework. The new provision:

- extends the obligation to the reporting entity for LNG import facilities, with the result that it applies to the reporting entity for all BB facilities other than BB large user facilities and LNG export facilities
- confirms that the BB Procedures may specify circumstances in which information must be reported
- allows, but does not require, AEMO to report the information on the Bulletin Board
- classifies information as protected information, if the BB reporting entity makes a claim for confidentiality at the time the information is provided.

C.1.7 What may be published

The final rule includes the new restrictions on the information AEMO publishes on the Bulletin Board as follows:¹⁹⁸

- linepack outlook information and medium term demand outlooks for LNG export facilities must be aggregated and anonymised
- daily linepack quantities must not be published.

C.1.8 DWGM and STTM

The final rule extends submission deadlines for the DWGM and STTM as follows:

- For the DWGM, the time for submission of demand forecasts is extended from two to seven days.¹⁹⁹
- For the STTM, the time for submission of price taker bids is extended from three to seven gas days in advance and aligns the timing of resubmissions with the equivalent obligation for the DWGM.²⁰⁰

194 Final rule 169(4)(c).

195 New rule 179A, new rule 187A and new paragraph (e) in the definition of 'material change' in rule 141.

196 Final rule, new rule 167A, and new definitions in rule 141: 'linepack'; 'linepack outlook'; 'linepack zone'; 'pipeline segment'.

197 Deletion of subrule 689(3); insertion of new rule 190H.

198 Amended rule 194(2)

199 New rules 211(1) and (1A).

200 Final rules 410(2) and (2A).

C.1.9 Other changes

The final rule makes other minor or consequential changes to the Bulletin Board rules as follows:

- Changes to the list of matters that the BB Procedures may deal with reflect the amendments outlined above, including moving relevant items from the provision about the ECGS Procedures.²⁰¹
- Changes to the 'daily capacity' definition used for Bulletin Board reporting to clarify that for user facilities, 'daily capacity' refers to the capacity of the facility to receive gas through its connections, rather than the capacity of the associated pipeline connections (which may not be known to the user).
- Changes to the provisions about reporting nominated and forecast use of BB facilities clarify when the reporting entity must use information provided to it by BB shippers or BB gas offtakers, and when it may use its own forecasts.²⁰²
- Transitional rules implement the transitional arrangements described in Chapter 5 of this determination.

C.2 Changes from draft to final rule

The following table provides an overview of the key differences between the draft rule and final rule.

Table C.1: Key differences between the draft and final rules

Rule	Change from draft
135EA(3)	<p>The list of matters for the BB Procedures has been amended to remove some duplication and to clarify that, consistent with current practice, the procedures will give guidance about whether linepack is reported on an end of day or start of day basis, and what maintenance work needs to be reported.</p> <p>Paragraph (c2) from the draft rule has been omitted in the final rule. The provision is no longer needed because the final determination is that LNG export projects do not need to register under Part 18. Registration remains a requirement for LNG export facilities.</p>
135K	<p>The proposed change to the definition of 'LNG export facility' has not been made and instead the complete definition has been retained in Part 15D.</p>
141	<p>Rule 141 defines terms used in Part 18. The final rule makes several changes to the draft rule as follows:</p> <ul style="list-style-type: none"> • 'BB gas offtaker': The new term 'BB gas offtaker' replaces 'BB gas buyer', in order to accommodate a broader range of commercial models, such as tolling, that may be used for LNG import facilities and production facilities. • 'daily capacity' paragraph (a), production facility: The final rule clarifies that the requirement to take into account limitations such as gas field performance only applies where the reporting entity knows the information and moves the requirement to the definition of 'short term capacity outlook' and 'medium term capacity outlook' (since this information is not required to be taken into

²⁰¹ Final rule, amendments to rules 135EA(3) and (7).

²⁰² Final rules 182-185.

Rule	Change from draft
	<p>account for the nameplate rating).</p> <ul style="list-style-type: none"> • ‘daily capacity’ paragraph (g), user facility: The final rule amends the wording to clarify the intention is to require reporting based on what the plant is ‘capable of receiving’ – that is, the physical limits and not, say, contractual limits. • ‘linepack’: The final rule elevates the defined term into the rules from the BB Procedures, for ease of use. The definition is a modified version of the definition in the current ECGS Procedures. • ‘linepack outlook’: The final rule inserts ‘linepack outlook’ to clarify that the obligation is to give good faith estimates of the linepack for each gas day in the outlook period. • ‘material change’, paragraph (b): The final rule allows a material change in a medium term demand outlook for an LNG export facility to be measured using the change (increase or decrease) in the quantity of gas taken from sources other than the relevant LNG export project. • ‘material change’, paragraph (e): This new paragraph defines ‘material change’ for linepack outlooks. • ‘material change’, paragraph (f): This new paragraph defines ‘material change’ for the medium term facility maintenance outlook to be provided for BB large user facilities. • ‘material change threshold’: This new term avoids repetitive drafting. • ‘medium term capacity outlook’: The final rule amends this existing term to reflect the changes to rule 181 and the requirement for BB production facilities to take into account known limitations impacting the availability of processable gas. • ‘medium term demand outlook’: The final rule includes this new term to clarify what must be reported for LNG export facilities under rule 185A. • ‘medium term facility maintenance outlook’: The final rule includes this new term to define the reporting requirement for BB large user facilities under rule 181A. • ‘short term capacity outlook’: The final rule amends this existing term to reflect the requirement for BB production facilities to take into account known limitations impacting the availability of processable gas.
141, ‘responsible reporting entity’	<p>‘responsible reporting entity’: Changes proposed in the draft rule have not been made in the final rule, reflecting the decision that BB export projects are not required to register or report separately to the relevant BB export facility.</p> <p>For the same reason, the final rule does not make the changes to the following provisions that were proposed in the draft rule: 147(1)(a) and (3), new 150A, changes to 156, 157 and 158, changes to 165(1) and (3).</p>
164 and 164A	<p>The draft rule proposed a new rule 164A. The final rule does not make the change, reflecting the final determination to rely on the existing exemption framework in Part 18.</p>
165(1A) and (2)	<p>In the final rule, references to ‘BB gas buyer’ have been changed to ‘BB gas offtaker’ and subrule (2)(f) has been amended to recognise that a BB gas offtaker</p>

Rule	Change from draft
	may be a seller of gas.
165(3) and (4)	The draft amendments to these provisions are not needed and have been omitted from the final rule.
166(1), (2) and (2A)	This rule allows the BB Procedures to specify when and how information is to be provided. The final rule reverses the draft additions to subrules (1) and (2) and instead inserts a new subrule (2A) that allow the BB reporting entity to specify how BB shippers and BB gas offtakers provide information under new rules 185B and 185C.
167	This existing rule provides for the use of default (or ‘standing’) values. The draft rule proposed adding references to ‘standing values’ to replicate the approach in Part 27. The final rule omits these draft changes to avoid duplication, since in practice, in this context, ‘default value’ and ‘standing value’ are used interchangeably.
167A	The draft rule proposed amendments to require pipeline capacity outlooks and linepack outlooks to be reported by pipeline segment or linepack zone as applicable. The final rule omits these changes and instead, new rule 167A allows the BB Procedures to specify reporting by pipeline segment, linepack zone or linepack type.
169(4)(c)	This new provision inserted by the final rule requires the reporting entity for a storage facility to give AEMO information to describe the storage injection and withdrawal rates under different storage inventory levels as part of the detailed facility information.
178 and 181	The ‘pipeline segment’ changes to rules 178 and 181 proposed in the draft rule have been omitted and replaced with rule 167A.
179A	The final rule uses the new term ‘linepack outlook’ in this provision from the draft rule.
181(3)	The final rule modifies the changes to the medium term capacity outlook rule to clarify the drafting and use the amended definition.
181A	The final rule modifies the new rule about reporting on maintenance work affecting BB large user facilities to align the drafting with the approach elsewhere and to clarify that the rule imposes a continuing obligation to report medium term facility maintenance outlooks, allowing for the use of default values, rather than reporting only when maintenance is expected.
182 to 185	<p>These provisions cover nominated and forecast use of BB facilities and allow the BB entity to use information from BB shippers where available, or otherwise the reporting entity’s forecasts. The draft rule proposed adding a reference to the BB reporting entity having regard to the information provided by BB shippers under proposed rule 185B.</p> <p>The final rule adopts a revised drafting approach that is intended to be easier to follow and to clarify the obligations of the BB reporting entity to use information provided by BB shippers or BB gas offtakers.</p>
185	The draft rule modified the reporting of nominated and forecast use of production facilities and LNG import facilities by specifying this must be a ‘good faith estimate’. The final rule removes this proposed change, for clarity and to be consistent with the reporting obligations of other entities when providing

Rule	Change from draft
	information about nominated and forecast use.
185A	The draft rule proposed inserting a new rule 185A to require reporting of medium term (12-month) consumption outlooks for LNG export facilities. The final rule amends the draft provision and the related definition to reflect the policy decision that LNG export facilities (not projects) report this information, to align with the drafting approach in similar provisions elsewhere and to clarify what is meant by 'consumption' in the context of an LNG export facility.
185B	In the final rule, new rule 185B replaces draft rule 185B(1) requiring BB shippers to give 7-day nominations to BB facility operators. The final rule clarifies when the obligation arises, avoids duplication where the BB shipper already provides the information under contract and aligns the drafting more closely with other provisions in Part 18.
185C	<p>In the final rule, new rule 185C replaces draft rule 185B(2) requiring BB gas buyers to give 7-day nominations to BB facility operators. The final rule, together with the new definition of 'BB gas offtaker', allows for different commercial models such as tolling, clarifies when the obligation arises, avoids duplication where the BB gas offtaker already provides the information under contract and aligns the drafting more closely with other provisions in Part 18.</p> <p>The final rule adds a new obligation for the BB gas offtaker to use reasonable endeavours to ensure that it has timely and good faith indicative nominations from persons to whom it supplies gas.</p>
187A	The final rule inserts this new provision to require daily linepack values to be provided to AEMO each day.
190H(1)	The draft rule proposed inserting a new provision to require reporting of events or circumstances affecting reliability of gas supply. For the final rule, the provision has been relocated from Division 5 to Division 6 of Part 18 so that is not subject to the publication requirement in rule 194(1)(a). Instead, the final rule clarifies that AEMO may choose whether to publish the information provided. Other changes extend the reporting obligation to LNG import facilities, allow the BB Procedures to define when reporting is required and, rather than automatically classifying information as 'protected information', allow reporting entities to identify information that is provided to AEMO in confidence.
194(2)(a1) to (a3) and (5)	<p>The list of restrictions on publication has been amended in the final rule, with the result that:</p> <ul style="list-style-type: none"> • the rules no longer impose restrictions on the publication of medium term capacity outlooks for LNG import facilities, short term capacity outlooks for pipeline segments, or medium term facility maintenance outlooks for BB large user facilities • linepack outlooks and medium term demand outlooks for LNG export facilities may be published if aggregated and anonymised • daily linepack quantities are not to be published. <p>The final rule also amends subrule (5) to clarify that AEMO publishes an explanation of all aggregation methods.</p>
410	The draft rule proposed amending the provision about the time by which ex ante

Rule	Change from draft
	offers, ex ante bids and price taker bids must be submitted. The final rule changes the drafting approach to ensure there is no gap in specifying the timing for ex ante offers, ex ante bids and price taker bids and to align the resubmission obligation with the equivalent obligation for the DWGM in rule 211(2).
682	The final rule inserts a new defined term 'gas powered generating system' to support the PASA provisions.
682, 683(4) and 684(1)(b) (now 683A)	The final rule amends the provisions dealing with the determination of regions for use in PASA to reflect changes made by the related 'Enhancing reliability and supply adequacy arrangements' rule.
685(2) and (3)	The final rule separates the content requirements for the Medium Term PASA into forecasts (subrule (2)) and other information (subrule (3)) and inserts a requirement to include an assessment of the supply-demand balance.
685(4) and 686(4)	The final rule requires AEMO to publish updates to PASA for changes AEMO considers 'material' (in place of 'significant').
686(2) and (3)	The final rule separates the content requirements for the Short Term PASA into forecasts (subrule (2)) and other information (subrule (3)) and inserts a requirement to include an assessment of the supply-demand balance. The requirement in proposed subrule (2)(d) of the draft rule to include actual or potential risks to supply adequacy or reliability has been removed as it is covered by the 'Enhancing reliability and supply adequacy arrangements' rule.
Schedule 1 Division 4 of Part 22, rule 131	Dates in the transitional rules have been updated as explained in chapter 5 of this final determination.
Schedule 1, Division 4 of Part 22, rule 132	This provision in the final rule requires AEMO to update its procedures. The provisions in the draft rule allowing AEMO to take into account prior consultation when amending the ECGS and BB Procedures have been removed, as they are redundant.
Schedule 1, Division 4 of Part 22, rule 133	As explained in this determination, the changes to reporting obligations will commence on 6 April 2028 and PASA will commence on 8 June 2028. Rule 133 in the transitional rules gives effect to the delayed start to PASA.
Schedule 9, Part 1 item 4 (now deleted)	The draft rule preserved existing LNG export project registrations and exemptions. The final rule removes these provisions as they are either redundant or their effect is too uncertain given differences between reporting arrangements under the ECGS framework and the approach implemented by the final rule.

Abbreviations and defined terms

AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
BB	Bulletin Board
Commission	See AEMC
DEECA	Department of Energy, Environment and Climate Action
DWGM	Declared wholesale gas market
ECGS	East coast gas system
ECMC	Energy and Climate Change Ministerial Council
GPG	Gas powered generation
HLIA	High level impact assessment (on the introduction of PASA by AEMO)
LNG	Liquified natural gas
MTCO	Medium term capacity outlook
MT PASA	Medium term projected assessment of system adequacy
NER	National Electricity Rules
NGL	National Gas Law
NGO	National gas objective
NGR	National Gas Rules
PASA	Projected assessment of system adequacy
Proponent	The individual / organisation who submitted the rule change request to the AEMC
RSA	Reliability and supply adequacy
STCO	Short term capacity outlook
ST PASA	Short term projected assessment of system adequacy
STTM	Short term trading market
TJ	terajoule
VGPR	Victorian Gas Planning Report