



National Gas Amendment (ECGS Enhancing reliability and supply adequacy arrangements) Rule 2026 No. 3

The Australian Energy Market Commission makes the following Rule under the National Gas Law to the extent applied by:

- (a) the *National Gas (South Australia) Act 2008* of South Australia;
- (b) the *National Gas (ACT) Act 2008* of the Australian Capital Territory;
- (c) the *National Gas (New South Wales) Act 2008* of New South Wales;
- (d) the *National Gas (Queensland) Act 2008* of Queensland;
- (e) the *National Gas (Tasmania) Act 2008* of Tasmania;
- (f) the *National Gas (Victoria) Act 2008* of Victoria;
- (g) the *National Gas (Northern Territory) Act 2008* of the Northern Territory;
- (h) the *National Gas Access (WA) Act 2009* of Western Australia; and
- (i) the *Australian Energy Market Act 2004* of the Commonwealth.

Anna Collyer
Chairperson
Australian Energy Market Commission

National Gas Amendment (ECGS Enhancing reliability and supply adequacy arrangements) Rule 2026 No. 3

1 Title of Rule

This Rule is the *National Gas Amendment (ECGS Enhancing reliability and supply adequacy arrangements) Rule 2026 No. 3*.

2 Commencement

Schedule 1 of this Rule commences operation on 1 April 2027.

Schedule 2 of this Rule commences operation on 5 November 2026.

Schedule 3 of this Rule commences operation on 16 July 2026.

3 Amendment to the National Gas Rules

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

4 Amendment to the National Gas Rules

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

5 Amendment to the National Gas Rules

The National Gas Rules are amended as set out in Schedule 3.

Schedule 1 Amendment to the National Gas Rules

(Clause 3)

[1] Rule 135EA Matters about which Procedures may be made

Omit rule 135EA(7)(b) and substitute "[deleted]";.

[2] Rule 135EA Matters about which Procedures may be made

After rule 135EA(7)(b), insert:

(b1) the regions and the methodology used by AEMO to determine regions;

[3] Rule 135K Definitions

After the definition of "gas processing plant", insert:

gas supply adequacy assessment methodology means the methodology published by AEMO under rule 135KAA.

[4] Rule 135K Definitions

After the definition of "peak day capacity", insert:

region has the meaning given in Part 27.

[5] Rule 135K Definitions

After the definition of "reportable closure decision ", insert:

supply shortfall has the meaning given in Part 27.

[6] Rule 135KAA Gas supply adequacy assessment methodology

After rule 135KA, insert:

135KAA Gas supply adequacy assessment methodology

- (1) AEMO must make, publish and may amend a gas supply adequacy assessment methodology in accordance with Part 15B as if the methodology were a category of Procedures.
- (2) The gas supply adequacy assessment methodology must set out AEMO's forecasting practices and processes as they relate to the gas statement of opportunities.
- (3) To the extent possible, the gas supply adequacy assessment methodology must be consistent with best practice, which for this purpose refers to the

standards, methods and techniques that could reasonably be expected to be adopted by an entity engaged in forecasting in the gas sector within or outside Australia, under comparable conditions and for comparable purposes.

- (4) The gas supply adequacy assessment methodology:
 - (a) may provide for AEMO to have regard to consultation undertaken in performing its other statutory functions when determining the inputs, assumptions, and scenarios to be used for forecasting; and
 - (b) must provide for publication of the final inputs, assumptions, and scenarios used.
- (5) Nothing in this rule requires AEMO to consult on or publish protected information contrary to Subdivision 2 of Division 7 of Part 6 of Chapter 2 of the *NGL*.
- (6) AEMO may make minor or administrative amendments to the gas supply adequacy assessment methodology without complying with the consultation requirements of this rule.

[7] Rule 135KB Content of the gas statement of opportunities

In rule 135KB(1A)(b), at the end of the text, omit "and".

[8] Rule 135KB Content of the gas statement of opportunities

In rule 135KB(1A)(c), at the end of the text, omit "." and substitute ";".

[9] Rule 135KB Content of the gas statement of opportunities

After rule 135KB(1A)(c), insert:

- (d) a breakdown of the gas supply adequacy assessments by region, where reasonably practicable; and
- (e) where a gas supply adequacy assessment identifies a risk of supply shortfall – AEMO’s assessment of the supply shortfall.

[10] Rule 135KB Content of the gas statement of opportunities

In rule 135KB(3), after "of opportunities must be made", insert "in accordance with the gas supply adequacy assessment methodology and".

[11] Part 17 **Miscellaneous provisions relating to the
AER**

Omit the heading of Part 17 and substitute "AER functions and Gas Reliability Committee".

[12] Division 1 **Miscellaneous provisions relating to the
AER**

After the heading of Part 17, insert:

Division 1 **Miscellaneous provisions relating to the AER**

Subdivision 1 **Matters arising under the NGL**

[13] Subdivision 2 **Gas price reporting**

After rule 140, insert:

Subdivision 2 **Gas price reporting**

[14] Division 2 **Gas Reliability Committee and Market
Settings Reviews**

After rule 140B, insert:

Division 2 **Gas Reliability Committee and Market
Settings Reviews**

Subdivision 1 **General**

140C **Definitions**

In this Division

DWGM market setting means each of the following values under Part 19:

- (a) the administered price cap;
- (b) the cumulative price period;
- (c) the cumulative price threshold;
- (d) the minimum bid price; and
- (e) VoLL.

Gas Reliability Committee means the committee of that name established by the AEMC under this Division.

gas supply agreement has the meaning given in rule 140B(7).

market settings means the DWGM market settings and the STTM market settings.

market settings guidelines means guidelines made by the AEMC under rule 140F.

market settings review means a review of the market settings by the Gas Reliability Committee under this Division.

STTM market setting means each of the following values under Part 20:

- (a) the administered price cap;
- (b) the cumulative price threshold;
- (c) the CPT horizon;
- (d) the MMP or minimum market price; and
- (e) the MPC or market price cap.

terms of reference means the terms of reference for a gas settings review made by the AEMC under rule 140H(1)(b).

Subdivision 2 Gas Reliability Committee

140D AEMC to establish Gas Reliability Committee

- (1) The AEMC must establish a Gas Reliability Committee for each market settings review.
- (2) A Gas Reliability Committee must consist of:
 - (a) a minimum of one, and up to two, Commissioners of the AEMC or other person to represent the AEMC;
 - (b) the Chief Executive Officer of AEMO or other person nominated by AEMO to represent AEMO; and
 - (c) a minimum of three, and up to nine, other persons appointed by the AEMC.
- (3) The AEMC must consult, in the manner it considers appropriate, on the appointments made by the AEMC under subrule (2)(c).
- (4) Without limiting the AEMC's discretion about the number of persons to be appointed under subrule (2)(c), in making those appointments, the AEMC must have regard to the principle that the Gas Reliability Committee should be broadly representative of persons with a direct interest in the relevant regulated gas markets, including broad representation by:
 - (a) the type and location of the regulated gas markets;
 - (b) classes of Registered participants and service providers; and
 - (c) classes of end users.

- (5) An appointment to a Gas Reliability Committee is for the term of the relevant market settings review.
- (6) Persons eligible for appointment to a Gas Reliability Committee include:
 - (a) employees and other representatives of Registered participants, service providers or end users;
 - (b) representative of adoptive jurisdictions; and
 - (c) a person who has previously been appointed to a Gas Reliability Committee.
- (7) Except in the case of the person nominated for appointment by AEMO:
 - (a) members of a Gas Reliability Committee must be independent of AEMO; and
 - (b) the AEMC must remove from the Gas Reliability Committee a person who ceases to be independent of AEMO.
- (8) A person may resign from a Gas Reliability Committee by giving notice in writing to that effect to the AEMC.
- (9) The AEMC may remove any member of a Gas Reliability Committee, including the chairperson, at any time during the person's term in the following circumstances:
 - (a) the person becomes of unsound mind or the person's estate is liable to be dealt with in any way under a law relating to mental health; or
 - (b) the person fails to discharge the obligations of that office imposed by the Rules.
- (10) The AEMC may appoint a person to replace a member of a Gas Reliability Committee who resigns or is removed.
- (11) The AEMC must appoint, as chairperson of the Gas Reliability Committee, a person appointed by the AEMC under subrule (2)(a).
- (12) The AEMC may appoint a representative of the AEMC, including a person appointed as the second AEMC representative under subrule (2)(a), as the acting chairperson of a Gas Reliability Committee on a standing basis. If the chairperson of a Gas Reliability Committee is unable to perform the obligations of that office for an extended period (including any period in which a scheduled meeting of the Gas Reliability Committee is held), the chairperson must notify the acting chairperson. The acting chairperson has the powers and functions of the chairperson of the Gas Reliability Committee for such periods of time.

- (13) Only a member representing the AEMC or AEMO may appoint an alternate. An alternate may attend, and vote at, meetings of a Gas Reliability Committee on behalf of the member when the member is unable to attend.

140E Operation of the Gas Reliability Committee and immunity

- (1) The AEMC must develop and publish and may amend, the operating manual for Gas Reliability Committees.
- (2) The operating manual must provide for the procedures and administration of Gas Reliability Committees and may include:
 - (a) meeting rules including frequency, notice of meetings and (subject to subrule (4)), the conduct of meetings;
 - (b) administration including communications, the development of budgets and support provided by the AEMC; and
 - (c) any other matter that it is convenient to deal with in the operating manual.
- (3) Subject to subrule (4), a Gas Reliability Committee must meet and regulate its meetings and conduct its business in accordance with the operating manual.
- (4) A decision of the Gas Reliability Committee on any matter may be made by a majority of the members comprising the Gas Reliability Committee. Where the members of the Gas Reliability Committee are equally divided on any matter, the chairperson has a casting vote.
- (5) No personal liability attaches to a person appointed to a Gas Reliability Committee for an act or omission in good faith in the performance or exercise, or purported performance or exercise, of a function or power of the Gas Reliability Committee under the Rules.
- (6) A liability that would, but for subrule (5), lie against a person appointed to a Gas Reliability Committee lies instead against the AEMC.

140F Market settings guidelines

- (1) The AEMC must develop and publish, and may amend, guidelines (the **market settings guidelines**) that set out the principles, assumptions and process for the Gas Reliability Committee to use in conducting market settings reviews.
- (2) The market settings guidelines must require the Gas Reliability Committee to consult when conducting market settings reviews and must include the consultation procedures to be used by the Gas Reliability Committee for that purpose.

- (3) When developing and amending the market settings guidelines, the AEMC must follow the *standard consultative procedures*.
- (4) There must be market settings guidelines in force at all times after the date on which the AEMC publishes the first market settings guidelines.

140G Functions of the Gas Reliability Committee

- (1) The functions of a Gas Reliability Committee are:
 - (a) to conduct market settings reviews; and
 - (b) recommend the market settings for the period for which they are to be determined under rule 140J.
- (2) In performing its functions, a Gas Reliability Committee:
 - (a) must comply with the market settings guidelines; and
 - (b) must have regard to the applicable terms of reference issued by the AEMC when initiating the market settings review under rule 140H.
- (3) A Gas Reliability Committee may obtain technical advice or assistance in connection with the performance of its functions as it thinks appropriate including, without limitation, advice or assistance from AEMO or a Registered participant.
- (4) In recommending market settings, a Gas Reliability Committee must have regard to:
 - (a) the potential impact of any proposed change to a market setting on:
 - (i) prices in the relevant regulated gas market and in other regulated gas markets;
 - (ii) prices under gas supply agreements;
 - (iii) the supply of gas, the capacity of covered gas industry facilities to deliver and store gas, and the operability of covered gas industry facilities; and
 - (iv) financial risk for Registered participants buying or selling gas through the relevant regulated gas market;
 - (b) any other matters specified for the purposes of this paragraph in the terms of reference; and
 - (c) any other matters the Gas Reliability Committee considers relevant.

Subdivision 3 Market settings reviews

140H AEMC to initiate market settings reviews

- (1) The AEMC must initiate each market settings review by:

- (a) establishing a Gas Reliability Committee under rule 140D to conduct the market settings review; and
 - (b) issuing the terms of reference for the market settings review.
- (2) For each market settings review, the AEMC must publish on its website a list of the members of the Gas Reliability Committee and any alternate appointed by a member representing the AEMC or AEMO.

140I Gas Reliability Committee to conduct market settings reviews

- (1) By no later than 6 months after the completion of the reliability standard and settings review under clause 3.9.3A of the *NER*, a Gas Reliability Committee must:
- (a) conduct a market settings review; and
 - (b) submit to the AEMC the Committee's final report on the outcome of the review.
- (2) A final report of a Gas Reliability Committee under subrule (1)(b) must set out the Committee's:
- (a) recommendations for the market settings to apply;
 - (b) reasons for those recommendations; and
 - (c) supporting information including:
 - (i) a description of how the Gas Reliability Committee has conducted the review in accordance with the market settings guidelines;
 - (ii) a description of how the Gas Reliability Committee has taken into account the terms of reference for the review and the matters in subrule 140G(4); and
 - (iii) details of all relevant market conditions and circumstances on which its recommendations are based.
- (3) Subject to subrule (4), within 10 days after receiving the final report from a Gas Reliability Committee, the AEMC must publish it on the AEMC's website.
- (4) The AEMC may exclude from the published version of a final report any information:
- (a) given to the AEMC or the Gas Reliability Committee in confidence; or
 - (b) classified under the Rules, the *NGL* or the Regulations as confidential information.

140J AEMC to determine revised market settings

- (1) By 3 months after the publication of the Gas Reliability Committee's final report under rule 140I(3), the AEMC must determine the market settings to apply on and from 1 July in the year commencing 2 years after the year in which the final report was published.
- (2) In determining the market settings, the AEMC must have regard to the report and recommendations of the most recent market settings review.
- (3) In determining the market settings, the AEMC may:
 - (a) adopt the market settings recommended in the market settings review, with or without modification; or
 - (b) determine other market settings.
- (4) Except where the AEMC adopts the market settings recommended in the market settings review without modification, the AEMC must consult in the manner it considers appropriate.
- (5) The AEMC must make and publish on its website and in the South Australian Government Gazette, an instrument (the **market settings instrument**) that sets out:
 - (a) the market settings determined by the AEMC; and
 - (b) the period for which the market settings apply.

[15] Rule 200 Definitions

Omit the definition of "administered price cap" and substitute:

administered price cap means:

- (a) subject to paragraph (b), the value set by AEMO under rule 224; or
- (b) if a market settings instrument specifies the value that applies – that value.

[16] Rule 200 Definitions

Omit the definition of "cumulative price threshold" and substitute:

cumulative price threshold means:

- (a) subject to paragraph (b), the value set by AEMO under rule 224; or
- (b) if a market settings instrument specifies the value that applies – that value.

[17] Rule 200 Definitions

After the definition of "cumulative price threshold", insert:

cumulative price period means a rolling number of consecutive scheduling intervals over which to assess the cumulative price for comparison to the cumulative price threshold and is:

- (a) subject to paragraph (b), the number set by AEMO under rule 224; or
- (b) if a market settings instrument specifies the number that applies – that number.

[18] Rule 200 Definitions

After the definition of "market prices", insert:

market settings instrument means an instrument of that name made by the AEMC under rule 140J of Part 17.

[19] Rule 200 Definitions

After the definition of "metering uncertainty limits and calibration requirements procedures", insert:

minimum bid price means:

- (a) subject to paragraph (b), \$0 per GJ; or
- (b) if a market settings instrument specifies the value that applies – that value.

[20] Rule 200 Definitions

Omit the definition of "VoLL" and substitute:

VoLL means:

- (a) subject to paragraph (b), \$800 per GJ; or
- (b) if a market settings instrument specifies the value that applies – that value.

[21] Rule 209 Bids

In rule 209(5)(a), after "four decimal places, from", omit "0\$/GJ" and substitute "the minimum bid price".

[22] Rule 224 Administered Pricing

In rule 224(1A), after "purposes of this Part,", insert "unless a market settings instrument specifies the relevant value,".

[23] Rule 224 Administered Pricing

In rule 224(1A)(a), at the end of the text, omit "and".

[24] Rule 224 Administered Pricing

In rule 224(1A)(b), at the end of the text, omit "." and substitute "; and".

[25] Rule 224 Administered Pricing

After rule 224(1A)(b) insert:

- (c) the cumulative price period.

[26] Rule 224 Administered Pricing

In rule 224(1)(a), at the start of the text, after "the administered price cap", insert ", the cumulative price period".

[27] Rule 224 Administered Pricing

In rule 224(1)(a), at the end of the text, omit "by AEMO under subrule 224(1A);" and substitute "from time to time under the Rules and the periods they apply;".

[28] Rule 224 Administered Pricing

In rule 224(1)(b), after "with Market Participants on", omit "the" and substitute "its".

[29] Rule 224 Administered Pricing

In rule 224(1)(b), after "determining the administered price cap", insert ", the cumulative price period".

[30] Rule 224 Administered Pricing

In rule 224(1)(b), after "and the cumulative price threshold", insert "under subrule (1A)".

[31] Rule 323 Planning reviews

After rule 323(3)(j), insert:

- (3A) If AEMO identifies a risk of supply shortfall (as defined in Part 27) for the total system or a system withdrawal zone that has not been reported in a gas statement of opportunities, the planning review must include AEMO's assessment of the supply shortfall.

[32] Rule 323 Planning reviews

In rule 323(4)(a)(iv), at the end of the text, omit "and".

[33] Rule 323 Planning reviews

In rule 323(4)(b), at the end of the text, omit "." and substitute ";".

[34] Rule 323 Planning reviews

After rule 323(4)(b), insert:

- (c) where reasonably practicable, apply the gas supply adequacy assessment methodology published by AEMO under Part 15D; and
- (d) explain in the planning review any departures from the gas supply adequacy assessment methodology.

[35] Rule 364 Definitions

Omit the definition of "administered price cap" and substitute:

administered price cap means the cap applicable to the ex ante market price, high contingency gas price and low contingency gas price for a hub on any gas day when an administered price cap state applies, being:

- (a) subject to paragraph (b), \$40/GJ; or
- (b) if a market settings instrument specifies the value that applies – that value.

[36] Rule 364 Definitions

Omit the definition of "CPT horizon" and substitute:

CPT horizon means a period for which the prices for gas at a hub are summed to determine whether the cumulative price threshold has been exceeded, that period being:

- (a) subject to paragraph (b), 7 consecutive days; or
- (b) if a market settings instrument applies specifies the period that applies – that period.

[37] Rule 364 Definitions

Omit the definition of "cumulative price threshold" and substitute:

cumulative price threshold means the threshold for imposition of an administered price cap, being:

- (a) subject to paragraph (b), 110% of the MPC; or
- (b) if a market settings instrument specifies the value that applies, or the method to determine that value – that value, where applicable determined using the specified method.

[38] Rule 364 Definitions

After the definition of "market schedule variation", insert:

market settings instrument means the instrument of that name made by the AEMC under rule 140J of Part 17.

[39] Rule 364 Definitions

Omit the definition of "MMP" and substitute:

MMP means the minimum market price for gas traded at a hub for a gas day, being:

- (a) subject to paragraph (b), \$0/GJ; or
- (b) if a market settings instrument specifies the value that applies – that value.

[40] Rule 364 Definitions

Omit the definition of "MPC" and substitute:

MPC means the market price cap, which is the maximum price for gas traded at a hub for a gas day, being:

- (a) subject to paragraph (b), \$400/GJ; or
- (b) if a market settings instrument specifies the value that applies – that value.

[41] Rule 680 Interpretation

After the unnumbered paragraph starting with "In this Part:", insert:

adequate industry response means any events or circumstances, including actions by relevant entities, that AEMO is aware of and that would be effective to prevent, reduce or mitigate a tier 3 threat, but does not include exercise by AEMO of one of its statutory functions.

AEMO's other functions means AEMO's statutory functions other than a direction or trading function.

[42] Rule 680 Interpretation

In the definition of "identified risk or threat", after "risk or threat", omit "- see rule 695(1)(a)" and substitute "means an actual or potential risk or threat to the reliability or adequacy of the supply of covered gas within the east coast gas system identified by AEMO".

[43] Rule 680 Interpretation

After the definition of "LNG export project", insert:

location has a meaning affected by rule 681A(3).

[44] Rule 680 Interpretation

After the definition of "Procedures", insert:

region – see rule 681B.

[45] Rule 680 Interpretation

After the definition of "responsible reporting entity", insert:

risk or threat assessment procedures means the procedures made under rule 694B.

[46] Rule 680 Interpretation

After the definition of "risk or threat notice", insert:

risk or threat tier – see rule 694B(2)(e).

statutory function has the meaning in the *NGL*.

supply shortfall – see rule 694B(7).

tier 3 threat means an actual or potential threat to the reliability or adequacy of the supply of covered gas within the east coast gas system, assessed by AEMO to be at tier 3 level in accordance with Division 3A and the risk or threat assessment procedures.

[47] Rule 681A Exercise of functions

After rule 681A(2)(b), insert:

- (3) Where this Part requires AEMO to determine or communicate any matter or thing by reference to a location, AEMO may select the approach it uses to describe location that it considers best suited to the circumstances, such as description by jurisdiction, by grouping of covered gas industry facilities or demand or by any other criteria determined by AEMO.

[48] Rule 681B Determination of regions

After rule 681A, insert:

681B Determination of regions

- (1) AEMO must determine, and may review and amend, regions located within the east coast gas system, that may be used:
 - (a) to support information collection, analysis and reporting for the purposes of AEMO's functions under section 91AD of the *NGL*; and
 - (b) for the assessment, classification and communication of identified risks and threats.
- (2) AEMO may determine different regions for different purposes.
- (3) In determining regions, AEMO may use any criteria it considers appropriate to define its location.
- (4) AEMO must set out in the Procedures the regions determined by AEMO and an explanation of the methodology AEMO uses to determine regions.

**[49] Rule 692 AEMO may convene conferences in
certain circumstances**

In rule 692(1)(a), after "an actual or potential", insert "risk or".

**[50] Rule 692 AEMO may convene conferences in
certain circumstances**

In rule 692(1)(a), at the end of the text, omit ", including the likelihood of the threat occurring" and substitute "to the reliability or adequacy of the supply of covered gas within the east coast gas system".

**[51] Rule 692 AEMO may convene conferences in
certain circumstances**

In rule 692(1)(b), at the end of the text, omit "actual or potential threat" and substitute "identified risk or threat".

**[52] Rule 692 AEMO may convene conferences in
certain circumstances**

In rule 692(1)(c), at the end of the text, omit "on the nature and extent of an actual or potential threat" and substitute "for the assessment and classification of an identified risk or threat under rule 694A".

**[53] Division 3A Assessment and classification of
identified risks or threats**

After rule 694, insert:

**Division 3A Assessment and classification of identified
risks or threats**

694A AEMO to assess and classify identified risks or threats

- (1) AEMO must:
 - (a) assess each identified risk or threat using the assessment framework in the risk or threat assessment procedures; and
 - (b) classify each identified risk or threat using the classification framework in the risk or threat assessment procedures.
- (2) AEMO must undertake assessment and classification under subrule (1) at the following frequencies:
 - (a) for an identified risk or threat that relates to any time in the 12-month period after the assessment – at least weekly; and

- (b) in other cases – at reasonable intervals having regard to the nature and possible onset date of the identified risk or threat.
- (3) AEMO is not required to assess or classify an identified risk or threat under this rule if AEMO considers that in the circumstances, there is insufficient time to do so before exercising a statutory function.

694B Risk or threat assessment procedures

- (1) AEMO must make, as part of the Procedures, procedures (**risk or threat assessment procedures**) governing the assessment and classification of identified risks or threats under rule 694A.
- (2) AEMO must ensure that the risk or threat assessment procedures:
 - (a) provide for the assessment process to use both a probability assessment and a severity assessment;
 - (b) describe each of the methodologies used by AEMO for probability assessments and severity assessments;
 - (c) describe the matters that AEMO takes into account for probability assessments, in accordance with subrule (3);
 - (d) describe the impacts that AEMO considers for severity assessments, in accordance with subrule (4);
 - (e) identify three tiers to be used for the classification of an identified risk or threat according to the need for an industry response (each a **risk or threat tier**);
 - (f) name each risk or threat tier using both a number and a descriptive name, with tier 1 indicating the lowest need for an industry response and tier 3 the highest;
 - (g) provide for AEMO to classify an identified risk or threat:
 - (i) using the outcomes of the probability assessment and the severity assessment as the primary basis for classification; and
 - (ii) where applicable, taking into account any other matters AEMO considers appropriate to determine the appropriate classification; and
 - (h) explain how the outcomes of the assessment process are used for the classification process referred to in subparagraph (g).
- (3) For probability assessments, the matters AEMO takes into account:
 - (a) must include:
 - (i) gas supply and demand scenarios identified by AEMO in the exercise of AEMO's other functions that AEMO considers it is

reasonably possible may occur within the relevant assessment period; and

- (ii) a prudent allowance for forecasting error; and
 - (b) may include any other scenarios identified by AEMO based on information available to it that AEMO considers it is reasonably possible may occur within the relevant assessment period.
- (4) For severity assessments, the impacts AEMO considers:
- (a) must include:
 - (i) the location of any resulting supply shortfall;
 - (ii) the magnitude of the resulting supply shortfall for end users within the affected location; and
 - (iii) the timing and duration of the supply shortfall; and
 - (b) may include:
 - (i) the cost and time to restore supply;
 - (ii) the impact on the regulated gas markets;
 - (iii) the impact on the National Electricity Market; and
 - (iv) any other matters AEMO considers relevant.
- (5) The risk or threat assessments procedures may provide for separate assessments of an identified risk or threat over different periods or in different regions.
- (6) AEMO must review the risk or threat assessments procedures at least every 4 years.
- (7) In this rule:

probability assessment means an assessment of the probability of the identified risk or threat occurring and resulting in a supply shortfall within the east coast gas system, given reasonably foreseeable conditions and events.

severity assessment means an assessment of the impact of the identified risk or threat occurring, given reasonably foreseeable conditions and events.

supply shortfall means circumstances that, in the reasonable opinion of AEMO, are having or could reasonably be expected to have the result that the supply of gas:

- (a) is inadequate to meet demand; or
- (b) cannot be relied upon to meet demand, including in circumstances where:

- (i) gas supply, including gas storage, may be insufficient to satisfy seasonal demand requirements; or
- (ii) covered gas industry facilities required to supply demand are capacity constrained or unavailable.

[54] Rule 695 Publication of risk or threat notices

In rule 695(1), at the start of the text, after "AEMO must", omit ", as soon as reasonably practicable,".

[55] Rule 695 Publication of risk or threat notices

In rule 695(1), at the end of the text, omit "if AEMO:" and substitute "as soon as reasonably practicable after classifying an identified risk or threat at tier 1 level or above.".

[56] Rule 695 Publication of risk or threat notices

Omit rule 695(1)(a).

[57] Rule 695 Publication of risk or threat notices

Omit rule 695(1)(b).

[58] Rule 695 Publication of risk or threat notices

In rule 695(2)(b), at the start of the text, after "the nature and", omit "magnitude" and substitute "circumstances".

[59] Rule 695 Publication of risk or threat notices

In rule 695(2)(c), at the start of the text, after "the likely", insert "onset and".

[60] Rule 695 Publication of risk or threat notices

After rule 695(2)(d), insert:

- (d1) the applicable risk or threat tier;
- (d2) the outcome of the most recent probability assessment and severity assessment under the risk or threat assessments procedures;
- (d3) information about any other matters that AEMO took into account in classifying the identified risk or threat;

[61] Rule 695 Publication of risk or threat notices

In rule 695(2)(e), at the start of the text, after "the", insert "adequate".

[62] Rule 695 Publication of risk or threat notices

In rule 695(2)(e), after "if any, that AEMO considers", omit "necessary to" and substitute "would".

[63] Rule 695 Publication of risk or threat notices

In rule 695(3), after "the notice before exercising a", omit "direction or trading function" and substitute "statutory function".

[64] Rule 696 Variation or revocation of risk or threat notices

In rule 696(1)(a), at the end of the text, omit "or".

[65] Rule 696 Variation or revocation of risk or threat notices

Omit the text of rule 696(1)(c) and substitute "[Deleted]".

[66] Rule 696 Variation or revocation of risk or threat notices

In rule 696(1)(d), at the end of the text, omit "criteria specified in the Procedures" and substitute "conditions to be a tier 1 risk or threat under the risk or threat assessment procedures".

[67] Rule 696 Variation or revocation of risk or threat notices

After rule 696(2), insert:

(2A) Without limiting subrule (1), if AEMO changes the classification of the identified risk or threat following an assessment under rule 694A, AEMO must:

- (a) publish notice of a variation of the relevant risk or threat notice; and
- (b) include in the notice of variation, information about the facts or circumstances that resulted in the change in classification.

[68] Rule 696A Notice of latest practicable time for an adequate industry response

After rule 696, insert:

696A Notice of latest practicable time for an adequate industry response

- (1) If AEMO issues a risk or threat notice for a tier 3 threat, AEMO must, as soon as reasonably practicable after issuing that notice, publish:
 - (a) a notice of AEMO's estimate of the latest practicable time for an adequate industry response to occur; and
 - (b) an explanation of the basis for the estimate, including information about material facts, circumstances and assumptions.
- (2) AEMO must regularly review its estimate under subrule (1) and must publish:
 - (a) notice of any revised estimate as soon as practicable; and
 - (b) an explanation of the basis for any change to the estimate.
- (3) If, in AEMO's opinion, there has been no adequate industry response to a tier 3 threat by the latest practicable time estimated by AEMO under this rule, AEMO must as soon as reasonably practicable publish a notice to that effect.
- (4) AEMO must include in a notice under subrule (3), information then available to AEMO about AEMO's exercise or potential exercise in relation to the tier 3 threat of any of its statutory functions.
- (5) Nothing in this rule prevents AEMO from exercising, or otherwise limits the circumstances in which AEMO may exercise, a statutory function, including where:
 - (a) the latest practicable time for an adequate industry response has not passed; or
 - (b) there has been a response from industry to a tier 3 threat but AEMO determines that it was not an adequate industry response.
- (6) The risk or threat assessments procedures must include information about the matters AEMO may take into account for estimates under subrule (1) and in assessing the adequacy of any response from industry.
- (7) AEMO is not required to include commercially sensitive information, including details about relevant entities, in a notice or other information published under this rule.

[69] Rule 697 Publication of direction or trading notices

In rule 697(2)(b)(i), at the start of the text, after "details of the", omit "identified risk or" and substitute "relevant".

[70] Rule 697 Publication of direction or trading notices

In rule 697(2)(b)(ii), at the start of the text, after "the nature and", omit "magnitude" and substitute "circumstances".

[71] Rule 697 Publication of direction or trading notices

In rule 697(2)(b)(ii), after "and circumstances of the", omit "identified risk or" and substitute "relevant".

[72] Rule 697 Publication of direction or trading notices

In rule 697(2)(b)(iii), at the start of the text, after "the", insert "onset and".

[73] Rule 697 Publication of direction or trading notices

In rule 697(2)(b)(iii), after "likely duration of the", omit "identified risk or" and substitute "relevant".

[74] Rule 697 Publication of direction or trading notices

In rule 697(2)(b)(iv), at the start of the text, after "the location of the", omit "identified risk or" and substitute "relevant".

[75] Rule 697 Publication of direction or trading notices

In rule 697(2)(b)(v), after "prevent or mitigate the", omit "identified risk or" and substitute "relevant".

[76] Rule 698 Publication of post-intervention reports

In rule 698(1)(b), after "relate to the same", omit "identified risk or".

[77] Rule 698 Publication of post-intervention reports

In rule 698(2)(e), after "or functions mitigated the", omit "identified risk or" and substitute "relevant".

**[78] Rule 699 Matters AEMO must consider in
determining whether to exercise direction
or trading functions**

In rule 699 in the unnumbered paragraph starting with "In determining whether to exercise a", after "or circumstances of the", omit "identified risk or" and substitute "relevant".

[79] Rule 699

**Matters AEMO must consider in
determining whether to exercise direction
or trading functions**

In rule 699(a), after "action to mitigate the", omit "identified risk or" and substitute "relevant".

[80] Rule 700

East coast gas system directions

In rule 700(5), after "required to mitigate the relevant", omit "identified risk or".

Schedule 2 Amendment to the National Gas Rules

(Clause 4)

[1] Rule 492 Review of market parameters

Omit the text of the heading of rule 492 and substitute "[Deleted]".

[2] Rule 492 [Deleted]

Omit the contents of rule 492.

Schedule 3 Amendment to the National Gas Rules

(Clause 5)

[1] Division 3 Transitional provisions consequent on the National Gas (ECGS Enhancing reliability and supply adequacy arrangements) Rule 2026 No. 3

After division 2, insert:

Division 3 Transitional provisions consequent on the National Gas (ECGS Enhancing reliability and supply adequacy arrangements) Rule 2026 No. 3

127 Definitions

(1) Unless otherwise specified, terms defined in new Part 27 have the same meaning when used in this Division.

(2) For the purposes of this Division:

Amending Rule means the *National Gas Amendment (ECGS Enhancing reliability and supply adequacy arrangements) Rule 2026*.

commencement date means the date of commencement of schedule 1 of the Amending Rule, being 1 April 2027.

gas supply adequacy assessment methodology has the meaning given in new Part 15D.

market settings guidelines has the meaning in rule 140C of new Part 17.

new Part 15D means Part 15D as in force on and from the commencement date.

new Part 17 means Part 17 as in force on and from the commencement date.

new Part 19 means Part 19 as in force on and from the commencement date.

new Part 27 means Part 27 as in force on and from the commencement date.

128 AEMO instruments

(1) AEMO must make and publish the initial risk or threat assessment procedures by 1 April 2027.

(2) AEMO must make and publish the initial gas supply adequacy assessment methodology by 1 October 2027.

- (3) By 1 April 2027, AEMO must review, and where necessary, update the following instruments to take into account the Amending Rule:
 - (a) the East Coast Gas System Procedures;
 - (b) the guidelines made under section 91AD(3) of the *NGL*; and
 - (c) the Wholesale Market Procedures.
- (4) Amendments made in accordance with subrule (3) must take effect from 1 April 2027.

129 Saving of cumulative price period definition

For paragraph (a) of the definition of ‘cumulative price period’ in new Part 19, and subject to paragraph (b) of that definition, the cumulative price period on and from the commencement date is 35 consecutive scheduling intervals unless a different value is determined by AEMO under rule 224 of new Part 19.

130 Initial market settings guidelines and operating manual

The AEMC must make and publish the following instruments by 30 June 2029:

- (a) the initial market settings guidelines; and
- (b) the initial operating manual made under rule 140E of new Part 17.