

National Gas Rules Version 8

Information

This draft version of the National Gas Rules includes the following amendment:

National Gas Amendment (STTM Data Validation and Price Setting Process) Rule 2011 No. 2

This version of the National Gas Rules is provided for information purposes only and contains only the sections of Part 20 that will be amended by the above Rule.

Part 20 Short Term Trading Market Rules

364 Definitions

[new definition]

[capacity information](#) means information provided under rule 414(1) or information that AEMO uses as a substitute for that information in accordance with the STTM Procedures.

[Amended definition]

STTM facility allocation for a registered facility service, means the total quantity of natural gas that is taken to be supplied to or withdrawn from the relevant hub on a gas day using that registered facility service, as validly given to, ~~or determined by,~~ AEMO under rule 419 [or information that AEMO uses as a substitute for that information in accordance with the STTM Procedures.](#)

376 Obligation to provide information

- (1) An STTM facility operator must:
 - (a) within 10 business days after the commencement of this rule, if it is an STTM facility operator at that time; or
 - (b) otherwise, no later than 20 business days before the date natural gas is first delivered to the hub by means of the STTM facility.

provide the following information to AEMO:

- (c) the name, Australian Business Number or Australian Company Number, and contact details of the STTM facility operator, who must be the operator representative if there is more than one STTM facility operator for that STTM facility; and
- (d) the name and type of STTM facility in respect of which it is the STTM facility operator; and
- (e) the hub to which the STTM facility is connected; and
- (f) the capacity (in GJ) that is to be used by AEMO as the default capacity of the STTM facility to deliver natural gas to the hub on a gas day under ~~rule 414(2)~~ [rule 414 and the STTM Procedures](#), being the STTM facility operator's reasonable estimate of that capacity under the expected operating conditions in a period that includes that gas day; and
- (g) the maximum capacity (in GJ) that AEMO may accept under rule 414 as the capacity of the STTM facility to deliver natural gas to the hub on any gas day; and

- (h) details of the allocation agent appointed by that STTM facility operator for the STTM facility or, if the STTM facility operator itself is to be the allocation agent, a statement to that effect; and

Note

The STTM facility operator may appoint AEMO as the allocation agent.

- (i) the written consent of any appointed allocation agent to act in that capacity; and
- (j) benchmark information to be used in relation to the calling of contingency gas in accordance with Division 8, as specified in the STTM Procedures; and
- (k) any other information required by AEMO for the purposes of AEMO's functions under this Part, as specified in the STTM Procedures.

405 General requirements

- (1) In determining a provisional schedule, ex ante market schedule or ex post imbalance price, AEMO must schedule ex ante offers, ex ante bids and price taker bids for a hub for a gas day so as to maximise the value of ex ante bids and price taker bids (and for this purpose, price taker bids must be valued by the SPA) less the value of ex ante offers, subject to:
 - (a) the capacity limits of registered trading rights; and
 - (b) the priority and flow direction of the registered facility services associated with registered trading rights; and
 - (c) the ~~delivery~~ capacity information for STTM facilities ~~as notified, or taken to be notified, under rule 414~~; and
 - (d) the requirement that the flow of natural gas from the hub on an STTM pipeline must be no greater than the flow of natural gas to the hub on that STTM pipeline.

414 Capacity information

- (1) By ~~11:00~~9:30am on each gas day, an STTM facility operator must notify AEMO of the quantity of natural gas which it expects, in accordance with good gas industry practice, that the STTM facility will be able to deliver to the relevant hub on:
 - (a) the third gas day after that gas day; and
 - (b) the second gas day after that gas day; and
 - (c) the following gas day,

which must not exceed the maximum capacity specified by that STTM facility operator for that STTM facility under rule 376(1)(g).

- (2) ~~If an STTM facility operator does not give a notice to AEMO in accordance with subrule (1) in respect of any gas day, the STTM facility operator will be taken to have given AEMO a notice specifying the registered quantity of natural gas provided under rule 376(1)(f) or determined under rule 377(2) for that gas day. [Deleted]~~

(2A) AEMO must, in accordance with the STTM Procedures:

- (a) validate information provided under subrule (1); and
- (b) if information is not provided under subrule (1), or information provided under subrule (1) fails validation, use substitute information.

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(2B) An STTM facility operator must provide information in accordance with the STTM Procedures to enable AEMO to validate and substitute information in accordance with subrule (2A).

- (3) AEMO must make the most recent capacity information ~~information contained (or taken to be contained) in the most recent notice given under this rule~~ for each STTM facility available to Trading Participants and other persons authorised by AEMO, by the time specified in the STTM Procedures:

- (a) on the gas day that is 3 gas days before the gas day to which that information relates; and
- (b) on the gas day that is 2 gas days before the gas day to which that information relates; and
- (c) on the gas day before the gas day to which that information relates,

and AEMO must publish that information as soon as practicable after that time.

415 Issue of schedules

- (1) In determining a provisional schedule or an ex ante market schedule for a hub and a gas day, AEMO must use:
- (a) valid ex ante offers, ex ante bids and price taker bids for that hub and gas day submitted as at the time that is one hour before the time at which AEMO is required to issue that schedule; and
- (b) the capacity limit of the registered trading right to which each ex ante offer, ex ante bid and price taker bid relates, as at:
- (i) in the case of a provisional schedule – the time at which that schedule is determined; or
- (ii) in the case of an ex ante market schedule – the time that is one hour before the time by which AEMO must issue that schedule; and

Note:

AEMO may only schedule ex ante offers, ex ante bids and price taker bids up to the capacity limit of the relevant registered trading right.

- (c) the available capacity ~~information for~~ each STTM facility for the gas day to which the schedule relates, ~~notified or taken to be notified to AEMO in accordance with rule 414, as at 11:00am on the gas day on which AEMO is required to issue that schedule;~~ and
- (d) the following data for each trading right associated with an ex ante offer or ex ante bid submitted by an STTM Shipper for that hub, as at the time that is one hour before the time at which AEMO is required to issue that schedule:
 - (i) the STTM facility associated with that trading right;
 - (ii) the priority of the registered facility service associated with that trading right; and
 - (iii) the flow direction of the registered facility service associated with that trading right.

419 STTM facility allocations

- (1) By 11:00am on each gas day, the allocation agent for an STTM facility must give AEMO an allocation notice for the immediately preceding gas day.
- (2) An allocation notice must contain, for the relevant gas day:
 - (a) for each registered facility service provided by means of that STTM facility:
 - (i) the STTM facility allocation for that registered facility service, which must not be less than zero; and

Note:

An STTM facility allocation must be provided for each registered facility service in respect of the relevant STTM facility, even if that allocation is zero.

- (ii) the quantity of MOS gas allocated to that registered facility service in accordance with rule 421 (such quantity being included in the STTM facility allocation); and
- (iii) the quantity of overrun MOS allocated to that registered facility service in accordance with rule 421 (such quantity being included in the quantity of MOS gas); and

Note:

The quantity of MOS gas or overrun MOS may be zero.

- (b) for each MOS increase stack and/or MOS decrease stack:

- (i) the details of each price step in the relevant MOS stack to which MOS gas was allocated under rule 421(1)(a), including:
 - (A) the identifier of that price step, as specified in the MOS stack; and
 - (B) the quantity of MOS gas allocated to that price step; or
- (ii) a statement that no MOS gas was allocated,
(a **MOS step allocation**); and
- (c) any other matter reasonably required for the purposes of AEMO's functions under this Part, as specified in the STTM Procedures.

(2A) AEMO must, in accordance with the STTM Procedures:

- (a) validate information provided under subrule (1); and
- (b) if information is not provided under subrule (1), or information provided under subrule (1) fails validation, use substitute information.

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(2B) The allocation agent for an STTM facility must provide information in accordance with the STTM Procedures to enable AEMO to validate and substitute information in accordance with subrule (2A).

- (3) AEMO must reject an allocation notice if:
 - (a) it does not comply with subrule (2); or
 - (b) the total quantity of MOS gas specified in the MOS step allocation for a registered facility service (if any) does not equal the quantity of MOS gas, excluding overrun MOS, specified for that registered facility service under subrule (2)(a).
- (4) An allocation agent must provide AEMO with an updated allocation notice for each gas day in a billing period, (collectively, a **billing period allocation statement**) at each of the times specified in the STTM Procedures.
- (5) Subrule (3) applies to each allocation notice in a billing period allocation statement and, if AEMO rejects an allocation notice for any one gas day, AEMO must reject the entire billing period allocation statement.
- (6) ~~[Deleted]#:~~
 - ~~(a) the allocation agent for an STTM facility does not give AEMO an allocation notice for a gas day under subrule (1); or~~
 - ~~(b) AEMO rejects an allocation notice under subrule (3),~~
~~then AEMO must, as soon as practicable:~~
 - ~~(c) publish a notice of that fact; and~~
 - ~~(d) determine the STTM facility allocation for each registered facility service for the gas day in respect of that STTM facility as if:~~

~~(i) the quantities of natural gas supplied to or withdrawn from the hub using the registered facility service on that gas day were equal to the quantities that were scheduled to be supplied or withdrawn for that service in the ex ante market schedule for that gas day; and~~

~~(ii) no MOS gas was allocated to the registered facility service for that gas day.~~

- (7) If the allocation agent for an STTM facility does not give AEMO a valid billing period allocation statement under subrule (4) by the last time specified in the STTM Procedures before the date on which revised statements for the relevant billing period are to be issued under rule 473:
- (a) AEMO must request the STTM facility operator to provide a valid billing period allocation statement within one business day; and
 - (b) the STTM facility operator must comply with a request made under paragraph (a); and
 - (c) if the STTM facility operator does not comply with that request, AEMO must:
 - (i) publish a notice of that fact as soon as practicable; and
 - (ii) for the purposes of the revised statements, use the last valid STTM facility allocation ~~received or determined for that STTM facility under this rule~~ for each gas day in that billing period.
- (8) An allocation agent may give AEMO an updated allocation notice for a gas day in accordance with subrule (2) at any time before the 2nd business day after the end of the 9th billing period after the billing period in which that gas day occurs.
- (9) AEMO must reject an updated allocation notice if it does not comply with subrule (2).

426 Ex post imbalance price

- (1) Subject to subrule (1A), AEMO must, by 12 noon on each gas day, make the ex post imbalance price for each hub for the immediately preceding gas day available to Trading Participants, and must publish that ex post imbalance price as soon as practicable after that time.

Note:

~~If AEMO does not comply with subrule (1), then rule 429 will apply.~~

(1A) Subject to subrule (1B), if on a gas day:

- (a) information provided under rule 419(1) fails a validation undertaken by AEMO in accordance with the STTM Procedures; and
- (b) AEMO reasonably considers that the information referred to in paragraph (a) may be substituted in accordance with the STTM Procedures; or

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(c) no information is provided under rule 419(1),

then AEMO must, with respect to the relevant hub:

(d) notify Trading Participants by 12 noon on the relevant gas day that the publication of the ex post imbalance price has been delayed; and

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(e) comply with subrule (1) as if “12 noon” was omitted from that subrule and substituted with “4:00pm”.

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(1B) Subrule (1A) does not apply for a hub for a gas day if a market administered scheduling state or market administered settlement state applies for that hub and gas day.

Note:

If AEMO does not comply with subrule (1) and subrule (1A) does not apply, then rule 429 will apply.

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(2) Subject to rules 428, 430 and 431, AEMO must determine the ex post imbalance price for a hub for a gas day in accordance with the STTM Procedures, ~~using:~~

~~(a) the inputs used to determine the ex ante market schedule for that hub and gas day in accordance with rule 415(1); and~~

~~(b) the market schedule quantities specified in the ex ante market schedule for that hub and gas day; and~~

~~(c) STTM facility allocations for that hub and gas day received by the time specified in rule 419(1), or determined by AEMO in accordance with rule 419(6).~~

429 Administered ex post pricing state

(1) AEMO must determine that an administered ex post pricing state applies for a hub for a gas day if AEMO does not make the ex post imbalance price for that hub and gas day available to Trading Participants under rule ~~426~~~~426(1)~~.

(2) For each hub and gas day for which an administered ex post pricing state applies, the ex post imbalance price is equal to the lesser of the ex ante market price for that hub and gas day and the administered price cap.

(3) An administered ex post pricing state for a hub applies for the whole of a gas day for which it is determined.

(4) AEMO must publish a determination under subrule (1) as soon as practicable.