



National Gas Amendment (DWGM simpler wholesale price) Rule 2020 No. 2

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 2000 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 Northern Territory;
- (h) the National Gas Access (WA) Act 2009 of Western Australia;
and
- (i) the Australian Energy Market Act 2004 of the Commonwealth.

The Australian Energy Market Commission makes the following Rule under the National Gas Law.

John Pierce
Chairman
Australian Energy Market Commission

National Gas Amendment (DWGM simpler wholesale price) Rule 2020 No. 2

1 Title of Rule

This Rule is the *National Gas Amendment (DWGM simpler wholesale price) Rule 2020 No. 2*.

2 Commencement

Schedule 1 of this Rule commences operation on 31 March 2020.

Schedule 2 of this Rule commences operation on 1 January 2023, immediately after the commencement of Schedule 1 of the *National Gas Amendment (DWGM Improvement to AMDQ regime) Rule 2020 No. 1*.

Schedule 3 of this Rule commences operation on 19 March 2020.

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 Savings and Transitional 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 221 Determination of market price

Omit subrule 221(4), and substitute:

- (4) The inputs and assumptions set out in subrule (3) must be applied by AEMO to produce pricing schedules that specify injections and withdrawals of gas to be made in each gas day in a way that minimises the cost of satisfying the expected demand for gas in that gas day and for the purpose of doing so, AEMO must:
 - (a) take into account any transmission constraints affecting withdrawals of gas at system withdrawal points in the declared transmission system at which withdrawal bids may be made during that gas day; and
 - (b) not take into account any transmission constraints affecting injections of gas in the declared transmission system during that gas day.

Schedule 2 Amendment to the National Gas Rules

(Clause 4)

[1] Rule 200 Definitions

In rule 200, omit the following definitions:

agency injection hedge nomination, AMIQ or Authorised Maximum Interval Quantity, AMIQ profile, capacity certificate credit, close proximity injection points, injection hedge nomination, standing agency injection hedge nomination, standing AMIQ profile, standing injection hedge nomination.

[2] Rule 210 Accreditation

Omit subrule 210(6), and substitute "[Deleted]".

[3] Rule 211 Timing of submissions by Market Participants

Omit subrule 211(2A) and the note.

[4] Rule 211 Timing of submissions by Market Participants

Omit subrule 211(4), and substitute "On a gas day, a Market Participant may submit updated demand forecasts or bids for that gas day:".

[5] Rule 211 Timing of submissions by Market Participants

Omit subrules 211(5B) and 211(5C).

[6] Rule 211 Timing of submissions by Market Participants

Omit subrule 211(7).

[7] Rule 213 Other requirements for submissions by Market Participants

Omit subrule 213(1), and substitute:

- (1) A Market Participant may submit, vary or revoke standing demand forecasts or standing bids.

[8] Rule 239 Ancillary payments

In subrule 239(1), omit "Subject to subrule (2),".

[9] Rule 239 Ancillary payments

Omit subrule 239(2), and substitute "[Deleted]".

[10] Rule 240 Uplift payments

Omit subrules 240(1) to (9), and substitute:

- (1) Subject to subrule (2), AEMO must make Procedures (**uplift payment procedures**) governing the determination of:
 - (a) the total payments for each category of uplift payment determined by AEMO in the uplift payment procedures (**UP category**) that are required in respect of a gas day to recover any ancillary payments determined in respect of that gas day in accordance with rule 239; and
 - (b) the uplift payments by UP category payable by or to each declared transmission system service provider and Market Participant in respect of a gas day.
- (2) In making the uplift payment procedures, AEMO must apply the following principles:
 - (a) uplift payments are to be allocated so far as practicable to the cause;
 - (b) the total uplift payments determined in respect of a gas day must equal the total of any ancillary payments determined in accordance with rule 239 for that gas day;
 - (c) operational gas is excluded from allocation of uplift payments.
- (3) **[Deleted]**.
- (4) A Market Participant must pay or be paid uplift payments in respect of withdrawals of gas by that Market Participant or by Customers who purchase gas from that Market Participant in accordance with the principles of subrule (2) and the uplift payment procedures.
- (5) Nothing in subrule (4) precludes a Retailer from recovering from its Customers the amount of any liability to pay uplift payments in respect of withdrawals of gas by those Customers.
- (6) Subject to subrule (7), the declared transmission system service provider must pay or be paid uplift payments calculated in accordance with the principles of subrule (2), the quantity determined under subrule (9), and the uplift payment procedures.
- (7) Where the amount of uplift payment attributable to the failure of the declared transmission system service provider to fulfil its obligations under its service envelope agreement in any gas day exceeds any applicable limit on the declared transmission system service provider's liability for uplift payments under its service envelope agreement, then Market Participants

must pay or be paid the uplift payment amount in excess of the applicable limit and in accordance with the uplift payment procedures.

- (8) As soon as reasonably practicable, AEMO must publish details of:
- (a) the total amounts of uplift payments by UP category; and
 - (b) the total volume of gas in GJ giving rise to uplift payments by UP category
- to be made in respect of each gas day.
- (9) If, in accordance with the uplift payment procedures, AEMO determines that any part of any ancillary payments which are payable in respect of a gas day is attributable to a transmission constraint caused by the failure of the declared transmission system service provider to fulfil its obligations under its service envelope agreement in that trading interval, then AEMO must also determine and publish the extent (measured in GJ) to which that transmission constraint was caused by that failure.

[11] Rule 361 Uplift payment procedures

Omit rule 361 and the heading and substitute "[Deleted]".

Schedule 3 Savings and Transitional Amendment to the National Gas Rules

(Clause 5)

[1] New Part 14 Transitional provisions consequent on the National Gas Amendment (DWGM simpler wholesale price) Rule 2020

In Schedule 1, after Part 13, insert a new Part:

Part 14 Transitional provisions consequent on the National Gas Amendment (DWGM simpler wholesale price) Rule 2020

73 Definitions

- (1) Unless otherwise specified, terms defined in rule 200 have the same meaning when used in this Part.
- (2) Terms defined in the Amending Rule have the same meaning when used in this Part.
- (3) For the purposes of this Part 14:
Amending Rule means the National Gas Amendment (DWGM simpler wholesale price) Rule 2020 No. 2.
commencement date means 1 January 2023.

74 Amendment to procedures

- (1) By 1 January 2022, AEMO must review, and where necessary, amend and publish the following Procedures (with such amendments to apply from the commencement date) to take into account the Amending Rule:
 - (a) the uplift payment procedures referred to in rule 240;
 - (b) the ancillary payment procedures referred to in rule 239; and
 - (c) any other Procedures that AEMO considers relevant having regard to the Amending Rule.
- (2) By 31 March 2020, AEMO must review and where necessary amend and publish the gas scheduling procedures referred to in rule 206 to take into account Schedule 1 of the Amending Rule.
- (3) When amending and publishing the gas scheduling procedures under subrule (2) AEMO is not required to comply with rules 135EC to 135EG.

[END OF RULE AS MADE]

