



## **Draft National Gas Amendment (DWGM distribution connected facilities) Rule 2022**

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.

Anna Collyer  
Chairperson  
Australian Energy Market Commission

## **Draft National Gas Amendment (DWGM distribution connected facilities) Rule 2022**

### **1 Title of Rule**

This Rule is the *Draft National Gas Amendment (DWGM distribution connected facilities) Rule 2022*.

### **2 Commencement**

Schedules 1, 2 and 3 of this Rule commence operation on 1 October 2023.

Schedule 4 of this Rule commences operation on 1 January 2023, immediately after the commencement of Schedule 2 of the National Gas Amendment (DWGM simpler wholesale price) Rule 2020.

Schedule 5 of this Rule commences operation on 1 October 2023.

### **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.

### **6 Amendment to the National Gas Rules**

The National Gas Rules are amended as set out in Schedule 4.

### **7 Savings and Transitional Amendment to the National Gas Rules**

The National Gas Rules are amended as set out in Schedule 5.

## **Schedule 1      Amendment to the National Gas Rules**

(Clause 3)

### **[1] Rule 135A      Participation in declared wholesale gas market of adoptive jurisdiction**

In rule 135A, omit the opening paragraph and substitute:

- (1) A person participates, in a registrable capacity, in the declared wholesale gas market of an adoptive jurisdiction as follows:

### **[2] Rule 135A      Participation in declared wholesale gas market of adoptive jurisdiction**

In subrule 135A(1)(c), omit "natural gas" and substitute "gas".

### **[3] Rule 135A      Participation in declared wholesale gas market of adoptive jurisdiction**

After subrule 135A(1)(c), insert:

- (c1) Registrable capacity: distribution connected facility operator

A person who injects gas into a declared distribution system at a DDS injection point from a storage facility, production facility or blend processing facility.

### **[4] Rule 135A      Participation in declared wholesale gas market of adoptive jurisdiction**

In subrule 135A(1)(d), omit "natural gas" and substitute "gas".

### **[5] Rule 135A      Participation in declared wholesale gas market of adoptive jurisdiction**

After subrule 135A(1)(d), insert:

- (d1) Registrable capacity: Market Participant – distribution connected facility operator

A distribution connected facility operator that buys or sells gas in the declared wholesale gas market.

### **[6] Rule 135A      Participation in declared wholesale gas market of adoptive jurisdiction**

In subrules 135A(1)(f) and (h), omit "natural gas" and substitute "gas".

**[7] Rule 135A                      Participation in declared wholesale gas market of adoptive jurisdiction**

In subrules 135A(1)(i)(i) and (i)(ii), omit "natural gas" and substitute "gas".

**[8] Rule 135A                      Participation in declared wholesale gas market of adoptive jurisdiction**

In subrules 135A(1)(j)(i) and (j)(ii), omit "natural gas" and substitute "gas".

**[9] Rule 135A                      Participation in declared wholesale gas market of adoptive jurisdiction**

In subrules 135A(1)(k) and (l), omit "natural gas" and substitute "gas".

**[10] Rule 135A                      Participation in declared wholesale gas market of adoptive jurisdiction**

After subrule 135A(1)(l), insert:

- (2) In subrule (1), **blend processing facility, gas, declared distribution system and DDS injection point** have the meaning given in Part 19.

## **Schedule 2      Amendment to the National Gas Rules**

(Clause 4)

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

After subrule 135EA(2)(b), insert:

- (b1) coordination between AEMO and the service providers for declared distribution systems;

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

After subrule 135EA(2)(j), insert:

- (j1) gas quality and gas quality monitoring;

## Schedule 3 Amendment to the National Gas Rules

(Clause 5)

### [1] Rule 200 Definitions

In rule 200, in the definition of "**actual injections**", omit "system injection points" and substitute "market injection points".

### [2] Rule 200 Definitions

In rule 200, in the definition of "**adjusted withdrawals**", omit "rule 235" and substitute "rule 235(11)".

### [3] Rule 200 Definitions

In rule 200, in the definition of "**capacity certificates zone**", omit "system injection points or system withdrawal points (as the case may be) in the declared transmission system" and substitute "market injection points or system withdrawal points (as the case may be)".

### [4] Rule 200 Definitions

In rule 200, insert the following definitions in alphabetical order:

**blend processing facility** means facility in which gas of different types is blended for injection into a pipeline.

**DDS injection point** means a receipt point on a declared distribution system.

**declared distribution system** means a declared distribution system within the meaning of the *NGL* but does not include a distribution system, or part of a distribution system, that is:

- (a) not connected directly or indirectly to the declared transmission system; or
- (b) indirectly connected to a declared transmission system but by means of a pipeline that does not form part of the declared transmission system.

**distribution connected facility** means a storage facility, production facility or blend processing facility connected to a declared distribution system.

**distribution connected facility operator** means a person who owns, operates or controls a distribution connected facility.

**distribution constraint** means equations or constraints relating to the flow of gas in a declared distribution system at any time, notified to AEMO by the relevant Distributor, including by reason of maintenance or plant failure.

**distribution injection or flow constraint** means a constraint relating to:

- (a) injections at a DDS injection point provided by a Distributor or the distribution connected facility operator; or
- (b) injections into, or the flow of gas in, a declared distribution system provided by a Distributor and accepted by AEMO in accordance with the distribution operations coordination procedures.

**distribution operations coordination procedures** means the Procedures made under rule 317A.

**gas quality monitoring procedures** means the Procedures made under rule 289B.

**market injection point** means a system injection point or a DDS injection point or both.

**metering installation coordination procedures** means the Procedures made under rule 292A.

**responsible gas quality monitoring provider** – See rule 289C.

**settlement metering point** means a system point or a point where gas is transferred between declared distribution systems.

## **[5] Rule 200 Definitions**

In rule 200, omit and substitute the following definitions in alphabetical order:

**delivery point** means a transmission delivery point or a distribution delivery point.

**DWGM facility operator** means:

- (a) a declared transmission system service provider;
- (b) an interconnected transmission pipeline service provider;
- (c) a Producer; and
- (d) a Storage Provider.

**gas quality specifications** means in respect of a market injection point:

- (a) the standard gas quality specifications; or
- (b) in the case of a system injection point, a gas quality standard approved by AEMO in respect of that system injection point pursuant to rule 287(1); or
- (c) in the case of a DDS injection point, a gas quality standard approved by the Distributor in respect of that DDS injection point pursuant to rule 287A.

## **[6] Rule 200 Definitions**

In rule 200, in the definition of "**distribution delivery point**", omit "storage facility" and substitute "distribution connected facility".

**[7] Rule 200 Definitions**

In rule 200, in the definition of "**gas quality monitoring system**" omit "system injection point" and substitute "market injection point".

**[8] Rule 200 Definitions**

In rule 200, in the definition of "**injection bid**" omit "system injection point" and substitute "market injection point".

**[9] Rule 200 Definitions**

In rule 200, in the definition of "**Market**", after "declared transmission system", insert "and injections into declared distribution systems".

**[10] Rule 200 Definitions**

In rule 200, in the definition of "**off-specification gas**", omit "system injection point" and substitute "market injection point".

**[11] Rule 200 Definitions**

In rule 200, in the definition of "**Producer**", omit "natural".

**[12] Rule 200 Definitions**

In rule 200, in the definition of "**system point**", omit "system injection point" and substitute "market injection point".

**[13] New Rule 204A Multiple facility operators for a distribution connected facility**

After rule 204, insert new rule:

**204A Multiple facility operators for a distribution connected facility**

- (1) This rule applies in relation to this Part if:
  - (a) more than one distribution connected facility operator (an **operator group**) owns, controls or operates a distribution connected facility; and
  - (b) a distribution connected facility operator is required or allowed to do a thing under this Part.
- (2) A distribution connected facility operator of the operator group which is authorised by the other distribution connected facility operators of the operator group to do a thing on behalf of the operator group (the **complying operator**) may do that thing on behalf of all the distribution connected facility operators of the operator group.



- (3) Unless these rules otherwise provide, on the doing of a thing referred to in subrule (2) by a complying operator, the distribution connected facility operators of the operator group must, for the purposes of this Part, each be taken to have done the thing done by that complying operator.

**[14] Rule 206 Gas scheduling**

Omit subrule 206(1) and substitute:

- (1) AEMO must schedule:
- (a) injections of gas into the declared transmission system;
  - (b) injections of gas into a declared distribution system at a DDS injection point; and
  - (c) withdrawals of gas from the declared transmission system for which bids are submitted,
- in accordance with bids.

**[15] Rule 206 Gas scheduling**

In subrule 206(2), omit the opening paragraph and substitute "When scheduling injections and withdrawals of gas, AEMO must:".

**[16] Rule 206 Gas scheduling**

In subrule 206(3), omit paragraph (a) and substitute:

- (a) AEMO's obligations under this Part to schedule injections and withdrawals of gas in accordance with the gas scheduling procedures;

**[17] Rule 207 Requirement to submit bids and demand forecasts**

In subrules 207(1) and (2), after each occasion of "declared transmission system", insert "or a declared distribution system".

**[18] Rule 208 Requirement to submit bids and demand forecasts**

In subrule 208(1)(a), omit "and".

**[19] Rule 208 Requirement to submit bids and demand forecasts**

In subrule 208(1)(b), omit "." and substitute ";".

**[20] Rule 208 Requirement to submit bids and demand forecasts**

In subrule 208(1), after paragraph (b), insert:

- (c) from declared distribution systems (excluding amounts covered by paragraph (a), (b) or (d)); and
- (d) if AEMO so requires – from one or more specified DDS withdrawal points.

**[21] Rule 208 Requirement to submit bids and demand forecasts**

In subrule 208(2), in the opening paragraph, after "system withdrawal point", insert "or specified DDS withdrawal point".

**[22] Rule 208 Requirement to submit bids and demand forecasts**

In subrule 208(3), after "system withdrawal point", insert "or DDS withdrawal point".

**[23] Rule 208 Requirement to submit bids and demand forecasts**

In subrule 208(5)(a), after "one or more system withdrawal points", insert "or DDS withdrawal points".

**[24] Rule 209 Bids**

In subrule 209(1), omit "system injection point" and substitute "market injection point".

**[25] Rule 209 Bids**

In subrule 209(4)(c), omit "system injection point" and substitute "market injection point".

**[26] Rule 209 Bids**

In subrule 209(5)(b), omit "to inject gas into, or withdraw gas from, the declared transmission system" and substitute "to inject or withdraw gas".

**[27] Rule 210 Accreditation**

In subrule 210(1)(b), omit "system injection point" and substitute "market injection point".

**[28] Rule 210                      Accreditation**

In subrule 210(3), omit "system injection point" and substitute "market injection point", wherever occurring.

**[29] Rule 213                      Other requirements for submissions by  
Market Participants**

In subrule 213(2)(a), omit "declared transmission system" and substitute "Market".

**[30] Rule 213                      Other requirements for submissions by  
Market Participants**

In subrule 213(2)(b), omit "into the declared transmission system at the relevant system injection point" and substitute "at the relevant market injection point".

**[31] Rule 213                      Other requirements for submissions by  
Market Participants**

In subrule 213(2)(d), after "declared transmission system", insert "or injects into a declared distribution system".

**[32] Rule 213                      Other requirements for submissions by  
Market Participants**

Omit subrule 213(3) and substitute "[Deleted]".

**[33] Rule 214A                      Reporting on tie-breaking events**

In subrule 214A(2)(a), omit "system injection point" and substitute "market injection point".

**[34] Rule 215                      Operating schedules**

In subrule 215(1)(c), after "applied by AEMO", insert "in respect of the declared transmission system".

**[35] Rule 215                      Operating schedules**

In subrule 215(1)(c), omit "." and substitute ";".

**[36] Rule 215                      Operating schedules**

In subrule 215(1), after paragraph (f), insert:

(f1) any distribution injection or flow constraints;

**[37] Rule 215                      Operating schedules**

Omit subrule 215(2) and substitute:

- (2) The inputs and assumptions set out in subrule (1) must be applied by AEMO to produce operating schedules which specify injections and withdrawals for each hour of the gas day in a way that minimises the cost of satisfying expected demand for gas over that gas day using valid demand forecasts and bids submitted by Market Participants and taking into account:
- (a) any transmission constraints affecting the transportation of gas in the declared transmission system during that gas day; and
  - (b) in relation to injections into declared distribution systems, any distribution constraints affecting a declared distribution system during that gas day.

**[38] Rule 215                      Operating schedules**

In subrule 215(11), omit "injection point and system withdrawal zone or system withdrawal point as relevant" and substitute "system point".

**[39] Rule 216                      Failure to conform to scheduling instructions**

In subrule 216(4), after each occasion of "a Producer" insert ", distribution connected facility operator".

**[40] Rule 217                      Unintended scheduling results**

In subrule 217(2)(a)(ix), after "supply-demand point constraints", insert "in respect of the declared transmission system".

**[41] Rule 217                      Unintended scheduling results**

In subrule 217(2)(a)(x), after "directional flow point constraints", insert "in respect of the declared transmission system".

**[42] Rule 217                      Unintended scheduling results**

In subrule 217(2)(a)(xi), omit second instance of "or".

**[43] Rule 217                      Unintended scheduling results**

After subrule 217(2)(a)(xi), insert:

- (xii) any distribution injection or flow constraints; or

**[44] Rule 219                      Injection and withdrawal confirmations**

Omit subrule 219(1) and substitute:

- (1) Each Registered participant who is registered as a Producer, a distribution connected facility operator, a Storage Provider, or an interconnected

transmission pipeline service provider must as soon as possible on each day notify AEMO of the total quantity of gas that it intends to:

- (a) inject into, and withdraw from, the declared transmission system; or
  - (b) inject into a declared distribution system,
- on its own account (if any) and on behalf of Market Participants during the gas day commencing on the following day.

**[45] Rule 220 Title, custody and risk**

Omit the heading of rule 220 and substitute:

**220 Title, custody and risk in relation to gas in the declared transmission system**

**[46] New Rule 220A Title, custody and risk in relation to gas in the declared distribution system**

After rule 220, insert new rule:

**220A Title, custody and risk in relation to gas in the declared distribution system**

- (1) Each Market Participant unconditionally and irrevocably agrees that transfer of title to gas injected by it into a declared distribution system, the time and place of transfer and the quantities of gas transferred are determined in accordance with this rule.
- (2) Title to gas withdrawn on a gas day from a declared distribution system is taken to have passed immediately prior to withdrawal:
  - (a) from the Market Participants that injected gas into any of the declared distribution systems (whether at a DDS injection point or from the declared transmission system through a transfer point) on that gas day;
  - (b) to the Market Participants that withdrew gas at one or more distribution delivery points on that gas day,in the quantities that each such Market Participant is treated to have injected or withdrawn (in aggregate) under subrule (3).
- (3) For subrule (2):
  - (a) the aggregate quantity of gas that a Market Participant is treating as having injected into declared distribution systems on a gas day is the sum, for that gas day of:
    - (i) the quantities of gas that are treated as having been injected by that Market Participant on the gas day at DDS injection points;and

- (ii) the quantities of gas that are treated as having been withdrawn by that Market Participant on the gas day from the declared transmission system under rule 235(9) at transfer points between the declared transmission system and a declared distribution system; and
- (b) the aggregate quantity of gas that a Market Participant is treating as having withdrawn at distribution delivery points on a gas day is the sum, for that gas day, of the quantities of gas that are treated as having been withdrawn by that Market Participant on the gas day from distribution delivery points under rule 235(10).

**[47] Rule 221                      Determination of market price**

In subrule 221(3)(f), after "demand point constraints", insert "in respect of the declared transmission system".

**[48] Rule 221                      Determination of market price**

After subrule 221(3)(f), insert:

- (f1) any distribution injection or flow constraints;

**[49] Rule 221                      Determination of market price**

In subrule 221(4), in the opening paragraph, omit the second reference to "must".

**[50] Rule 221                      Determination of market price**

In subrule 221(4)(a), at the beginning of the paragraph, insert "must".

**[51] Rule 221                      Determination of market price**

In subrule 221(4)(a), at the end of the paragraph, omit "and".

**[52] Rule 221                      Determination of market price**

In subrule 221(4)(b), at the beginning of the paragraph, insert "must".

**[53] Rule 221                      Determination of market price**

In subrule 221(4)(b), omit "." and substitute "; and".

**[54] Rule 221                      Determination of market price**

After subrule 221(4)(b), insert:

- (c) may take into account distribution constraints affecting injections of gas in a declared distribution system during that gas day.

**[55] Rule 225 Participant compensation fund**

In subrule 225(4), after "aggregate quantity of", insert "net adjusted withdrawals of".

**[56] Rule 225 Participant compensation fund**

In subrule 225(4), omit "declared transmission system" and substitute "Market".

**[57] Rule 225 Participant compensation fund**

In subrule 225(5), omit "declared transmission system" and substitute "Market".

**[58] Rule 225 Participant compensation fund**

In subrule 225(5), omit "Division 3, Subdivision 4" and substitute "rule 235(11) as its aggregate net adjusted withdrawals".

**[59] Rule 228 Quantities**

In rule 228, omit the last paragraph and substitute:

the quantities of gas treated as injected into and withdrawn from the declared transmission system by each Market Participant and the quantities of gas treated as injected into and withdrawn from a declared distribution system by each Market Participant are determined in accordance with this Subdivision.

**[60] Rule 229 Injection allocations**

Omit subrule 229(1) and substitute:

- (1) Subject to subrule (16), where gas is injected, or tendered for injection, at a market injection point by more than one Market Participant, the Market Participants who inject gas, or tender gas for injection, at that market injection point must appoint either a single Allocation Agent or a Sub-Allocation Agent who is included in the injection allocation statement from the single Allocation Agent to determine the quantity of gas which is to be treated as injected into the declared transmission system or a declared distribution system by each of those Market Participants from time to time at that market injection point.

**[61] Rule 229 Injection allocations**

In subrule 229(2), omit all instances of "system injection point" and substitute "market injection point".

**[62] Rule 229 Injection allocations**

In subrule 229(3), omit "system injection point" and substitute "market injection point".

**[63] Rule 229                      Injection allocations**

In subrule 229(4), omit "system injection point" and substitute "market injection point".

**[64] Rule 229                      Injection allocations**

In subrule 229(7), omit "system injection point" and substitute "market injection point", wherever occurring.

**[65] Rule 229                      Injection allocations**

In subrule 229(7), after each occasion of "into the declared transmission system", insert "or declared distribution system".

**[66] Rule 229                      Injection allocations**

In subrule 229(8), omit all instances of "system injection point" and substitute "market injection point".

**[67] Rule 229                      Injection allocations**

In subrule 229(8), after "into the declared transmission system", insert "or declared distribution system".

**[68] Rule 229                      Injection allocations**

Omit the opening paragraph of subrule 229(9) and substitute:

- (9) Where an injection allocation statement has been submitted by an Allocation Agent that specifies the quantity of gas injected into the declared transmission system or a declared distribution system at a market injection point on a gas day, any Sub-Allocation Agent appointed at that market injection point must give to AEMO a sub-allocation statement in accordance with AEMO's requirements, specifying:

**[69] Rule 229                      Injection allocations**

In subrule 229(9)(a), omit "at that system injection point" and substitute "or declared distribution system at that market injection point".

**[70] Rule 229                      Injection allocations**

In subrule 229(11), after "into the declared transmission system", insert "or declared distribution system".

**[71] Rule 229                      Injection allocations**

In subrule 229(12), omit all instances of "system injection point" and substitute "market injection point".



**[72] Rule 229                      Injection allocations**

In subrule 229(13), omit all instances of "system injection point" and substitute "market injection point".

**[73] Rule 229                      Injection allocations**

In subrule 229(13), in the definition of "MQ", after "into the declared transmission system", insert "or declared distribution system".

**[74] Rule 229                      Injection allocations**

In subrule 229(15), omit "system injection point" and substitute "market injection point".

**[75] Rule 229                      Injection allocations**

In subrule 229(16) paragraphs (a) and (b), omit "system injection point" and substitute "market injection point".

**[76] Rule 229                      Injection allocations**

In subrule 229(18), in the last paragraph, omit "system injection point" and substitute "market injection point".

**[77] Rule 229                      Injection allocations**

In subrule 229(20), omit "system injection point" and substitute "market injection point".

**[78] Rule 229                      Injection allocations**

In subrule 229(21), omit "system injection point" and substitute "market injection point".

**[79] Rule 230                      Withdrawal allocations**

In subrule 230(6), after each occasion of "declared transmission system", insert "or declared distribution system".

**[80] Rule 230                      Withdrawal allocations**

In subrule 230(8), after each occasion of "declared transmission system", insert "or declared distribution system".

**[81] Rule 230                      Withdrawal allocations**

In subrule 230(10), after "declared transmission system", insert "or declared distribution system".

**[82] Rule 239                      Ancillary payments**

In subrule 239(5)(c), omit ";" and substitute ",".

**[83] Rule 240 Uplift Payments**

In subrule 240(8)(b), omit "volume of gas" and substitute "quantity of gas".

**[84] Rule 259 Default notice**

In subrule 259(1)(c), after each occasion of "declared transmission system", insert "or a declared distribution system".

**[85] Rule 260 Suspension of a Market Participant**

In subrule 260(2)(c), after each occasion of "declared transmission system", insert "or a declared distribution system".

**[86] Rule 260 Suspension of a Market Participant**

In subrule 260(2)(c)(ii), omit "; or;" and substitute "; or".

**[87] Rule 267 Application of this Subdivision**

Omit rule 267 and substitute "[Deleted]".

**[88] Subdivision 3 Gas Quality**

In subdivision 3, above rule 287, omit the heading and substitute:

**Subdivision 3 Gas quality specifications**

**[89] Rule 287 Gas quality standards**

In rule 287, omit the heading and substitute:

**287 Gas quality standards for system injection points**

**[90] New Rule 287A Gas quality standards for DDS injection points**

After rule 287, insert new rule:

**287A Gas quality standards for DDS injection points**

- (1) The Distributor for a DDS injection point may at the request of a distribution connected facility operator enter into a written agreement that:
  - (a) provides for the injection of gas at a DDS injection point that does not comply with the standard gas quality specifications;
  - (b) sets out the quality standard with which that gas must comply; and
  - (c) provides for the Distributor to terminate the agreement in accordance with subrule (4).

- (2) The parties to an agreement under subrule (1) must consist of or include:
  - (a) the Distributor;
  - (b) the Registered participant or Registered participants proposing to inject gas that does not comply with the standard gas quality specifications;
  - (c) Registered participants also proposing to inject gas at the same DDS injection point;
  - (d) where any part of the gas may be reinjected into the declared transmission system, AEMO; and
  - (e) where any part of the gas may be injected from the declared distribution system into another declared distribution system, the Distributor for the other declared distribution system.
- (3) A Distributor must not enter into an agreement under subrule (1) unless the Distributor is satisfied that the injection of gas in accordance with the agreement is consistent with any applicable pipeline safety duty or pipeline service standard (each as defined in the *NGL*).
- (4) A Distributor may, by notice to the parties to an agreement under subrule (1), terminate the agreement if:
  - (a) a breach of the agreement occurs; or
  - (b) the Distributor is satisfied that the injection of the gas in accordance with the agreement is no longer consistent with an applicable pipeline safety duty or pipeline service standard (each as defined in the *NGL*).

**[91] Rule 288                      Gas quality monitoring**

Omit rule 288 and substitute "[Deleted]".

**[92] Rule 289                      Off-specification gas**

In rule 289, omit the heading and substitute:

**289                      Off-specification gas in the declared transmission system**

**[93] New Rule 289A              Off-specification gas in a declared  
distribution system**

After rule 289, insert new rule:

**289A                      Off-specification gas in a declared distribution system**

- (1) Each Registered participant must use its reasonable endeavours to ensure that any gas it injects or tenders for injection into a declared distribution

system at a DDS injection point complies with the gas quality specifications for that DDS injection point.

**Note:**

The AEMC proposes to recommend that this subrule be classified as a conduct provision.

- (2) Each Registered participant must notify the relevant Distributor as soon as it becomes aware that gas which does not comply with the gas quality specifications is being, or is likely to be, or has been delivered at a DDS injection point. Any such notification must include all information available to the Registered participant in respect of the off-specification gas, including each aspect of each specification with which it fails to comply, the degree of its failure to comply and the likely time the Registered participant will be able to resume delivery of gas in accordance with the gas quality specifications.

**Note:**

The AEMC proposes to recommend that this subrule be classified as a conduct provision.

- (3) A Distributor may accept delivery of off-specification gas if the Registered participant who has injected, is injecting, or is likely to inject the off-specification gas has accurately notified the Distributor of all information referred to in subrule (2) that is available to the Registered participant and:
- (a) the gas complies with requirements for exemption from compliance with the standard gas quality specifications under an applicable legislative or regulatory instrument; or
  - (b) in the reasonable opinion of the Distributor:
    - (i) acceptance is necessary to ensure the safety of the public or the safety, security or reliability of its declared distribution system; or
    - (ii) off-specification gas can be co-mingled with other gas in its declared distribution system or processed so that gas delivered to Customers at a distribution delivery point will, notwithstanding acceptance of that off-specification gas, comply with the standard gas quality specifications.
- (4) If a Distributor accepts or intends to accept any off-specification gas in accordance with subrule (3):
- (a) it must promptly provide notice accepting that off-specification gas to the Registered participant who has injected, is injecting or is likely to inject off-specification gas at the DDS injection point; and
  - (b) it must promptly give notice of that fact to each Registered participant who the Distributor reasonably believes is likely to be affected by gas that does not comply with the relevant gas quality specifications and, so far as known, the extent to which gas is likely to fail to comply

with the relevant gas quality specifications and the likely quantity and duration of the off-specification gas.

- (5) Without limiting a Registered participant's ongoing obligation under subrule (1), a Registered participant will not be in breach of this rule as a result of the delivery of off-specification gas that a Distributor has accepted in accordance with subrule (3).
- (6) This rule is to be read subject to the terms of an agreement in force under rule 287A.

## **[94] New Rule 289B Gas quality monitoring procedures**

After new rule 289A, insert new rule:

### **Subdivision 3.1 Gas quality monitoring**

#### **289B Gas quality monitoring procedures**

- (1) AEMO must make Procedures (**gas quality monitoring procedures**) providing for:
  - (a) the application of the standard gas quality specifications in relation to the declared transmission system;
  - (b) gas quality monitoring requirements, including:
    - (i) monitoring standards; and
    - (ii) the use of gas quality monitoring systems and other required gas quality monitoring measures;
  - (c) the equipment to be included in gas quality monitoring systems and equipment standards;
  - (d) the matters to be addressed in gas quality monitoring plans;
  - (e) the process for making an election or seeking approval or consent from AEMO in accordance with this Subdivision;
  - (f) arrangements for applying for temporary or permanent modifications to gas quality monitoring arrangements;
  - (g) arrangement for monitoring compliance with gas quality monitoring arrangements;
  - (h) testing of gas quality monitoring systems and the costs of tests; and
  - (i) other matters AEMO reasonably considers necessary or desirable to deal with in the gas quality monitoring procedures relation to gas quality monitoring for the declared transmission system or operation of the Market.
- (2) The gas quality monitoring procedures must be consistent with:

- (a) the standard gas quality specifications; and
  - (b) any duty or requirement under an Act of a participating jurisdiction, or any instrument made or issued under or for the purposes of that Act, relating to gas quality or safety.
- (3) The gas quality monitoring procedures may include information relating to the application of the standard gas quality specifications in a declared distribution system, where that information is available to AEMO.

### **[95] New Rule 289C Responsibility for gas quality monitoring at market injection points**

After new rule 289B, insert new rule:

#### **289C Responsibility for gas quality monitoring at market injection points**

- (1) The person responsible for establishing and maintaining gas quality monitoring arrangements for market injection points is the **responsible gas quality monitoring provider**.
- (2) Except in relation to a system injection point or DDS injection point for which an election has been made under subrule (3) or (4):
  - (a) the declared transmission system service provider is the responsible gas quality monitoring provider for a system injection point; and
  - (b) the Distributor is the responsible gas quality monitoring provider for a DDS injection point.
- (3) A Registered participant (other than the declared transmission system service provider) may by notice to AEMO and the declared transmission system service provider elect to be the responsible gas quality monitoring provider for a system injection point (other than a system injection point for which another person is and intends to remain the responsible gas quality monitoring provider) if the Registered participant:
  - (a) injects, or intends to inject, gas at the system injection point; and
  - (b) has any necessary rights (whether as owner, or under contract) to install, operate and maintain the gas quality monitoring system for the system injection point at the location at which it will be installed.
- (4) A Registered participant (other than a Distributor) may by notice to AEMO and the relevant Distributor elect to be the responsible gas quality monitoring provider for a DDS injection point (other than a DDS injection point for which another person is and intends to remain the responsible gas quality monitoring provider) if the Registered participant:
  - (a) injects, or intends to inject, gas at the DDS injection point; and

- (b) has any necessary rights (whether as owner, or under contract) to install, operate and maintain the gas quality monitoring system for the DDS injection point at the location at which it will be installed.
- (5) A responsible gas quality monitoring provider for a system injection point may request approval from AEMO to cease to be the responsible gas quality monitoring provider for the system injection point. AEMO must refuse to grant approval unless another Registered participant has elected to be, or the declared transmission system service provider has agreed to be, the responsible gas quality monitoring provider for the system injection point with effect from the time the approval takes effect.
  - (6) A responsible gas quality monitoring provider for a DDS injection point may request approval from the Distributor to cease to be the responsible gas quality monitoring provider for the DDS injection point. The Distributor must refuse to grant approval unless another Registered participant has elected to be, or the Distributor has agreed to be, the responsible gas quality monitoring provider for the DDS injection point with effect from the time the approval takes effect.
  - (7) An election or request for approval under this rule must be made in accordance with any applicable provisions in the gas quality monitoring procedures.

## **[96] New Rule 289D Responsibility for gas quality monitoring at other points**

After new rule 289C, insert new rule:

### **289D Responsibility for gas quality monitoring at other points**

- (1) AEMO may require gas quality monitoring arrangements to be established for:
  - (a) points on the declared transmission system (**DTS monitoring points**); and
  - (b) points at which gas is transferred between declared distribution systems (**DDS transfer monitoring points**),that AEMO considers necessary or desirable to enable AEMO to monitor the quality of gas in the declared transmission system or for the calculation of Market settlements.
- (2) The responsible gas quality monitoring provider for a DTS monitoring point is the declared transmission system service provider.
- (3) The responsible gas quality monitoring provider for a DDS transfer monitoring point is the Distributor nominated by AEMO in its discretion unless otherwise agreed between the relevant Distributors.



## **[97] New Rule 289E Obligations of the responsible gas quality monitoring provider**

After new rule 289D, insert new rule:

### **289E Obligations of the responsible gas quality monitoring provider**

- (1) A responsible gas quality monitoring provider for a market injection point, DTS monitoring point or DDS transfer monitoring point must ensure that gas quality monitoring arrangements comprising:
  - (a) a gas quality monitoring system; and
  - (b) a gas quality monitoring plan,  
where applicable approved in accordance with subrule (2), have been established and are being maintained in respect of the relevant point.
- (2) Gas quality monitoring arrangements (including any modifications to them) must be approved as follows:
  - (a) in the case of a system injection point, DTS monitoring point or DDS transfer monitoring point, AEMO's approval is required; and
  - (b) in the case of a DDS injection point for which the Distributor is not the responsible gas quality monitoring provider, the Distributor's approval is required.
- (3) The responsible gas quality monitoring provider for a market connection point must ensure that gas quality monitoring arrangements are in place and operational at all times that gas is injected at the market injection point, unless otherwise agreed with AEMO.
- (4) A responsible gas quality monitoring provider for a market connection point, DTS monitoring point or DDS monitoring point must:
  - (a) install, operate and maintain its gas quality monitoring system in accordance with the applicable gas quality monitoring arrangements and where applicable, any approval under subrule (2); and
  - (b) comply with the applicable gas quality monitoring plan, where applicable as approved under subrule (2).

**Note:**

The AEMC proposes to recommend that this subrule be classified as a civil penalty provision.

- (5) The responsible gas quality monitoring provider for the gas quality monitoring system must, on request, provide AEMO and any other affected Participants with all data and information relating to gas quality at the monitoring point, including all test and calibration reports relating to the gas quality monitoring system. The party requesting the information (other



than AEMO) must pay the responsible gas quality monitoring provider's reasonable costs of providing that information.

**Note:**

The AEMC proposes to recommend that this subrule be classified as a conduct provision.

- (6) Subject to any agreement between the responsible gas quality monitoring provider and an affected Participant and rule 289F(2), costs associated with gas quality monitoring are to be borne by the responsible gas quality monitoring provider.

## **[98] New Rule 289F Obligations of Market Participants**

After new rule 289E, insert new rule:

### **289F Obligations of Market Participants**

- (1) A Market Participant must not, without the express permission of AEMO, supply gas at a market injection point unless gas quality monitoring arrangements that comply with rule 289E have been established and are being maintained in respect of that market connection point.
- (2) A Market Participant must have in force an agreement with the responsible gas quality monitoring provider for a market connection point under which that Market Participant contributes to its proportionate share of the costs incurred by the responsible gas quality monitoring provider in establishing and maintaining the gas quality monitoring arrangements for the market injection point. AEMO may provide to a responsible gas quality monitoring provider for use in calculating a Market Participant's proportionate share of costs, any statement submitted to it by an Allocation Agent under rule 229 or 230.
- (3) In subrule (2), and subject to any agreement to the contrary:
  - (a) **proportionate share** means a share calculated having regard to the actual quantity of gas injected at the market injection point by that Market Participant against the total quantity of gas injected at that market injection point in any particular billing period; and
  - (b) **costs** means the total costs incurred by the responsible person in establishing and maintaining the gas quality monitoring arrangements.
- (4) A Market Participant must provide to AEMO or a Distributor on request information, records and access to facilities that:
  - (a) AEMO or the Distributor reasonably requires in order to verify that the gas supplied by the Market Participant at a market injection point complies with the applicable gas quality specifications and that reasonable precautions are in place to prevent the delivery of off-specification gas to the market injection point; and

- (b) are consistent with the rights AEMO or a Distributor would have in respect of such information, records and access under the terms and conditions of access approved in the Distributor applicable access arrangement.

**Note:**

The AEMC proposes to recommend that this rule be classified as a conduct provision.

## **[99] New Rule 289G Gas quality monitoring systems**

After new rule 289F, insert new rule:

### **289G Gas quality monitoring systems**

- (1) A gas quality monitoring system for a market injection point or a DDS transfer monitoring point must include:
  - (a) a gas chromatograph for determination of gas composition, heating value, relative density and wobbe index; and
  - (b) other equipment specified in the gas quality monitoring procedures unless, having regard to alternate measuring methods or the characteristics of the particular gas supply:
    - (i) except where subparagraph (ii) applies, AEMO agrees otherwise; or
    - (ii) in the case of a DDS injection point, the Distributor decides (where it is the responsible gas quality monitoring provider) or agrees (where the Distributor is not the responsible gas quality monitoring provider) otherwise.

**Note:**

The AEMC proposes to recommend that this subrule be classified as a conduct provision.

- (2) A gas quality monitoring system for a DTS monitoring point must include the equipment specified in the gas quality monitoring procedures unless AEMO agrees otherwise.
- (3) A gas quality monitoring system must provide for the continuous measurement of gas quality and the continuous transmission of gas quality data in real time to the metering database unless AEMO agrees that, having regard to the characteristics of the particular monitoring point, satisfactory measurement can be achieved by sampling or some means other than continuous measurement.
- (4) The responsible gas quality monitoring provider for a gas quality monitoring system must ensure that, at its own cost, data from the gas quality monitoring system is transmitted to the metering database in a form and manner compatible with the metering database.

## **[100] New Rule 289H Gas quality monitoring plans**

After new rule 289G, insert new rule:

### **289H Gas quality monitoring plans**

- (1) A gas quality monitoring plan must address the matters provided for in the gas quality monitoring procedures.
- (2) A gas quality monitoring plan for a market injection point must identify:
  - (a) the sources of the gas reasonably likely to be delivered to the market injection point (including where it is commingled with other gas); and
  - (b) the precautions in place, including gas quality monitoring by or at the source, to prevent the delivery of gas to the market injection point that does not comply with the gas quality specifications.
- (3) A gas quality monitoring plan must include an operation and maintenance plan to ensure the accuracy and reliability of each gas quality monitoring system covered by the plan. The operation and maintenance plan must include:
  - (a) provision for the periodic testing and calibration of the gas quality monitoring system in accordance with standards specified in the gas quality monitoring procedures;
  - (b) procedures for ensuring that the gas quality monitoring system will remain free from interference; and
  - (c) provision for the storing of all data relating to the operation and calibration of the gas quality monitoring system.

### **[101] Rule 290 Obligation of Market Participants to establish metering installations**

In the heading of rule 290, omit "to establish" and substitute "in relation to".

### **[102] Rule 290 Obligation of Market Participants in relation to metering installations**

In subrule 290(6)(b), omit "and gas quality monitoring system".

### **[103] Rule 291 Obligations of declared transmission system Service Providers to establish metering installations**

In the heading of rule 291, omit "Service Providers" and substitute "service providers".

### **[104] Rule 292                      Responsibility for metering installation**

Omit subrule 292(2)(a) and substitute:

- (a) if the metering installation is situated at a receipt point on the declared transmission system – is the declared transmission system service provider associated with that receipt point, unless:
  - (i) the declared transmission system service provider and the Producer or the Storage Provider associated with that receipt point agree otherwise; or
  - (ii) the Producer or the Storage Provider associated with that receipt point has elected in accordance with subrule (3A) to be the responsible person;

### **[105] Rule 292                      Responsibility for metering installation**

Omit subrule 292(2)(b) and substitute:

- (b) if the metering installation is situated at a transfer point between the declared transmission system and another transmission pipeline – is the declared transmission system service provider, unless:
  - (i) declared transmission system service provider and the interconnected transmission pipeline service provider associated with that transfer point agree otherwise; or
  - (ii) the interconnected transmission pipeline service provider associated with that transfer point has elected in accordance with subrule (3A) to be the responsible person;

### **[106] Rule 292                      Responsibility for metering installation**

Omit subrule 292(2)(d) and substitute:

- (d) if the metering installation is situated at a transmission delivery point at which a Transmission Customer is connected – is the declared transmission system service provider associated with that transmission delivery point, unless:
  - (i) the declared transmission system service provider and that Transmission Customer agree otherwise; or
  - (ii) that Transmission Customer has elected in accordance with subrule (3A) to be the responsible person;

### **[107] Rule 292                      Responsibility for metering installation**

Omit subrule 292(2)(e) and substitute:

- (e) if the metering installation is situated at a distribution delivery point at which a Market Customer or a Customer who is buying gas from a

Retailer other than the Customer's local area retailer (as defined in the National Energy Retail Law) is connected – is the Distributor associated with that distribution delivery point, unless:

- (i) that Distributor and the relevant Market Participant agree otherwise; or
- (ii) the relevant Market Participant has elected in accordance with subrule (3A) to be the responsible person;

**[108] Rule 292                      Responsibility for metering installation**

Omit subrule 292(2)(f) and substitute:

- (f) if the metering installation is situated at a receipt point on a declared distribution system – is the Distributor associated with that receipt point, unless:
  - (i) the Distributor and the distribution connected facility operator associated with that receipt point agree otherwise; or
  - (ii) the distribution connected facility operator associated with that receipt point has elected in accordance with subrule (3A) to be the responsible person;

**[109] Rule 292                      Responsibility for metering installation**

After subrule 292(3), insert:

- (3A) Subject to subrule (4), a person may make an election to be the responsible person for a new metering installation for the purposes of subrule (2) (other than subparagraph (c) and (g) of that subrule) by giving notice to the person who would otherwise be the responsible person for that new metering installation.

**[110] Rule 292                      Responsibility for metering installation**

In subrule 292(5), after "under subrule (2)", insert "or an election is made under subrule (3A)".

**[111] Rule 292                      Responsibility for metering installation**

In subrule 292(5), after "must immediately advise AEMO of that agreement", insert "or election".

**[112] New rule 292A      Metering installation coordination procedures**

After rule 292, insert new rule:

**292A Metering installation coordination procedures**

AEMO must make Procedures (**metering installation coordination procedures**) providing for the obligations of the responsible person with respect to the following matters relating to metering installations for settlement metering points:

- (a) temporary changes to metering installations or facilities connected to metering installations that affect the accuracy of the metering installations;
- (b) addressing the consequences of temporary metering data failures;
- (c) monitoring of metering installations;
- (d) audit requirements, and the cost of audits;
- (e) investigation and reporting in accordance with rule 293(6).

**[113] Rule 293 Other responsibilities of a responsible person**

In the heading of rule 293, omit "Other responsibilities" and substitute "Responsibilities".

**[114] Rule 293 Responsibilities of a responsible person**

Omit the opening paragraph of rule 293 and substitute:

- (1) The responsible person must:

**[115] Rule 293 Responsibilities of a responsible person**

In subrule 293(1)(a), after "in accordance with this Subdivision", insert ", the metering installation coordination procedures".

**[116] Rule 293 Responsibilities of a responsible person**

After subrule 293(1)(e), insert:

- (2) If a metering installation malfunction or defect occurs, the responsible person must have repairs made to the metering installation as soon as practicable and in any event within 2 days, unless AEMO otherwise agrees.
- (3) The responsible person for a metering installation for a settlement metering point must:
  - (a) monitor its metering installation on a regular basis in order to ensure that the installation is operating properly in accordance with this Subdivision;

- (b) make available the results of all tests in respect of the metering installation to AEMO and all affected Participants as soon as practicable after they have been completed; and
  - (c) allow AEMO and each affected Participant, at all reasonable times, by giving reasonable prior notice to the responsible person, to inspect the metering installation and records in respect of a metering installation.
- (4) AEMO may notify the responsible person if AEMO:
- (a) becomes aware, or reasonably believes that a metering installation for a settlement metering point does not comply with the requirements of this Subdivision or has malfunctioned or is defective; or
  - (b) becomes aware of, or reasonably believes that, any other matter is or may be affecting the integrity of the metering data from a metering installation for a settlement metering point.
- (5) If the responsible person for a metering installation for a settlement metering point is notified by AEMO under subrule (4) or otherwise becomes aware that the accuracy of the metering installation does not comply with the requirements of this Subdivision or of any matter which could affect the integrity of the metering data or the use of the metering data for the Market, the responsible person must:
- (a) notify all affected Participants and AEMO as soon as practicable; and
  - (b) arrange for the accuracy of the metering installation to be restored or for the metering installation to be reinstated, modified or replaced by such time as AEMO may reasonably determine so that the metering installation meets the requirements of this Subdivision.

**Note:**

The AEMC proposes to recommend that this subrule be classified as a civil penalty provision.

- (6) The responsible person must within 2 business days after receiving a notice from AEMO under subrule (4) or otherwise becoming aware of any matter described in subrule (5):
- (a) provide a report to AEMO in relation to that matter containing the information in the metering installation coordination procedures; and
  - (b) where requested by AEMO, prepare an estimate of the actual quantity of gas transferred through the affected metering installation.

**Note:**

The AEMC proposes to recommend that this subrule be classified as a civil penalty provision.

- (7) The responsible person for a metering installation for a settlement metering point must notify all affected Participants and AEMO if practicable at least

7 days prior to, and in any event 7 days after, any (including temporary) modification, adjustment, repair or replacement of any of the metering installation (including where the action may have an impact on metering accuracy or integrity) and the notice must, if applicable, include a record of the readings of the relevant metering installation at all relevant times.

**Note:**

The AEMC proposes to recommend that this subrule be classified as a civil penalty provision.

- (8) Where a metering installation is used for providing metering data to AEMO and for other purposes as well (the **extraneous use**), the responsible person must ensure that the extraneous use does not interfere with the provision of metering data in accordance with this Part.

**Note:**

The AEMC proposes to recommend that this subrule be classified as a conduct provision.

**[117] Rule 294 Additional metering**

In subrule 294(1), after "connection point on the declared transmission system", insert ", a receipt point on a declared distribution system".

**[118] Rule 295 Metering installation components**

In rule 295, omit the opening paragraph and substitute:

The responsible person for a metering installation must ensure that the metering installation:

**[119] Rule 295 Metering installation components**

In subrule 295(a), omit "be accurate" and substitute "is accurate".

**[120] Rule 295 Metering installation components**

In subrule 295(b), omit "have facilities" and substitute "has facilities".

**[121] Rule 295 Metering installation components**

In subrule 295(c), omit "contain a device" and substitute "contains a device".

**[122] Rule 295 Metering installation components**

In subrule 295(d), omit "be secure" and substitute "is secure".

**[123] Rule 295 Metering installation components**

In subrule 295(e), omit "have electronic data" and substitute "has electronic data".



**[124] Rule 295                      Metering installation components**

In subrule 295(f), omit "be capable" and substitute "is capable".

**[125] Rule 295                      Metering installation components**

In subrule 295(g), omit "have a meter" and substitute "has a meter".

**[126] Rule 299                      Calibration of metering installations**

In subrule 299(1), omit "system points" and substitute "settlement metering points".

**[127] Rule 299                      Calibration of metering installations**

In subrule 299(3), omit "one year" and substitute "five years and not more than once a year".

**[128] Rule 299                      Calibration of metering installations**

In subrule 299(4), after "The responsible person must establish", insert "and provide to AEMO".

**[129] Rule 299                      Calibration of metering installations**

Omit subrule 299(6) and substitute "[Deleted]".

**[130] Rule 299                      Calibration of metering installations**

Omit subrule 299(7) and substitute "[Deleted]".

**[131] Rule 299                      Calibration of metering installations**

Omit subrule 299(12)(a) and substitute "[Deleted]; and".

**[132] Rule 299                      Calibration of metering installations**

Omit subrule 299(14) and substitute "[Deleted]".

**[133] Rule 299                      Calibration of metering installations**

Omit subrule 299(15) and substitute "[Deleted]".

**[134] Rule 299                      Calibration of metering installations**

Omit subrule 299(16) and substitute "[Deleted]".

**[135] Rule 299                      Calibration of metering installations**

Omit subrule 299(17) and substitute "[Deleted]".

**[136] Rule 300 Security of metering equipment**

In subrule 300(2), after "found by a Registered participant", insert "or a responsible person".

**[137] Rule 300 Security of metering equipment**

In subrule 300(2), after ", the Registered participant", insert "or a responsible person (as applicable)".

**[138] Rule 300 Security of metering equipment**

In subrule 300(3), after "If a Registered participant", insert "or responsible person".

**[139] Rule 300 Security of metering equipment**

In subrule 300(3), after "by any tampering, then the responsible person must", insert "as soon as practicable and in the case of a metering installation for a settlement metering point, within 2 business days,".

**[140] Rule 302 Changes to metering parameters and settings**

In subrule 302(a), after "notified to AEMO", insert "and for a receipt point on a distribution system, the Distributor,".

**[141] Rule 302 Changes to metering parameters and settings**

In subrule 302(b), after "confirmed to AEMO", insert "and for a receipt point on a distribution system, the Distributor".

**[142] Rule 303 Energy metering and measurement**

After subrule 303(2), insert:

- (2A) A metering installation at a market injection point on a declared distribution system must be capable of determining the energy content of gas flowing through the metering point unless otherwise agreed by AEMO and the responsible person.

**Note:**

The AEMC proposes to recommend that this subrule be classified as a conduct provision.

**[143] Rule 303 Energy metering and measurement**

In subrule 303(5), omit "American Gas Association Report no. 7 (measurement of gas by turbine meters), American Gas Association Report no. 8 (compressibility factors of natural gas and other related hydro-carbon gas) and ISO6976 (calculation of calorific

value, density, relative density and wobble index from gas composition)" and substitute "the industry standards specified in the energy calculation procedures".

**[144] Rule 303                      Energy metering and measurement**

In subrule 303(6), after "at distribution delivery points", insert "and specifying the industry standards to be used to calculate the energy content of gas flowing through a metering point".

**[145] Rule 304                      Performance of metering installations**

Omit subrule 304(2) and substitute "[Deleted]".

**[146] Rule 314                      Data validation and substitution**

In subrule 314(4)(a), after "removed from service", insert "(including on a temporary basis)".

**[147] Rule 316                      Use of meters**

In rule 316, omit the heading and substitute:

**316                      Data used for settlements**

**[148] Rule 316                      Data used for settlements**

Omit subrule 316(1) and substitute:

- (1) AEMO must use as the primary source of data for settlement purposes metering data and data provided to AEMO for settlement purposes in accordance with the Retail Market Procedures.

**[149] Rule 316                      Data used for settlements**

Omit subrule 316(3), excluding the note, and substitute "[Deleted]".

**[150] Rule 316                      Data used for settlements**

After subrule 316(3), insert:

- (4) If there is an inconsistency between the data held in a metering installation and the data held in the metering database, the data in the metering installation is to be taken as prima facie evidence of the energy data derived from that metering installation.

**[151] Subdivision 5 Declared distribution – system unaccounted for gas**

Above rule 317, omit the subdivision heading and substitute:

**Subdivision 5 Matters relating to the declared distribution systems**

**[152] New Rule 317A Operational coordination between AEMO and Distributors**

After rule 317, insert new rule:

**317A Operational coordination between AEMO and Distributors**

- (1) AEMO must make Procedures (**distribution operations coordination procedures**) providing for:
  - (a) submission, assessment, acceptance and review of methodologies for determining supply point constraints applicable at DDS injection points in accordance with rule 317B;
  - (b) arrangements for AEMO to provide information to Distributors:
    - (i) available to or created by AEMO in operating the declared transmission system or the Market; and
    - (ii) reasonably required by the Distributor for the operation of its declared distribution system having regard to the impact or potential impact of the injection of gas into its declared distribution system at DDS injection points and the scheduling of that gas through the Market; and
  - (c) arrangements for Distributors to provide information to AEMO:
    - (i) available to or created by the Distributor relating to its declared distribution system (including demand for or injections of gas); and
    - (ii) reasonably required by AEMO for the operation of the declared transmission system or the Market.
- (2) The information provided by AEMO to Distributors under the distribution operations coordination procedures may include demand forecasts for demand nodes in the declared distribution system.
- (3) The distribution operational coordination procedures must specify:
  - (a) the purpose for which information disclosed to a Distributor under the procedures may be used; and

- (b) arrangements for the protection of confidential information disclosed to a Distributor under the procedures and the circumstances in which confidential information may be disclosed.
- (4) A Distributor must, in relation to information disclosed to it in accordance with the distribution operational coordination procedures:
  - (a) only use the information for the purpose for which it was disclosed; and
  - (b) maintain the confidentiality of the information in accordance with the distribution operational coordination procedures; and
  - (c) only disclose the information in circumstances where disclosure is permitted in accordance with those procedures.

**Note:**

The AEMC proposes to recommend that this subrule be classified as a conduct provision.

- (5) Information of a Distributor disclosed to AEMO in accordance with arrangements made under distribution operational coordination procedures is confidential information.

### **[153] New Rule 317B Declared distribution system supply point constraints**

After new rule 317A, insert new rule:

#### **317B Declared distribution system supply point constraints**

- (1) The distribution operational coordination procedures must set out arrangements for a Distributor to submit to AEMO, and for AEMO to assess and where applicable accept, a methodology to determine one or more supply point constraints (**constraint methodology**) that:
  - (a) apply in respect of DDS injection points on the Distributor's declared distribution system;
  - (b) the Distributor reasonably considers are required for the operation of its declared distribution system; and
  - (c) are to be taken into account by AEMO in accordance with rule 215(1)(c1) in determining operating schedules or in accordance with rule 221(3)(f1) in determining pricing schedules.
- (2) A constraint methodology may:
  - (a) set a fixed constraint in respect of a DDS injection point, or may provide for the constraint to be determined having regard to operating conditions; and

- (b) apply, alone or in combination, in respect of a DDS injection point or combination of DDS injection points.
- (3) A Distributor must ensure that its constraint methodologies, alone or in combination, do not result in outcomes that are inconsistent with the principle that operating schedules which specify injections and withdrawals for each hour of the gas day should do so in a way that minimises the cost of satisfying expected demand for gas over that gas day.

**Note:**

Constraint methodologies are not intended to be used to reserve or prioritise access to capacity for the injection of gas into a declared distribution system.

- (4) AEMO may decline to accept a proposed constraint methodology where, in the reasonable opinion of AEMO, the proposed constraint methodology (alone or in combination with other constraint methodologies):
- (a) is not feasible to implement;
  - (b) would impose unreasonable costs for AEMO to implement or apply; or
  - (c) is otherwise not consistent with the efficient operation of the Market.
- (5) The distribution operational coordination procedures must set out:
- (a) supporting information to be provided by a Distributor in relation to proposed constraint methodology; and
  - (b) matters AEMO may have regard to when assessing a proposed constraint methodology.
- (6) The distribution operational coordination procedures must provide for review of constraint methodologies accepted by AEMO including:
- (a) scheduled reviews and reviews at the request of AEMO or an affected Market participant; and
  - (b) requirements for Distributors to submit a revised constraint methodology where AEMO is no longer satisfied that it satisfies the criteria for acceptance by AEMO and the time by which it must be submitted.
- (7) A Distributor must comply with a requirement to revise a constraint methodology in accordance with the distribution operational coordination procedures.

**Note:**

The AEMC proposes to recommend that this subrule be classified as a conduct provision.

**[154] New rule 317C Other curtailment in a declared distribution system**

After new rule 317B, insert new rule:

**317C Other curtailment in a declared distribution system**

- (1) A Distributor may curtail the injection of gas into its declared distribution system from a distribution connected facility:
  - (a) in accordance with the terms and conditions of its access arrangement or any agreement with the distribution connected facility operator;
  - (b) in circumstances where the curtailment is required or permitted by law; or
  - (c) in order to mitigate or avoid a situation which may threaten:
    - (i) reliability of gas supply; or
    - (ii) the security of a declared distribution system; or
    - (iii) public safety.
- (2) No compensation is payable under this Part in relation to a curtailment under subrule (1).

**[155] Rule 320 Spot market**

In subrule 320(2), in the opening paragraph, omit "in respect of the declared transmission system".

**[156] Rule 320 Spot market**

In subrule 320(2)(g), after "linepack", insert "for the declared transmission system".

**[157] Rule 320 Spot market**

In subrule 320(2)(h), after "the linepack", insert "for the declared transmission system".

**[158] Rule 320 Spot market**

In subrule 320(3)(c), omit "at each system injection point" and substitute "or a declared distribution system at each market injection point".

**[159] Rule 327B AEMO to determine capacity certificates zones**

After subrule 327B(1), insert:

- (1A) AEMO must determine and may amend the allocation of DDS injection points to capacity certificates zones.

**[160] Rule 327B            AEMO to determine capacity certificates zones**

In subrule 327B(2)(b), omit "system injection points" and substitute "market injection points".

**[161] Rule 327B            AEMO to determine capacity certificates zones**

In subrule 327B(3), omit "system injection points" and substitute "market injection points".

**[162] Rule 327B            AEMO to determine capacity certificates zones**

In subrule 327B(4)(a), after "system injection points", insert "and DDS injection points".

**[163] Rule 344            Participant Claims in respect of intervention**

In subrule 344(2), after "the declared transmission system", insert "or a declared distribution system".

**[164] Rule 344            Participant Claims in respect of intervention**

In subrule 344(2)(b), after "declared transmission system service provider", insert "or the Distributor".

**[165] Rule 350            Registered participant claims in respect of application of administered price cap**

In rule 350, after "into the declared transmission system", insert "or a declared distribution system".



## **Schedule 4          Amendment to the National Gas Rules**

(Clause 6)

### **[1] Rule 211                  Timing of submissions by Market Participants**

Omit subrule 211(4) and substitute:

- (1) On a gas day, a Market Participant may submit updated demand forecasts or bids for that gas day:
  - (a) by 9:00 am for inclusion in the updated operating schedule to be published at 10:00 am on that day; or
  - (b) by 1:00 pm for inclusion in the updated operating schedule to be published at 2:00 pm on that day; or
  - (c) by 5:00 pm for inclusion in the updated operating schedule to be published at 6:00 pm on that day; or
  - (d) by 9:00 pm for inclusion in the updated operating schedule to be published at 10:00 pm on that day.

## **Schedule 5 Savings and Transitional Amendment to the National Gas Rules**

(Clause 7)

### **[1] New Part 17 Transitional provisions consequent on the draft National Gas Amendment (DWGM distribution connected facilities) Rule 2022 No. [#]**

At the end of Schedule 1, insert a new Part 17:

### **Part 17 Transitional provisions consequent on the draft National Gas Amendment (DWGM distribution connected facilities) Rule 2022 No. [#]**

#### **Division 1 Application and interpretation**

##### **83 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 17:

**Amending Rule** means the draft National Gas Amendment (DWGM distribution connected facilities) Rule 2022.

**commencement date** means the date of commencement of schedules 1, 2 and 3 of the Amending Rule.

**effective date** means the date of commencement of schedule 5 of the Amending Rule.

**existing gas quality monitoring system** means a gas quality monitoring system that immediately before the commencement date was approved by AEMO in accordance with rule 288 of the old DWGM rules.

**Gas Distribution System Code of Practice** means the code of practice of that name made by the Essential Services Commission of Victoria.

**new DWGM rules** means Part 19 as in force immediately after the commencement date.

**old DWGM rules** means Part 19 as in force immediately prior to the commencement date.

**transition period** means the period commencing on the commencement date and ending 6 months after the commencement date.

## **Division 2            General**

### **84            Current procedures**

- (1) No later than 6 months before the commencement date, AEMO must review, and where necessary, update the Wholesale Market Procedures (to apply from the commencement date) to take into account the Amending Rule.
- (2) For subrule (1), AEMO must review and update the Wholesale Market Procedures, in accordance with Part 15B of the rules.

### **85            New procedures**

- (1) No later than 3 months before the commencement date AEMO must make the following Procedures (to apply from the commencement date) to take into account the Amending Rule:
  - (a) the distribution operations coordination procedures under rule 317A of the new DWGM rules;
  - (b) the gas quality monitoring procedures under rule 289B of the new DWGM rules; and
  - (c) the metering installation coordination procedures under rule 292A of the new DWGM rules.
- (2) AEMO must make the Procedures referred to in subrule (1) in accordance with Part 15B of the rules.

### **86            Gas quality monitoring systems and gas metering**

- (1) A person who, immediately before the commencement date was the responsible person for a metering installation under the old DWGM rules continues on and from the commencement date to be the responsible person for the metering installation.
- (2) A person who, immediately before the commencement date was the provider of an existing gas quality monitoring system is taken, on and from the commencement date, to be the responsible gas quality monitoring provider for the system injection point or other point for which the gas quality monitoring system is provided.
- (3) An existing gas quality monitoring system is taken, with effect from the commencement date, to have been approved in accordance with the gas quality monitoring procedures for the purposes of rule 289E(1)(a) of the new DWGM rules.

- (4) Subrule (3) ceases to apply in respect of an existing gas quality monitoring system if it is altered or replaced.
- (5) During the transition period, rule 289E(1)(b) of the new DWGM rules does not apply to an existing gas quality monitoring system.
- (6) The responsible gas quality monitoring provider for an existing gas quality monitoring system must ensure that on and from the end of a transition period, a gas quality monitoring plan under rule 289E(1)(b) of the new DWGM rules has been established for the point for which the gas quality monitoring system is provided and, where applicable, has been approved in accordance with rule 289E(2) of the new DWGM rules.

### **Division 3            Interconnection principles for declared distribution systems**

#### **87            Application**

- (1) This Division applies to a Distributor in relation to its declared distribution system from the effective date.
- (2) This Division ceases to apply when the South Australian Minister first makes a Rule under section 294FB of the *Law*.

#### **88            Interconnection to a declared distribution system**

- (1) A person has a right to connect a proposed distribution connected facility to a declared distribution system (an **interconnection**) where:
  - (a) it is technically feasible and consistent with the safe and reliable operation of the pipeline and the safe and reliable supply of gas to end users; and
  - (b) the person agrees to fund the costs associated with making the interconnection.
- (2) The party seeking to establish the interconnection (the **interconnecting party**) has, subject to subrule (1) and the Gas Distribution System Code of Practice, the option to:
  - (a) construct, operate and maintain the interconnection at its own cost (option A); or
  - (b) have the Distributor do so (option B); or
  - (c) proceed with a combination of option A and option B if both the interconnecting party and the Distributor:
    - (i) will own equipment or infrastructure associated with the interconnection; or

- (ii) agree to share the costs and responsibilities associated with the interconnection.
- (3) If the interconnecting party develops the interconnection (or part of the interconnection), it must do so in accordance with good industry practice and comply with all standards and legislation that relate to the establishment and on-going operation of the interconnection and with any reasonable technical, safety and reliability requirements requested by the existing service provider.
- (4) If the Distributor develops the interconnection (or part of the interconnection), the interconnection fee that it charges to the interconnecting party must be based on the directly attributable cost of:
  - (a) constructing, operating and maintaining the interconnection; and
  - (b) where gas (other than natural gas) or a blend of gases is to be injected into the declared distribution system at the interconnection point, metering and monitoring the quality of the gas injected,to the extent that this is undertaken by the Distributor, including so as to achieve a rate of return calculated in accordance with the applicable rate of return instrument.
- (5) Without limiting any other provision, the Distributor must ensure that there is sufficient information available to the interconnecting party to enable it to assess the likely availability of capacity to or from the interconnection point.

## **89 Interconnection policy**

- (1) A Distributor must develop and maintain an interconnection policy that relates to the principles applying under this Part and must publish the policy in a publicly accessible part of its website.
- (2) The policy must:
  - (a) set out information about the right to interconnect to its declared distribution system in accordance with the pipeline interconnection principles; and
  - (b) describe the interconnection process, starting at the application stage through to the point of commencing operations using an interconnection; and
  - (c) set out the information to be provided in an application by a person seeking to establish an interconnection, and the information that each party will then provide to each other in the course of the process associated with establishing an interconnection; and
  - (d) provide a link to any of the service provider's policies that are relevant to establishing an interconnection; and

- (e) include a description of any technical, safety or reliability principles, requirements or processes that the service provider will use to assess an interconnection application; and
  - (f) set out information about how interconnection fees will be calculated and recovered (taking into account the requirements under rule 88(4) of this Schedule); and
  - (g) set out the standard terms and conditions of any connection agreement that the service provider may require an interconnecting party to enter into.
- (3) A Distributor is not required to have an interconnection policy under subrule (1) (as in force after the effective date) until 6 months after the effective date.