



Attachment 2 Stakeholder feedback template

The template below has been developed to enable stakeholders to provide their feedback on the questions posed in the Consultation Paper and any other issues that they would like to provide feedback on. The GMRG strongly encourages stakeholders to use this template, so that it can have due regard to the views expressed by stakeholders on each issue. Stakeholders should not feel obliged to answer each question, but rather address those issues of particular interest or concern.

1. Consultation Paper questions

	Questions	Feedback
3.4 Questions on the overall legal and regulatory framework		
1.	Do you believe the proposed amendments to the NGL, Regulations and NGR implement the design of the capacity trading reforms effectively? If not, why not?	Given the complexity of the task and the short timeframe, NQGP believes that it is challenging to be able to have taken into account all possible implications of the operations of the market. There are potentially unintended consequences once the auction and the trading platform are operating. For this reason, we propose to have a review 12 months after the start of its operation, with the option to incorporate any changes necessary to achieve an efficient and effective market.
2.	Do the market bodies have adequate powers to do what they need to do to facilitate the outcomes sought by the reforms?	
3.	Do you agree with the GMRG's recommendation with regard to which rules are classified as civil penalty and/or conduct provisions (see Appendix A)? If not, why?	The GMRG has specified some 65 sections rules as either civil penalty and/or conduct provisions. This is a very large number given the implications for businesses and the powers of the AER if the AER considers there has been a breach. Many of the provisions appear to require an exercise of judgment by the Service Provider, eg rule 640 requires the provision of an amending agreement that enables secondary sales and is consistent with certain principles. This is not necessarily an objective obligation and reasonable people can differ on compliance. Similarly, see comments on rule 634 below. The GMRG should reconsider its classifications.
4.	Are there any changes to the NGL, Regulations or NGR that you consider are necessary to ensure parties are unable to game or undermine the intended objective of the reform package?	
5.	Are any other transitional rules not currently included in Schedule 5	



	Questions	Feedback
	required? If so, what are they and why are they required?	
4.1.1 Exemptions		
6.	<p>Having regard to the objectives of the capacity trading reforms and the Energy Council's approval of the GMRG's recommendation on coverage of the auction, do you agree with the proposal to:</p> <ul style="list-style-type: none"> ▪ Apply the same exemption criteria to the obligation to publish a standard operational agreement and the auction? If not, why? ▪ Replace the single end-user facility criterion, with a single Shipper criterion? If not, why? 	<p>NQGP submits that the exemption criteria should be altered to provide protection to vulnerable pipelines as follows:</p> <ol style="list-style-type: none"> 1. if a pipeline is <70% contracted then it should be exempt from the auction process 2. if there is no reasonable prospect of a pipeline recovering the costs of developing and maintaining the auction systems then a pipeline should be exempt <p>NQGP understands the objective to align the exemption criteria but NQGP has significant concerns with regard to exemptions for the day ahead auction process. Specifically the:</p> <ol style="list-style-type: none"> 1. impact on the Services Provider's business where there is a low level of contracted capacity 2. probability of the Service Provider being able to recover its reasonable costs where the volume of trading is reasonably expected to be low <p>NQGP submits that the general principle should be that the benefits derived from the auction should exceed the cost of facilitation. The reporting obligations and facilitation of the auction and the trading platform will cause the Service Provider to incur significant costs.</p> <p>Impact of auction on pipelines with low contracted capacity</p> <p>The key objective of the auction process is to make available capacity where a pipeline is fully contracted but not always being utilised. Where a pipeline is under-contracted, Shippers are free to contract unutilised capacity. If the auction process is put in place it will act as a disincentive for Shippers to contract firm capacity. Remaining Shippers will then carry a greater burden to meet pipeline costs (as defined in Part 23). Existing Shippers may then choose to rely on the auction as they know the pipeline is under-utilised and are likely to be scheduled. This will place the business model of the Service Provider in jeopardy.</p> <p>Cost recovery</p> <p>The following provides an estimated (and very high level) breakdown for preparing and running the auction product:</p>



	Questions	Feedback
		<ol style="list-style-type: none"> 1. upfront capex requiring an annual recovery 2. system costs and licensing (opex) on a yearly basis 3. 1 FTE to manage day to day operations (Personnel) <p>The total amount of cost to be recovered will be significant. For the NQGP it is particularly significant. The NQGP relies on only 2 FTEs (outside physical maintenance) to run the pipeline, this means a 66% increase in staff. NQGP is an independent pipeline with <\$30M in annual revenues and does not have the benefit of a diverse portfolio of assets from which to absorb costs or risks.</p> <p>There is limited overall demand for transportation services on the NQGP. The pipeline is significantly undercontracted (<70%) and underutilised (<10%) with two contracted Shippers, out of which one is not operating. In addition, there is a significant shortage of the amount of gas available for transportation on the NQGP. Consequently, the expected volumes for the day ahead auctions is zero as there is no evidence of unmet demand, interest in servicing the NQGP load and shortage of physical gas.</p> <p>NQGP is unclear how it will be able to recover its costs associated with the auction, if at all. As per Part 24, 634(2) of the Rules, the Service Provider should have a reasonable opportunity to recover its standardisation costs.</p> <p>Given the low expected demand for auction services, the cost per GJ for transportation is expected to be prohibitive, in excess of >\$20/GJ. There is also no opportunity to pass through costs to existing Shippers.</p> <p>Given the significant upfront costs in setting up the auction and trading systems, NQGP submits that a pipeline should be exempt if there is no reasonable chance of recovering the costs.</p> <p>If a Shipper was prepared to guarantee a certain level of cost recovery, then the exemption would not apply.</p> <p>Summary of Recommendations:</p> <ol style="list-style-type: none"> 1. if a pipeline is <70% contracted then it should be exempt from the auction process 2. if there is no reasonable prospect of the costs of developing and maintaining the auction systems then a pipeline should be exempt <p>With regards to the second point, we agree to replace the single end-user facility</p>



	Questions	Feedback
		<p>criterion with a single Shipper criterion used in Part 23 of the NGR. The original obligation served no purpose yet imposed additional costs on Service Providers and, ultimately, end-users.</p>
7.	<p>Do you think the following definition of 'Part 24 compression service facility' will achieve the objective of capturing stand-alone compressors, such as the Moomba, Ballera, Wallumbilla and Iona compression facilities, but excluding other compression facilities (e.g. compression facilities that form part of the pipeline that are used to provide an integrated service and upstream compression facilities? If not, please explain what amendments you think need to be made to this definition.</p> <p>Part 24 compression service facility means a compression service facility that is or may be used to transport natural gas between a transmission pipeline operating at lower pressure and a transmission pipeline operating at higher pressure in order to facilitate the flow of natural gas between two or more receipt or delivery points where the receipt or delivery points are located on different transmission pipelines</p>	
8.	<p>Do you agree with the proposal to allow facilities with a nameplate rating less than 10 TJ/day and single Shipper facilities, up to 60 business days to develop and offer a standard operational agreement? If not, why?</p>	<p>See response to question 6 above.</p> <p>NQGP proposes that if the Service Provider meets the exemption criteria, the Service Provider cannot be requested to provide the services required under a standard operational agreement, unless a Shipper is responsible for the additional cost to the Service Provider.</p> <p>If an exemption is in place, the Shipper requests a standard operational agreement and agrees to pay the additional costs, we consider a 60 business day time frame too short and instead propose a 120 business day time frame. This is because the Service Provider will not have the systems in place to provide the services required for the auction and the trading platform.</p>
9.	<p>Do you agree with the proposal to allow a single Shipper exemption to be revoked if another Shipper enters into an operational TSA with the Service Provider? If not, please explain why.</p>	<p>NQGP has concerns with this proposal and would add that such revocation should be applied on a case-by-case basis. Revoking a single Shipper exemption creates significant administrative burden particularly if there is no realistic prospect of any additional Shipper entering the market. In this case, the cost to provide the relevant administrative requirements and legislative obligations will not provide any market</p>



Questions		Feedback
		<p>benefits.</p> <p>The principle should prevail that if a Shipper enters an operational TSA, the exemption trigger revocation process will only trigger if the Shipper also procures a Firm Forward service on the pipeline.</p> <p>In addition, even if this additional Shipper enters into a firm forward contract, if the contracted or utilised capacity does not exceed 75% of total nameplate capacity, the Service Provider should continue to be exempt.</p>
4.1.2 Governance model for the Code		
10.	Do you agree with the proposal to allow the AER to play a more proactive role in overseeing modifications to the Code? If not, please explain why.	<p>NQGP considers that the OTS Code Panel will be sufficient to provide the necessary oversight. A review process should be in place to ensure that the OTS Code Panel is working efficiently after a period of time.</p> <p>Allowing multiple bodies to make changes to the Code, on its own account, provides uncertainty about the consistency of the Code and will adversely impact the effective implementation of the reforms in general. The limits of the AER's ability to make modifications should be clearly set out. Consultations should be directed to all stakeholders and not only to the OTS Code panel.</p> <p>Allowing the AER to play a more proactive role, will inevitably result in additional rounds of consultations and added administrative burden for Service Providers, i.e. preparation of submissions, participating in consultation etc</p>
11.	Do you agree with the proposed composition of the OTS Code Panel, which will comprise: two Service Providers, two Shippers (one of which must be a large end-user) and AEMO? If not, please explain why not and the changes you would suggest be made to the composition of the OTS Code Panel.	NQGP agrees in general with the composition of the OTS Code Panel, but adds that Service Providers on the OTS panel should consist of a small and large Service Provider, to allow for as many differing and multiple views
4.1.3 Measures to address contractual limitations in facility agreements		
12.	Do you agree with the proposal to use a request and negotiate framework, rather than a standard form agreement model or more prescriptive provisions in the NGR to overcome the limitations on capacity	NQGP agrees with this proposal, as this approach overcomes limitations compared to a standard form agreement and allows for individual case-by-case negotiations, taking into account the individual circumstances of each contract.



	Questions	Feedback
	trading in facility agreements? If not, please explain why.	
13.	Do you think the 30 day period allowed for Service Providers to respond to a Shipper seeking an amending agreement is appropriate? If not, why?	NQGP proposes a longer period. This is due to the impacts of such an amendment, i.e. adjustment of services/systems and operations, communications with the Shipper, etc. Therefore, NQGP proposes a time frame of 60 days.
14.	Do you agree with the principles that Service Providers will be required to give effect to when amending the facility agreement in rule 642?	<p>NQGP is a small, independent, undercontracted and underutilised pipeline.</p> <p>NQGP considers these principles to be too narrow and do not take into account the commercial and operational risks implied when Shippers sell, or have the ability to sell, unbundled transportation service products.</p> <p>Interaction between Firm Forward and As Available</p> <p>Furthermore, NQGP is concerned regarding the principle in 642(2)(a) that As Available services under existing contracts should not be unbundled from firm services. As Available services have traditionally been sold as an adjunct to firm services to allow some flexibility in demand. To allow As Available services to be transferred separately, particularly when a pipeline has significant spare capacity allows a trade of a benefit provided to a Shipper who contracted on a firm basis to another Shipper who can obtain what are effectively firm services without having to contract on a firm basis.</p> <p>NQGP proposes that unbundling of these services should not be permitted and that any other unbundling should be carefully considered on a case by case basis to prevent serious consequences. NQGP would also welcome further discussions directly with the GMRG surrounding this matter.</p>
15.	Do you agree with the proposal to require Service Providers to comply with the change in receipt and delivery point provisions in rule 643?	<p>NQGP would like to propose that when such changes are requested, the financial impacts to the Service Provider are taken into account, and that Service Providers remain whole.</p> <p>For example, if a Shipper requests a change to a pipeline service point and it moves between pipeline zones, then it should be reasonably expected that the Shipper is required to pay the difference on tariff and any other ancillary charges.</p>
16.	Do you agree with the proposal in rule 643(6) to restrict the ability of Service Provider's to make its consent on a receipt or delivery point	



	Questions	Feedback
	<p>change conditional on obtaining the consent of a third party but only:</p> <p>(a) where the transportation Service Provider would be in breach of contract if it gave effect to the request without the consent of the third party; and</p> <p>(b) if the third party is another transportation facility user or an associate of another transportation facility user, the requirement to obtain that person's consent arises under a contractual provision entered into before 3 January 2018.</p> <p>If not, why?</p>	
<p>4.1.4 Governance arrangements for the specification of zones</p>		
<p>17.</p>	<p>Do you agree with the GMRG's proposed change to the governance arrangements for the specification of zones? If not, please explain why not and set out the arrangements that you think should be employed.</p>	<p>NQGP supports the shift from the initial hybrid governance arrangement, consisting of the industry-based panel and the AER towards an AEMO governance arrangement.</p> <p>As an industry, we should not create zones that can never be used in an operational sense. In doing this, it provides Shippers with an expectation that cannot be serviced. However, in NQGP's view any risks related to operational constraints to transfer the requested capacity from receipt and delivery points is communicated with secondary Shippers, who will be ultimately responsible to bear this risk.</p>
<p>18.</p>	<p>Do you agree with the specification of the principles that AEMO would be required to have regard to when determining the allocation of service points to zones? If not, please set out why not and any amendments you would propose to these principles.</p>	<p>NQGP's preferred approach would require the Service Provider to be responsible for approving the zones and carrying out any consultation on the zones. AEMO could provide independent oversight and/or make relevant recommendations to improve the workings of the market.</p> <p>It is unclear that AEMO has the necessary expertise to determine the zones, as this requires operational and commercial implications for each Service Provider and furthermore each zone. This intricate knowledge is generally only held by Service Providers.</p> <p>NQGP is concerned about AEMO's ability to propose changes to the process without consultation and outline of reasons with regards to improving the effective and efficient workings of the market.</p>



Questions		Feedback
		<p>To minimise unnecessary administrative requirements and reporting obligations, we propose that Service Providers prepare zone limitations to be handed to AEMO, outlining suggested zones, MDQ per service delivery point and relevant transfer options as well as stating risks relevant to the particular pipeline and zones specifically. For instance, being able to transfer capacity on a one-to-one basis is not always possible.</p> <p>In the event of secondary capacity trading, the risk of not being able to transfer one-to-one capacity between points across one zone should rest at the Shipper, selling its capacity on the secondary market and not at the Service Provider.</p>
19.	Do you agree with the information disclosure obligations that Service Providers would be subject to under the NGR?	<p>The exemption provisions should provide for the fact that the cost should not be disproportionate to the benefit of the auction and should take into account the cost of information disclosure. The information disclosure is part of the cost of running this service and therefore should be taken into account whether or not the pipeline is exempt.</p> <p>Information should be agreed upfront and additional information should not be considered unless there is mutual consent and reasonable time frames given.</p> <p>NQGP does not agree with the amount of information disclosure obligations. It requires a significant administrative burden and compliance will impose large costs, compared to the potentially low benefits that can be achieved on a small, not fully contracted pipeline.</p>
20.	Do you think any additional guidance on the specification of zones is required in the NGR?	NQGP proposes that the zones should be determined by industry. This would incorporate risks and opportunities for each individual pipeline and its characteristics and minimise Service Provider as well as market risks.
4.1.5 Other matters		
21.	Do you think the proposed Service Provider cost recovery arrangements provide sufficient protection against the risk of 'gold plating' or 'cost shifting'? If not, please explain why and identify any other measures you	First and foremost, the AER should consider exemptions for pipeline where there is no reasonable opportunity for the pipeline to recover its costs.



	Questions	Feedback
	think should be employed.	NQGP however believes it is inappropriate to make rule 634 components a civil penalty and conduct provisions when a Service Provider is required to comply with principles such as a workably competitive outcome (this is in the context of an imposition by law of additional costs), reasonableness and efficiency of trading and utilisation. Presumably, the charges will need to assume some level of demand and be recovered over a period of time for upfront costs. This should be recognised by an express allowance to change the pricing from time to time as the change mechanism in the rules appear to read as only applying to changes to the terms and not the charges
5.1.1 Grandfathered rights		
22.	Do you think the proposal to limit the availability of grandfathered rights to gas fired generators for use at their generation plant is appropriate? If not, please explain why	
23.	Do you think the proposed two-year transitional period for grandfathered rights is appropriate? If not, please explain why.	
24.	Are there any other limitations that you think should be placed on the availability and/or use of grandfathered rights?	
5.1.2 Contract path specification		
25.	<p>Do you agree with the GMRG's proposal to use the hybrid model for forward haul and compression services? If not, please explain why and in doing so:</p> <ul style="list-style-type: none"> ▪ set out the approach you think should be employed; and ▪ why you think this approach is more consistent with the objectives of the capacity trading reform package, the NGO and the Energy Council's Vision. 	
26.	Do you agree with the proposal to allow AEMO to determine the backhaul receipt and delivery points to be included in the auction? If not, please explain why	<p>Backhaul creates operational consequences, in determining how to calculate how much capacity can be allocated to backhaul on any given day, and the implications of this for the amount of capacity that services providers need to hold in reserve as a backup to ensure delivery of firm services.</p> <p>It becomes difficult to manage from a Service Provider's perspective, adds</p>



	Questions	Feedback
		<p>additional administrative burden and introduces the ever constant monitoring of pipeline pressers and linepack. It creates challenges around controlling the deliverability of gas at both ends of the pipeline.</p> <p>This is particularly relevant during periods of extended high utilisation on a pipeline and NQGP remains highly concerned that backhaul continues to be treated as a simple act of accounting.</p>
27.	If AEMO is to determine the backhaul points to be included in the auction, do you think any principles need to be included in the NGR to guide this decision, or should it just be carried out by reference to the Part 25 objective and the NGO?	
5.1.3 Methodology used to calculate auction quantity limits		
28.	Do you agree with the proposal to require the methodology to be used to calculate the auction quantity limits to be specified in the Auction Procedures? If not, why?	
29.	Do you think any additional principles need to be included in the NGR to guide AEMO's development of this methodology? If so, please specify the principles and why you think they are required.	
5.1.4 Other matters		
30.	Do you think the balance that has been struck between the various legal and regulatory instrument is appropriate? If not, what changes do you think need to be made to achieve a better balance?	Overall, NQGP considers that there is an over-delegation of substantive matters and obligations to the Rules and the Codes and procedures. In particular, the Capacity Trading and Auction Procedures are a critical document given the number of matters in it and effectively delegated to AEMO. NQGP understands that Part 15B, and in particular rule 135EE and EF are meant to apply (pursuant to the relevant transitional rule). If correct, the timeframes in rule 135EE are very short for such a major document.
31.	Do you think there are any contractual or other legal impediments to prevent auction facility operators giving effect to the results of the auction and auction service priorities? If so, what are they and how do you think they could be addressed?	
32.	Do you think information on intra-day curtailments to capacity sold in the auction should be published on the Bulletin Board during the gas day? If	In small pipelines, there is often a limited number of resources available to monitor potential endless events throughout a gas day. NQGP relies on only 2 FTEs to run the pipeline. It is not capable of absorbing these types of costs and has no way of



	Questions	Feedback
	<p>so:</p> <ul style="list-style-type: none"> ▪ What benefit do you think it would provide? ▪ Do you think the obligation to report this information should be limited to material curtailments (e.g. where the capacity sold in the auction is curtailed by more than 10%)? 	<p>recovering the costs. NQGP believes the cost of providing it will outweigh its benefits. Further obligations to publish information on the Bulletin Board will only add to the cost and actually supports our arguments at item 6.</p>
33.	<p>Do you think information on the grandfathered rights that have been scheduled ahead of the auction should be published on the Bulletin Board after the gas day? If so, what benefit do you think it would provide?</p>	
34.	<p>Are there any other types of information that you think could be published that have not already been identified, which would allow auction participants to better understand the risks?</p>	
7.1 Allocation arrangements		
35.	<p>Do you have any concerns with allocation agents that operate at points through which gas is injected into or withdrawn from a Part 24 facility being required to provide AEMO with the information set out in Table 7.1?</p>	
36.	<p>Is there other information regarding allocation arrangements that should be published to ensure these agreements do not act as a barrier to trade?</p>	
8.1 Transitional arrangements		
37.	<p>Are the provisions in the NGL and Part 26 of the NGR sufficient to trigger change of law provisions and enable changes required to existing contracts to implement the harmonisation of the gas day start time and, as applicable, the nomination cut-off time? If not, why?</p>	
38.	<p>With regard to the information required to be published by facility operators:</p> <ul style="list-style-type: none"> ▪ Do you think transitional rule 4, Part 6 (Schedule 5) will facilitate coordination between interconnected facilities and AEMO without being overly burdensome on facility operators? If not, why? ▪ Is the 30 June 2019 cut-off date for publication appropriate? If not, when should this information be required to be published and why? 	



	Questions	Feedback
9.1 Key timings		
39.	Do you have any concerns with the timings outlined Chapter 9? If so, what are they and how do you suggest the timings are adjusted?	NQQP proposes a review of the timing and readiness in December 2018 in consultation with stakeholders. There are major timelines and milestones that occur during this time.
40.	<p>In the event the capacity trading reforms are applied in the Northern Territory, do you believe the timings set out in Table 9.4 are appropriate? For example:</p> <ul style="list-style-type: none"> – Part 18 of the NGR uses 'NT application date', defined as the date falling 90 days after the date on which the first NT interconnector is commissioned, to determine when Part 18 applies to facilities in the NT. Following this 90 day period, BB facilities that are also NT facilities have 20 business days to apply to AEMO to register under Part 18. In practice, this means that NT auction facilities may be subject to the capacity auction (which commences on the date falling 80 business days after commissioning), prior to publishing information on the Bulletin Board. Should the Part 18 obligations come into effect for NT auction facilities prior to the commencement of the auction? 	



2. National Gas Laws Amendments (Capacity Trading and Auctions)

Amendment	Issue	Feedback
Schedule 1	Amendment of National Gas Law	
1	Section 2 (1), definition of "Bulletin Board information"	
2	Section 2 (1), various new definitions	The definitions of transport capacity and transportation services are very broad such that there is no clear limitation of the auction process to contracted but unominated firm haulage capacity, backhaul and stand alone compression services. The scope of auctions (eg to storage) should be able to be increased by mere Rule changes. There is no clear meaning of what constitutes transport support arrangements which are a separate head of rule making power and entirely left to the Capacity Trading and Auction Procedures. This requires greater definition.
3	Section 2 (1), definition of "initial National Gas Rules"	
4	Section 2 (1), definition of "Natural Gas Services Bulletin Board"	
5	Section 8 (3)	
6	Section 27 Functions and powers of the AER	
7	Section 74 Subject matter for National Gas Rules	
8	Section 74 (1) (aab)–(aad)	
9	Section 74 (3) (fb)	
10	Sections 83B–83D	
11	Section 91A— AEMO's statutory functions	
12	Section 91A (1) (gb) and (gc)	
13	Chapter 2, Part 6, Divisions 2C–2E	
14	Chapter 2, Part 6, Division 6, Subdivisions 3 and 4	
15	Section 91GG Disclosure of protected information for safety, proper operation of the market etc	
16	Section 91H Obligations under Rules or Procedures to make payments	
17	Section 218 AEMO's obligation to maintain Bulletin Board	



18	Section 219 AEMO's other functions as operator of Natural Gas Services Bulletin Board	
19	Section 223 Obligation to give information to AEMO about natural gas and natural gas services	
20	Section 223A	
21	Section 224 Person cannot rely on duty of confidence to avoid compliance with obligation	
22	Chapter 7A	
23	Section 294G	
24	Section 322 Service Provider may enter into agreement for access different from applicable access arrangement	
25	Schedule 1-Subject matter for the National Gas Rules	
26	Schedule 1, items 55T	
27	Schedule 1, items 68A–68G	
28	Schedule 1, item 69A	
Schedule 2	Amendment of National Gas Regulations	
1	Regulation 5A Definition of compression service facility	
2	Regulation 10 Maximum civil monetary liabilities	
3	Regulation 10 (1) (dc) and (dd)	
4	Regulation 10 (1) (e)	
5	Regulation 10 (2)	
6	Regulation 10 (2) (d) and (e)	
7	Regulation 10 (3), definition of " <i>prescribed amount</i> "	
8	Regulation 10 (3), definition of " <i>relevant event</i> "	
9	Regulation 10 (3), definition of " <i>relevant event</i> "	
10	Schedule 2 Exclusions from definition of pipeline	
11	Schedule 3 Civil penalties	
12	Schedule 4 Conduct provisions	



3. National Gas Rules

Part 15A Registered Participants

Draft Rules	Issue	Feedback
Division 3	Participant fees	
135C	Definitions	
135CA	Development of participant fee structure	
135CC	Components of participant fees	
135CF	Budgeted revenue requirements	



Part 18 Natural Gas Services Bulletin Board

Draft Rules	Issue	Feedback
Division 1	Interpretation and application	
141	Interpretation	
Division 2	Bulletin Board	
147	AEMO to maintain BB Register	
Division 3	Register and registration	
158A	Obligation to register as BB allocation agent	
158B	Obligation to register BB allocation point	
158C	Registrations for capacity transaction reporting	
158D	Appointment of capacity transaction reporting agent	
160	AEMO to register	
161	Revocation of registration	
Division 4	Information standard and related obligations	
165	Standard for information or data given under this Part or the BB Procedures	
Division 5	Information to be provided by BB reporting entities	
168	Nameplate rating information	
170A	Allocation methodology and agreement	
174	[Not used]. – Deletion of Secondary trade date for BB pipelines	
190A	Obligation to report	
190B	Reporting by the GSH Operator	
Division 7	Publication of information by AEMO	
195A	Publication of capacity transaction information	
195B	Publication of capacity auction information	



Part 22 Gas Trading Exchange

Draft Rules	Issue	Feedback
Division 1	Preliminary	
533	Definitions	
Division 2	Operator	
534	Fees recoverable by AEMO	
536	Determination of payments on close out	
536A	Payments where primary facility agreement is terminated	It is not clear why this needs to be a generic amount as opposed to the amount that is actually being charged to the primary Shipper.



Part 24 Facilitating capacity trades and the capacity auction

Draft Rules	Issue	Feedback
Division 1	Preliminary	
591	Application	
592	Structure of this Part	
593	Definitions and interpretation	
594	Part 23 does not apply	
Division 2	Operational Transportation Service Code	
595	Objective and effective date	
596	Content of the Code	
597	Standard operational transportation services and auction services	
598	Standard terms and facility specific terms	
599	Establishment and operation of the OTS Code Panel	599(1)(c)(3) – The OTSC should not be subordinate to the Procedures. We would expect in the hierarchy that the Code takes priority.
600	Functions of the Operational Transportation Service Code Panel	
601	Code modification proposals	
602	Consultation by the OTS Panel	
603	AER response to OTS Code Panel recommendations	
604	Code modifications	
605	Principles for making Code modification decisions	There should be more principles to protect Service Providers – see for example rule 569(2) and the interests of other users on the pipeline and pipeline safety and integrity.
606	Members of the OTS Code Panel	
607	Nomination, election and appointment of members	
608	Obligations of OTS Code Panel members	
609	Meetings of the OTS Code Panel	
Division 3	Exemptions and registration	



610	Scope of exemptions	
611	Exemptions granted by the AER	
612	Exemption conditions	
613	Revocation	
614	Making and form of application	
615	Decision on application	
616	Decision to vary or revoke an exemption	
617	AEMO to maintain register and publish guide	
618	Registration of transportation Service Providers	
619	Obligation to register Part 24 facilities	
620	Multiple transportation Service Providers for a Part 24 facility	
621	Change of transportation Service Provider	
622	Application for registration	
623	AEMO to register applicants and their facilities	
624	Revocation of registration	
Division 4	Matters for the Capacity Transfer and Auction Procedures	
625	Information about contracts	
626	Service point and pipeline segment specifications	
627	Allocation to zones	
628	Principles for determining zones	The reference to respective categories in (d) is unclear.
629	Transportation service point register and information about zones	
630	Interface with the STTM and the DWGM	
Division 5	Obligations of transportation Service Providers relating to standard form agreements	
631	Obligation to publish	
632	Content of standard operational agreements	
633	Amendments to standard operational agreements	
634	Recovery of standardisation costs	
635	AER review of standard form agreements	
636	Requests for standard operational agreements	
637	Offers for standard operational agreements	



Division 6	Other Service Provider obligations	
638	Giving effect to operational transfers	
639	Service continuity for primary service termination or suspension	
640	Amendment of facility agreements	
641	New facility agreements	
642	Principles for terms to facilitate sale by operational transfer	
643	Changes to pipeline service points	



Part 25 Capacity Auction

Draft Rules	Issue	Feedback
Division 1	Preliminary	
645	Objective	
646	This Part	
647	Definitions and interpretation	
648	Pipeline classification	
649	Auction information standard	
Division 2	Capacity auction	
650	Auction services	
651	Auction service priority principles	
652	Capacity auction design principles	
653	Auction quantity limits	
654	Application and information	
655	Giving effect to auction results	
656	Establishment and operation of the capacity auction	
657	Auction Procedures and auction agreement	
658	Suspension and termination of an auction participant	
659	Fees recoverable by AEMO	
660	Auction amounts payable by auction participants	
Division 3	Market conduct and nomination rules	
661	General requirements	
662	Conduct in relation to auctions	
663	Nominations and renominations must not be false or misleading	
664	AER monitoring	
665	Facility operators to keep nomination and scheduling records	
666	Renomination records of transportation facility users	



Division 4	Payment of capacity auction revenues	
667	Billing period settlement amounts for facility operators	
668	Final statements	
669	Payments	
670	Settlement queries and disputes	
671	Revised statements	
672	Payment of adjustments	
673	Maximum total payment in respect of a billing period	
674	Interest on overdue amounts	
675	Application of GST	



Part 26 Standard market timetable

Draft Rules	Issue	Feedback
676	Application of this Part	
677	Definitions and interpretation	
678	Standard market timetable	



Schedule 5 Transitional Provisions for the introduction of the capacity trading reforms

Draft Rules	Issue	Feedback
Part 1	Transitional arrangements for Part 15B	
1	Definition	
2	Initial Procedures	
Part 2	Transitional arrangements for Part 18	
1	Definitions	
2	Commencement of secondary reporting obligations	
3	Allocation agents and allocation points on the commencement date	
4	Former remote pipelines	
Part 3	Transitional arrangements for Part 24	
1	Definitions	
2	Code modifications	
3	Northern Territory exemption	
4	Transitional Part 24 exemptions	
5	Registration in relation to Part 24 facilities on the Part 24 commencement date	
6	Initial transportation service point register	
7	Capacity trading platform commencement	
Part 4	Transitional arrangements for new Part 25 (other than compression reporting)	
1	Definitions	
2	Capacity auction start date	
3	Protected services	
4	Facility operator nomination and scheduling records	
5	Renomination records	
Part 5	Transitional arrangements for reporting by compression service facilities	
1	Definitions and interpretation	



Draft Rules	Issue	Feedback
2	Application	
3	Information standard and related matters	
4	Capacity Transfer and Auction Procedures	
5	Nameplate rating information	
6	Detailed facility information	
7	Gas day start times	
8	Short term capacity outlooks	
9	Linepack/capacity adequacy indicator	
10	Nominated and forecast use of compression facilities	
11	Daily production data	
12	Publication by AEMO	
Part 6	Transitional arrangements for the standard market timetable	
1	Definitions	
2	Use of standard market timetable	
3	Information about gas market transition	
4	Information about natural gas facility transition	



4. Operational Gas Transportation Agreement Code

Clause	Issue	Feedback
Part 1	This code	
1	Introduction	
2	Definitions and interpretation	
3	Contents of this Code	
Part 2	Form of agreement – operational transportation services agreement	
1	Agreement documents	
2	Definitions and interpretation	
3	Agreement details	
Part 3	Standard terms - operational and commercial terms	
1	Definitions and interpretation	
2	Services	
3	Service Standards	
4	Nominations and Scheduling	
5	System Use Gas	
6	Hourly Limitations	
7	Curtailement	
8	Park Account	
9	Maintenance	
10	Gas Quality	
11	Pressure and Temperature	
12	Imbalance	
13	Unauthorised Overrun	
14	Use of Delivery Points and Receipt Points	
15	Metering and Apportionment	
16	Title, Risk, Responsibility and Co-ordination	



Clause	Issue	Feedback
17	Liability	
18	Force Majeure Events	
19	Charges and Payment	
20	GST	
21	Standing, Insurance and Credit Support	
22	Suspension and Termination	
23	Dispute Resolution	
24	Assignment/Novation	
25	Representations and Warranties	
26	Confidentiality	
27	Notices	
28	Bilateral Trades	
29	Miscellaneous	
Part 4	Description of services – operational TSA	
1	Traded Forward Haul Service	
2	Traded Park Service	
3	Traded Compression Service	
4	Forward Haul Auction Service	
5	Backhaul Auction Service	
6	Compression Auction Service	
Part 5	Requirements for facility specific terms – operational TSA	
1	General	
2	Definitions in Facility Specific Terms	
3	Other Services	
4	Scheduling	
5	Priority Principles	
6	System Use Gas	
7	Hourly Limitations	
8	Pressure and Temperature	
9	Charges	



Clause	Issue	Feedback
10	Imbalance	
11	Odourisation	
12	Metering Principles	
13	Operational Communications	
14	Compressor Operation	
15	Compression Services	
16	Receipt and Delivery Points	
17	Trading – other entitlements	
18	Accommodating Differences in Gas Days	
19	Specific Facility Issues	