

CONSULTATION: RULE CHANGE PROPOSAL FOR AMDQ, IHN & AMIQ NOMINATIONS AND RENOMINATIONS

PREPARED BY: Market Development

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1 Statement of Issues

1.1 Introduction

In the Declared Wholesale Gas Market (DWGM) Market Participants (participants) bid gas into the market at system injection points (SIP). Generally, gas is dispatched according to price with the lowest priced supply bids dispatched first, however, these arrangements vary if: there are capacity or supply constraints applying to any SIP; there are transmission system constraints; or bid prices are tied. The market uses a range of mechanisms to determine the scheduling priority of the different bids and, in turn, each Market Participant's imbalance exposure to market price and exposure to the costs of congestion on the transmission system. This proposal seeks to ensure that these mechanisms operate more efficiently, particularly at locations where there are two or more SIPs that are *close injection proximity points* (CPPs) by:

1. Permitting participants to nominate and renominate how AMDQ is allocated to SIPs and to update these nominations during the gas day;
2. Permitting participants to update their Authorised Maximum Interval Quantity (AMIQ) profile during the gas day.

Subject to approval of the proposed rule changes, the relevant systems and Procedures will be changed so that a Market Participant's Injection Hedge Nominations (IHN) apply collectively to CPPs rather than to individual SIPs.

In this proposal, references to SIP or SIPs generally pertain to CPPs and participants refers to participants as defined in the National Gas Rules (NGR).

1.2 Background

1.2.1 Close Proximity Points

The benefits of the first part of this rule change will apply to CPPs. As mentioned above these are groups of SIPs that are sufficiently physically close to each other that AEMO has determined may be treated as one for some purposes. There are currently two CPP locations in Victoria: one at Longford where there are injections through multiple SIPs for the ESSO production plant and the VicHub; the second is at Iona where there are injections through three SIPs¹ serving the Otway gas plant, the underground storage facility and the Minerva Plant.

1.2.2 AMDQ

In the DWGM capacity rights termed 'authorised MDQ' and 'AMDQ credit certificates', collectively referred to as AMDQ², provide physical and financial capacity rights to the participants who hold them. In the context of this proposal AMDQ is used in the following ways:

- for tie-breaking of injection bids by giving scheduling priority to equally beneficial bids that are supported by AMDQ nominated to SIPs; and
- to generate AMIQ which is an 'uplift hedge' to mitigate a participant's risk of exposure to congestion uplift costs which occur when the transmission system is constrained.

¹ There are (out of market) connections upstream of one or more of these SIPs enabling back-up and/or sharing.

² It should be noted that a participant's Authorised MDQ is allocated from Longford (990TJ) based on the holdings of their Tariff D customers and their share of Tariff V customer load. AMDQ credit certificates are similar rights applying to other pipelines and/or injection points that must be contracted from APA or other participants that hold them. The amount of these rights issued is limited to the agreed capacity of the relevant pipeline.

These rights enable participants some ability to manage their imbalance exposure to the market price and to the costs of congestion on the transmission system.

1.2.3 Injection Hedges

Injection Hedge Nominations (IHN)

Injection hedges in combination with AMDQ enable a participant to manage its risks by limiting its exposure to congestion costs arising from transmission constraints. A participant who holds AMDQ on a pipeline may generate an injection hedge by making IHN to one or more SIPs. By doing so, the participant is able to generate AMIQ to manage its risks of incurring uplift costs for any congestion costs arising from transmission constraints. The extent of the injection hedge generated at a SIP is limited to the injections scheduled for that participant at that SIP. A participant may also make arrangements to submit an Agency Injection Hedge Nomination (AIHN) that will apply to another participant.

Each participant's AMDQ is automatically allocated to SIPs for tie-breaking of equally beneficial bids in proportion to the participant's IHNs.

In Figure 1 a participant holds 100TJ AMDQ which can be used at three SIPs which are CPPs SIP1, SIP2 and SIP3. If the participant's respective IHNs are 40TJ, 60TJ and 100TJ, then the AMDQ allocated for injection bid tie-breaking will be prorated to be 20, 30, and 50TJ, respectively (i.e. prorated by the participants IHNs).

As described above, participants who hold AMDQ in respect of a pipeline may generate an injection hedge at a SIP by submitting an IHN for that SIP and then having gas scheduled at that SIP. The injection hedge is capped to the extent of the injections scheduled at the SIP.

In Figure 1 if the participant has 50TJ scheduled at SIP1, the injection hedge achieved will be 40TJ in accordance with the IHN. If instead 30TJ is scheduled for injection for the participant, the injection hedge would then be capped at 30TJ.

The injection hedges achieved by a participant are used to generate an uplift hedge for the gas day. Where a participant achieves injection hedges at two or more SIPs which are CPPs, these injection hedges are summed but capped at the quantity of AMDQ held by the participant (for the relevant pipeline) to produce the participant's 'uplift hedge' for AMIQ purposes associated with those CPPs. This is summed with any uplift hedges achieved by the participant from other pipelines to produce their overall uplift hedge for the gas day.

Agency Injection Hedge

The need for Agency Injection Hedges (AIH) may arise where one participant has excess gas supply relative to their AMDQ holding while another participant has excess AMDQ relative to their relevant gas supply. The AIH mechanism allows a participant with excess AMDQ to utilise their AMDQ to generate an injection hedge by making arrangements with another participant to have additional gas injections scheduled to support their injection hedge.

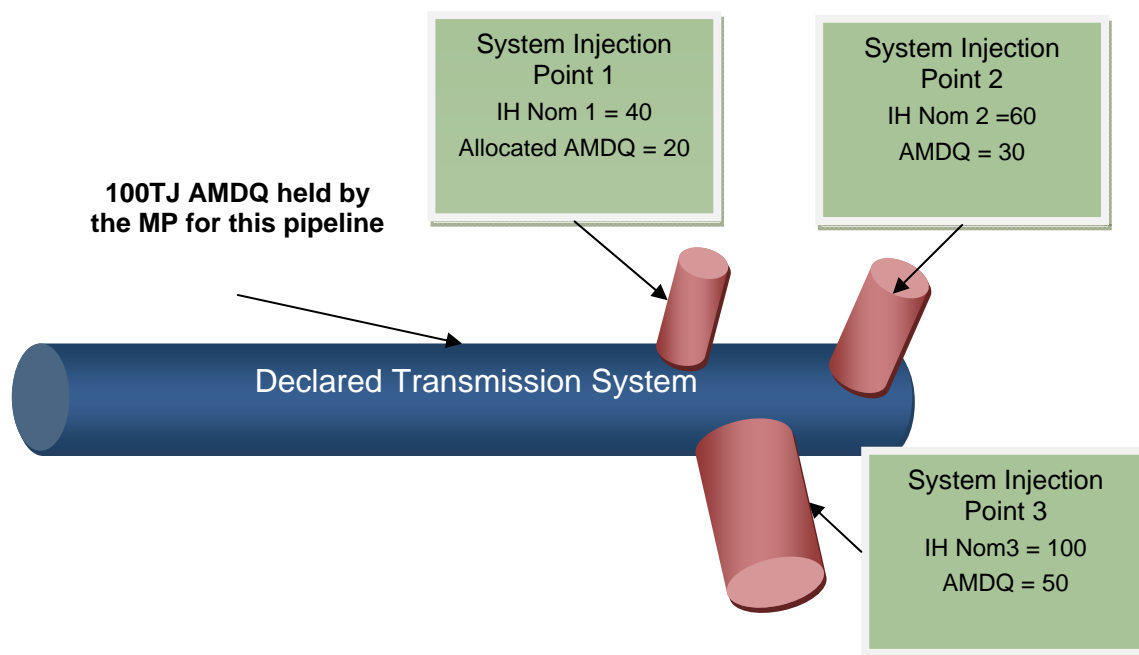


Figure 1 – Close Proximity Injection Points

Assume that the three neighbouring SIPs illustrated have been determined by AEMO to be CPPs. If the participant holding 100TJ AMDQ through their injection hedge nominations and scheduled injections achieves aggregate injection hedges of 120TJ, the AMIQ (uplift hedge) contribution generated is 100TJ as it is capped by the AMDQ 100TJ. On the other hand, if the aggregate injection hedge achieved was 90TJ the uplift hedge contribution would be 90TJ.

AMIQ and AMIQ Profiles

A participant's uplift hedge is a daily quantity which is allocated across scheduling intervals in the gas day in accordance with a profile submitted by the participant. There are five scheduling intervals which are the periods 6am to 10am, 10am to 2pm, 2pm to 6pm, 6pm to 10pm and 10pm to 6am. This profile is called an Authorised Maximum Interval Quantity (AMIQ) profile. The AMIQ profile specifies a percentage for each scheduling interval that is applied to the uplift hedge to allocate a GJ amount to each scheduling interval.

An AMIQ profile should take account of and may reflect the participant's expected scheduled withdrawals across the gas day. It is currently nominated by the participant before the day commences and cannot be altered during the gas day.

The uplift hedge works as follows: In the first of the five daily schedules, a participant will only be exposed to a share of total congestion uplift charges to the extent that the participant's scheduled withdrawals (set equal to their forecast demand plus any scheduled controllable withdrawals) exceeds their profiled uplift hedge during any scheduling intervals in the gas day i.e. their 'AMIQ exceedence'. In reschedules, the exposure to any congestion uplift is limited to the participant's change in AMIQ exceedence, if any.

A table setting out the various hedge instruments and where they are applied on the system appears in Appendix 1.

2 Issues

There are three issues with the current arrangements:

1. the inability of participants to choose how AMDQ is allocated to SIPs which are CPPs and the inability of participants to change the allocation of AMDQ during the gas day for injection tie-breaking purposes which increases participants' risks if supply to a SIP

- fails. The current arrangements limit a participant's ability to manage these risks because of the way AMDQ is currently allocated for CPPs. In particular, the AMDQ held by the participant is allocated to SIPs for tie-breaking purposes prorated by the IHNs nominated to those SIPs. The IHNs nominated to each SIP are fixed for the gas day and therefore the AMDQ allocations are also fixed for the gas day;
2. the need for participants to nominate IHNs to SIPs to manage risks of uplift costs rather than collectively to CPPs has resulted to inefficient over nomination of IHNs and a reduction in the ability of participants to offer or receive AIHs. An issue arises if there is a supply outage at a SIP where scheduled injections are reduced and the desired injection hedge at the affected SIP is not achieved. This situation would be avoided if IHNs applied collectively to CPPs so that excess scheduled injections or an increase in scheduled injections at one or more other SIPs could support the Injection Hedge; and
 3. the inability to modify an AMIQ profile during the gas day prevents participants from optimising the use of their uplift hedge if they become aware of a change in their forecast demand profile.

Under the current rules there are a number of issues faced by participants:

- **Loss of critical tie-breaking rights**

In the event of a gas supply outage at a SIP, any AMDQ allocated to that SIP is stranded at that SIP for the rest of the gas day. While the participant may rebid injections at other SIPs in that group of CPPs to try to meet their gas supply needs for the day, the stranded AMDQ cannot be reallocated and so the injection tie-breaking rights, which may be critical on such a day, are lost. If as a consequence, the participant does not achieve their injection target, they might fail to achieve the injection hedge and risk greater exposure to congestion cost and would also incur imbalance payments. The imbalance payment could be at a high market price given that there has been a failure of a gas supply source.

Example: a participant allocates AMDQ to each of three SIPs: SIP1, SIP2 and SIP3, for injection tie-breaking as shown in Figure 1. 100TJ gas is initially scheduled from 6am comprised of 20, 30 and 50TJ at SIP1 SIP2 and SIP3, respectively. After 2 hours SIP3 fails after only 4TJ has been injected for the participant in accordance with the schedule.

To meet its initial 100TJ target the participant rebids 96TJ at \$0/GJ at the other two SIPs (where they have additional gas supply) for the 10am schedule to cover the failure of SIP3, 36 at SIP1 and 60 at SIP2. However, SIP1 and SIP2 are both constrained with two or more other participants also bidding at \$0/GJ competing for the limited injection capacity on each. The other participants already have AMDQ at SIP1 and SIP2 for tie-breaking while the initial participant has none as its 100TJ AMDQ is stranded at SIP3. As a result, the participant cannot achieve any increase in its scheduled injections which are now 54TJ in total.

The imbalance payment incurred by the participant for a reduction in scheduled injections of 46 TJ at the reschedule price of say \$10/GJ is:

Increase in Imbalance Payment = 46,000 GJ x \$10 /GJ = \$460,000.

At the end of the day it is determined that the uplift hedge achieved is just 54TJ and not 100TJ as planned. As a result they have 46TJ more exposure to uplift in Schedule 2 than they otherwise would have. The uplift rate is \$20/GJ in Schedule 2 partly due to the supply outage (this is a likely price scenario because it is very likely that LNG, a high cost gas source, is the price setting gas in the event of a supply outage). The participant incurs an uplift payment at the reschedule:

Increase in Uplift Payment = 46,000 GJ x \$20 /GJ = \$920,000.

- **Risk of failure to achieve appropriate uplift hedge**

Secondly, if the participant's IHNs at the other SIPs within a group of CPPs are not large enough to cover rescheduled injections should these be achieved from rebids,

then the uplift hedge will again not be achieved. To mitigate this risk, participants tend to submit high IHNs that materially exceed their AMDQ. Their aim is to mitigate the risk of not achieving an IH in the event of a supply outage at a SIP by bidding or rebidding to achieve larger scheduled injections and higher IH at the other SIP(s). This strategy works but is at the expense of being able to offer AIHs to others. As a result the use of AIHs in the gas market is currently very limited. By default, scheduled injections count towards IHNs before AIHs and as the uplift hedge is capped by the AMDQ holding, the excess scheduled injections are not used and so cannot support AIHs. This proposal will eliminate the risks of stranded AMDQ so that participants can align their IHNs with their AMDQ and therefore be able to offer AIHs if they have excess gas supply.

This rule change proposal would attempt to resolve these issues by allowing participants to nominate AMDQ to SIPs for the 6am schedule and make renominations prior to reschedules during the gas day. This would enable 'unused' AMDQ at a SIP within a group of CPPs to be renominated to another for injection tie-breaking in the event of a supply outage. The current systems and procedures would be changed so that IHNs would apply collectively to CPPs rather than to individual SIPs obviating the need for participants to use artificially high IHNs to mitigate the risk. These changes would enable participants to mitigate risks of imbalance payments and exposure to congestion costs where their AMDQ would otherwise be stranded in the event of an unplanned supply outage and also would also eliminate the incentive for participants to over nominate IHNs and so enable trade of AIHs between participants.

Example: Based on the previous example, after the supply failure at SIP3, the participant could renominate the 'unused' 46TJ of AMDQ from SIP3 across SIP1 and SIP2 for injection tie-breaking prior to the reschedule at 10am

Note that 4TJ AMDQ is deemed to have been used at SIP3 in the first two hours and this remains allocated at SIP3

The participant renominates 36TJ and 60TJ (= 96TJ) AMDQ to SIP1 and SIP2 instead of the initial 20 and 30TJ (=50TJ). Due to the increase in tie-breaking rights the participant manages to increase its scheduled injections by a further say 31 TJ between SIP1 and SIP2 from 50TJ in total to 81TJ. This combined with the 4TJ scheduled and injected at SIP3 means that the MP achieves rescheduled injections of 85TJ overall at the CPP. An uplift hedge of 85TJ is achieved for protection against congestion costs. The imbalance payment incurred by the participant is now for a smaller reduction in scheduled injections of 15TJ at the reschedule price of \$10/GJ:

Imbalance Payment at Reschedule 15,000 GJ x \$10 /GJ = \$150,000.

The participant has reduced their market price exposure and is some \$310,000 better off under the AMDQ renomination proposal.

In addition the participant's congestion uplift exposure can be reduced by up to another 35TJ as the uplift hedge is 85TJ rather than 50TJ. Assuming an uplift payment rate of \$22/GJ the amount incurred could be reduced to

Uplift Payment at Reschedule = 15,000 GJ x \$22 /GJ = \$330,000.

The renomination of AMDQ has enabled the participant's congestion uplift payment to be reduced by \$590,000 compared to their position under current arrangements. Note that the uplift rate used here is higher than that earlier because the aggregate of exposed GJ of all participants has been reduced by this participant achieving a greater uplift hedge.

It is recognised that the participants who were already flowing gas at other SIPs (2 and 3) are impacted when AMDQ is transferred in this way, however, this represents fair competition and is not an issue. The participant transferring AMDQ to the SIP has equal rights and the physical benefits of the AMDQ should supply at that SIP be constrained.

- **Inability to alter AMIQ profiles**

The third issue, concerning alteration of AMIQ profiles during a gas day. As discussed earlier, the Uplift Hedge is a daily quantity that is profiled across scheduling intervals in accordance with an AMIQ profile nominated by participants. The AMIQ profile cannot

be changed during the gas day and this prevents participants from optimising the use of their uplift hedge if they become aware of a change in their forecast demand profile.

Example: A participant has an expected load profile including gas powered generation and allocates their AMIQ profile across scheduling intervals in such a way as to minimise potential exposure to congestion uplift. At 11 am the participant realises that 10TJ more gas will be used by their generator load in the 2pm to 6pm scheduling interval than they previously thought and 10TJ less will be used from 6pm to 10pm. As the system stands the participant is obliged to submit an updated forecast but they cannot change their AMIQ profile. Their AMIQ exceedence from 2pm to 6pm increases by 10TJ and incurs a congestion uplift rate of say \$21/GJ:

Uplift payment 10,000 GJ x \$21 /GJ = \$210,000

Under this proposal the participant could renominate their AMIQ profile to match the shift in forecast demand between the scheduling intervals. They would then eliminate the change in AMIQ exceedence and so not incur this above uplift payment.

2.1 Other issues

This proposal has previously been discussed at Gas Wholesale Consultative Forum (GWCF). The GWCF analysed various scenarios looking at the costs that effected participants could be exposed to under the current Rules, which would be mitigated by the proposed rule change of the type discussed above. By way of example, Origin Energy presented a worked example illustrating that there may be additional consequential significant costs to participants and the market in general due to a delay in production of related petroleum liquids products such as propane eg @ \$1/GJ not taken and also costs associated with delays in use of contract gas eg @ \$2/GJ not taken both of which are affected.

In our previous example the net reduction of 46TJ in scheduled injections would cause additional costs of as follows:

Additional costs 46,000 GJ x (\$1+\$2) = \$138,000

With the proposal to enable AMDQ renominations, this would reduce the costs by \$108,000 to

Additional costs 15,000 GJ x (\$1+\$2) = \$30,000

3 Proposed Rule

3.1 Description of the Proposed Rule

AEMO is proposing the following changes to the definition of close proximity injection points and to Rule 211:

- Add a new subclause (1)(c) to allow for submissions allocating authorised MDQ and/or AMDQ credit certificates for tie-breaking purposes by 11:00 am 2 days before the gas day for the purpose of determining priority of injection bids under Rule 214;
- Add a new subclause (1)(d) to allow for submissions of AMIQ profiles by 11:00 am 2 days before the gas day for the purpose of calculating uplift payments under Rule 240;
- Modify subclause (2) to refer to subclause (1)(a) rather than (1).
- Include authorised MDQ, AMDQ credit certificates and AMIQ profiles in subrule (3) to allow submission of updates to these values on the day before the gas day.
- Change subclause (4) to allow the AMIQ profile to be updated during the gas day. Currently subclause (4) only allows for updated demand forecasts or bids to be submitted for the gas day;

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- Add new subclauses (5A) and (5B) to include the additional requirements for the submission of the authorised MDQ, AMDQ credit certificates and AMIQ profiles as detailed under subclause (4).
 - Add new subclause (5C) to clarify that only the AMIQ profile for the last schedule of the gas day will be used for the uplift payment calculation.
 - Update subclause (7) to extend the confidentiality envelope to nominated authorised MDQ and AMDQ credit certificates.

3.2 Correction to definition of *close proximity injection points*

Though not a part of the critical changes in this proposal, this proposal provides an opportunity to correct the definition of ***close injection proximity points*** (CPPs).

The term CPPs only applies to SIPs in circumstances where these points can be treated as the same injection point for the purposes of utilising AMDQ to generate AMIQ under rule 240. However, the term *CPPs* does not and cannot apply to such SIPs for the purposes of scheduling under Division 2, Subdivisions 1 and 2 as indicated in the current definition. This is because supply demand point constraints (SDPCs) which are applied to represent upstream production flow limits and/or physical injection point limits, are an essential input into the scheduling process. These are physical constraints that can only apply at the SIP level.

The detailed rule change drafting appears in Appendices 2 (with mark-ups) and 3 (clean version).

4 How the proposed Rule contributes to the National Gas Objective (NGO)

Section 23 of the NGL states the **NGO** is:

to promote efficient investment in, and efficient operation and use of, natural gas services for the long term interests of consumers of natural gas with respect to price, quality, safety, reliability and security of supply of natural gas.

The proposed changes to rule 211 will promote more efficient scheduling of gas supplies and operation of the DTS for the long term interest of gas consumers with respect to price, reliability and the security of gas supply.

The current CPPs at Longford and Iona account for over 90% of gas supplies, particularly on days of high demand in winter when gas prices and/or the costs of congestion (uplift) may be very high. Supply outages at individual SIPS due to upstream production forced outages are not uncommon and the impact in terms of injections (imbalances) and AMIQ typically measured in 10's of TJs with financial consequences that could be measured in millions of dollars. Similarly, a misaligned AMIQ profile could result in exposure to uplift measured in 10's of TJ's in more severe cases, again with similar financial consequences.

The proposed changes will increase certainty of supply under adverse conditions; they will provide participants with greater flexibility to optimise their scheduled injections and uplift hedges to mitigate their risk of imbalance and uplift payments resulting in more efficient allocation of gas. This will improve participants' ability to manage risk of exposure to unplanned trading costs and cost penalties in the market which is anticipated to ultimately deliver benefits of lower gas costs to gas consumers.

This proposal should also result in more flexible and wider use of IHNs and AMDQ ensuring that these hedging products can be used more effectively and efficiently.

5 Expected Benefits and Costs of the Proposed Rule

The rule change will give participants improved tools for managing risk of increased imbalance payments and congestion uplift by enabling them to rebid AMDQ to other SIPS in a group of CPPs if there a SIP failure.

Participants will no longer have to follow the strategy of nominating artificially high IHNs therefore allowing them to offer AIHNs as a firm product to other participants.

AEMO have estimated implementation costs arising from system changes of this rule change are approximately \$300,000. This is small compared to the costs of congestion uplift and imbalance payments that can occur in the market, particularly when the market price (in the case of imbalance payments) or the relevant bid prices (in the case of uplift payments), are very high or even approach the market price cap of \$800/GJ.

APPENDIX 1: Table of Hedging Instruments

Instrument	Location	Duration	Existing	Proposed
AMDQ and AMDQ credits	Currently allocated by SIP for tie-breaking	Gas day	At initial Schedule	Rebidding to SIPs at each schedule
IHN	currently by SIP	Gas day	Subject to scheduled injection and AMDQ, it generates AMIQ hedge against uplift	Allocate once collectively to CPPs or a single SIP where applicable
AIHN	currently by SIP	Gas day	A participant may provide excess injections to support another's uplift hedge	Allocate once collectively to CPPs . or a single SIP where applicable. Excess injections can support another's hedge
AMIQ Profile	System wide	Gas day by scheduling interval	Cannot be altered during the gas day.	May be rebid for coming scheduling intervals of the gas day to cover changes in hourly demand forecast distribution

APPENDIX 2: Draft of the Proposed Rule – Change Marked

The proposed drafting of the rule:

Additional words underlined and highlighted in red. Deleted sections are struck through.

200 Definitions

close proximity injection points means a group of system injection points that AEMO has determined by AEMO that can be regarded as the same injection point for the purposes of determining AMIQ under rule 240, ~~the same system injection point for the purpose of scheduling under Division 2, Subdivisions 1 and 2 and the determination of AMIQ under rule 240.~~

211 Timing of submissions by Market Participants

- (1) By 11:00 am on the day that is 2 days before the day on which a gas day commences, a Market Participant:
 - (a) must submit to AEMO:
 - (i) demand forecasts required under this subdivision for the gas day; and
 - (ii) bids in respect of controllable quantities of gas for the gas day;
 - (b) may submit to AEMO an injection hedge nominations, ~~AMIQ profile or agency injection hedge nominations~~ for the gas day.
 - (c) may submit to AEMO nominations of authorised MDQ or AMDQ credit certificates to for the purposes of rule 214(d).
 - (d) may submit to AEMO an AMIQ profile for the gas day.
- (2) If the basis for a submission for a gas day made under subrule (1)(a) or previously resubmitted under this subrule changes, it must be resubmitted to AEMO by whichever of the following is the next to occur:
 - (a) 7:00 am on the day before the day on which the gas day commences;
 - (b) 5:00 am on the day on which the gas day commences.

Note

After the time specified in paragraph (b), updates may only be made to demand forecasts and bids in accordance with subrules (4) to (6).

- (3) On the day before the day on which a gas day commences, a Market Participant may submit updated demand forecasts, ~~or bids,~~ injection hedge nominations, agency injection hedge nominations, nominations of authorised MDQ, AMDQ credit certificates or an AMIQ profile for that gas day:

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- (a) by 3:00 pm for inclusion in the updated operating schedule to be published at 4:00 pm on that day; or
 - (b) by 10:00 pm for inclusion in the updated operating schedule to be published at midnight.
- (4) On a gas day, a Market Participant may submit updated demand forecasts, ~~or~~ bids, nominations of authorised MDQ, AMDQ credit certificates or an AMIQ profile 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.
- (5) An updated bid submitted under subrule (4) must be for the whole of the gas day, and must be consistent with the quantity scheduled in respect of that bid for the current and preceding scheduling intervals.
- (5A) An updated nomination of authorised MDQ or AMDQ credit certificates submitted under subrule (4) must be greater than or equal to the lesser of:
- (a) the current nomination of authorised MDQ or AMDQ credit certificates; and
 - (b) the total quantity of gas scheduled for injection by that Market Participant for the current and preceding scheduling intervals of the gas day.
- (5B) An updated AMIQ profile submitted under subrule (4) must be for the whole of the gas day, and must be consistent with the AMIQ profile nominated for the current and preceding scheduling intervals for the gas day.
- (5C) For the avoidance of doubt, the last AMIQ profile submitted by a Market Participant for a gas day is used in determining the AMIQ of that Market Participant in accordance with Rule 240(3).
- (6) An updated demand forecast submitted under subrule (4) must be made by hour for the scheduling horizon commencing at the relevant standard schedule time.
- (7) Injection hedge nominations, nominations of authorised MDQ, AMDQ credit certificates, AMIQ profiles, and agency injection hedge nominations are confidential information.

APPENDIX 3: Draft of the Proposed Rule - Clean

The proposed drafting of the rule:

200 Definitions

close proximity injection points means a group of system injection points that AEMO has determined can be regarded as the same injection point for the purposes of determining AMIQ under rule 240.

211 Timing of submissions by Market Participants

- (1) By 11:00 am on the day that is 2 days before the day on which a gas day commences, a Market Participant:
 - (a) must submit to AEMO:
 - (i) demand forecasts required under this subdivision for the gas day; and
 - (ii) bids in respect of controllable quantities of gas for the gas day;
 - (b) may submit to AEMO injection hedge nominations or agency injection hedge nominations for the gas day.
 - (c) may submit to AEMO nominations of authorised MDQ or AMDQ credit certificates to for the purposes of rule 214(d).
 - (d) may submit to AEMO an AMIQ profile for the gas day.
- (2) If the basis for a submission for a gas day made under subrule (1)(a) or previously resubmitted under this subrule changes, it must be resubmitted to AEMO by whichever of the following is the next to occur:
 - (a) 7:00 am on the day before the day on which the gas day commences;
 - (b) 5:00 am on the day on which the gas day commences.

Note

After the time specified in paragraph (b), updates may only be made to demand forecasts and bids in accordance with subrules (4) to (6).

- (3) On the day before the day on which a gas day commences, a Market Participant may submit updated demand forecasts, bids, injection hedge nominations, agency injection hedge nominations, nominations of authorised MDQ, AMDQ credit certificates or an AMIQ profile for that gas day:
 - (a) by 3:00 pm for inclusion in the updated operating schedule to be published at 4:00 pm on that day; or

-
- (b) by 10:00 pm for inclusion in the updated operating schedule to be published at midnight.
- (4) On a gas day, a Market Participant may submit updated demand forecasts, bids, nominations of authorised MDQ, AMDQ credit certificates or an AMIQ profile 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.
- (5) An updated bid submitted under subrule (4) must be for the whole of the gas day, and must be consistent with the quantity scheduled in respect of that bid for the current and preceding scheduling intervals.
- (5A) An updated nomination of authorised MDQ or AMDQ credit certificates submitted under subrule (4) must be greater than or equal to the lesser of:
- (a) the current nomination of authorised MDQ or AMDQ credit certificates; and
 - (b) the total quantity of gas scheduled for injection by that Market Participant for the current and preceding scheduling intervals of the gas day.
- (5B) An updated AMIQ profile submitted under subrule (4) must be for the whole of the gas day, and must be consistent with the AMIQ profile nominated for the current and preceding scheduling intervals for the gas day.
- (5C) For the avoidance of doubt, the last AMIQ profile submitted by a Market Participant for a gas day is used in determining the AMIQ of that Market Participant in accordance with Rule 240(3).
- (6) An updated demand forecast submitted under subrule (4) must be made by hour for the scheduling horizon commencing at the relevant standard schedule time.
- (7) Injection hedge nominations, nominations of authorised MDQ, AMDQ credit certificates, AMIQ profiles, and agency injection hedge nominations are confidential information.

Glossary

TERM OR ABBREVIATION	EXPLANATION
AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
AIHN	Agency Injection Hedge Nomination
AMDQ	Authorised Maximum Daily Quantity (of gas)
AMIQ	Authorised Maximum Interval Quantity
CPP	Close Proximity Injection Points
DTS	The Victorian Declared Transmission System
DWGM	The Victorian Wholesale Gas Market
GMCC	Gas Market Consultative Committee
GWCF	Gas Wholesale Consultative Forum
IHN	Injection Hedge Nomination
MSOR	The Victorian Market and System Operations Rules
NGL	National Gas Law
NGO	The national gas objective as stated in section 23 of the NGL.
NGR	National Gas Rules
SIP	System Injection Point
VENCorp	The Victorian Energy Networks Corporation