



NOTICE OF DETERMINATION

Notice to all Registered Participants (Participants) under the National Gas Rules (NGR)

This notice advises all Participants and other interested stakeholders on AEMO's decision to amend the:

GSH Exchange Agreement

Transportation Service Point Register

Capacity Transfer and Auction Procedures

AEMO notifies Participants that version 12.3 of the GSH Exchange Agreement, version 1.4 of the Transportation Service Point Register and version 1.1 of the Capacity Transfer and Auction Procedures will be effective from 26 June 2019.

Consultation on the Pipeline Capacity Trading arrangements (in accordance with clause 3 of the GSH Exchange Agreement, clause 3.2 of the Capacity Transfer and Auction Procedures and rule 135EE of the NGR) concluded on 4 June 2019.

The decision to make the amendments takes into account the assessment provided in the Impact and Implementation Report (IIR) *IIR 01 Post go-live updates to Pipeline Capacity Trading arrangements* and comments received on the proposed changes throughout the consultation.

The changes to the Pipeline Capacity Trading arrangements are outlined in Attachment A and are summarised as follows:

- Amendments to the Transportation Service Point Register for the Roma Pipeline, Amadeus Gas Pipeline, Eastern Gas Pipeline and the Vichub facility;
- Updated list of capacity trading products in the GSH Exchange Agreement to correspond with the updates to the Transportation Service Point Register;
- Amendments to the Capacity Transfer and Auction Procedures related to the restricted publication of auction information for gas powered generators and a change to the minimum auction bid price.

AEMO received feedback from two industry participants. The submissions from participants and AEMO's response is outlined in Attachment B.

AEMO considers that the changes meet the requirements of the National Gas Objective by aiding the operation of the auction. Amendments to the TSPR and capacity trading products to incorporate new facilities is as per regulatory requirements for the registration of facilities.

The IIR is available on the AEMO website at: <http://aemo.com.au/-/media/Files/Gas/Pipeline-Capacity/2019/Impact--Implementation-Report-IIR--PCT-Changes-May-2019--IIR001.pdf>

Notice Date: 6 June 2019

ATTACHMENT A – DOCUMENTATION CHANGES

This section outlines documentation changes as per the I&R.

Blue represents additions ~~Red~~ and strikeout represents deletions compared to the IIR– Marked up changes.

1 Changes to TSPR

Roma Pipeline (RP)

Service points

Name	Type	Zone Name	Description	Publication
SWQP Receipt (Gate Station)	Receipt	RP-RZ-01		No
Roma Power Station Offtake	Delivery	RP-DZ-01		No
Roma Township Offtake	Delivery	RP-DZ-01		No

Zones

Name	Type	Description	Publication
RP-RZ-01	Receipt	Wallumbilla	No
RP-DZ-01	Receipt	Wallumbilla	No

Name	Type	From Location	To Location	Publication
RP-FS-01	Forward haul	RZ-01	DZ-01	No

AGP

Service points

Name	Type	Zone Name	Description	Publication
Tanami Road	Delivery	AGP-DZ-02		No

EGP

Change to zone for Longford EGP receipt point

Service points

Name	Type	Zone Name	Description	Publication
Longford (EGP)	Receipt	EGP-RZ-02 1	Park service receipt point.	Yes

Zones

Name	Type	Description	CTP Name	Publication
EGP-RZ-02	Receipt	Longford EGP		Yes

Name	Type	From Location	To Location	Publication
EGP-FS-01	Forward haul	RZ-01	DZ-01, RZ-02	Yes
EGP-FS-02	Forward Haul	DRZ-01 2	DZ-02	No

Proposed arrangements for bi-directional flows (Changes will become effective upon notification by AEMO)

Service points

Name	Type	Zone Name	Description	Publication
Orbest notional point	Backhaul delivery point	N/A	Notional point for backhaul delivery	Yes

Pipeline Segments

Name	Type	From Location	To Location	Publication
EGP-FS-09	Forward haul	RZ-03	DZ-02	Yes
EGP-FS-10	Forward Haul	DZ-02	DZ-01	No
EGP-BS-03	Backhaul	Orbest	Bairnsdale	No
EGP-BS-04	Backhaul	Bairnsdale	VicHub Pipeline (RP)	No

Proposed arrangements for bi-directional flows (Changes will become effective upon notification by AEMO)

Service points

Name	Type	Zone Name	Description	Publication
Eastern Gas Pipeline	Backhaul delivery point	N/A DZ-02	Auction quantity limit set as offset of scheduled flows at forward haul receipt point.	Yes
Declared Transmission System	Backhaul receipt point	N/A RZ-02	Auction quantity limit set as offset of scheduled flows at forward haul delivery point	Yes

Zones

Name	Type	Description	CTP Name	Publication
VicHub-DZ-02	Delivery	EGP Zone	EGP	Yes
VicHub-RZ-02	Receipt	DWGM interface Zone	DWGM	Yes

Pipeline Segments

Name	Type	From Location	To Location	Publication
EGP-FS-09	Forward haul	RZ-03	DZ-01	Yes
EGP-BS-03	Backhaul	Orbest	Bairnsdale	No

2 Updated CTP product list (Exchange Agreement)

Roma Pipeline

Product available for pre-matched trading

Pipeline Receipt Zone	Receipt Zone Description	Pipeline Delivery Zone	Delivery Zone Description
RP-RZ-01	Wallumbilla	RP-DZ-01	Wallumbilla

NT pipelines

Products available for on-screen (continuous trading) and pre-matched trading

Pipeline Receipt Zone	Receipt Zone Description	Pipeline Delivery Zone	Delivery Zone Description
AGP-RZ-03	Darwin	AGP-DZ-02	Tennent Creek
NGP-RZ-01	Tennent Creek	NGP-DZ-01	Mt Isa

Products available for pre-matched trading

Pipeline Receipt Zone	Receipt Zone Description	Pipeline Delivery Zone	Delivery Zone Description
AGP-RZ-01	Alice Springs	AGP-DZ-02	Tennant Creek
AGP-RZ-01	Alice Springs	AGP-DZ-04	Darwin

Pipeline Receipt Zone	Receipt Zone Description	Pipeline Delivery Zone	Delivery Zone Description
AGP-RZ-02	Bonaparte	AGP-DZ-01	Alice Springs
AGP-RZ-02	Bonaparte	AGP-DZ-02	Tennant Creek
AGP-RZ-02	Bonaparte	AGP-DZ-04	Darwin
AGP-RZ-03	Darwin	AGP-DZ-01	Alice Springs

EGP – bidirectional flows (Changes will become effective upon notification by AEMO)

Products available for pre-matched trading

Pipeline Receipt Zone	Receipt Zone Description	Pipeline Delivery Zone	Delivery Zone Description
EGP-RZ-03	Orbost	EGP-DZ-01	VicHub

VicHub - bidirectional flows (Changes will become effective upon notification by AEMO)

Products available for pre-matched trading

Pipeline Receipt Zone	Receipt Zone Description	Pipeline Delivery Zone	Delivery Zone Description
VicHub-RZ-02	DTS	VicHub-DZ-02	EGP

3 Procedures for restricted publication of auction information (CTAP)

24.1 Information access restrictions

Rule 657(3) provides that the Procedures may provide for access to information published by AEMO in relation to the capacity auction to be restricted, where necessary to protect against directly or indirectly disclosing a nomination made by a market generating unit.

- (a) In this clause, a GPG service point means a *service point* which is solely used for the delivery of natural gas used by a *market generating unit* for the generation of electricity or the operation of the *market generating unit*.
- (b) The Auction Platform will restrict access to the following categories of information:
 - (i) information relating to a GPG service point;
 - (ii) information relating to a *pipeline delivery zone* in which at least one *service point* is a GPG service point and the aggregate *nameplate rating* of all *service points* in the *zone* is less than 100 TJ; ~~and~~
 - (iii) information relating to a *forward haul pipeline segment* that directly connects to a *pipeline delivery zone* referred to in paragraph (ii);
 - (iv) information relating to a *backhaul pipeline segment* that directly connects to a GPG *service point*; and
 - (v) information relating to all product components associated with Auction Products on an auction facility for which all forward haul delivery points for that facility are allocated to a single *pipeline delivery zone* that is covered by paragraph (ii).

4 Minimum auction bid price (CTAP)

18.2.2 Form of bids

- (d) For each bid:
 - (i) the bid price must be in \$/GJ and must be expressed to up to four decimal places;
 - (ii) the bid price must be \$0.0001/GJ or higher;
 - (iii) the bid price must not be more than \$50/GJ; and
 - (iv) the bid quantity must be at least 1 GJ and must be expressed as a whole number of GJ.

ATTACHMENT B – PARTICIPANT SUBMISSIONS

Participant	Reference	Submission	AEMO Response
Alinta	1.1	Alinta is broadly supportive of proposed changes	Noted.
	1.2	Alinta is supportive of proposal	
	1.3	Alinta is supportive of the additional restrictions being included within the procedures to ensure nominations from GPG are not disclosed	
	1.4	Alinta question the need to progress this proposal. All other gas markets currently have \$0 minimum prices. Whilst Alinta understands there may be problems with the capacity auction solver, it may be more preferable to fix the tie breaking algorithm, as opposed to changing the minimum auction bid price.	<p>The allocation of capacity to a bid with a \$0/GJ price would not generate any economic surplus.</p> <p>The capacity auction solver is indifferent between allocating capacity and not allocating capacity to these bids so tie breaking rules apply.</p> <p>A change to the solver could be made to allocate capacity to a participant in the event of tie-breaking. However, this would be a material change to the auction solver and is likely to require a change to the auction principles outlined in the NGR. In comparison, a change to the minimum price is a relatively minor system change. Further it is not likely to impact upon the outcomes of the auction as the principle of a \$0/GJ clearing price when auction quantity exceeds demand would still apply.</p>

<p>Jemena</p>	<p>1.1 and 1.2</p>	<p><i>1. EGP – Bi-directional flows</i></p> <p>Jemena reiterates that accepting the Orbost to Longford bi-directional services as set out in the Consultation Paper is important to avoid delay in commencement of services from this new source of gas.</p> <p>The change is required to accurately reflect the bi-directional capability of the EGP in that segment.</p> <p><i>2. VicHub – Bi-directional flows</i></p> <p>Jemena notes that the VicHub bi-directional re-classification is designed to meet market needs and follows requests from users for a firm transportation service from the Declared Wholesale Gas Market to the EGP to facilitate an alternative source of gas for users of the EGP and Tasmanian Gas Pipeline.</p> <p>The change is required to accurately reflect the impending bi-directional capability of the VicHub.</p> <p>In respect of the proposed bi-directional services, provided that AEMO accepts the changes to the pipeline segments to reflect bi-directionality, Jemena will advise AEMO of the relevant commencement dates in accordance with the rules.</p>	<p>Noted</p>
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