GENERAL PROCEDURE

MONITORING THE BALANCE BETWEEN INJECTIONS AND WITHDRAWALS

PREPARED BY: Market Performance
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FINAL
Version Release History

<table>
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<tr>
<th>Version</th>
<th>Date</th>
<th>By</th>
<th>Changes</th>
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<tr>
<td>0.1</td>
<td>15 June 2007</td>
<td>R Shaw</td>
<td>Initial version</td>
</tr>
<tr>
<td>0.2</td>
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<td>After GRMO internal review</td>
</tr>
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<td>After QLD IRG review</td>
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1 INTRODUCTION

The Retail Market Procedures (Queensland) (RMP) requires that each Retailer must procure that gas can be injected on their behalf to all Distributor Regions in which they have customers, and must use reasonable endeavours to procure that these injections match the consumption by their customers.

The RMP also require that AEMO must establish procedures to monitor that each retailer has maintained a reasonable balance between injections and consumption.

2 SCOPE

This procedure covers the monitoring of the balance between the aggregated injections by each Retailer and their customer’s aggregated consumption in all distribution regions in Queensland that are covered by the RMP and sets out the action to be taken if a reasonable balance is not maintained by any Retailer.

3 REFERENCES

Retail Market Procedures (RMP).

4 DEFINITIONS

All words defined in the RMP have the meaning set out there and are shown in italics. All words defined in this document are set out below and are shown in bold italics.

<table>
<thead>
<tr>
<th>Item</th>
<th>Definition</th>
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<tbody>
<tr>
<td>average daily consumption</td>
<td>Sum of Aggregated Consumption for a Retailer for all gas days in a billing period divided by the number of gas days in that billing period</td>
</tr>
<tr>
<td>allowable imbalance</td>
<td>For each Retailer the allowable imbalance monitoring threshold for the billing period is the maximum of:</td>
</tr>
<tr>
<td>monitoring threshold</td>
<td>• 50% of average daily consumption; OR</td>
</tr>
<tr>
<td></td>
<td>• 20TJ.</td>
</tr>
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5 PROCEDURE

5.1 Roles

<table>
<thead>
<tr>
<th>Role</th>
<th>Description</th>
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<tr>
<td>AEMO</td>
<td>Monitor differences between injections and consumption and request reports. Review reports received and refer matter to QCA if required. Take action if a requested report is not received within the required timeframe.</td>
</tr>
<tr>
<td>Retailers</td>
<td>Prepare report into circumstances leading to the imbalance.</td>
</tr>
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</table>
5.2 Procedure

5.2.1 Monitor differences between injections and consumption and request reports

Within 10 business days of issuing final statement or a revision statement, AEMO must monitor imbalances by each Retailer for the billing period as follows:

a. Determine average daily consumption for each Retailer.

b. Determine allowable imbalance monitoring threshold for each Retailer.

c. If the cumulative imbalance for any Retailer exceeds the allowable imbalance monitoring threshold for that Retailer, AEMO must request the identified Retailer to provide a report into the circumstances which resulted in them exceeding the allowable imbalance monitoring threshold.

5.2.2 Prepare report into circumstances leading to the imbalance

The identified Retailer must respond to AEMO within five business days of receiving the request (or some other time as may be agreed in writing by AEMO) outlining:

a. The circumstances which resulted in them exceeding the allowable imbalance monitoring threshold; and

b. how they propose to ensure that they return to below the threshold within three months.

5.2.3 Review reports received and prepare report for QCA

If a Retailer has not, in AEMO’s reasonable opinion, followed their plan to return to below either threshold within three months (as evidenced by more than three consecutive failures), AEMO must within 10 business days of the determination refer the matter to the QCA for investigation and advise all other Retailers of this fact.

5.2.4 Take action if a requested report is not received within the required timeframe

If the identified Retailer(s) does not respond to AEMO within five business days AEMO must advise all Retailers and QCA of their failure to respond.

5.3 Changes to this Procedure

Under the RMP AEMO may change this procedure after consultation with all Retailers and must publish the procedure at least 10 business days prior to the amendment coming into effect.