

Notice of AEMO decision

This Notice is to advise of AEMO's decision to make the following Wholesale Market Procedures:

- Wholesale Market Distribution Operation Procedures
- Wholesale Market Gas Quality Monitoring Procedures
- Wholesale Market Management Procedures
- Wholesale Market Operation Procedures
- Wholesale Market Settlement Procedures

AEMO is also amending the following Procedures:

- Wholesale Market Connection Approval Procedures
- Wholesale Market Maintenance Planning Procedures
- Wholesale Market Metering Procedures
- Wholesale Market System Security Procedures

These are the Wholesale Market Procedures made in accordance with section 91BL of the National Gas Law (NGL) and the National Gas Rules (NGR). These Procedures are required to be made by 1 February 2024 under the proposed transitional Rules as published by the AEMC and are expected to effect of 1 May 2024.

AEMO is undertaking this Procedure consultation on the basis that the National Energy Laws Amendment (Other Gases) Bill 2022 and the AEMC's recommended Rules for extending the regulatory frameworks to hydrogen and renewable gases (including the recommended transitional rules) will be made as published and which are expected to be gazetted in early 2024.

As required by Rule 135EE(5), the Procedures will take effect on the day that is 15 business days after the later of:

- the date when the National Energy Laws Amendment (Other Gases) Bill 2022 comes into operation; and
- the date when AEMC's recommended Rules for extending the regulatory frameworks to hydrogen and renewable gases (including the recommended transitional rules) commence operation.

To make these Procedures, AEMO undertook the ordinary process for making Procedure changes under Part 15B of the rules. The consultation process had the following stages:

- PPC publication date: 15 September 2023
- PPC (part 2) publication date: 26 September 2023
- PPC consultation submissions due: 16 October 2023
- IIR publication date: 30 October 2023
- IIR consultation submissions due: 28 November 2023

- Notice of Decision published: 15 December 2023

As required under Rule 135EE of the National Gas Rules (NGR), Registered participants and other interested parties were invited to submit comments to AEMO on the new Wholesale Market Procedures. AEMO received the submissions summarised in Attachment D.

As required under Rule 135EE of the NGR, AEMO published this Notice of Decision regarding this Procedures consultation on 15 December 2023.

AEMO has approved the proposed Wholesale Market Procedures issued for this consultation as set out in Attachment A of this Notice.

Responses to submissions received to the Impact and Implementation Report and amendments to the Procedures proposed in response to the IRR are summarised in Attachment D.

The key changes to the Procedures made by this consultation process are summarised below:

Wholesale Market Procedures

Procedure Name	Legal Requirement	Summary of changes
Wholesale Market Connection Approval Procedures (Victoria)	Connection Approval Procedures (Victoria) required by rule 272(6) of the NGR.	AEMO has made editorial amendments to the Procedure for usability and readability. AEMO has included an overview of the DTS connection process and AEMO's information requirements in the Procedure.
Wholesale Market Distribution Operation Procedures (Victoria)	This Procedure contains the: <ul style="list-style-type: none"> - Distribution Operational Coordination Procedures required by rule 317A(1) of the NGR. - Net Bidding Facility Procedures required by rule 204B(3) of the NGR. 	This is a new Procedure.
Wholesale Market Gas Quality Monitoring Procedures (Victoria)	This is a new Procedure, required by rule 289B(1) of the NGR that contains the content from the existing: <ul style="list-style-type: none"> - Gas Quality Guidelines Version 10 - Gas Quality Standard and Monitoring Guidelines Declared Transmission Systems 	This is a new Procedure replacing the existing Gas Quality Guidelines and the Gas Quality Standard and Monitoring Guidelines Declared Transmission System.
Wholesale Market Maintenance Planning Procedures (Victoria)	Maintenance Planning Procedures (Victoria) required by rule 326(2) of the NGR.	This Procedure was amended to reflect the Hydrogen rule change and Distribution Connected Facility rule change by applying the Procedure to Responsible person for metering installations and the responsible gas quality monitoring providers. AEMO has made editorial amendments to the Procedure for usability and readability.
Wholesale Market Management	This Procedure contains the:	This new Procedure incorporates the existing Electronic Communication Procedures, Gas Ownership Rules and

Procedure Name	Legal Requirement	Summary of changes
Procedures (Victoria)	<ul style="list-style-type: none"> - Additional Reporting Procedures required by rule 324A(1) of the NGR. - Electronic Communication procedures required by rule 319(4) of the NGR. - Gas Ownership Rules required by clause 91BO of the NGL. - Rule Change Consultation Procedures required by rule 357(2) of the NGR. 	<p>Rule Change Consultation Procedures along with the new Additional Reporting Procedure.</p> <p>Amendment to the existing Procedures were made for consistency with the Hydrogen rule change and Distribution Connected Facility rule change.</p>
Wholesale Market Metering Procedures (Victoria)	<p>This Procedure contains the:</p> <ul style="list-style-type: none"> - Metering Uncertainty Limits and Calibration Requirements Procedures (Victoria) made under rule 297 of the NGR. - Energy Calculation Procedures (Victoria) made under rule 303(6) of the NGR. - Metering Communications Procedures (Victoria) made under rule 308(4) of the NGR. - Installation Database Procedures (Victoria) made under rule 309(3) of the NGR. - Metering Installation Coordination Procedures made under rule 292A of the NGR. - Metering Register Procedures (Victoria) made under rule 311(4) of the NGR. - Data Validation Procedures (Victoria) made under rule 314(2) of the NGR. 	<p>This existing Procedure was amended for consistency with the Hydrogen rule change and Distribution Connected Facility rule change.</p> <p>The new Metering Installation Coordination Procedures required by the rule change was incorporated into this Procedure.</p> <p>This Procedure also incorporates the changes required by the Victorian Minister's request to move from a statewide heating value to a zonal heating value.</p>
Wholesale Market Operations Procedures (Victoria)	<p>This Procedure contains the:</p> <ul style="list-style-type: none"> - Accreditation Procedures required by rule 210(8) of the NGR. - Administered Pricing Procedures required by rule 224(1) of the NGR. - Capacity Certificates Auction Procedure required by rule 328D(1) of the NGR. - Capacity Certificates Transfer Procedure required by rule 331(2) of the NGR. - LNG Reserve Procedures required by rule 286A(1) of the NGR. - Gas Scheduling Procedures required by rule 206(4) of the NGR. 	<p>This new Procedure incorporates the existing Accreditation Procedures, Administered Pricing Procedures, Capacity Certificate Auction Procedures, Capacity Certificate Transfer Procedures, LNG Reserve Procedures and Gas Scheduling Procedures.</p> <p>Amendment to the existing Procedures were made for consistency with the Hydrogen rule change and Distribution Connected Facility rule change.</p>
Wholesale Market Settlement Procedures (Victoria)	<p>This Procedure contains the:</p> <ul style="list-style-type: none"> - Ancillary Payment Procedures required by rule 239(1) of the NGR 	<p>This new Procedure incorporates the existing Ancillary Payment Procedures, Uplift Payment Procedures, Distribution Unaccounted for Gas Procedures and Compensation Procedures.</p>

Procedure Name	Legal Requirement	Summary of changes
	<ul style="list-style-type: none"> - Uplift Payment Procedures required by rule 240(1) of the NGR - Distribution Unaccounted for Gas Procedures required by rule 317(1) of the NGR - Compensation Procedures required by rule 237(10) of the NGR 	Amendment to the existing Procedures were made for consistency with the Hydrogen rule change and Distribution Connected Facility rule change.
Wholesale Market System Security Procedures (Victoria)	Wholesale Market System Security Procedures (Victoria) required by rule 205(1) of the NGR	Amendments to this Procedures were made for consistency with the Hydrogen rule change and Distribution Connected Facility rule change.

The key changes to the Technical Documents made by this consultation process are summarised below:

Technical Documents

Procedure Name	Legal Requirement	Summary of changes
AEMO Victorian Pressure Correction Factors	The AEMO Victorian Pressure Correction Factors is a technical document required by the Wholesale Market Metering Procedures.	This technical document was amended to incorporate hydrogen blend pressure correction factors.
DWGM Heating Value and Gas Composition Data Sources	The DWGM Heating Value and Gas Composition Data Sources is a technical document required by the Wholesale Market Gas Quality Monitoring Procedures.	This technical document was amended to reflect the new Wholesale Market Gas Quality Monitoring Procedure.
Gas Metering – CTM Data Requirements	The Gas Metering – CTM Data Requirements is a technical document required by the Wholesale Market Metering Procedures and Wholesale Market Gas Quality Monitoring Procedures.	This technical document was amended to incorporate hydrogen parameters for CTMs.
User Guide to MIBB Reports	The User Guide to MIBB reports is a technical document required by the Electronic Communication Procedures.	Amendments to this technical document were made to implement new MIBB reports required by the rule and procedure changes.

Attachment A. Wholesale Market Procedure Changes

The following Procedures are provided in track change format, with an expected effective date of “1 May 2024 (TBC)”. The version issued for this consultation is attached separately to this document:

- Wholesale Market Connection Approval Procedures (Victoria)
- Wholesale Market Distribution Operation Procedures (Victoria)
- Wholesale Market Gas Quality Procedures (Victoria)
- Wholesale Market Maintenance Planning Procedures (Victoria)
- Wholesale Market Management Procedures (Victoria)
- Wholesale Market Metering Procedures (Victoria)
- Wholesale Market Operation Procedures (Victoria)
- Wholesale Market Settlement Procedures (Victoria)
- Wholesale Market System Security Procedures (Victoria)

AEMO will publish the final Procedures, without track changes, with the notice of effective date determined by AEMO under rule 135EE(5).

Attachment B. Technical Documents

The following Procedures are provided in track change format, with an expected effective date of “1 May 2024 (TBC)”. The version issued for this consultation is attached separately to this document:

- AEMO Victorian Pressure Correction Factors
- DWGM Heating Value and Gas Composition Data Sources
- Gas Metering – CTM Data Requirements
- User Guide to MIBB Reports

AEMO is updating the User Guide to MIBB Reports as part of the consultation integrating finalised MIBB report updates. At the conclusion of this consultation AEMO will communicate additional MIBB report changes via the DWGM Technical Specification, as may be updated via the process outlined in the electronic communication procedures. The DWGM Technical Specifications are summarised in Attachment C.

Attachment C. Technical Specifications

The Wholesale Market Electronic Communication Procedure has proposed that changes to the User Guide to MIBB Reports will be performed via AEMO releasing updates to the DWGM Technical Specifications, periodically published as part of the project.

These DWGM Technical Specifications can be found on AEMO's webpage: [IT change and release management](#) under the heading "Gas Markets and Systems" under the "Declared Wholesale Gas Market (DWGM)" heading.

This will be the primary communication forum for DWGM IT releases in future. These changes notifications are sent to Gas Wholesale Consultative Forum contacts along with Gas IT Development Forum contacts. The DWGM Technical Specification for this IT change can be found on the link: [DWGM Technical Specification](#).

This document will be updated from time to time.

Attachment D. Response to Participant Submissions

The following responses were received from participants in response to the Impact and Implementation Report.

D.1 General comments

Reference	Submitter	Submission details	AEMO response
General Comments			
D.1.1	AEMO	<p>AEMO has amended section 3.5 of the Wholesale Market Distribution Operation Procedures as a negative net injection quantity will be assigned to a meter's responsible Market Participant as financially responsible organisation. The Procedure change is in section 3.5(a)(iv):</p> <p>(iv) a settlement metering point, as a calculated metering point, for the assignment of any negative net injected quantity assigned to one or more a Market Participants by the Allocation Agent.</p> <p>The following paragraph in Example 1 and Example 2 in section 3.5 has the following amendment top reflect the above change:</p> <p>Quantities attributed to meter C and meter D must be allocated by the Allocation Agent via the allocation agreement to Market Participant(s). <u>Meter D quantities will be allocated to the responsible Market Participant.</u></p>	AEMO considers the change is not controversial and is required to reflect the operation of market systems. Therefore, this change has been adopted in the Procedure.
D.1.2	Alinta Energy	Alinta Energy supports AEMO's assessment.	Noted
D.1.3	Red and Lumo Energy	Red Energy and Lumo Energy (Red and Lumo) support AEMO's assessment of the proposal	Noted
D.1.4	AGL	<p>Broadly AGL supports AEMO's assessment, except in relation to the management of HV Zone changes. AGL Notes that the only discussion on the matter of dynamic HVZs that has been had is between AEMO and the Distribution Networks, although retailers are users of this information.</p> <p>AGL notes that AEMO has proposed that AGL raises a GMI on the issues of retailer notification of HVZ changes. AGL does not accept this response as acceptable. This initiative is being driven by AEMO and to ignore issues raised by one key sector of the gas market and then ask that that sector to identify a change, without having been involved in the discussions and without clarity on the magnitude or frequency of change seems to be a very poor outcome, which is most likely to lead to downstream issues and likely additional cost on the industry.</p>	<p>AEMO appreciates AGL's support of the changes.</p> <p>AEMO notes the "dynamic heating value zones" appears to conflate a few separate issues:</p> <ol style="list-style-type: none"> 1. AEMO is required, by rule 303(12), to assess all heating values under the <i>metering uncertainty limits and calibration requirements procedures</i>. 2. AEMO considers that section 3.4 of the Wholesale Market Metering Procedure which sets heating value zones (and allows for zones to change) reflects the possible and probable causes of changes to heating value zones that may eventuate. 3. Please refer to the Package 3A Retail Market consultation NOD response (see IIR response reference 1) in relation to AGL's comment around downstream issues and costs to

Reference	Submitter	Submission details	AEMO response
			industry which AEMO understand is primarily related to Retail Market transactions potentially needing to be amended.
D.1.5	AGN	<p>AGN supports AEMO's assessment.</p> <p>However, we are needing to clarify what we can use as a substituted heating value for the 1 May until we get a zonal HV effective 1 May on the 2nd May. Should we use the latest available statewide value?</p> <p>(refer to the Proposed Timeline at section 2 of the DWGM Technical Specifications, production reports available Wednesday 1 May 2024)</p>	<p>Noted. AEMO has referred this issue to the Package 3A Retail Market Consultation for resolution (see IIR response reference 14) as the adjustment is required to the Retail Market Procedures (Victoria).</p>

D.2 User Guide to MIBB Reports

Reference	Submitter	Submission details	AEMO response
General Comments			
D.2.1	AGL	<p>INT139A</p> <p>AGL notes that INT139A will now be generated based on a trigger event. However, it is unclear what the minimum event would be that would not allow the trigger to complete – e.g. one HVZ failing to calculate ?</p> <p>What will occur then ?</p> <p>Partial reporting, participant notice, ?</p>	<p>In terms of the report not triggering there are two processes to be aware of:</p> <ol style="list-style-type: none"> 1. For the report INT139A, will be triggered after a series of processes, triggered at approximately at 9:30 AM, that culminates in the calculation of the average heating values and report publication. If the report is not published then AEMO's IT will receive an alarm and work to resolve the issue. 2. AEMO is required by the Retail Market Procedures clause 1.1.2(b) to publish a daily ZHV for each heating value zone by 5:00 PM on the gas day following the gas day to which the daily ZHV relates. Therefore, AEMO has from 9:30AM until 5:00 PM to publish the heating value zones, and fix any IT issues. 3. The Retail Market Procedures (Victoria), in clause 2.6.1(b), requires where the daily ZHV information for heating value zone for a gas day is not available, the Distributor must use the average daily ZHV information for the previous day. 4. AEMO notes the new INT139A report will function in exactly the same fashion as the INT139 report except it calculates a value per zone and is triggered at the completion of the calculation.