

Attachment B

Stakeholder feedback template

Submission from AEMO

The template below has been developed to enable stakeholders to provide feedback on the draft amendments to the NGL, Regulations and NGR. ESOM strongly encourages stakeholders to use this template, so that it can have due regard to the views expressed by stakeholders on each issue.

1. National Gas Law Amendments

Section	Feedback

2. National Gas Regulations Amendments

Section	Feedback
[Insert regulation reference]	

3. National Gas Rules Amendments

Amendment	Feedback
Part 15B Procedures	
[insert rule and sub-rule reference]	
Part 15D Gas statement of opportunities	
135KA Application and exemptions	Given the nature of the GSOO is forward-looking, and the removal of exemptions for NT LNG facilities and fields is on the basis of an event occurring in the past, there may be a disconnect in the information that AEMO can request for the purposes of the GSOO. AEMO should have the ability to request information from exempt NT facility operators and exempt NT field owners to the extent of any potential future impact on the domestic outlook. These requests should be treated as mandatory in the same manner as other facility operators and field owners.
Part 17 Miscellaneous provisions relating to the AER	
[insert rule and sub-rule reference]	
Part 18 Natural Gas Services Bulletin Board	

Amendment	Feedback
141(1) definition of material change	AEMO supports the updated definition for material change. This will ensure large changes to capacity outlooks and forecasts will be notified to the Bulletin Board, noting these large changes can have impacts on market prices and informing the market of events. This will ensure a greater level of transparency in the gas markets of those changes that can influence market outcomes.
141(1) definition of BB field	AEMO believes that an applicable reporting threshold should apply to the obligation to register as a field owner for a BB field. One approach would be a requirement to have at least booked a certain level of 2C resources.
Part 18A Compression and storage terms and prices	
[insert rule and sub-rule reference]	

4. Policy clarifications

Sections 6.1.1, 7.2.1 and 8.6 of the Consultation Paper set out a number of policy clarifications that have been made since the DRIS was published. If you would like to provide feedback on any of these clarifications, please do so in the table below.

Consultation paper section	Amendment	Issue	Feedback
6.1.1	Rule 143A(2A).	Northern Territory offshore reserves and resources	As per feedback on changes to Part 15D, AEMO should have the ability to request information on a forward looking basis from exempt facilities, to the extent that this information may have an impact on the domestic outlook.
7.2.1	Rule 188A(1)	Reporting times for LNG export facilities	AEMO supports the updated timing of the LNG shipment data, as this will increase the usefulness of this information. AEMO notes that the requirement for LNG exporters to report this information within 1 business day of the shipment of LNG being loaded is now consistent with other transaction reporting requirements.
8.6	Rules 182(1), 183(1) and 185(1)	Facility operators reporting of forecast nominations	AEMO supports these changes as it will ensure consistency of information is provided from all facility operators, this will further enhance the integrity and transparency of the information on the Bulletin Board. Users of the Bulletin Board will have a greater level of confidence in the information, resulting in a higher level of transparency to stakeholders.
5.6.1	Rule 190CA(2)	Reporting times for LNG export facilities	AEMO supports the updated timing of the short term LNG export transactions, as this will increase the usefulness of this information. AEMO notes that the requirement for LNG exporters to report this information within 1 business day of the trade date is now consistent with other transaction reporting requirements.

5. Transitional arrangements

Section 10 of the Consultation Paper sets out the proposed transitional arrangements. If you would like to provide feedback on any of these transitional arrangements, please do so in the table below.

Transitional measure	Feedback
75(2) definition of <i>commencement date</i>	<p>AEMO is of the view there should be at least two commencement dates, one for the changes to Part 18 and one for the changes to Part 15D. AEMO notes that the commencement date is also used for other Parts that are being changed as a result of the transparency measures and this would need to be addressed as a result of any change to this definition.</p> <p>In order for AEMO to use the new GSOO rules for the publication of the 2022 GSOO, the commencement date would ideally need to be no later than 1 September 2021 (the date by which surveys are sent out to collect information relating to demand), and could be set earlier than this. The GSOO commencement date could be set earlier than September but if it was any later than this then it would be difficult to use these new rules in the 2022 GSOO publication.</p> <p>The bulk of system development for the transparency measures is a result of the changes to the Bulletin Board (BB) rules. AEMO has developed a project plan on the basis that the BB commencement date is 1 October 2021, and this requires the project to commence development in January 2021, i.e. there is approximately 10 months of development work required. The BB commencement date could be later than October 2021, though there is potential cost implications for AEMO given the system build will need to commence prior to the package being put to the South Australian Parliament. AEMO would hope to be engaged in the setting of the commencement dates.</p>
76(1) and (3)	<p>AEMO had previously communicated that it was comfortable with having procedures in place for the BB and GSOO 3 months before the commencement date. It is likely this will need to change.</p> <p>The procedures will need to be developed, on the basis of the package that is put to the South Australian Parliament. The GSOO procedures will be a new set of procedures and the BB procedures will be an update to the existing procedures. Both of these procedures will be progressed through the ordinary process for making procedures i.e. an end to end process of around 4 to 5 months. An earlier commencement date within the Rules would require a change to the timing of the publication of the procedures.</p> <p>AEMO is also assuming that no further changes can be made to the legal package when the package is progressed through the South Australian Parliament.</p>

6. Incidental amendments to Parts 15B and Part 18 of the NGR

Section 11 of the Consultation Paper sets out a number of incidental rule amendments that have been identified for Part 15B and Part 18 of the NGR. If you would like to provide feedback on any of these incidental amendments, please do so in the table below.

Amendment	Feedback
[insert rule and sub-rule reference]	
[insert rule and sub-rule reference] [insert extra rows if necessary]	

7. Proposed civil penalty provisions

Section 12 of the Consultation Paper sets out the proposed tiers for the list provisions in the Law and Rules that are proposed to be classified as civil penalty provisions. These are based on the proposed classification of tiers for the reform of the Australian Energy Regulator Civil Penalty Regime, which was released for public consultation in July 2020. Energy Ministers' approval of the final classification of tiers, Decision Matrix and Concepts Table is anticipated in late 2020 or early 2021. If you would like to provide feedback on the proposed tiers, please do so in the table below.

Section or rule	Feedback on proposed tiers
[include section or rule]	
[include section or rule]	
[include section or rule]	

8. Potential duplication reduction in the National Gas Law

While not part of the Draft Bill or within scope of the transparency regulatory impact statement, the table in section 13 of the Consultation Paper identifies a number of areas in the Law that would benefit from the removal of some of the duplication that has emerged over time. If you would like to provide feedback on any of the proposed changes, please do so in the table below.

Item number	Feedback on potential changes
4 Compliance with AEMO Procedures	<p>AEMO supports removing the provisions that state that a person is not required to comply with the relevant Procedures to the extent of any inconsistency with an applicable access arrangement</p> <p>AEMO does not support that in all cases AEMO should publish its decision that a breach of Procedures is non-material on its website. AEMO believes there should be no mandatory requirement to publish information on non-material breaches of the procedures.</p> <p>As currently worded for 91BN, 91BRJ, 91MB and 91BRQ if AEMO has reasonable grounds to suspect a breach it must decide if the breach is a material breach. The law does not contemplate that the suspected breach may not be a breach and therefore the process should not continue.</p> <p>AEMO believes there are improvements to the process that could be applied that results in a single process for all procedural breaches (91BN, 91BRJ, 91MB, 91BRQ, 228A and proposed new 91DH) –</p> <ul style="list-style-type: none"> ▪ If AEMO has reasonable grounds to suspect that a person is not complying (or hasn't complied) with the procedures, it must, after making such inquiries and investigation as it considers appropriate, consider if a breach has occurred ▪ This would include raising the matter with the relevant person and, if AEMO is satisfied with the response, taking no further action, or taking no further action subject to the person complying with conditions agreed between AEMO and the person ▪ If AEMO has determined that a breach has occurred it should be determined whether the breach is a material breach. ▪ If AEMO has determined that a breach has occurred AEMO may, by notice in writing, direct the person to comply with the relevant provisions of the Procedures and the person must comply with the direction ▪ If AEMO has determined that a breach has occurred and it is material then AEMO must notify the AER and must publish the outcome on its website ▪ If AEMO has determined that a breach has occurred and it is not material then AEMO may notify the AER and may publish the outcome
General comment	AEMO does not have any issues with this approach to reduce duplication provided the drafting does not change any substantive obligations or the penalties associated with those obligations, or change the substantive rights or powers of AEMO.