**Notice to Gas Supply Hub Members of AEMO’s decision Gas Supply Hub Exchange Agreement Amendments – GLNG Proposal**

This Notice advises all Gas Supply Hub members and other interested stakeholders that AEMO has completed its consultation on the proposal by the GLNG JV Parties to allow unincorporated joint ventures and similar structures to participate jointly in the GSH exchange.

The GLNG Parties proposed to amend the Exchange Agreement to allow for:

* a single Member to comprise multiple persons in a structure such as an unincorporated joint venture; and
* the participation and liability of each of them to be limited to a percentage interest as specified in the Membership Agreement; and
* the ability of each of them to transfer or assign its GSH membership interest, in whole or part, on notice to the Operator without prior approval; or
* alternatively, amendments to allow for a person to become a Member in its capacity as agent for the participants in a joint venture in their respective shares.

In the Impact and Implementation Report (IIR) dated 20 November 2014, AEMO recommended a modified version of one of the GLNG Parties’ agency proposals, referred to as the ‘modified Second Alternate Proposal’.

AEMO had discussions with the GLNG Parties in relation to AEMO’s proposed drafting, but received no other submissions. A summary of comments from the GLNG Parties is shown at Attachment A.

AEMO has decided to amend the Exchange Agreement as set out in Attachment B. The amendments are similar to those published with the IIR, with some minor corrections and changes to add clarity.

In accordance with clause 3.3(d)(iv) of the Exchange Agreement, AEMO informs Members that these amendments will be incorporated in version 3.0 of the Gas Supply Exchange Agreement, effective from Monday 27th April 2015.

**Notice Date: 31 March 2015**

**Attachment A: Summary of stakeholder comments on Gas Supply Hub Exchange Agreement Consultation IIR**

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| Organisation  | Summary of comment | AEMO’s Response |
| GLNG | Parts of proposed new clause 2.10 and 5.1(c) are inconsistent, as they provide that Appointing Members do not have rights to access and use the Trading System directly, but also that Appointing Members’ rights of access must be the same as each other. | The proposed agency arrangement is based on the premise that each Appointing Member is the actual GSH Member, and as such applies (through the agent) to participate in one of the three categories. Because the Appointing Members can only exercise those rights jointly through the agent, the participation rights must be the same for each of them. Amendments made to clauses 2.10 and 6 for clarification, and proposed clause 5.1(c) then removed. |
| GLNG | Proposed clause 4.5.2(b)(ii) requires clarification. Consent of all appointing members for that agent is required for any change to the appointing members.  | Agreed. |
| GLNG | Clarify clause 5.5(a) to confirm that joint applicants will not have to pay multiple fees as a consequence of the agency structure. | No change, as the structure of fees may be amended after consultation with Members in accordance with the NGR Part 22. Under the current structure the Agent makes one joint application on behalf of the Appointing Members and this possibility cannot arise. The published fees do not include application fees for trading participants, who pay a fee per user licence and volume-based transaction fees.  |

**Attachment B: GSH Exchange Agreement Amendments**

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| Clause  | Amendment |
| 1.3 Membership Agreement | Amend clause 1.3:This Exchange Agreement is made contractually binding between the Operator and all Members by the Membership Agreement executed by the Operator and by or on behalf of each Member.  |
| 2.1 Definitions | Add the following new definitions:***Agent Member*** means a person who has been jointly appointed by two or more Members to act as their agent under and in connection with this Agreement and whose appointment has been accepted by the Operator in accordance with clause 4.5.***Appointing Member*** means, in relation to an Agent Member, each Member from time to time appointing that Agent Member.Amend the following definition:***Member*** means a person (other than the Operator) who is a party to the agreement constituted by this Exchange Agreement from time to time, by reason of that person (or an Agent Member for and on behalf of that person) having executed a Membership Agreement that has not been terminated. |
| 2.10Agent Members  | Insert new clause 2.10:**Agent Members**In relation to an Agent Member and its Appointing Members:the Agent Member will represent the Appointing Members and will exercise the rights and perform the obligations of the Appointing Members under and in connection with this Agreement as agent for the Appointing Members;each Appointing Member’s rights of access to and use of the Trading System must be the same as each other Appointing Member and must only be exercised through its Agent Member;except as otherwise expressly provided in this Agreement, a reference to a Member (including a Member participating in a relevant category) includes a reference to the Agent Member acting for and on behalf of the Appointing Members;the obligations of the Appointing Members are joint and several obligations of those Appointing Members, a right of an Appointing Member is held by each of those Appointing Members separately, and any other reference to that Appointing Member is a reference to each of the Appointing Members separately, so that (for example) a representation, warranty or undertaking is given by each of them separately;all acts and omissions of the Agent Member under or in connection with this Agreement are taken to be acts and omissions of all the Appointing Members;payment or delivery to or other performance in favour of the Agent Member under or in connection with this Agreement is taken to be payment or delivery to or other performance in favour of its Appointing Members; andno party to this Agreement shall be required to inquire into the scope of the authority of the Agent Member and each Appointing Member is bound by and will ratify all acts and omissions of the Agent Member under or in connection with this Agreement. |
| 4.1 Membership eligibility | Insert new paragraph (d):(d) In this clause 4.1, a reference to a Member does not include a reference to the Agent Member for an Appointing Member.Note: Eligibility to be an Agent Member is dealt within in clause 4.5. |
| 4.2 Membership application | Amend paragraph (a) as follows:A person who wishes to become a Member must submit an application to the Operator together with a Membership Agreement duly executed by the applicant. An application must be in the form and contain the information specified by the Operator and must be accompanied by any applicable fee. An application by two or more persons who intend to appoint an Agent Member must also satisfy the requirements of clause 4.5.1. |
| 4.5 Appointing Members and Agent Members | Insert new clause 4.5:4.5 Appointing Members and Agent Members4.5.1 Joint applicationsTwo or more persons who wish to become Members and appoint an Agent Member may submit a joint application under clause 4.2(a).Two or more Members who wish to appoint an Agent Member or (if they are already Appointing Members) replace their Agent Member must submit a joint application under this clause 4.5.1.In addition to satisfying the requirements of clause 4.2 (where applicable), a joint application under clause 4.2(a) or this clause 4.5.1 must:(i) contain the information specified by the Operator about the proposed Agent Member; and(ii) be accompanied by information in a form satisfactory to the Operator evidencing that all the applicants have appointed the proposed Agent Member to act as their agent under and in connection with this Agreement and in respect of the same participant category, and that the Agent Member has accepted that appointment. To be eligible to act as an Agent Member, a person must:(i) have been jointly appointed by two or more Members (one of whom may also be the Agent Member) to be their Agent Member and that appointment must not have been revoked;(ii) be resident in, or have a permanent establishment in, Australia; (iii) not be an externally-administered body corporate (as defined in the Corporations Act) or under a similar form of administration under the laws of some other jurisdiction;(iv) not be immune from liabilities incurred as an Agent Member; and(v) be capable of being sued in its own name in a court of competent jurisdiction.Clause 4.2 applies to the consideration of a joint application under this clause with any necessary changes. In addition, in the case of an application under either clause 4.2 or this clause, if the Operator is not satisfied that any proposed Agent Member is eligible, then the Operator may refuse to accept the appointment (even it accepts the application for membership).If the Operator accepts the appointment of an Agent Member, it must notify the applicants. There is deemed to be a Suspension Event for the purposes of clause 19.2(a)(ii) in relation to all the Appointing Members for the Agent Member and the Operator may impose a Trading Halt in accordance with and subject to the provisions of clause 19 if either of the following occurs:(i) if the Operator has reasonable grounds to believe that an Agent Member is no longer eligible to be an Agent Member and the Appointing Members (themselves or through the Agent Member) have failed to give the Operator information to verify the Agent Member’s continued eligibility within 2 Business Days of the Operator requesting that information from the Appointing Members;(ii) for any reason, there is no current Agent Member in respect of the Appointing Members.4.5.2 Changes to the Appointing Members The Appointing Members for an Agent Member may, acting jointly, from time to time on application to the Operator containing the information specified by the Operator:(i) include an additional person as an Appointing Member for the Agent Member; or (ii) remove a Member as an Appointing Member for the Agent Member.Any application under paragraph (a) must contain the information specified by the Operator and must be accompanied by information in a form satisfactory to the Operator evidencing:(i) in the case of an additional Appointing Member, that the additional Appointing Member has appointed the proposed Agent Member to act as its agent for the purposes of this Agreement jointly with the other Appointing Members and in respect of the same participant category, and that the Agent Member has accepted that appointment; and(ii) in both cases, that all Appointing Members for that Agent Member have given their consent to such change.If the Operator is satisfied that the application is in order, then the Operator must accept the application and take the necessary steps to implement the change under this Agreement.A Member who is removed as an Appointing Member for an Agent Member:(i) may request the termination of its Membership Agreement;(ii) for so long as it continues as a Member:1. must comply with all the obligations applicable to it as a Member including the appointment of representatives under clause 5.3; and
2. is automatically suspended from access to and use of the Trading System until the Operator gives the Member the confirmation referred to in clause 6.1(b).
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| 5.2 Register of Members | Amend paragraphs (a) to (c):The Operator must establish a register of all current Members and Agent Members and keep that register up to date using information provided by Members in the application process and under this clause.The register will include details of the Member’s and Agent Member’s name, address, contact details and other information required to be provided as part of the application process for inclusion in the register or required by the Operator from time to time. The register will also specify the Appointing Members for each Agent Member.The Operator must publish a list of current Members and Agent Members and their contact details on its website. |
| 5.3.1 Members to nominate representatives | Amend paragraph (a):Each Member must nominate one or more individuals within its organisation (or that of the Agent Member, in the case of Appointing Members) to fulfil the roles required under this clause 5.3 on behalf of the Member in its capacity as a Trading Participant, a Reallocation Participant or a Viewing Participant. Appointing Members must make joint nominations of the same person for each role and may do so through their Agent Member. |
| 6.1 Access to Trading System | Amend paragraph (a) by replacing “agreement” with Agreement”Amend paragraph (b):The right of a Member to access the Trading System, in accordance with the terms applicable to a participation category in which that Member is registered, starts when the Operator confirms to the Member that it is satisfied that the Member, or the Agent Member for each Appointing Member: (i) ~~the Member~~ has given all information required of it under clause 5.2 and 5.3 to the Operator and the Operator has created all necessary authorised user identities for the Member in the Trading System; (ii) ~~the Member~~ has a working, secure interface with the Trading System; and(iii) ~~the Member~~ has paid the applicable Exchange Fees. |
| 6.2 Access to trade | Amend paragraph (b):The Operator must register a Member as a Trading Participant if that Member has applied to become a Trading Participant and the Operator is satisfied that the Member, or the Agent Member for each Appointing Member:(i) ~~the Member~~ has met the requirements in clause 6.1(b); (ii) ~~the Member~~ has an active Austraclear account and has given its account information to the Operator; and(iii) ~~the Member~~ is registered for GST purposes and has executed and delivered to the Operator a recipient created tax invoice agreement in the form specified by the Operator from time to time. |
| 6.4 Reallocation Participants | Amend paragraph (c):The Operator must register a Member as a Reallocation Participant if that Member has applied to become a Reallocation Participant and the Operator is satisfied that the Member, or the Agent Member for each Appointing Member:(i) ~~the Member~~ has met the requirements in clause 6.1(b); (ii) ~~the Member~~ has an active Austraclear account and has given its account information to the Operator;(iii) ~~the Member~~ is registered for GST purposes and has executed and delivered to the Operator a recipient created tax invoice agreement in the form specified by the Operator from time to time and(iv) ~~the Member~~ is a wholesale client as defined in section 761G(4) of the Corporations Act.is a wholesale client as defined in section 761G (4) of the Corporations Act |
| 23.3 Representations by all parties | Amend paragraph (h):it has entered into and executed the Membership Agreement and the Exchange Agreement as principal (and not as agent or in any other capacity, fiduciary or otherwise) (except that if the party is both a Member and an Agent Member, then this representation is only given by the party in its capacity as a Member);Delete “and” at the end of paragraph (j), replace “.” with “; and” at the end of paragraph (k) and insert new paragraph (l):in the case of a party who is an Appointing Member, it has authorised and will ratify all acts and omissions of its Agent Member as agent for the Appointing Member under or in connection with this Agreement. |
| Schedule 1 Membership Agreement | Amend the description of the parties as follows: **Australian Energy Market Operator Limited** ABN 94 072 010 327 of Level 22, 530 Collins Street, Melbourne, Victoria 3000 (on its own behalf and on behalf of each ~~Participant~~ Member) (“**Operator**”)and **[Company name]** ABN **[**number**]** of **[**registered address**]** (“**Applicant**”)[or, where an Agent Member is entering into this Membership Agreement on behalf of an Appointing Member: **[Company name]** ABN [number] of [registered address] as agent for and on behalf of **[Company name]** ABN [number] of [registered address] (“**Applicant**”)]Insert an additional signature block at the end of Schedule 1:

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| **Signed** for and on behalf of [Name of agent] as agent for [Name of Appointing Member]in the presence of: |
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| Signature (Witness) |  | Signature |
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| Print Name (Witness) | Print Name |
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| Date |  | Date |

 Each person who executes this document under a power of attorney declares and warrants that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney. |