

STTM INTERFACE PROTOCOL – DRAFT DECISION – 31 MARCH 2014

PREPARED BY: Market Operations and Performance

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DRAFT DECISION FOR PUBLICATION

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Glossary of terms

Terms or Abbreviations	Explanation
AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
MIS	Market Information Systems
MOS	Market Operator Services
NGO	National Gas Objective
NGR or Rule(s)	National Gas Rules
SIP	STTM Interface Protocol
STTM	Short Term Trading Market
STTM-CF	STTM Consultative Forum
STTM-ITDF	STTM Information Technology Development Forum
SWEX	STTM Web Exchanger
SWEXIE	STTM Web Exchanger Interface Engine

Notice of Consultation

Notice under Rule 9(2)(c) of the National Gas Rules.

The Australian Energy Market Operator gives notice of consultation on the amendments to the STTM Interface Protocol for the Short Term Trading Market (STTM) under Rule 368 of the National Gas Rules.

This notice of consultation is dated 31 March 2014.

Matters for consultation

Amendments to the STTM Interface Protocol are required as a result of changes to the gas market systems which result from amendments to the National Gas Rules and the STTM procedures for:

- STTM deviations and the settlement surplus and shortfall; and
- Market operator service - timing and eligibility

AEMO reasonably considers that the implementation of the SIP amendment is urgent and therefore will be implementing this SIP amendment under the expedited consultation procedure.

Closing date for submissions

AEMO is inviting comment on this Draft Decision by **5pm AEST on 23 April 2014**.

Submissions should be sent via email to sttmcf.correspondence@aemo.com.au and addressed to Mr Peter Ferretto, Market Operations and Performance.

AEMO requests that all submissions be forwarded in electronic format (pdf or Word) as they will be published on the AEMO website.

The consultation timetable

AEMO aims to complete this SIP amendment by publishing a Final Decision on these SIP amendments by 1 May 2014 with a proposed effective date of 7 May 2014.

The consultation timetable is presented in section 6 of this paper.

1 Purpose of the STTM Interface Protocol

AEMO established the STTM Interface Protocol (SIP) to govern the provision of communications under Part 20 of the National Gas Rules (NGR) (see Rule 368(1)). A number of artefacts constitute the SIP and describe market systems' communications in detail. The SIP is published on the AEMO website.

AEMO may only amend the SIP (or its artefacts) in accordance with the standard consultative procedure or, if urgent, the expedited consultative procedure (see Rule 368(2)).

In accordance with Rule 368 of the NGR, AEMO is proposing to amend the SIP, to incorporate the updated SIP artefacts as set out in Appendix A and B.

2 Consultation under the Expedited Consultative Procedure

AEMO reasonably considers that the proposed amendment to the SIP to be urgent and therefore AEMO will be consulting with Trading Participants, STTM facility operators, STTM distributors and allocation agents in accordance with the expedited consultative procedure under Rule 9.

AEMO considers that the proposed consultation is adequate because:

- AEMO has previously consulted on these SIP amendments with Trading Participants, STTM facility operators, STTM distributors and allocation agents via:
 - the STTM Consultative Forum (STTM-CF) on the scope of the changes for the planned May 2014 gas market systems release;
 - the STTM Information Technology Development Forum (STTM-ITDF) on the planned changes to the market interfaces and reports involving technical consultation with industry participants; and
 - a Change Notice emailed to these groups in November 2013 and March 2014, outlining the scope of changes.
- the National Gas Objective (NGO) requires that AEMO promote efficient operation of natural gas services for the long term interests of consumers, this results in AEMO having two conflicting priorities:
 - ensure the gas market systems are considered to be free from errors, following AEMO and participant testing, before implementation to minimise the risk of gas market systems producing erroneous market outcomes that undermine the NGO.
 - implement the market systems as soon as possible, following the end of gas market system testing, to ensure the gas market operates efficiently.
- participants will be able to access and test the changes to the market systems and reports during the industry test period from 1 April to 28 April 2014 which overlaps the consultation period of the STTM Interface Protocol amendments providing participants opportunity to better informed in their assessment of the STTM Interface Protocol amendments.

3 Rule changes requiring amendments to the SIP

3.1 STTM deviation pricing

Rule changes to STTM deviation pricing require the following changes to STTM market systems:

- Modification of the deviations calculations in the AEMO settlements system (this is an internal system change and does not affect any participant facing system).
- New and modified MIS reports.

Note: AEMO is seeking a further urgent rule amendment for further changes to the settlement surplus and shortfall rules. Subject to AEMC approval, the deviation pricing changes may be delayed until 1 November 2014 to accommodate the outcome of this rule change. Subject to the receipt of any objections, under the expedited rule change process, a final rule determination will be published by AEMC on 3 April 2014.

AEMO's final decision on the SIP changes will confirm the effective date for these changes to the SIP.

3.2 STTM MOS– timing and eligibility changes

Rule changes require the following changes to STTM market systems:

- The MOS periods are reduced to monthly periods.
- The MOS stack creation process becomes fully automated. Participants submit MOS offers directly into the STTM systems using SWEX or SWEXIE.
- Trading right holders of MOS-enabled trading rights can participate in the STTM MOS offer process.
- New and modified MIS reports.

4 Draft Decision

AEMO is proposing to amend the SIP to incorporate the latest changes to the gas market systems made as part of Gas Release 34. AEMO's reasons for making the decision to amend the SIP are:

- the amendments are required to align the SIP (and artefacts) with the changes to the STTM systems as part of the planned May 2014 gas market systems release (Release 34).
- the majority of the proposed SIP amendments are needed to align the market systems to Rule and STTM Procedure changes – STTM deviations and the settlement surplus and shortfall; and Market Operator Service - timing and eligibility – which were consulted on through separate Rule and procedure change processes by the AEMC and AEMO respectively.
- some SIP amendments are being made to clarify or better present functionality of the gas market systems. AEMO considers that these changes will provide a market benefit for industry through improved transparency of operations and should be implemented.

As part of this planned gas market systems release there will be changes to the gas market systems that require an amendment to the SIP artefacts. A summary of the changes to the SIP or artefacts are set out in Appendix A.

AEMO is proposing to incorporate the updated versions of the SIP artefacts into the SIP as summarised in Appendix B.

5 References

The current version of the SIP artefacts can be found on the AEMO website under the STTM Interface Protocol at: <http://www.aemo.com.au/Gas/Policies-and-Procedures/Short-Term-Trading-Markets/Rules-Procedures-and-Interface-Protocol>.

Change tracked versions of the SIP artefacts are published on the AEMO website with this Notice and Draft Decision.

6 Consultation Timetable

The following table contains an outline of the consultation process, including key dates. Please note that some of these dates are proposed dates and may be subject to change.

Table 1.1 – Timetable for SIP amendment implementation

Process	Date
Publication of the Draft Decision	31 March 2014
Submissions due in response to the Draft Decision	23 April 2014
Publication of the Final Decision and amended SIP	Currently, proposed date is 1 May 2014
Effective date of the new SIP	Currently, proposed date is 7 May 2014

Appendix A - Summary of the changes to the SIP or artefacts

STTM Interface Protocol

Additional text is added to the introduction clarifying how AEMO notifies STTM participants as follows.

“The primary means by which AEMO communicates information to STTM participants is:

- by publishing reports on the STTM Market Information System as defined in the STTM Reports Specification (Artefact); or
- by Message or Transaction Acknowledgements as defined in the STTM Participant Build Pack (Artefact).

A communication by these means is taken to have been notified to each relevant STTM participant at the time the report is published on the STTM Market Information System or the Message or Transaction Acknowledgment is posted to a location from which it is accessible by the participant in accordance with the STTM Participant Build Pack (Artefact), as applicable.

Some matters communicated by these primary means may also be confirmed using SMS and/or emails. Failure to send an SMS or email confirmation does not invalidate the primary notice.”

STTM Interface Protocol Artefacts

The SIP is comprised of the following SIP artefacts:

- STTM Participant Build Pack
- STTM Participant Build Pack Business Validations Addendum
- STTM Report Specifications
- MOS Offer Requirements and Validation Rules

The amendments to these SIP artefacts are summarised in the following tables along with a reference to the change process that caused the SIP amendment where applicable.

Table A.1 - Summary of amendments to the STTM Participant Build Pack SIP artefact

Change Request / Defect Reference	Issue
	Added a new MOS Offer transaction (with format and error codes) which is used to submit MOS offers via SWEXIE using FTP .
	Updated interface diagrams and descriptions in <i>Section 3 Interfaces</i> to better describe the data flow for participant submissions.

Table A.2 - Summary of amendments to the STTM Participant Build Pack Validations Addendum SIP artefact

Change Request / Defect Reference	Issue
	Added a new MOS Offer transaction which is used to submit MOS offers via SWEXIE using FTP (validation rules).

Table A.3 - Summary of amendments to the STTM Reports Specifications SIP artefact

Change Request / Defect Reference	Issue
	<p>New MIS reports to allow for MOS enabled TRNs:</p> <ul style="list-style-type: none"> • INT705 - Trading Participant Registered Services v3 • INT706 - Trading Participant Trading Rights v2 • INT712 - Trading Participant Settlement MOS Allocations v2 • INT725 – Trading Participant MOS Offer Confirmation <p>Modification of existing MIS reports to allow for MOS enabled TRNs:</p> <ul style="list-style-type: none"> • INT721 – Pipeline Operator MOS Stack • INT721a – Active Pipeline Operator MOS Stack • INT703 - Trading Participant Provisional Allocation
	Modifications to <i>INT713 – Participant Company Contact Details</i> to clarify that SMS/emails are only sent if the FHC or PAD files of facility operator data submissions breach warning thresholds or have not been submitted by the first cut-off time – and not for any other files or validations.
	<p>New MIS reports for STTM deviation pricing: INT690 - Deviation Price Data</p> <p>Modification of existing MIS reports for STTM deviation pricing: INT704 - Trading Participant Deviation and Variation Data (v1 and v2) INT724 - Ranked Deviation Quantities Report</p> <p>(Note only the timing of these reports will change so they run later by a few minutes to accommodate the run time of a deviation charge/payment calculation batch job.)</p>

Table A.4 - Summary of amendments to the MOS Offer Requirements and Validation Rules SIP artefact

Change Request / Defect Reference	Issue
	<p>The MOS Offer Requirements and Validation Rules SIP artefact is no longer required and will be deleted.</p> <p>MOS Offers can now be submitted via SWEX or SWEXIE. The requirements and validation rules are now incorporated into the STTM Participant Build Pack and the STTM Participant Build Pack Validations Addendum for SWEXIE and by the STTM Webb Exchanger User Guide for SWEX.</p>

Appendix B - Summary of the amendments to the SIP

The substantive change to the SIP will be in the reference to the active version of the SIP artefacts. The following table details the SIP artefacts versions that are expected to become effective following this consultation process. These are expected to be the only material changes to the SIP.

Table B.1 - Summary of amendments to SIP

Form of Communication	Document	Version
File transfers	Participant Build Pack Purpose: specify the data formats and the rules for file transfer data exchanges between AEMO and authorised parties (i.e. Trading Participants, STTM facility operators, STTM distributors and allocation agents).	48 19
Transaction validations	Participant Build Pack Business Validations Addendum Purpose: detail (beyond the Participant Build Pack) the validation rules applied to the data exchange between AEMO and participants.	7 8
Reports	STTM Report Specifications Purpose: specify all of the reports published by AEMO on its STTM Market information System (to Trading Participants, STTM facility operators, STTM distributors and the public).	44 15
[Deleted] MOS Process	[Deleted] MOS Offer Requirements and Validation Rules Purpose: detail the data exchange rules for MOS increase offers and MOS decrease offers submitted to AEMO by Trading Participants.	[Deleted] 4