

# WHOLESALE MARKET RULE CONSULTATION PROCEDURES (VICTORIA)

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## 1. INTRODUCTION

### 1.1 Purpose and Scope

These are the Wholesale Market Rule Consultation Procedures (Procedures) made under rule 357(2) of the National Gas Rules (Rules).

The purpose of these Procedures is to describe how the Australian Energy Market Operator (AEMO) will consult on proposals made under and in accordance with rule 356 by a person, other than AEMO, to amend Part 19 of the Rules.

AEMO has a general power to reject non-compliant or frivolous proposals, without consultation, under rule 10 of the Rules.

With respect to any proposal, AEMO may after discussion with the Australian Energy Market Commission (AEMC) in relation to that proposal, depart from or modify these Procedures in order to meet any requirements of the AEMC as to the consultation needed. If AEMO does so, it must publish the process that it will follow.

These Procedures have effect only for the purposes set out in the Rules. The Rules and the National Gas Law (Law) prevail over these Procedures to the extent of any inconsistency.

### 1.2 Definitions and Interpretation

#### 1.2.1 Definitions

Terms defined in the Law and Part 19 of the Rules have the same meaning in these Procedures unless the context otherwise requires.

#### 1.2.2 Interpretation

The following principles of interpretation apply to these Procedures unless otherwise expressly indicated:

1. These Procedures are subject to the principles of interpretation set out in Schedule 2 of the Law.
2. References to time are references to Australian Eastern Standard Time.

## 2. PRELIMINARY REQUIREMENTS

### 2.1 Notice of proposal

If AEMO receives a proposal for a rule that complies with the requirements in rule 356(2), AEMO must publish, and notify registered participants in the declared wholesale gas market of the publication of:

1. the proposal (excluding any information that the proponent has identified as confidential information);
2. a statement of whether AEMO considers that the standard or expedited consultation process applies to the proposal; and
3. an invitation to registered participants in the declared wholesale gas market and other persons AEMO reasonably considers would be affected by the proposed rule to make submissions on the proposal by a date determined in accordance with the applicable process.

### 2.2 Consolidation of proposals

If at any time AEMO considers it necessary or desirable that two or more proposals dealing with similar subject matter should be assessed together, AEMO may, on giving notice to all proponents:

1. treat those proposals as a single proposal; or
2. treat any later proposal as a submission in relation to the earliest proposal.

### **3. DETERMINATION OF APPLICABLE CONSULTATION PROCESS**

#### **3.1 Standard Consultation Process**

The standard process must be used:

1. if AEMO considers that the proposal relates to a rule change that, if implemented, would materially change or affect the operation of the declared wholesale gas market; and
2. in relation to any other proposal unless clause 3.2 of these Procedures applies.

If the standard process applies to a proposal, AEMO must consult on the proposal in accordance with the standard consultative procedure under rule 8 of the Rules, with the following exceptions:

3. AEMO is not required to publish any notice or decision in or on any medium other than its website;
4. AEMO must publish submissions made in respect of the proposal or any draft decision (excluding any information that the submitting party has identified as confidential information);
5. AEMO may, after considering the submissions received by the due date in respect of a proposal and any other matter AEMO considers relevant, make and publish a final decision (without first making a draft decision) if AEMO is satisfied that it must reject the proposal because:
  - a. its subject matter does not relate to the declared wholesale gas market; or
  - b. the subject matter is similar to a proposal made in the previous 12 months in respect of which a request for a rule either was not made, was rejected by the AEMC or is currently under consideration by the AEMC; or
  - c. it is misconceived or lacking in substance;
6. AEMO is not required to undertake any further consultation if, after considering the submissions received by the due date in respect of a proposal and any other matter AEMO considers relevant:
  - a. AEMO is satisfied that the proposal meets the criteria in rule 358(2)(b); and the proponent asks AEMO to make, or consents to AEMO making, a request to the AEMC for a rule in accordance with the proposal without further public consultation, on the basis that the 'fast track' process under section 305 of the Law need not apply.

#### **3.2 Expedited Consultation Process**

The expedited process may be used if AEMO considers that:

1. the proposal relates to a rule change that, if implemented, would have no material effect on the operation of the declared wholesale gas market; and
2. there are no other circumstances that justify the use of the standard process.

If the expedited process applies to a proposal, AEMO must consult on the proposal in accordance with the expedited consultative procedure under rule 9 of the Rules, with the same exceptions as are set out in clause 3.1(3) to (6) of this document.

### **4. ADDITIONAL CONSULTATION**

AEMO may hold one or more public meetings or undertake such additional consultation as it considers necessary in relation to any proposal. If AEMO decides to hold a meeting, it must publish a notice of that meeting not less than 5 business days in advance, and must publish the minutes of that meeting as soon as practical after it has been held.

## **5. AEMO DECISION ON RULE PROPOSAL**

The decision process by AEMO whether or not to request a proposed rule (including any amendments that AEMO considers appropriate) will be applied in accordance with rule 358, and a decision made by AEMO within 60 business days after receiving the proposal (or period as extended under rule 358(2)).

If AEMO decides to request a rule proposed by a person under rule 356, AEMO must submit a request to the AEMC under the Law within a further 20 business days (rule 358(4)).