

Stakeholder feedback template

This template has been developed to enable stakeholders to provide their feedback on the Capacity Transfer and Auction Procedures and amendments to the GSH Exchange Agreement.

AEMO encourages stakeholders to use this template, so they can have due regard to the views expressed by stakeholders on each issue. Stakeholders should not feel obliged to answer each question, but rather address those issues of particular interest or concern.

Stakeholder submissions will be published on AEMO's website unless they are clearly marked as being confidential. Submissions should be sent to pct@aemo.com.au by Friday 28 September 2018.

Submission by Lochard Energy

Date: 27 September 2018

	Questions	Feedback
Capacity Transfer and Auction Procedures		
1.	<p>Division 1 - General <i>(Registration, Service Points, Zones, Pipeline Segments, Register, Facility Agreement Information, CTP Communications)</i></p> <p>1. Do you have any feedback in relation to the provisions common to the Capacity Trading Platform and Capacity Auction as set out in clause 1 to 6?</p>	<p>Section 1.3.3:</p> <ul style="list-style-type: none"> Facility agreement – definition for the term not available. <p>Section 2.1.1(c):</p> <ul style="list-style-type: none"> Definition of “reserved transportation capacity” not available. Should the term refer to “auctioned transportation capacity”? <p>Section 2.2.4 – RCTI Agreement:</p> <ul style="list-style-type: none"> Facility operators/Service Providers are required to deliver to AEMO a RCTI. Are Facility operators/Service providers required to sign the RCTI Agreement? This requirement is not as stated in Appendix A10.1. We recommend that the Capacity Trading settlement process to align to Gas Market Settlement Guideline – DWGM and STTM for cleaner settlement process. Facility Provider/Service Provider required to sign the RCTI Agreement? If so, what services are Facility Provider/Service Provider we are required to invoice? <p>Clause 3.3.1:</p> <ul style="list-style-type: none"> Definition of “Zone Curtailment Information” need to be clearly defined. Is Zone Curtialment Information equivalent to aggregate of capacity transferred for all service points in a zone. <p>Clause 5:</p> <ul style="list-style-type: none"> Details of contract information required to be provided to AEMO about facility agrements need to be clearly detailed in the procedure.

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2.	<p>Division 2 – Capacity Trading Platform <i>(Application of Timetable, Trades and transfers, STTM & DWGM Integration, Termination of primary GTA)</i></p> <p>2. Do you have any feedback in relation to the Capacity Trading Platform provisions as set out in clauses 7 to 10?</p>	<p>Schedule 1, Table 1 (2):</p> <ul style="list-style-type: none"> Interim Capacity Transfer to provide 1 hour allowance (instead of 30 mins allowance) (page 58/103) as per forward transfer Table 3 (1) (D+2 up to D+14) schedule (page 61/103). <p>Table 3 (5,6)(Page 62/103):</p> <ul style="list-style-type: none"> Clarity needed of required actions to submit final Capacity Transfer Status report to AEMO. <p>Clause 10.4:</p> <ul style="list-style-type: none"> After primary contract termination notice provided to AEMO of Primary agreement termination, service provider is required to provide transportation service up to 14 days is deemed too long and potentially subjecting service provider to commercial exposure. Suggest a shorter service continuity of up to D+1 after termination notice provided to AEMO.
3.	<p>Division 3 – Capacity Auction <i>(Eligibility, Administration, Auction platform, components and solver, Auction cancellation or exclusion, Running the auction, Auction quantities, Auction results, Auction settlement, prudential and reporting)</i></p> <p>3. Do you have any feedback in relation to Capacity Auction provisions as set out in clauses 11 to 24?</p>	<p>Clause 15.5:</p> <ul style="list-style-type: none"> Capacity auction records – suggest that AEMO provide access to 12 months record free of charge and nominal fee after 12 months.
4.	<p>Division 4 – Transitional <i>(Compression Facility Information, Transitional firm services, Existing transportation facilities)</i></p> <p>4. Do you have any feedback in relation to Transitional Arrangements as set out in clauses 25 and 26?</p>	<p>Clause 25.4:</p> <ul style="list-style-type: none"> Short term capacity outlooks for transitional compression facilities – Iona Gas Storage currently provide short term capacity outlook to Gas Bulletin Board. If the definition of short term capacity outlook is different to the information currently provided, could this requirement be detailed and specified. If the

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		<p>information required is the same, could an exclusion clause be stated in the procedure.</p> <p>Clause 25.7(d):</p> <ul style="list-style-type: none"> Forecast of up to 7 days will not be feasible as Iona do not receive forecast from customers except for day ahead nomination which is in plan to provide to Gas Bulletin Board from 29 September 2018. Could an exclusion clause be stated in the procedure. <p>Clause 25.8:</p> <ul style="list-style-type: none"> How is Daily Production data in Capacity Trading different to the Daily Production Data currently provided to Gas Bulletin Board. If the data is different to the data already provided to Gas Bulletin Board, description of required data is needed including method to provide data to AEMO?
5.	<p>Schedule 1 – Capacity Transfer and Auction Timetable Pre Oct 2019</p> <p><i>(Timetable for the transfer of capacity for day-ahead and forward trades, operation of auction)</i></p> <p>5. Do you have any feedback in relation to the pre-gas day harmonisation timetable as set out in schedule 1?</p>	<p>Table 1(6,7):</p> <ul style="list-style-type: none"> Question the 15 mins provided for auction participants to provide nomination to Facility Operator which seemed to short. What is the response duration provided for Facility Operators to response to auction participant nomination (if needed) unless it is a
6.	<p>Schedule 2 – Capacity Transfer and Auction Timetable From Oct 2019</p> <p><i>(Timetable for the transfer of capacity for day-ahead and forward trades, operation of auction)</i></p> <p>6. Do you have any feedback in relation to the pre-gas day harmonisation timetable as set out in schedule 2?</p>	<p>Table 2(7):</p> <ul style="list-style-type: none"> Same question raised of Schedule 1.

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7.	<p>Appendix A – Auction Agreement</p> <p><i>(Agreement between AEMO and Auction Participant covering the terms of participation in the Capacity Auction)</i></p> <p>7. Do you have any feedback in relation to the Auction Agreement?</p> <p>8. The agreement allows for an agent to be appointed by appointing members, either jointly appointed (such as parties to an unincorporated joint venture) or appointed individually but under the one agreement (such as related bodies corporate appointing a member of a corporate group as agent). As currently provided for under the Exchange Agreement, the appointing members are jointly and severally liable for the acts of the agent (which means the joint venture parties or within the corporate group must manage liability between the appointing members themselves). Is there interest in providing for a different type of agent appointment where the appointing members are severally (not jointly) liable for the acts of the agent (for example, an aggregator acting as agent for unrelated third parties)?</p>	<p>Clause A7.3(a), A8.4:</p> <ul style="list-style-type: none"> Suggest to align Settlements and Prudential timeline against DWGM Gas Market Settlement Guidelines.
GSH Exchange Agreement		
8.	<p>General</p> <p><i>(Definitions, clause 10, 25)</i></p> <p>9. Do you have any feedback in relation to registration provisions?</p> <p>10. Do you have any feedback in relation to listing service provisions?</p> <p>11. The agreement allows for an agent to be appointed by appointing members, either jointly appointed</p>	None

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	<p>(such as parties to an unincorporated joint venture) or appointed individually but under the one agreement (such as related bodies corporate appointing a member of a corporate group as agent). As currently provided for under the Exchange Agreement, the appointing members are jointly and severally liable for the acts of the agent (which means the joint venture parties or within the corporate group must manage liability between the appointing members themselves). Is there interest in providing for a different type of agent appointment where the appointing members are severally (not jointly) liable for the acts of the agent (for example, an aggregator acting as agent for unrelated third parties)?</p>	
9.	<p>Capacity Products <i>(Capacity Product List document)</i></p> <p>12. Do you have any you have any feedback in relation to capacity products?</p>	None
10.	<p>Delivery Process <i>(Clause 12, 14)</i></p> <p>13. Do you have any you have any feedback in relation to the delivery of capacity transactions?</p>	None
11.	<p>Settlement <i>(Clause 14A.6, 17, 18, 20, GSH Settlement and Prudential Methodology)</i></p> <p>14. Do you have any you have any feedback in relation to the settlement of capacity transactions?</p>	None