

IMPACT & IMPLEMENTATION REPORT – SUMMARY SECTION

(For AEMO to complete and administer)

Issue Number			
Impacted Jurisdiction (s)	Victoria		
Proponent	AEMO	Company	
Affected Gas Markets(s)	Declared Wholesale Gas Market	Consultation process (Ordinary or Expedited)	Ordinary Process for Making Procedures
Industry Consultative forum(s) used	GWCF	Date Industry Consultative forum(s)consultation concluded	28 February 2013
Short Description of change(s)	The amendments to the Accreditation Procedures include the: <ul style="list-style-type: none"> • application of the new AEMO template to the Accreditation Procedures • clarification of the obligations on industry participants under the Procedures • making explicit AEMO's implicit ability to revoke Accreditation of market participants. 		
Procedure(s) or Documentation impacted	Wholesale Market Accreditation Procedures (Victoria) version 3.0		
Summary of the change(s)	AEMO has reviewed the Accreditation Procedures and determined that a number of editorial amendments need to be implemented to ensure these Procedures meet AEMO requirements for style and format of a Procedure. In addition this Procedure has been amended to make explicit AEMO's ability to revoke accreditation and the conditions under which AEMO would revoke accreditation.		
I&IR Prepared By	Luke Stevens	Approved By	Roger Shaw
Date I&IR published	12 June 2013	Date Consultation under 135EE	29 May 2013
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IMPACT & IMPLEMENTATION REPORT – DETAILED REPORT SECTION

CRITICAL EXAMINATION OF PROPOSAL

<p>1. Description of change(s) and reasons for change(s)</p>	<p>This Procedure has been amended to make explicit AEMO’s ability to revoke accreditation and the conditions under which AEMO would revoke accreditation.</p> <p>AEMO has reviewed the Accreditation Procedures determined that a number of editorial amendments need to be implemented to ensure these Procedures meet AEMO requirements for style and format of a Procedure.</p>
<p>2. Reference documentation</p> <ul style="list-style-type: none"> ▪ Procedure Reference ▪ GIP/Specification Pack Reference ▪ Other Reference 	<p>The following reference documents should be considered:</p> <ul style="list-style-type: none"> • Wholesale Market Accreditation Procedures (Victoria) version 3.0 (see Attachment A) • Wholesale Market Accreditation Procedures (Victoria) version NGR2.0 • National Gas Rule Version 16 (in particular see Rule 210 – Accreditation) • National Gas Law
<p>3. The high level details of the change(s) to the existing Procedures</p> <p>This includes:</p> <ul style="list-style-type: none"> ▪ A comparison of the existing operation of the Procedures to the proposed change to the operation of the Procedures ▪ A marked up version of the Procedure change (see Attachment A) 	<p>The amendments to the Accreditation Procedures includes the:</p> <ul style="list-style-type: none"> • application of the new AEMO template to the Accreditation Procedures • clarification of the obligations on industry participants under the Procedures • making explicit AEMO’s implicit ability to revoke Accreditation of market participants. <p>The new Procedures have been provided in Appendix A. Due to the substantial changes between version NGR2.0 and version 3.0 of the Accreditation Procedures, which amounted to completely rewriting the Procedure, a change marked version of the Procedure has not been provided. Version NGR2.0 of the Accreditation Procedure is publicly available on the AEMO website (www.aemo.com.au).</p>
<p>4. Explanation regarding the order of magnitude of the change</p> <p>(eg: material, non-material or non-substantial)</p>	<p>AEMO considers that the changes to the Accreditation Procedures will have a material impact on market participants as it clarifies the situations in which AEMO will revoke the accreditation.</p> <p>While AEMO was implicitly able, under the Rules, to revoke accreditation this situation had to date not occurred. This ability was implicitly inferred by AEMO’s ability to grant accreditation. As such, explicitly stating conditions under which AEMO would revoke accreditation has reduced the risks of market participants.</p>

ASSESSMENT OF LIKELY EFFECT OF PROPOSAL

<p>5. Overall Industry Cost / benefit (tangible / intangible / risk) analysis and/or cost estimates</p>	<p>The cost of this amendment of the Accreditation Procedures is minimal as it clarifies AEMO's current process for accreditation and the circumstances in which AEMO will revoke accreditation.</p>
<p>6. The likely implementation effect of the change(s) on stakeholders (e.g. Industry or end-users)</p>	<p>AEMO has been unable to identify a party that would be adversely affected by the implementation of the new Accreditation Procedures.</p>
<p>7. Testing requirements</p>	<p>No testing requirements are required to implement the Accreditation Procedures.</p>
<p>8. AEMO's preliminary assessment of the proposal's compliance with section 135EB:</p> <ul style="list-style-type: none"> - consistency with NGL and NGR, - regard to national gas objective - regard to any applicable access arrangements 	<p>This amendment to the Wholesale Market Accreditation Procedures (Victoria) better aligns the requirements of the Procedures to the NGR by clarifying the obligations of market participants applying for accreditation and the circumstances under which AEMO will revoke accreditation.</p> <p>By ensuring the clarity of the Accreditation Procedures, this amendment better aligns this Procedure with the National Gas Objective for efficient operation of natural gas services.</p> <p>In addition, providing clarity in the Accreditation Procedures also reduces the risks of Market Participants. It reduces risks to market participants by clearly stating the circumstances under which accreditation will be revoked by AEMO.</p>
<p>9. Consultation Forum Outcomes (e.g. the conclusions made on the change(s) whether there was unanimous approval, any dissenting views)</p>	<p>The draft Accreditation Procedures were presented to the GWCF in February 2013. Comments were requested on the Accreditation Procedures by 28 February 2013. No comments were received from stakeholders on the proposed change.</p>

RECOMMENDATION(S)	
10. Should the proposed Procedures be made, (with or without amendments)?	The proposed Procedures should be made without amendments.
11. If applicable, a proposed effective date for the proposed change(s) to take effect and justification for that timeline.	<p>Rule 135EE allows AEMO to publish a Decision on the proposed Procedure change, published under the Ordinary Process for Making Procedures on 29 May, to be published by 2 August 2013 at the latest.</p> <p>The proposed Procedures can then be implemented, at least 15 business days after the Decision, by 22 August 2013 at the latest.</p>

**ATTACHMENT A – WHOLESALE MARKET ACCREDITATION PROCEDURES (VICTORIA)
VERSION 3.0**