

IMPACT & IMPLEMENTATION REPORT (IIR)

Summary Section

For AEMO to complete and administer.

Impacted jurisdiction(s)	Victoria		
Proponent	Luke Garland	Company	AEMO
Affected gas market(s)	DWGM	Consultation process (ordinary or expedited)	Transitional rule 74, Part 14
Industry consultative forum(s) used	N.A.	Date industry consultative forum(s) consultation concluded	N.A.
Short description of change(s)	Necessary updates to the Wholesale Market Gas Scheduling Procedures (GSP) resulting from the 'DWGM simpler wholesale price' rule change.		
Procedure(s) or documentation impacted	GSP		
Summary of the change(s)	Minor updates to reflect that transmission constraints on withdrawals will be applied to the pricing schedule		
IIR prepared by	Hugh Ridgway	Approved by	Michelle Norris
Date IIR published	13/03/2020	Date consultation concludes	20/03/2020
Email address for responses	Hugh.ridgway@aemo.com.au		
Other key contact information	N.A.		



IMPACT & IMPLEMENTATION REPORT – DETAILED REPORT SECTION

CRITICAL EXAMINATION OF PROPOSAL

1. DESCRIPTION OF ISSUE

The AEMC has made a rule to replace the requirement that AEMO not consider transmission constraints in the pricing scheduled with a requirement to take into account any transmission constraints affecting withdrawals of gas.

2. REFERENCE DOCUMENTATION

- [GSP](#)
- [Rule change determination](#)
- [Final rule](#)

3. OVERVIEW OF CHANGES

Necessary, minor amendments to the GSP to reflect the rule change.

4. LIKELY IMPLEMENTATION EFFECTS AND REQUIREMENTS

AEMO will be required to develop and implement changes to its scheduling systems to apply transmission constraints on controllable withdrawals. It is not anticipated that there will be any impact to participant's trading systems.

5. OVERALL COST AND BENEFITS

AEMO estimates that the implementation costs for the project to implement changes to scheduling systems will be around \$55,000. Nominal costs will be incurred by both AEMO and participants related to staff training. The benefits are described in the AEMC's rule change determination.

6. MAGNITUDE OF THE CHANGES

These changes are material as transmission constraints on scheduled withdrawals being applied to the pricing schedule will impact market price.

7. AEMO'S PRELIMINARY ASSESSMENT OF THE PROPOSAL'S COMPLIANCE WITH SECTION 135EB:

Refer to the AEMC's rule change for a discussion on how these changes meet the national gas objective.

8. CONSULTATION FORUM OUTCOMES

Not applicable.



IMPACT & IMPLEMENTATION REPORT – RECOMMENDATION(S)

9. SHOULD THE PROPOSED PROCEDURES BE MADE)?

AEMO recommends that the Procedure should be amended as set out in the attached draft.

10. PROPOSED TIMELINES

Due to tight implementation timelines and pursuant to transitional rule in Part 14, rule 74 of the new rules, AEMO will be running a single stage, one week consultation from 13th March 2020 to 20th March 2020. AEMO will publish its final determination and Procedure by 31st March 2020.



ATTACHMENT A – DOCUMENTATION CHANGES (SEE SECTION 3)

Blue represents additions ~~Red~~ and ~~strikeout~~ represents deletions – Marked up changes.

See draft changes to GSP published separately on the consultation webpage.