



Retail Energy Market Company

PROPOSED RULE CHANGE (PRC) – SUMMARY SECTION

(For Proponent or REMCo to complete. Template focuses on solution identification.)

Rule Change Number	C02/13R		
Impacted jurisdiction(s)	Western Australia		
Proponent	Tim Sheridan	Company	REMCo
Proponent e-mail	remco_administration@aemo.com.au	Proponent phone	03 9609 8417
Date proposal sent to REMCo	12/04/2013		
Short Title	Verification of Shipper on Sub-Network		
Other key contact information			

PROPOSED RULE CHANGE (PRC) – DETAILED REPORT SECTION

<p>1. Description of change(s) and reasons for change(s)</p>	<p>This Proposed Rule Change (“PRC”) has been developed by REMCo and is raised for consideration at the Rule Change Committee (“RCC”) meeting on 24/04/13.</p> <p>The Rule Change (C02/13R) proposes:</p> <ul style="list-style-type: none"> • amending Rules 67 and 83 of the Retail Market Rules (“Rules”) to validate that the Incoming User specified in a new connection confirmation notice or a transfer request has valid Shipper arrangements for the delivery of gas to that sub-network. • modifying the GRMS by adding a validation check to the Change of User (“CoU”) and Commissioning of Delivery Point (“COM-DP”) transactions. <p>See Attachment A for the marked-up Rule amendments.</p> <p>It is recommended that the RCC endorse the proposed amendments in this PRC as a ‘low impact’ Rule Change in accordance with the requirements under Rule 396(2)(b) of the Rules.</p> <p>Should the RCC approve this low impact Rule Change, then in accordance with Rule 397, REMCo will publish an Impact and Implementation Report (“IIR”) on 29/04/13 and invite comments from gas retail market participants on the proposed amendments, with submissions closing on 14/05/13.</p> <p>Subject to no comments being received by REMCo that oppose this Rule Change, then in accordance with Rule 396A, REMCo will submit the Rule Change to the Economic Regulation Authority (“ERA”) for approval with a proposed effective date of 1/08/13.</p>
<p>2. Reference documentation</p> <ul style="list-style-type: none"> ▪ Retail Market Rules (the “Rules”); ▪ Business/Information Specification Pack Reference; and/or ▪ Other Reference 	<p>The reference documentation includes:</p> <ul style="list-style-type: none"> • REMCo Retail Market Rules (version 6.4); • SAWA Interface Control Document (version 4.3); and • WA Business Specification (version 4.0)
<p>3. The high level details of the change to the existing Rules This includes:</p> <ul style="list-style-type: none"> ▪ A comparison of the existing operation of the Rules to the proposed change to the operation of the Rules. ▪ A marked up version of the proposed Rule change (see Attachment A). 	<p>The Rule Change C02/13R proposes:</p> <ul style="list-style-type: none"> • amending Rules 67 and 83 of the Rules to validate that the Incoming User specified in a new connection confirmation notice or a transfer request has valid Shipper arrangements for the delivery of gas to that sub-network. • modifying the GRMS by adding a validation check to the CoU and COM-DP transactions. <p>See Attachment A for the marked-up Rule amendments.</p>

<p>4. Consequences for making or not making the change(s)</p>	<p>The consequences for not making the changes are:</p> <ul style="list-style-type: none"> • the balancing, allocation and reconciliation (“BAR”) calculations are delayed each time a transfer request is sent to the GRMS by a User who does not have a valid Shipper; and • there are currently no error codes in place to notify an Incoming User of an invalid transfer request where the Incoming User does not have a valid Shipper for the delivery of gas to that sub-network.
<p>5. Explanation regarding the order of magnitude of the change(s) (e.g. material, non-material or non-substantial)</p>	<p>It is recommended that the RCC considers this Rule Change to be ‘low impact’ as:</p> <ul style="list-style-type: none"> • While the deployment of these new validation checks require some system changes to be made to the GRMS, the changes are not significant, and have already been implemented in SA; • the new error codes will be sent to gas retail market participants in CSV file format via the existing GRMS FTP gateway; and • CGI has indicated that the estimated cost for implementing the proposed change to the GRMS is between \$5,965 and \$7,218. <p>In accordance with Rule 397, should the RCC endorse the proposed amendments as a low impact Rule Change, then REMCo will publish an IIR and invite comments from gas retail market participants, with comments closing on 15/05/13. Subject to there being no comments received by REMCo that oppose this Rule Change, then REMCo will submit the Rule Change to the ERA for approval, with an effective date of 1/08/13.</p>
<p>6. Likely benefits for industry as a whole</p>	<p>REMCo considers that the likely benefit for industry as a whole are:</p> <ul style="list-style-type: none"> • The ability for the GRMS to reject invalid MIRN transactions where a User does not have a Shipper on the relevant sub-network; • Users will receive a negative acknowledgement message from the GRMS when such invalid transactions occur, therefore reducing the occurrence of such events in the future; and • The market will avoid problems associated with delays in the GRMS processing market reports when a User submits an invalid MIRN transaction (where a User does not have a Shipper on the relevant sub-network), such as potential imbalance charges on the pipelines resulting from delays in passing nominations to the pipeline operators.
<p>7. The likely implementation effect of the proposal Rule change(s) on Industry in general and/or any identified parties (e.g. end-users)</p>	<p>REMCo does not expect there to be any implementation effects for gas retail market participants as a result of this Rule Change.</p>
<p>8. Testing requirements</p>	<p>There are no testing requirements.</p>

9. Supporting documentation (attach if necessary)	Refer to Attachment A.
10. If applicable, a proposed effective date for the proposed Rule change(s) to take effect and justification for that timeline.	The effective date for this change and the new version 6.5 of the Rules is targeted for 01/08/13.

ATTACHMENT A – DOCUMENTATION CHANGES (SEE SECTION 3)

All amendments to the Rules are change marked, where underlining (blue) represents an addition, and ~~strike (red)~~ through represents a deletion.

Update the Retail Market Rules as shown below.

67. Requirements for valid new connection confirmation notice

A new connection confirmation notice is valid only if:

- (a) the *MIRN* does not already exist in the *REMC*o registry; and
- (b) it is lodged by the *network operator* who has an *active GBO identification*; and
- (c) the *user* nominated by the *network operator* as the *current user* for item 20(1)(d) of the *REMC*o standing data, has an *active GBO identification*; and
- (d) the date on which the *notice* is received is on or after the date on which the *MIRN* became *commissioned*; and
- (e) the *meter type* is either a *basic meter* or an *interval meter*; and
- (f) the *gas zone* exists in the *REMC*o registry; ~~and~~
- (g) the *notice* sets out information for the purposes of rules 66(e); and
- (h) the *user* has a contract with a *shipper* for the haulage of *gas* to that *delivery point*.

83. Requirements for valid transfer request

A transfer request is valid only if:

- (a) the *delivery point* exists within the *REMC*o registry; and
- (b) the *MIRN status* is *commissioned* or *decommissioned*; and
- (c) there is not, in relation to the *delivery point*, an *open transfer request*; and
- (d) there is not, in relation to the *delivery point*, an *open error correction transaction*; and
- (e) the *incoming user* is a *user* and has an *active GBO identification*; and
- (f) except in the case of a *ROLR event* — the *incoming user* is not the *ROLR*; and
- (g) if the *requested transfer* is a *move* in the *transferring customer* is a *small use customer*;

{Note: REMCo determines under rule 373 whether a customer is a *small use customer*.}

- (h) if the *requested transfer* is a *move in* — the *delivery point* is *basic-metered*; and
- (i) the *earliest transfer day* is within the *allowable period* and:
 - (i) if the *requested transfer* is not a *move in* — no earlier than 5 *business days* after the date on which the *transfer request* is lodged; and
 - (ii) if the *requested transfer* is a *move in* — no earlier than the date on which the *notice* is lodged.
- (j) the *user* has a contract with a *shipper* for the haulage of *gas* to that *delivery point*.