
Retail Energy Market Company

RULE CHANGE – REQUEST FOR SUBMISSIONS UNDER RULE 400 (1)

C03/13R – Amendments to FRC Hub Operational Terms and Conditions

Introduction

Under the delegation of the REMCo Board, on 24 April 2013, the REMCo Rule Change Committee (the “Committee”) approved the high impact Rule Change C03/13R.

On 3 May 2013, REMCo published a notice of consultation for the high impact Rule Change. The Consultation period closed on 17 May 2013 and one submission was received by Kleenheat Gas in support of the Rule Change. No submissions were received in objection to the Rule Change.

The submission from Kleenheat Gas identified a minor drafting error in the impact and implementation report (“IIR”) for Rule Change C03/13R, whereby the proposed amendment to Rule 14(2) of the Retail Market Rules (the “Rules”) did not fully reference the drafting of Rule 14(2) in the current version 6.4 of the Rules.

On 21 May 2013, REMCo provided the Committee with a summary of the feedback received by Kleenheat Gas and advised that the IIR had been updated so that the proposed amendment to Rule 14(2) reflects the drafting in the current version of the Rules. REMCo indicated that given that no objections had been received during the initial consultation for the Rule Change, under Rule 399(1), REMCo endorsed the Rule Change and will publish a further notice of consultation.

REMCo is seeking further submissions on this high impact Rule Change as required under Rule 400(1) of the Rules.

How to make a Submission on the Rule Change

As provided under Rule 400(1), each participant, pipeline operator, prescribed person and interested person may lodge an objection to the high impact Rule change within the objection period. A submission under this Rule must include reasons for the objection and specify whether the submitter considers the Rule change to be non-substantial, low impact or high impact, and include reasons for this classification.

Please note that if no objections are received from a participant, pipeline operator, shipper, swing service provider or other interested persons by the end of the objection period (specified below), under Rule 400(7), the Committee must submit the Rule Change to the Economic Regulation Authority for approval.

If you would like to make a submission, provide your submission, quoting the reference number **C03/13R**, to:

REMCo Rule Change
C/- AEMO
GPO Box 2008
Melbourne
VIC 3001
And/or to:
remco_adminstration@aemo.com.au

End of Objection Period:

Submissions must be received by REMCo no later than **5pm AEST, on 21 June 2013**.

Background Information

Summary of Rule Change

At the Committee meeting on 24 April 2013, REMCo tabled a Proposed Rule Change for discussion which was approved by the Committee as a high impact Rule Change (C03/13R).

In summary, the Rule Change proposes:

- Replacing all references to “FRC Hub Conditions” with “FRC Hub Operational Terms and Conditions” to be consistent with the correct title of the document;
- Amending Rule 14(2) to remove the FRC Hub Operational Terms and Conditions (“Hub T&Cs”) from the Rule change process under Chapter 9 of the Rules;
- Inserting a new Rule 14(4) that requires REMCo to publish new versions of the Specification Pack, as amended from time to time. This is consistent with a proposed amendment to the SA Procedures; and
- Developing a new version 6 of the Hub T&Cs that applies consistently across WA, SA, VIC and QLD.

The effective date for Rule Change C03/13R is targeted for 01/10/13.

How to Obtain More Information

The Impact and Implementation Report for this Rule change may be found on the REMCo website under the “Rule Change Committee” section as per this link:

http://www.remco.net.au/index.php?option=com_content&view=article&id=12&Itemid=25