REMCO

C01/10S
Specification Pack Change – Interface Control Document (version 4.1)

Date of Rule Change Committee Meeting: 13 April 2010

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Rule Change Description

This Rule change creates a new version (4.1) of the Interface Control Document ("ICD") for the Western Australian and South Australian gas retail markets.

The ICD forms part of the REMCo Specification Pack and describes in detail the physical transactions to be transferred between the Gas Retail Market System ("GRMS") and the market participants of WA and SA to support the Retail Market Rules (the "Rules") for WA and the Retail Market Procedures (the "Procedures") for SA.

On 1st October 2009, REMCo transferred responsibility for administration of the SA market to the Australian Energy Market Operator (AEMO) whilst retaining the responsibility for the administration of the WA market.

Although the WA and SA markets no longer jointly administered, both REMCo and AEMO agree that it is in the best interests for both markets to maintain consistency (where possible) in terms of the documentation contained in the Specification Pack and the Information Pack.

This Rule change will create a new version of the ICD that is reflective of the current arrangements in WA and SA, and is inter-changeable across both markets.

In summary, the main changes in this new version of the ICD are as follows:

- the inclusion of a preamble at the beginning of the document to reference the current jurisdiction arrangements for both markets, with

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REMCo as the Market Operator for WA (subject to the Rules) and AEMO as the Market Operator for SA (subject to the Procedures).

- in the preamble, a change to the meaning of the term "Retail Market Rules" to also mean the Procedures in SA.
- the use of the term "Market Operator" instead of "REMCo" to promote the inter-changeability of the ICD across stakeholders in both States.

For the WA market, there are no systematic changes in this new version of the ICD. None of the existing transactions between the GRMS and market participants have been changed and only referential changes have been made to indicate which sections apply solely to the WA market. For example, transactions relating to Swing Service have been flagged as WA only.

For the SA market, the changes to the ICD are consistent with all the STTM changes for the Procedures. These changes include the move from forward to backward reconciliation and the removal of all Swing Service provisions. Despite these changes there are no material changes to any of existing market transactions between the GRMS and market participants and for instances where data values are no longer applicable (e.g. Swing Service amounts) the GRMS will generate zero amounts which will be reflect in the existing market reports.

REMCo consulted on the new version of ICD with the WA BLAST working group who submitted two comments prior to the close of consultation on 9th March 2010. These comments were in relation to the preamble, references to the Rules and the date for the Service Agreement between REMCo and Logica. Subsequently, these comments were accepted by REMCo and were included the new version of the ICD.

Approval by REMCo for this Rule change is targeted for the end of April 2010 with a target effective date of 4 June 2010.

Rule Change Development	The proposed Rule change is to be raised for consideration at the RCC meeting on 13th April 2010. It is recommended that the RCC considers the rule change proposed in this I&IR to be 'low impact' as the amendments: (a) do not materially impact the information technology systems of REMCo, participants, pipeline operators or prescribed persons; (b) do not materially alter consumer protection mechanisms under the Rules; and (c) do not have a material commercial impact on REMCo, participants, pipeline operators or prescribed persons. Should the RCC members unanimously recommend this rule change as 'low impact' under the existing provisions of Rule 397, the remaining consultation steps and timing that REMCo will undertake are as follows: (i) REMCo is to publish a notice on its website by the **14th April 2010** seeking submissions from any interested parties on the endorsed rule change as required under Rule 399A(1). Submissions close **28th April 2010**. (ii) Subject to no objections, REMCo to approve the Rule change and submit the Rule change by **30th April 2010** for ERA approval. The effective date for the Rule changes is targeted for **4th June 2010.**
Jurisdictions Affected	This Rule change affects the SA and WA gas markets. However, there are no systematic impacts in this Rule change that affect WA gas market operations.
Market Participants Affected	The proposed Rule is deemed to be 'low impact' if no WA market participants will be significantly affected by this Rule change. This Rule change creates a new version of the ICD which forms a part of the REMCo Specification Pack. REMCo considers that there are no systematic impacts for WA market participants as a result of this Rule change.
Market Participants Consultation	REMCo has circulated this Rule change outline to all network operators, users, shippers, swing service providers and pipeline operators.
Consultation Outcomes	The proposed Rule change was consulted upon with the WA BLAST working group in February 2010 and will be subject to a first and final round of RCC discussion on 13th April 2010, before submitting these changes under the low impact Rule change process. Any feedback received by REMCo will be tabled for the RCC's consideration at its forthcoming meeting on 13th April 2010.
Legal Review	This Rule change affects the Rules covered by the ACCC Authorisation. However, on initial assessment, REMCo does not believe the Rule change impacts the Authorisation and as such do not anticipate seeking any external legal advice.

Implementation Considerations	Subject to RCC endorsement and Economic Regulation Authority ("ERA") approval, the Rule change proposed in this I&IR is targeted for an effective date of 4th June 2010.
Details of Change	The details of the changes are provided as follows in Attachment A.

Attachment A

Please refer to the marked-up copy of version 4.1 of the ICD e-mailed with agenda and papers for the RCC meeting 13th April.