



## Gas Industry Act 1994

### VARIATION OF ACCESS CODE UNDER SECTION 48U

#### Order in Council

The Governor in Council under Section 48U of the **Gas Industry Act 1994** hereby varies the Victorian Third Party Access Code for Natural Gas Pipeline Systems (the Code) established by an Order in Council dated 9 December 1997 and published in Victoria Government Gazette No. G49 on Thursday, 11 December 1997 (as amended) in the following manner:

1. Section 2.6 of the Code is amended by inserting at the beginning the words "The Access Arrangement and".
2. Section 2.7 of the Code is amended by inserting, after the words "at least the", the words "categories of".
3. Section 2.33(b) of the Code is amended by deleting the words "and will not result in changes to Reference Tariffs or to the Services that are Reference Services".
4. The Code is amended by inserting, after section 2.48, a new section 2.48A as follows:  
"2.48A (a) Notwithstanding anything in sections 2.28 to 2.48 (both inclusive), where a Service Provider submits to the Relevant Regulator proposed revisions to the Access Arrangement, being or including revisions the sole purpose of which is to vary Reference Tariffs ("the starting Reference Tariffs") as a consequence of including in the Capital Base the actual capital cost incurred in a New Facility in circumstances where one or more of the conditions in section 8.16(b) is satisfied, the Relevant Regulator must:
  - (i) unless the Service Provider requests otherwise, take the starting Reference Tariffs as given and not, by the exercise of any power under section 2 or 8, make a decision requiring the Service Provider to vary the starting Reference Tariffs otherwise than to reflect the inclusion in the Capital Base of the actual capital cost incurred; and
  - (ii) not draft and approve its own revisions to the Access Arrangement under section 2.42 without first giving the Service Provider a draft of those revisions.
- (b) Within 14 days after receiving a draft under section 2.48(a)(ii), the Service Provider may withdraw the proposed revisions.
- (c) The certificate of the Service Provider that the sole purpose of proposed revisions is that stated in paragraph (a) of this section is conclusive evidence of that fact."
5. Section 2.49 of the Code is amended by inserting at the beginning the words "Subject to section 3.1,".
6. Section 3.1 of the Code is amended by inserting at the end the following new sentence:  
"Except where the Relevant Regulatory Instrument or the Access Arrangement expressly provides otherwise, an amendment to, or a supplementation or replacement of, a Relevant Regulatory Instrument specified in an Access Arrangement by a Service Provider under section 3.1 is not a change to the Access Arrangement for the purposes of section 2.49."
7. The Code is amended by inserting, after section 7.19, a new section 7.20 as follows:  
"7.20 (a) A Service Provider may, with the written permission of the

Decision Maker, direct the Relevant Regulator to take no further action in relation to a proposed Access Arrangement for a period (in this section; "the relevant period") that is:-

- (i) specified in the direction; or
- (ii) stated to be until the Service Provider gives a further direction as to the action to be taken.

(b) If so directed, and notwithstanding any provision to the contrary in this Code, the Relevant Regulator must take no further action in relation to the proposed Access Arrangement until the relevant period expires.

(c) Nothing in this section shall prevent a Service Provider who has given a direction under paragraph (a) of this section, giving further or subsequent directions under that paragraph.

(d) Where a direction is given by the Service Provider under this section, all unexpired time periods under this Code are extended by the length of the relevant period."

8. Section 8.44 of the Code is amended by inserting, after "Reference Tariff" where first appearing, the word "Policy".

9. The definition of "Associate" in section 9.9 of the Code is amended by, after "repealed", inserting "; but a person cannot be an Associate of another person if either of them is:

- (a) the Crown;
- (b) a public or statutory authority;
- (c) a corporation all the shares in which are beneficially owned by the Crown or a public or statutory authority; or
- (d) a wholly-owned subsidiary, within the meaning of the Corporations Law, of the Crown, a public or statutory authority or such a corporation."

10. The definition of "Service" in section 9.9 of the Code is amended by deleting "(or when used in section 1 a service provided by means of a Pipeline including (without limitation))" and substituting, "(or when used in section 1) a service provided by means of a Pipeline including (without limitation)".

Dated 29 September 1998

Responsible Minister:  
ALAN R. STOCKDALE

Treasurer

SHARNE BRYAN

Clerk of the Executive Council

### Electricity Industry Act 1993

#### WHOLESALE ELECTRICITY MARKET RULES

##### Order in Council

The Governor in Council, under section 158D of the **Electricity Industry Act 1993**, in accordance with a recommendation of the Treasurer, hereby amends in the manner set out in Attachment 1 to this Order, the rules made under section 158D by Order dated 2 April 1997.

Dated 29 September 1998.

Responsible Minister:  
ALAN STOCKDALE  
Treasurer

SHARNE BRYAN

Clerk of the Executive Council

#### ATTACHMENT 1

1. Insert the following new rule 6 before the Attachments:

##### "6. Live trial

##### 6.1 Live trial declaration

6.1.1 Where the *market operator* and the other *market operator* agree that it is desirable to test national electricity market systems in order to facilitate an orderly transition to the national electricity market, the *market operator* may declare a period to be a live trial period, subject to clause 6.1.2 and 6.1.3.

6.1.2 The *market operator* may only declare a period to be a *live trial period* under clause 6.1.1 if:

- (a) the other *market operator* agrees to the period being declared a *live trial period* and to declaring the period a live trial period under the equivalent provision to this clause 6.1 in the other *Code*;
- (b) the period does not exceed 3 hours in duration; and
- (c) the aggregate duration of the period and all previous *live trial periods* does not exceed 24 hours.

6.1.3 There must not be more than 2 *live trial periods* on any one day.

## 6.2 Live trial procedures

6.2.1 The *market operator*, in conjunction with the other *market operator*, must develop and may subsequently amend procedures concerning bidding, scheduling, dispatch and related matters in respect of *trading intervals* which fall within *live trial periods* and the determination of which periods will be declared to be a *live trial period* under clause 6.1.1. The *market operator* must make the procedures developed under this clause 6.2.1 or any proposed amendment to those procedures available to those procedures available to *market participants* in respect of its *Pool* and give consideration to any comments it receives in relation to the draft procedures or a proposed amendment to them prior to finalising the procedures or the relevant amendment.

6.2.2 The procedures developed under clause 6.2.1 must be consistent with the following principles:

- (a) national electricity market systems will be used to receive bids and offers, determine *dispatch targets* and issue *dispatch instructions*;
- (b) the prices used for interpool settlements under clause 3 of the *coextensive rules* and

settlements relating to the trading of energy through each *Pool* under the *aligned provisions* in respect of *trading intervals* which fall in a *live trial period* will be determined on the basis of the prices for the relevant *trading interval* in the last *pre-dispatch schedule* in respect of the *Pool* relating to the *live trial period* published prior to the commencement of the *live trial period*;

- (c) the *market operator* will retain responsibility for *system security* in respect of its *Pool*;
- (d) a *market participant* will not be permitted to rebid in respect of periods falling within a *live trial period* except in limited circumstances (if any) to be specified in the procedures;
- (e) settlements relating to the trading of energy through the *Pool* will be carried out under the *aligned provisions*, on the basis of prices determined in the manner set out in paragraph (b) above and the actual metered quantities, and
- (f) a *live trial period* will be terminated by the *market operator* if there has been a change in circumstances of a type identified in the procedures which significantly adversely affects a *market participant*.

## 6.3 Notification of a live trial

6.3.1 Prior to the start of a *live trial period*, the *market operator* must post a notice on the *market information* database setting out:

- (a) the start time of the *live trial period*;
- (b) the end time of the *live trial period*; and

- (c) the procedures developed under clause 6.2 for the *live trial period*.
- 6.3.2 The *market operator* must post the notice under clause 6.3.1 in respect of a *live trial period* at least 2 *business days* prior to the initial start time for the *live trial period*.
- 6.3.3 The *market operator* may, with the prior agreement of the other *market operator*, change the start time or the end time or both for a *live trial period* but only in accordance with the procedures developed under clause 6.2 (as amended).
- 6.3.4 If the *market operator* makes a change under clause 6.3.3, then the *market operator* must post a notice of the change on the *market information database*. The *market operator* must give as much notice as possible of a change under clause 6.3.3. If the change relates to the start time of a *live trial period*, then the *market operator* must post the notice of change at least 1 hour before both the new start time and the original start time.
- 6.4 **Live trial**
- 6.4.1 A *market participant* must comply with any procedures developed under clause 6.2 (as amended).
- 6.4.2 Notwithstanding anything else in the *coextensive rules* or the *Code* but subject to clause 6.4.3, during a *live trial period*:
- (a) clause 2 and the other provisions of the *Code* dealing with bidding, scheduling, dispatch or the determination of any of *transfer levels, transfer prices, pre-dispatch loadings, pre-dispatch schedules, dispatch targets, dispatch prices, spot prices* and *excess generation prices* do not apply; and
- (b) *transfer levels, transfer prices, pre-dispatch loadings, pre-dispatch schedules, dispatch targets, dispatch prices, spot prices* and *excess generation prices* will be determined by the *market operators* in accordance with the procedures developed under clause 6.2 (as amended); and
- (c) the *trading interval interpool amounts* for each *market operator*, the *trading interval surpluses* and the amounts payable by each *market operator* under clause 3.4 will be determined in accordance with the procedures developed under clause 6.2 (as amended);
- (d) the amount of electricity *sent out* or bought by the *Snowy Trader* for each *Pool* for a *trading interval* which falls during a *live trial period* will be determined in accordance with the procedures developed under clause 6.2 (as amended); and
- (e) the *market operator* must use national electricity market systems for the *dispatch process* and may, to the extent necessary or desirable to be able to do so, use national electricity market systems for any other related purpose.
- 6.4.3 Clause 6.4.2 does not override or otherwise affect the operation of clauses 2.10(a) and 2.10(b).
- 6.4.4 A person complying with procedures developed under clause 6.2 (as amended) during a *live trial period* and not the provisions of the *coextensive rules* or this *Code* which they replace is not in breach of those provisions.

- 6.4.5 To avoid doubt, any dispute as to whether a person must comply with procedures developed under clause 6.2 (as amended) during a *live trial period* or other provisions of this *Code* or the *coextensive rules* must be dealt with in accordance with the dispute resolution mechanism in respect of the *market operator's Pool* (that is:
- (a) in the case of *NSW Pool*, Division 8A of the *NSW Code*; and
  - (b) in the case of *VicPool*, rule 70 of the *VicPool Rules*).
- 6.5 **Early termination of *live trial period***
- 6.5.1 Subject to clause 6.5.3, during a *live trial period*, the *market operator* will declare the *live trial period* to be at an end in the circumstances identified in the procedures developed under clause 6.2 (as amended).
- 6.5.2 Without limiting clause 6.5.1 but subject to clause 6.5.3, during a *live trial period*, the *market operator* may declare the *live trial period* to be at an end.
- 6.5.3 A declaration under clause 6.5.1 or clause 6.5.2 takes effect at the later of:
- (a) the time when the *market operator* notifies the other *market operator* of the declaration; and
  - (b) the time specified in the notice given under paragraph (a).
- 6.5.4 If the *market operator* declares a *live trial period* to be at an end under clause 6.5.1 or clause 6.5.2, then it must as soon as practicable thereafter post a notice on the *market information database* specifying the time at which the *live trial period* ends or has ended.
- 6.5.5 A notice under this clause 6.5 prevails over a notice under clause 6.3.”
2. **Clause 1.2:** insert the following new definition in alphabetical order:  
“*live trial period*” means a period declared to be a live trial period under clause 6.1, as adjusted by a change under clause 6.3 or a notice under clause 6.5.
  3. **Clause 5.3(a):** add the following at the end:  
“or in connection with the *coextensive rules* or the *Code* or in conducting a live trial as contemplated by clause 6.”
  4. **Clause 5.3(e):** insert the following new sub-clause 5.3(e) (2A) after sub-clause 5.3(e)(2).  
“(2A) a live trial under clause 6”.
  5. **Clause 5.3(ea):** insert the following new sub-clause 5.3(ea) after sub-clause 5.3(e).  
“(ea) A reference to the *market operator* is this clause 5.3 includes National Electricity Market Management Company Ltd while it is assisting the *market operator* or otherwise performing functions in connection with a live trial under clause 6.”
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