GAS SUPPLY HUB

- END OF DAY BENCHMARK PRICE METHODOLOGY

DOCUMENT NO:

VERSION NO: ~~1.0~~ 2.0

EFFECTIVE DATE: ~~13 April 2015~~28 March 2017

~~FINAL~~DRAFT

VERSION NUMBER	EFFECTIVE DATE	AUTHORITY	REASON & CHANGES
1.0	13 April 2015	AEMO	Initial version
2.0	28 March 2017	AEMO	Change to methodology to reflect single Wallumbilla trading location and removal of RBP, SWQP and QGP as trading locations in the calculations

1   Introduction

Clause 10.3 of the gas trading exchange agreement (Exchange Agreement) allows for the Operator to publish a benchmark price for a Product, in accordance with a published methodology.

AEMO has decided to publish an end of day benchmark prices ("EOD Benchmark Price")~~(each an "EOD Benchmark Price")~~ for the Day Ahead Netted Gas Product for the Wallumbilla Trading Location (the "Applicable Product").~~(the "Applicable Product") for each of the following locations (each a "Location"):~~

~~QGP Trading Location~~

~~RBP Trading Location~~

~~SWQP Trading Location~~

~~Wallumbilla Hub (comprising the QGP Trading Location, the RBP Trading Location and the SWQP Trading Location)~~

This document sets out the methodology to be used to calculate the EOD Benchmark Price~~s~~.

For the purpose of determining the EOD Benchmark Price for the Wallumbilla ~~Hub~~Trading Location, references in the methodology to Transactions, Bids or Offers for the Location mean all Transactions, Bids or Offers for the ~~QGP Trading Location, the RBP Trading Location and the SWQP~~Wallumbilla Trading Location.

AEMO intends to publish the EOD Benchmark Prices for the Day Ahead Gas Product each day.

The EOD Benchmark Price~~s~~ ~~are~~ is subject to change or correction by AEMO at any time.

2   Definitions

Words and phrases in this methodology are either defined in this document or have the meaning given to them in the National Gas Rules or the Exchange Agreement.

3   Methodology

Step 1

Subject to the methodology conditions noted below, the EOD Benchmark Price for a day for a Location for the Applicable Product is:

(a)   the volume weighted average price per Unit of all Transactions for the Location for the Applicable Product made on that day; or

(b)   if there are no Transactions made on that day for the Location for the Applicable Product, determined in accordance with Step 2

Step 2

The EOD Benchmark Price for a day for a Location for the Applicable Product will be the EOD Benchmark Price published for the previous day for that Location, unless:

(a)   there is an open Bid price at ~~14~~13:00 AEST on the day for the Location for the Applicable Product that is higher than the EOD Benchmark Price published for the previous day for that Location, in which case the EOD Benchmark Price for the day will be the highest Bid price at 14:00 AEST on the day; or

(b)   there is an open Offer price at ~~14~~13:00 AEST on the day for the Location for the Applicable Product that is lower than the EOD Benchmark Price published for the previous day for that Location, in which case the EOD Benchmark Price for the day will be the lowest Offer price at ~~14~~13:00 AEST on the day.

Methodology Conditions

(a)   Only Transactions, Bids and Offers on the Exchange Trayport trading screen will be included in the determination of an EOD Benchmark Price.

(b)   Pre-matched Trades will not be included in the determination of an EOD Benchmark Price.

(c)   Conditional Bids or Offers (i.e. All or None) will not be included in the determination of an EOD Benchmark Price under Step 2.

(d)   Only Bids or Offers for at least 5TJ/day will be included in the determination of an EOD Benchmark Price under Step 2.

(e)   Only Bids or Offers that are open and displayed on the Exchange Trayport trading screen for at least 5 continuous minutes will be included in the determination of an EOD Benchmark Price under Step 2.

(f)   The volume weighted average price per Unit under Step 1 will be calculated to two decimal places.

~~(g)   For the purpose of determining the EOD Benchmark Price for the Wallumbilla Hub under Step 2, if the open Bid price at 14.00 AEST on the day for a Trading Location is higher than the open Offer price at 14.00 AEST on the day for a different Trading Location, the arithmetic average of the Bid price and Offer price will be used.~~

~~(h)~~(g)   Where a there has never been a Transaction, Bid or Offer for the Applicable Product for a Location, the initial default EOD Benchmark Price for the Applicable Product for that Location will be $5/GJ.