

15 December 2023

Notice of AEMO decision

This Notice is to advise of AEMO's decision to approve amendments to the following Retail Market Procedures:

- Retail Market Procedures (Victoria)
- Participant Build Pack 2 System Interface Definitions
- Participant Build Pack 3 System Interface Definitions
- Participant Build Pack 1. Table of transactions
- Participant Build Pack 1. Process flow diagrams
- Gas Interface Protocol (Victoria)

This Notice advises that consultation under the ordinary Procedure Change Consultative Process prescribed under Rule 135EE of the NGR concluded on 28 November 2023 for:

- Gas Retail Market Package 3A – Zonal Heating Value

As required under Rule 135EE of the NGR, Gas Market Registered Participants and other interested parties were invited to submit comments to AEMO on the Impact and Implementation Report (IIR) for this proposal. AEMO received submissions from AGL, AGN, Alinta, Origin and Red/Lumo all indicating that they supported the proposed changes. AGL's feedback noted likely downstream issues but did not provide any specific details about any potential market impacts. AEMO's response to AGL feedback can be found in Attachment G of this Notice. This attachment includes all stakeholder comments, AEMO responses and, based on those responses, an indication where respondent feedback resulted in further amendments to the documents mentioned above.

Having considered the feedback provided by each respondent, AEMO has approved the proposed amendments (Attachments A to F) of this Notice.

As required by Rule 135EE(5), the Retail Market Procedures (Victoria) and other documents in the Attachments to this notice will take effect on the day that the Wholesale Market Procedures made to reflect the National Energy Laws Amendment (Other Gases) Bill 2022 and the AEMC's recommended Rules for extending the regulatory frameworks to hydrogen and renewable gases (including the recommended transitional rules) take effect.

A further notice of effective date and updated versions of the documents mentioned in Attachments A to F will be published on the AEMO website prior to the effective date.

Should you require any further information please contact Nandu Datar on grcf@aemo.com.au.

Attachment A – Retail Market Procedures (Victoria).

Draft versions of the Procedure (extract) showing tracked changes between the current version and the proposed changes are shown below. [Blue underline](#) means addition and ~~red strikethrough~~ means delete.

*** Extract***

1.1.1 Definitions

~~daily ZHV~~ means the [daily zonal heating value \(ZHV\) information provided by AEMO under clause 1.1.2\(b\)](#).[↵]

[↵]
 Note: For the avoidance of doubt the meaning of this definition also applies to areas that form part of [Non-DTS distribution systems](#).[¶]

~~heating value zone~~, in relation to a ~~supply point~~, means the ~~heating value zone (if any) which is determined by AEMO as the heating value zone assigned to for that supply point in accordance with clause 3.4.3~~ means for the purpose of this Procedure the same as it means in section 1.4 (Definitions and interpretation) of the [Wholesale Market Metering Procedure \(Victoria\)](#).[¶]

Note: For the avoidance of doubt the meaning of this definition also applies to areas that form part of [Non-DTS distribution systems](#).[¶]

~~Wholesale Market Metering Procedures~~ means the [Wholesale Market Metering Procedures published on AEMO's website which comprise amongst other things, the metering register procedures and the energy calculation procedures](#).[¶]

1.1.2 Interpretation[¶]

(b) → ~~AEMO~~ publishes, on the ~~market information bulletin board~~, a ~~daily flow weighted heating value~~ [daily ZHV for each heating value zone](#) by 5pm on the ~~gas day~~ following the ~~gas day~~ to which ~~the daily flow weighted heating value~~ the [daily ZHV value](#) relates. The average of these values over a billing period is used by the ~~Distributors~~ in the conversion of volume values to energy. Index reads are deemed to have occurred at 6:00 am on each ~~gas day~~ and therefore bounds the energy consumed to the end of the previous ~~gas day~~. Hence the average ~~daily flow weighted heating value of the daily ZHV for each heating value zone~~ published by AEMO on the day of the index read, represents the final average ~~daily flow weighted heating value~~ [daily ZHV](#) in the set of average ~~daily flow weighted heating values~~ [daily ZHV](#) used by the ~~Distributor~~ in calculating the ~~average heating value~~ over the billing period.[¶]

2.6.1 → Calculation of Energy Data¶

(a) → Where a *Distributor* has obtained or made a *validated meter reading* (the *reference reading*), the *Distributor* must calculate the *consumed energy* in relation to that *meter* during the period (the *reading period*) commencing on the date of the immediately preceding *validated meter reading* which is included in its *meter data database* in respect of that *meter* (the *base reading*) and expiring on the date of the *reference reading* as follows:¶

(i) → the *Distributor* must calculate the *flow* during that *reading period* on the basis of the *reference reading* and the *base reading*;¶

(ii) → where the *meter* is calibrated in imperial units the *Distributor* must convert the *flow* to metric *units*;¶

(iii) → the *Distributor* must apply the applicable *pressure correction factor* to that *flow*; and¶

(iv) → the *Distributor* must apply the *average heating value* for the *reading period* in clause 2.6.1(b) to the pressure corrected *flow* so as to obtain the energy deemed to be consumed (*consumed energy*) in relation to that *meter* during that *reading period*;¶

(v) → subject to paragraph clause 2.6.1(a)(vi), the *average heating value* must be the *average daily ZHV* for the *heating value zone* for the *distribution supply point* applicable to that *meter* is located; and¶

(vi) → if the relevant *heating value zone* assigned to that *distribution supply point* changes during the *reading period*, the *Distributor* must:¶

(A) using the *daily ZHV* information in (b), calculate the total of all the *daily ZHV values* for the *heating value zone* for each *gas day* for the period for which each *heating value zone* applied during the *reading period*; and¶

(B) divided the total of all the *daily ZHV values* under (A) by the total number of days for the *reading period* and apply that average (*average heating value*) to obtain the energy to be consumed under (iv) above.¶

-Note: The application of *heating value zones* came into effect on 1 May 2024. Prior to that, a *daily flow weighted heating value* for the sState applied. In relation to paragraph clause 2.6.1(a)(vi), this clause also applies when the *daily flow weighted heating value* for the sState changed to *zonal heating values*.¶

(b) → The *average heating value* for a *reading period* is to be calculated by the *Distributor* as the average, over the *reading period*, of the average *daily flow weighted heating values* *daily ZHV values* published by AEMO on the *market information bulletin board*. Where the *average daily flow weighted heating value* *daily ZHV information for heating value zone for a distribution supply point* for a day is not available, the *Distributor* must use the average *daily ZHV information*

¶

~~that applied to that distribution supply point heating value zone daily flow weighted heating value for the previous day.~~¶

~~Note: The application of heating value zones came into effect on 1 May 2024. Prior to that, a daily flow weighted heating value for the State applied. In relation to clause 2.6.1(b), where the daily ZHV information for a distribution supply point for a day is not available and the daily weighted heating value for the State applied on the previous day, the Distributor Distributor must use the daily flow weighted heating value for the State for that previous day.~~¶

~~(b)(c)→ The consumed energy at meters and metering installations shall must be calculated according to the energy calculation procedures made by AEMO pursuant to Part 19 of the Rules.~~↵

↵

~~Note: Made under NGR 303 (6). See Chapter 3 (Energy Calculation Procedures) of the Wholesale Market Metering Procedure (Victoria) for information about calculating consumed energy for basic meters. For the avoidance of doubt, these calculation procedures, also apply to Non-DTS Distribution Systems.~~¶

Attachment B – Participant Build Pack 2 System Interface Definitions.

Draft versions of the Technical Protocol (extract) showing tracked changes between the current version and the proposed changes are shown below. Blue underline means addition and ~~red strikethrough~~ means delete.

*** Extract***

A.2 → CSV-Data-Elements¶

The table below specifies the column designators for CSV data elements to be carried inside of some of aseXML transactions. Note, the order of CSV column designators is fixed and is as per definition of CSV files given by this document. All CSV data elements that convey time stamps represent them as Market Time, i.e. EST; no time zone information is required.¶

CSV-DESIGNATOR¶	COLUMN	TABLE-TRANSACTIONS-ELEMENT-NAME¶	OF	DESCRIPTION¶	ATTRIBUTES/FORMAT¶	LENGTH/¶ DECIMAL-PLACES¶	ALLOWED-VALUES¶
Adjustment_Reason_Code¶		Adjustment-Reason-code¶		A code that the Distributor provides to the retailer which identifies the reason for the revised reading¶	String¶	2¶	"UR" = Under-Read¶ "OR" = Over-Read¶ "UE" = Under- Estimated¶ "OE" = Over- Estimated¶ "NC" = No-Change¶
Average_Heating_Value¶		Average-Heating-Value¶		Is the sum of the <u>daily average heating value for each heating value zone</u> Daily Weighted Flow-Heating-Value for the applicable heating value zone assigned to the distribution supply point divided by the number of days for the reading/billing...¶	Numeric¶	4,2¶	¶
Base_Load¶		Base-Load¶		Non-weather sensitive Gas usage per day (MJ)¶	Numeric¶	9,1¶	¶

Attachment C – Participant Build Pack 3 System Interface Definitions.

Draft versions of the Technical Protocol (extract) showing tracked changes between the current version and the proposed changes are shown below. Blue underline means addition and ~~red strikethrough~~ means delete.

*** Extract***

A.2 → → CSV-Data-Elements³

The table below specifies the column designators for CSV data elements that are carried inside of some of aseXML transactions. Note, the order of CSV column designators is fixed and is as per definition of CSV files given by this document. All CSV data elements that convey time stamps represent them as Market Time, i.e. EST; no time zone information is required.

CSV-ELEMENT-NAME ^α	ELEMENT-NAME ^α	DESCRIPTION ^α	ATTRIBUTES/FORM AT ^α	LENGTH/ [¶] DECIMAL-PLACES ^α	ALLOWED-VALUES ^α
Average_Heating_Value ^α	Average-Heating-Value ^α	Is the sum of the Daily-Weighted-Flow-Heating-Value- <u>daily-average-heating-value-for-each-heating-value-zone-for-the-applicable-heating-value-zone-assigned-to-the-distribution-supply-point-</u> divided by the number of days for the reading/billing. ^α	Numeric ^α	4,2 ^α	^α
Billing_Days ^α	Billing-Days ^α	In relation to tariff "V" [¶] DUoS [¶] charges, the number of days [¶] in the bill period — calculated [¶] as the difference between [¶]	Numeric ^α	3,0 ^α	^α

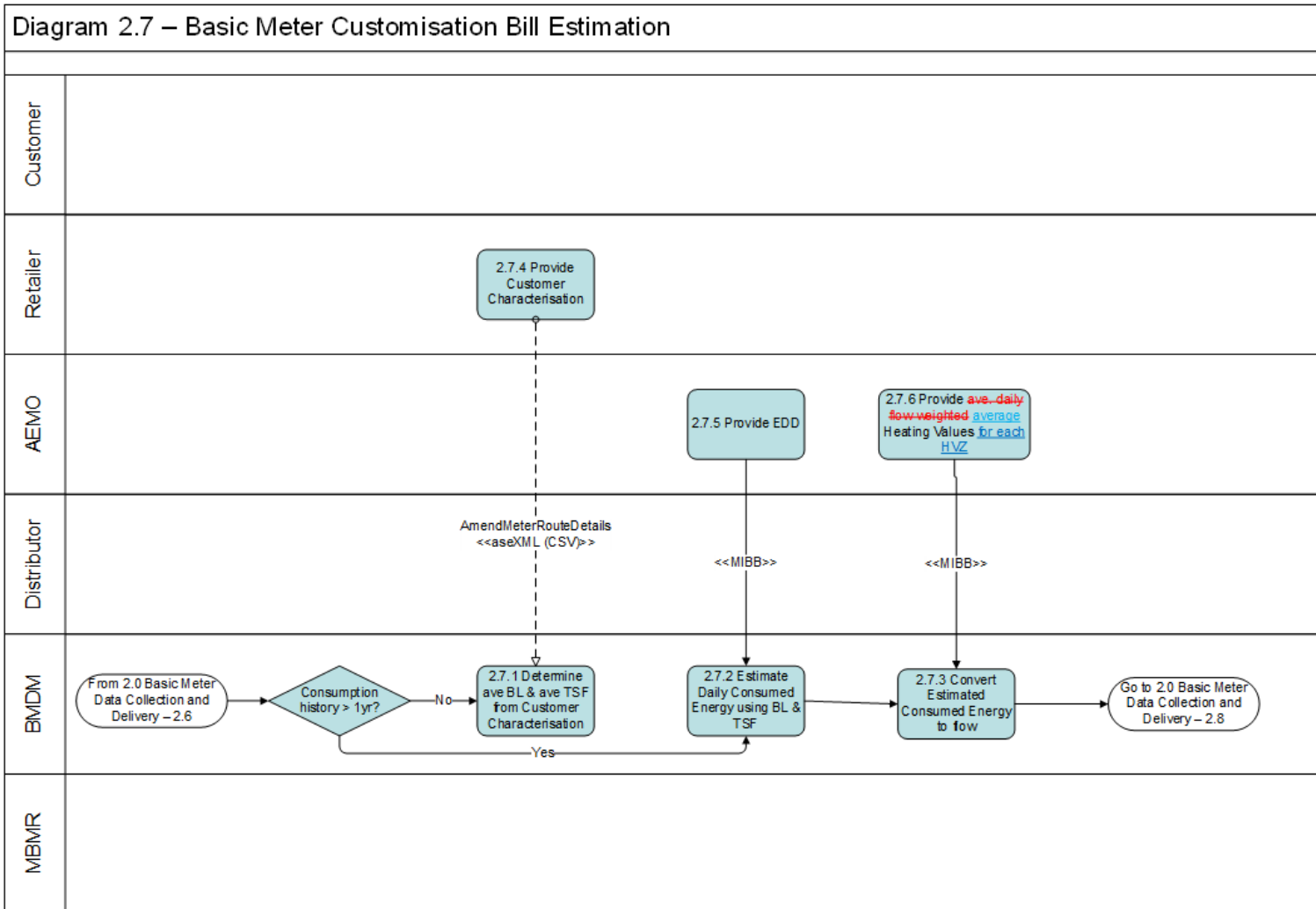
Attachment D – Participant Build Pack 1. Table of Transactions changes.

Draft versions of the Technical Protocol (extract) showing tracked changes between the current version and the proposed changes are shown below. Blue underline means addition and ~~red strikeout~~ means delete.

*** Extract***

VERSION #3.9 Effective 10 October 2022																					
Ref No	X Ref	Basic, Interval or Both	GIP NON-GIP	Category	Procedure Ref	Comment in ref to procedure	Process Map ID	PBP2&3 Inter Defin ref	Trans Type	Trigger	From	To	Purpose	Type	Method	Data Elements - Received (MIRN/NMI Interchangeable)	Data Elements - Sent back	Timing	Volume /Freq	Priority - H, M, L	Comments
39	57	Basic	GIP	2. Basic Meter Data Collection and Delivery	2.6.1(a) (iv) 2.6.1(b) Calculation of Energy Data		2.7.6-2.7.3		Heating Value for the day		Market Operator	Distributor	BMDM Accesses Heating Value from AEMO	M2B	MIBB-INT139 <u>MIBB-INT139a</u>	gas_date declared_heating_value <u>lv_zone</u> <u>lv_zone_desc</u> <u>heating_value</u> current_date		Before end of day processing	1000 <u>Over</u> <u>10.000</u>	H	Existing Transaction as per MIBB
57	39	Basic	GIP	2.7 Estimation/Substitution	2.6.1(a) (iv) 2.6.1(b) Calculation of Energy Data		2.7.6-2.7.3		Heating Value for the day		Market Operator	Distributor	BMDM Accesses Heating Value from AEMO	M2B	MIBB-INT139 <u>MIBB-INT139a</u>	gas_date declared_heating_value <u>lv_zone</u> <u>lv_zone_desc</u> <u>heating_value</u> current_date		Before end of day processing	1000 <u>Over</u> <u>10.000</u>	H	Existing Transaction as per MIBB

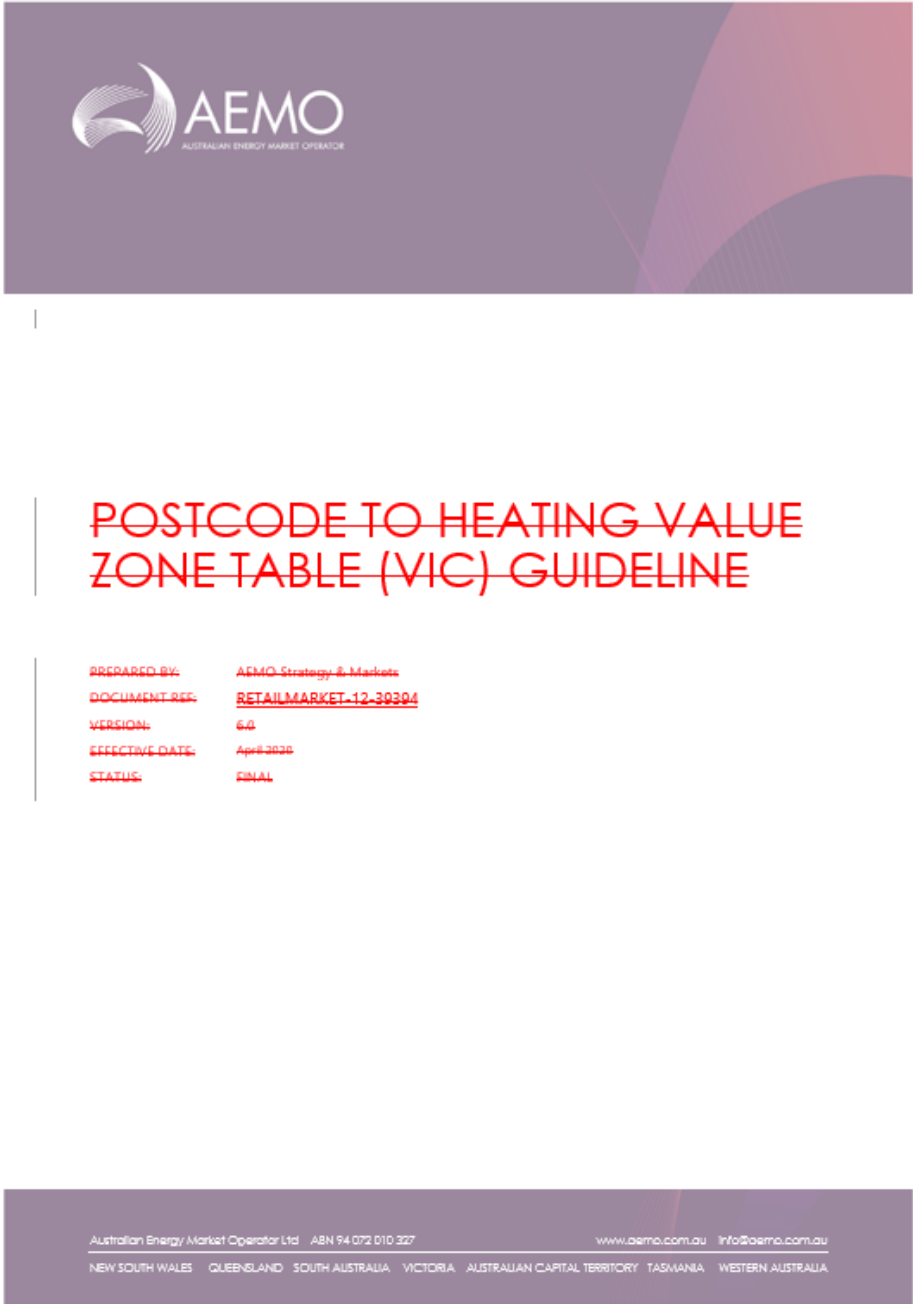
Element	Description	Attributes / Format	Length/ Decimal Places #1	Code Used (Y/N)	If Code Valid Values are: #2
declared_heating_value	The Heating Value for a given day which is obtained from the AEMO MIBB				Defined in MIBB report documentation




Attachment F – Postcode to Heating Value Zone Table Guide.

Draft versions of the Guide (extract) showing tracked changes between the current version and the proposed changes are shown below. **Red-strikeout** means delete.

Note - This guide is replaced by new MIBB report INT188 CTM to Heating Value Zone Mapping. Please refer to the Notice of Decision for DWGM Procedures for Hydrogen and DCF for further details.




AUSTRALIAN ENERGY MARKET OPERATOR

~~POSTCODE TO HEATING VALUE
ZONE TABLE (VIC) GUIDELINE~~

PREPARED BY:	AEMO Strategy & Markets
DOCUMENT REF:	<u>RETAILMARKET-12-30304</u>
VERSION:	6.0
EFFECTIVE DATE:	April 2020
STATUS:	FINAL

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NEW SOUTH WALES QUEENSLAND SOUTH AUSTRALIA VICTORIA AUSTRALIAN CAPITAL TERRITORY TASMANIA WESTERN AUSTRALIA

ATTACHMENT G

Consolidated feedback for Package 3A – Zonal Heating Value

Section 1 - General Comments on the Impact and Implementation Report

Sections 1 to 8 of the IIR sets out *AEMOs critical examination of the proposal.*

Does your organisation support AEMO’s examination of the proposal?

If no, please specify areas in which your organisation disputes AEMO examination proposal and include information that supports your organisation rational why you do not support AEMO examination.

Ref #	Company	Response	AEMO Response
1	AGL	Broadly AGL supports AEMO’s assessment, except in relation to the management of HV Zone changes. AGL Notes that the only discussion on the matter of dynamic HVZs that has been had is between AEMO and the Distribution Networks, although retailers are users of this information. AGL notes that AEMO has proposed that AGL raises a GMI on the issues of retailer notification of HVZ changes. AGL does not accept this response as acceptable. This initiative is being driven by AEMO and to ignore issues raised by one key sector of the gas market and then ask that that sector to identify a change, without having been involved in the discussions and without clarity on the magnitude or frequency of change seems to be a very poor outcome, which is most likely to lead to downstream issues and likely additional cost on the industry.	AEMO notes AGL’s support for the proposal. In relation to the matter regarding notification of HVZ changes, AEMO understands AGL’s comments but considers that raising a new Gas Market Issue (GMI) is the preferable approach to this issue, noting no other participants within either sector (retailers or distributors) have raised any similar concerns during either of the two completed consultation stages (PPC and IIR). AEMO will work with AGL and the industry to further explore this issue in 2024.
2	AGN	AGN supports AEMO’s examination.	AEMO notes AGN’s support for the proposal.
3	Alinta	Alinta Energy supports AEMOs assessment	AEMO notes Alinta’s support for the proposal.
4	Origin	Origin supports AEMO’s examination of the proposal.	AEMO notes Origin’s support for the proposal.
5	Red and Lumo	Red Energy and Lumo Energy (Red and Lumo) support AEMO’s examination of the proposal.	AEMO notes Red and Lumo’s support for the proposal.

Sections 9 and 10 of the IIR sets out *AEMOs recommendation and timeframes*.

Does your organisation support AEMO position to recommend the procedures changes and the timeline for those procedures change to take effective?

Ref #	Company	Response	AEMO Response
6	AGL	AGL supports the changes as far as the go, however, considers that there is a lack of clarity in the frequency and volume of MIRNS which may have HV Zonal changes and the mechanisms to ensure that market participants are kept updated.	AEMO notes AGL's support and refers to the response in ref #1.
7	AGN	AGN supports AEMO's recommendation and timeframes.	AEMO notes AGN's support for the recommendation and timeframe.
8	Alinta	Alinta Energy supports AEMOs assessment	AEMO notes Alinta's support for the recommendation and timeframe.
9	Origin	Yes	AEMO notes Origin's support for the recommendation and timeframe.
10	Red and Lumo	Red and Lumo support the timeline for the proposed changes to the procedures.	AEMO notes Red and Lumo's support for the recommendation and timeframe.

Section 2 - Feedback on the documentation changes.

Retail Market Procedures (Victoria)					
Ref #	Clause #	Organisation	Issue / Comment	Proposed text <small>Red strikeout means delete and blue <u>underline</u> means insert</small>	AEMO Response (AEMO only)
11	1.1.1	AGL	No further comment		
12	1.1.2 (b)	AGL	No further comment		
13	2.6.1	AGL	AGL notes that these calculations assume that the energy data is accumulation data only. If Smart gas meters provide more discrete data this calculation may not be suitable. The clause should be modified to clarify that the calculation is only suitable for accumulation or volume energy data for periods of a gas day or greater.		AEMO notes AGL's comment. AEMO notes that this change will be considered when smart meters are introduced.
14	2.6.1 (b)	AEMO/AGN	Zonal Heating Value not available at the commencement or when there is a change in zone.		AEMO has amended clause 2.6.1(b) for zone change and also included a note under the clause for using the state value at the commencement where the zone value is not available. See also Ref# D.1.5 Attachment D of the Notice of Decision (Wholesale Market Procedures) published on AEMO website on 15 December 2023.
Participant Build Pack 2 - System Interface Definitions					
Ref #	Clause #	Organisation	Issue / Comment	Proposed text <small>Red strikeout means delete and blue <u>underline</u> means insert</small>	AEMO Response (AEMO only)
15		AGL	No further comment		

Participant build pack 3. System Interface Definitions					
Ref #	Clause #	Organisation	Issue / Comment	Proposed text Red strik means delete and <u>blue underline</u> means insert	AEMO Response (AEMO only)
16		AGL	No further comment		
Participant build pack 1. Table of transactions					
Ref #	Clause #	Organisation	Issue / Comment	Proposed text Red strik means delete and <u>blue underline</u> means insert	AEMO Response (AEMO only)
17		AGL	No further comment		
Participant build pack 1. Process flow diagrams					
Ref #	Clause #	Organisation	Issue / Comment	Proposed text Red strik means delete and <u>blue underline</u> means insert	AEMO Response (AEMO only)
18		AGL	No further comment		