

APPROVED PROCESS

Required by Rule 135EC of the NGR

Prepared by: AEMO Reform Delivery

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Current version release details

Version	Effective date	Summary of changes
2.0	23 January 2025	This Approved Process change includes editorial amendments for readability and usability; removal of requirements already detailed in the Part 15B; and adoption of the latest AEMO template.

1. Introduction

This document sets out the *approved process* made under rule 135EC of the National Gas Rules (NGR) for the examination and assessment of a proposal for the making of Procedures and the preparation of an *Impact and Implementation Report (IIR)*.

Amendments to the *approved process* must be consulted on in accordance with Rule 135EC(2).

This approved process has effect only for the purposes set out in the NGR. The NGR and the National Gas Law prevail over this approved process to the extent of any inconsistency.

2. Submission of a proposal to make a Procedure

- (a) AEMO or any other person (the Proponent) may propose the making of Procedures, in accordance with rule 135ED.
- (b) Proponents may use AEMO's templates for the submission of a proposal to make a Procedure.

3. AEMO's initial assessment of proposal

- (a) AEMO will undertake an initial assessment of the proposal, to confirm that:
 - i) it complies with the requirements of rule 135ED(2); and
 - ii) it relates to a matter about which the relevant Procedures may be made under rule 135EA.
- (b) If a proposal complies with the requirements of clause 3(a) of this approved process, AEMO may extend the time limit for the preparation of an IIR in accordance with rule 135EG.

4. Engagement with Consultative Forum

- (a) AEMO must bring a proposal for the making of procedures in respect of wholesale and retail gas markets to the relevant consultative forums¹ if the proposal is considered by AEMO to be material.
 - i) A proposal is material if the proposal is likely to have a significant financial or operational impact on Registered participants or BB participants.
 - ii) Clause 4(a) does not apply if:
 - A. The proposal is required as a result of a change to the National Gas Law (NGL) or NGR and AEMO considers that the proposal has been considered as part of the consultation on the change to the NGL or NGR; or

¹ This includes dedicated forums and working groups that AEMO may convene to support the implementation of reforms.

- B. AEMO considers that the proposal can be considered by the relevant consultative forum through notice to forum participants².
- (b) The relevant consultative forum will examine the proposal and may nominate/establish specialist working groups for this purpose.
 - (c) The consultative forum may advise and assist AEMO in making a determination on the following matters:
 - i) its analysis of the costs and benefits (either tangible or intangible) of making the requested Procedures;
 - ii) material issues and risks for the implementation of the proposal;
 - iii) its analysis on the testing requirements of the proposal;
 - iv) a recommendation as to whether or not the proposal should be implemented, with or without amendments;
 - v) whether the change to be implemented by the proposed Procedure is considered urgent or non-material. This includes analysis on whether rule 135EE (Ordinary) or rule 135EF (Expedited) is to be used for the prescribed consultation process;
 - vi) whether the change to be implemented by the proposed Procedure complies with rule 135EB; and
 - vii) an assessment of when the proposed Procedures should take effect.
 - (d) The consultation on the matters referred to in 4(c) must conclude by the date that is 10 business days before the expiry of the applicable time limit for preparation of the IIR by AEMO.
 - (e) If a person provides information about the costs or benefits of a proposal that the person identifies as confidential, AEMO must keep that information confidential. AEMO may use that information for the purposes of the IIR or any decision under Part 15B of the NGR but may only disclose that information in a manner that does not identify the person to whom the information relates.
 - (f) The consultative forums for the development of Procedures under the NGR are established by AEMO. These forums are structured to provide a platform for stakeholder engagement and input.
 - (g) Membership to the forums shall be open to all participants and other stakeholders whose interests are directly affected by that market, in accordance with the forums' terms of reference, as may be changed from time to time.

5. Impact and implementation report

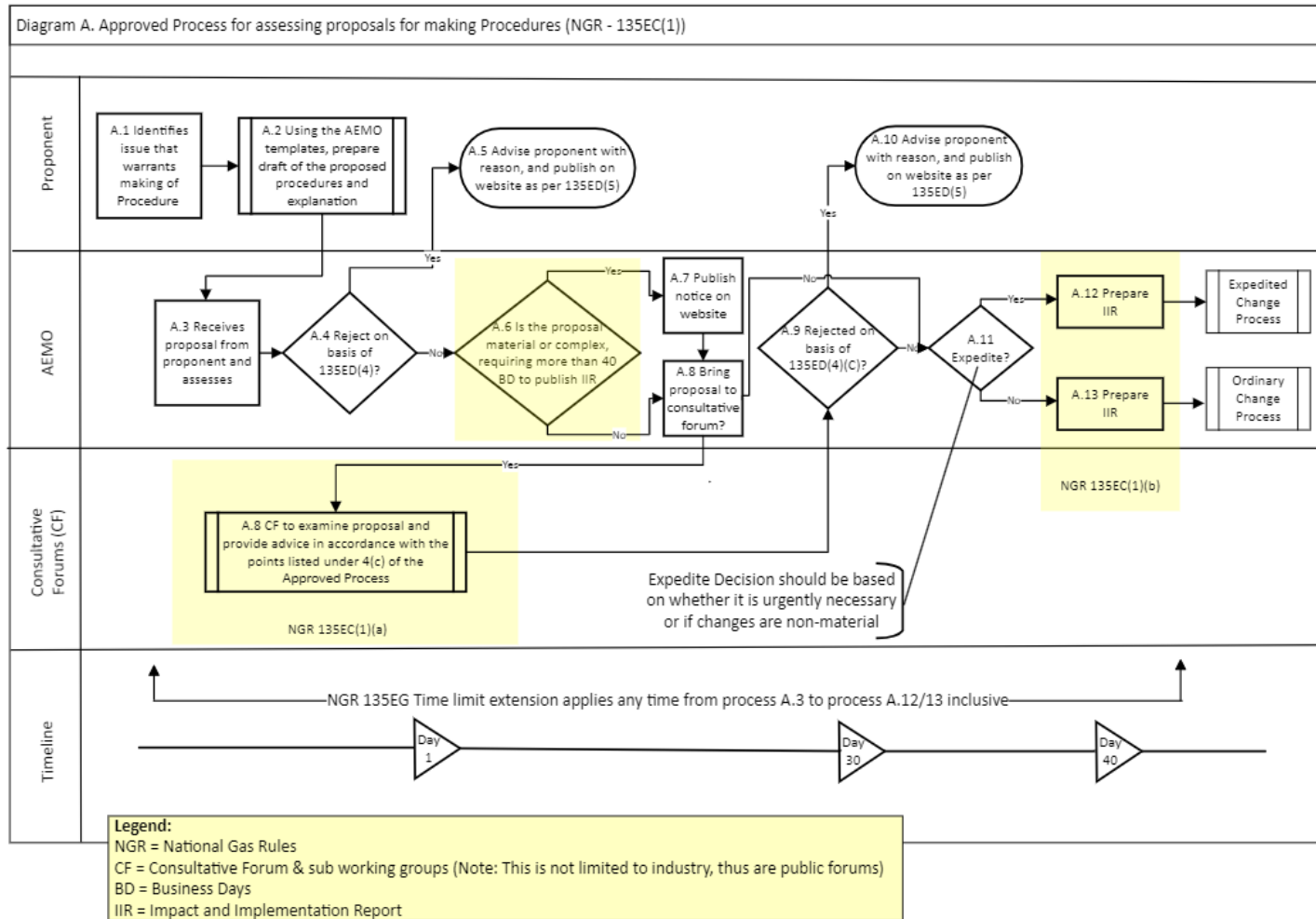
The IIR must include the following in relation to the proposal:

- (a) The proponent and the date of the submission.

² For the avoidance of doubt, this includes contacting participants (e.g. via email) informing that AEMO is undertaking a consultation when AEMO is required to complete a consultation within a limited timeframe.

- (b) The basis and rationale for the proposed Procedures.
- (c) The details of the change to the existing Procedures including a draft identifying marked changes.
- (d) Where there are significant changes to the existing Procedures, a summary of the material changes in addition to the marked changes.
- (e) An overview of the costs and benefits (tangible/intangible/risk) of the proposal to AEMO and market participants.
- (f) The likely implementation effect of the proposal on any identified parties.
- (g) A recommendation on any testing requirements.
- (h) AEMO's preliminary assessment of the proposal's compliance with rule 135EB.
- (i) A recommendation on whether the proposed Procedures should be made, with or without amendments.
- (j) If the expedited process is applicable to the proposal, the reasoning for the expedited process, in accordance with rule 135EF(2).
- (k) If applicable, a proposed effective date that the proposed Procedures should take effect.

Attachment A - Procedure change process summary



Version release history

Version	Effective date	Summary of changes
1.0	21 December 2009	First issue