# **STTM Participant - Applicant Capability Declaration**

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| **Applicant Name:** |  |
| **Applicant ABN:** |  |
| **Role Type(s):** |  |

As a duly authorised representative of the Applicant, I acknowledge that I have read and understand the following statements:

1. AEMO relies on timely and accurate information and responses from all Registered Participants in line with their obligations under the National Gas Rules (NGR). Failure to do this can cause Wholesale and Retail market system issues that cause significant additional costs for the market.
2. The Australian Energy Regulator (AER) monitors and enforces compliance with the NGR and AEMO may report identified or suspected non-conformance to the AER.
3. As examples, some of the capabilities required for STTM participants[[1]](#footnote-1) to meet their NGR obligations, include:

* Understanding obligations including:
  + ex ante offers, ex ante bids and pricetaker bids must be made in good faith and, under NGR 413, an ex ante offer, ex ante bid or price taker bid is submitted in good faith if, at the time of submission, the Trading Participant has a genuine intention to supply or withdraw the specified quantity of natural gas if scheduled by AEMO and if the material conditions and circumstances on which the relevant offer or bid is based remain unchanged.
  + A STTM Shipper must not submit a MOS offer unless it meets the requirements of NGR 399 to supply that MOS offer for the entire MOS period.
  + A STTM Shipper, or other person, must not, under NGR 399(6), undertake an action for the purpose, or primary purpose, of creating or increasing a pipeline deviation for which MOS may be required.
  + Contingency gas bids and offers must be made in good faith and, under NGR439, a contingency gas offer or contingency gas bid is submitted, confirmed or revised in good faith if at the time of submission the Trading Participant had the intention to provide the specified quantity of contingency gas if scheduled by AEMO and if the material conditions and circumstances on which the contingency gas offer or contingency gas bid is based remain unchanged.
  + Each STTM facility operator or contract holder who appoints an allocation agent for the purposes of Part 20 of the NGR must ensure that the allocation agent complies with its obligations under Part 20 for the term of that appointment.
* Understanding the operation of market systems, including:
  + The operation of the STTM Webexchanger (SWEX) and SWEXIE ftp file service.
  + Market Information System (MIS) (and reports published therein).
  + Managing nominations to the relevant facility operators, including:
    - submitting pipeline nominations and intraday renominations (if appropriate).
    - submitting distributor nominations (if required).
* Understand how to communicate to AEMO any Contingency Gas trigger event (as per NGR 440(2)) or operational and technical constraints (as per STTM Procedures section 8.2.1) and other circumstances that could affect operation of the market and impact the gas supply to the STTM hub(s).
* Understanding of settlements and prudential information and requirements within the settlement timetable.

1. The operation of the STTM requires participants to have robust communication mechanisms and operational response capabilities in place prior to registration. Some of the key obligations include:
   * STTM participants must, under NGR 380, provide information for a facility service or distribution service no later than 10 business days before the first date on which the service is to be used.
   * STTM Shippers, as per NGR 418(3), must ensure that natural gas supplied by it to a hub complies with the gas quality specification for that hub, unless otherwise agreed in writing by the relevant STTM distributor or specifically authorised under a law of the relevant adoptive jurisdiction.
2. This document is not an exhaustive list of obligations but identifies the general capabilities Applicants require to meet their NGR obligations as at the date of this Declaration. Each Participant in the STTM is responsible for maintaining current awareness of its regulatory obligations and ensuring it is able to comply with them.

I declare that the Applicant has established prior to registration, and will maintain while registered, all necessary capabilities for compliance with the NGR as a participant in the STTM. I also understand that failure to meet NGR obligations may result in enforcement action by the AER.

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(insert name)

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(insert title)

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Signature Date

1. Note the checklist is for guidance only and is not an exhaustive list that guarantees compliance. [↑](#footnote-ref-1)