

# Gas Market Transparency (registration) Compliance Bulletin

September 2022

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# 1 Key Timings

## 1.1 Changed timeline of obligations

New registration and reporting obligations for market participants come into effect at different times under the *National Gas Amendment (Market Transparency) Rule 2022* (see section 2 Overview for more information). Following the extension of AEMO's consultation process to allow for the incorporation of all feedback on its Draft Impact and Implementation Report, AEMO has advised that they will not be in a position to accept registrations from 23 September and accordingly propose timings as outlined in the highlighted 'Changed timing' column of Table 1 below. **The changed timings for registration obligations must be adhered to by market participants** who are captured under the *National Gas Amendment (Market Transparency) Rule 2022* (see section 3.1 Who must register? for more information).

An effective delay to the deadline of 15 December 2022 for the new BB reporting obligations is also likely due to the extension of AEMO's consultation process as outlined above. The AER is awaiting confirmation from AEMO of the changed timing for the BB reporting obligations and the AER will provide further information by publishing an additional Compliance Bulletin in respect of the new BB reporting obligations by December 2022.

**Table 1: Timeline of Obligations**

Rules deadline <sup>1</sup>	Changed timing	Relevant obligation	Impact on market participants
23 September 2022	3 November 2022	BB registrations commence	Commencement of 20 business day period for registration with AEMO
24 October 2022	1 December 2022	BB registrations due	<b>Must be registered for BB reporting</b>

## 1.2 Impact on compliance

As a result of the changed timings discussed at section 1.1 above, the AER will not be taking any action against participants who do not meet the registration obligations in accordance with the rules deadlines detailed in Table 1 above. However, **the AER will be monitoring participant compliance with new registration obligations in accordance with the changed timings in Table 1 above.** The requirement to register for BB reporting are tier 1 or tier 2 civil penalty provisions under the *National Gas (South Australia) Regulations* (see section 3.3 Civil penalty provisions for more information).

<sup>1</sup> To account for Australia's National Day of Mourning on 22 September 2022.

## 2 Overview

### 2.1 Purpose

The AER has published this compliance bulletin to advise gas market participants of changes to participant registration requirements under Part 18 (Gas Bulletin Board) of the National Gas Rules (**NGR**). This follows the passage into law of the *National Gas Amendment (Market Transparency) Rule 2022*.

This compliance bulletin sets out Part 18 NGR registration requirements. The AER will be publishing a further compliance bulletin addressing reporting obligations under the *National Gas Amendment (Market Transparency) Rule 2022*. The further publication will outline new participant reporting obligations under Part 18 (Gas Bulletin Board) and Part 15D (Gas Statement of Opportunities) of the NGR. It will also advise participants of new AER reporting obligations under Part 17 of the NGR.

The key message of this compliance bulletin is that the definition of a Bulletin Board (**BB**) reporting entity under Part 18 NGR has been extended to capture new entities under the BB reporting framework. The new entities are identified at section 3.1 below and are required to register with the Australian Energy Market Operator (**AEMO**). The registration requirements are civil penalty provisions under the NGR. For relevant obligation timings, see Table 1 under section 1.1 Changed timeline of obligations.

### 2.2 Transparency reform

The passage into law of the *National Gas Amendment (Market Transparency) Rule 2022* follows the COAG Energy Council tasking officials in December 2018 to consult on measures to improve transparency in eastern and northern Australian gas markets. This led to the Energy Council's March 2020 endorsement of the decision Regulation Impact Statement: *Measures to Improve Transparency in the Gas Market*.

The *National Gas Amendment (Market Transparency) Rule 2022* addresses information gaps in the current reporting framework. By facilitating a more shared understanding of the conditions around gas market supply, demand and price, it is intended to promote competition and efficient market development.

These are the most significant reforms to Part 18 NGR reporting requirements since the inception of the Gas Bulletin Board in 2008. The legislation completes a two-staged reform process that started with the commencement of new BB reporting requirements in September 2018.

## 3 Registration requirements

### 3.1 Who must register?

Registration requirements apply in all Commonwealth of Australia jurisdictions except Western Australia.

Registration requirements apply to gas facility operators where the gas facility is a BB facility. Registration requirements also apply to entities engaged in the gas market activities specified below.

**Expansion in BB facilities required to register and report.** To date, the NGR has defined a BB facility as a BB production facility, BB pipeline or BB storage facility having a nameplate rating or equal to or more than 10 terajoules per day. From 23 September 2022, this definition will be expanded to include the following:

- a BB compression facility with a 10 or more TJ nameplate rating;
- a BB user facility with a 10 or more TJ nameplate rating;
- a LNG processing facility.

Each gas facility that meets the definition of a BB facility under Part 18 of the NGR must be registered as a BB facility. For reporting purposes, its operator must register as a BB reporting entity unless the operator appoints a reporting agent.

#### **Other entities now required to register to report**

Additionally, the following new categories of persons will now be required to register with AEMO to report activities:

- Gas field owners (for each BB field interest); and
- Developers for facility development projects.

#### **Other entities that may register**

Sellers for:

- BB capacity transactions;
- short term LNG export transactions; and
- short term gas transactions (excluding trades on the gas trading exchange; or made through a regulated gas market).

may, but are not required to, register as a BB reporting entity.

Other sellers for gas or capacity, and gas shippers, may also register.

## Further registration information

Further information on the BB registrations process is available in the Gas Bulletin Board portal on AEMO's website [here](#). The portal also has links to AEMO's procedures and guides, including the BB Procedures.

AEMO's BB Procedures will include information on the following:

- The availability of reporting exemptions (limited but extended to BB facilities in specific circumstances);
- Simplified registration processes (in cases where BB reporting entities have infrequent reporting obligations);
- Early registrations for intending facility operators, field owners, facility developers or allocation agents;
- The definition of a facility development project (also refer to definition in rule 141(1) of the NGR); and
- Registration arrangements where there are multiple owners of a BB facility or BB field interest.

## Further information on the Gas Market Transparency Measures

Further information on the Gas Market Transparency Measures is available in the Consultations portal on AEMO's website [here](#). The portal includes information on the BB Procedures, GSOO Procedures and AEMO's Impact & Implementation Report.

Further information on the background of the reforms can be found on the Department of Climate Change, Energy, the Environment and Water's website [here](#).

## 3.2 Compliance preparations

### 1 December 2022 - Registration Applications Due

New BB reporting entities and reporting entities for new BB facilities should be preparing to register with AEMO during the 20 business day period commencing 3 November 2022. Reporting entities should consult AEMO's BB Procedures and be familiar with the registration requirements under Part 18 of the NGR. The entities/facilities identified at section 3.1 above must apply to register by 1 December 2022.

## 3.3 Civil penalty provisions

The AER is responsible for monitoring, investigating and enforcing compliance with the NGR and National Gas Law. The AER will be monitoring participant compliance with new obligations in the *National Gas Amendment (Market Transparency) Rule*, but will undertake such monitoring as though the requirement to submit registration applications takes effect by 1 December 2022. Requirements to register for BB reporting under Part 18 NGR are tier 1 or tier 2 civil penalty provisions under the *National Gas (South Australia) Regulations*.

Under subrule 165(1) of the NGR, BB reporting entities required to submit information to AEMO must prepare and submit that information in accordance with the **BB information standard**. This subrule is also a tier 1 civil penalty provision under the *National Gas (South*

*Australia) Regulations.* The **BB information standard** is provided at subrule 165(2) of the NGR and states:

The **BB information standard** for information or data relating to a:

- (a) **BB facility** means the practices, methods and acts that would reasonably be expected from an experienced and competent person engaged in the ownership, operation or control of a BB facility in Australia of that type;
- (b) **BB field interest** means the practices, methods and acts that would reasonably be expected from an experienced and competent person qualified to prepare, or supervise the preparation of, petroleum reserves and contingent resources evaluations or audits;
- (c) **BB allocation point** means the practices, methods and acts that would reasonably be expected from an experienced and competent person engaged in the determination of allocations of receipts or deliveries of natural gas in Australia; and
- (d) **facility development project** means the practices, methods and acts that would reasonably be expected from an experienced and competent person engaged in the development of a natural gas industry facility in Australia of that type,

in each case, acting with all due skill, diligence, prudence and foresight and in compliance with all applicable legislation (including these rules), authorisations and industry codes of practice.

### 3.4 Contact information

If you have any questions or require further information on registration requirements, please send an email to: [AERGasMarketsBB@aer.gov.au](mailto:AERGasMarketsBB@aer.gov.au).