

Legislative Council—No 182

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South Australia

National Gas (South Australia) (Gas Trading Exchanges) Amendment Bill 2013

A BILL FOR

An Act to amend the *National Gas (South Australia) Act 2008*.

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The Parliament of South Australia enacts as follows:

Part 1—Preliminary

1—Short title

This Act may be cited as the *National Gas (South Australia) (Gas Trading Exchanges) Amendment Act 2013*.

5 2—Commencement

- (1) This Act will come into operation on a day to be fixed by proclamation.
- (2) Section 7(5) of the *Acts Interpretation Act 1915* does not apply to this Act or to a provision of this Act.

3—Amendment provisions

- 10 In this Act, a provision in Part 2 amends the *National Gas Law* set out in the Schedule to the *National Gas (South Australia) Act 2008*.

Part 2—Amendment of *National Gas Law*

4—Amendment of section 2—Definitions

- (1) Section 2(1)—after the definition of *gas statement of opportunities* insert:
 - 15 *gas trading exchange* means a facility through which persons may elect to buy and sell natural gas or related goods or services, including pipeline capacity;

gas trading exchange agreement means an agreement that relates to participation in, and the operation and administration of, a gas trading exchange established by AEMO to which AEMO (or a person appointed by AEMO to operate the gas trading exchange), and a person who becomes a member of the exchange, are parties;

gas trading exchange functions—AEMO's gas trading exchange functions are as set out in section 91BRK;

gas trading exchange member means a person who is (or who was at the relevant time) a member of a gas trading exchange under a gas trading exchange agreement;

(2) Section 2(1)—after the definition of *greenfields pipeline incentive* insert:

GTE amendments means the amendments to this Law made by the *National Gas (South Australia) (Gas Trading Exchanges) Amendment Act 2013*;

5—Amendment of section 74—Subject matter for National Gas Rules

Section 74(1)—after paragraph (a) insert:

(aaa) AEMO's gas trading exchange functions and the operation of a gas trading exchange; and

6—Amendment of section 91A—AEMO's statutory functions

Section 91A(1)—after paragraph (g) insert:

(ga) the gas trading exchange functions;

7—Insertion of new Division

After section 91BRJ insert:

Division 2B—Gas trading exchanges

91BRK—AEMO's gas trading exchange functions

(1) AEMO's gas trading exchange functions are as follows:

- (a) to establish, operate and administer 1 or more gas trading exchanges;
- (b) to appoint, in accordance with the Rules, another person to operate a gas trading exchange;
- (c) in relation to a gas trading exchange, to make and administer a gas trading exchange agreement for the purposes of the exchange.

(2) AEMO may trade in natural gas to the extent necessary or desirable for the efficient operation of a gas trading exchange after taking into account any provision made by or under the gas trading exchange agreement that applies in relation to the exchange.

(3) AEMO may, subject to the Rules and the relevant gas trading exchange agreement, suspend trading on a gas trading exchange.

91BRL—Gas trading exchange not to constitute a regulated gas market

A gas trading exchange is not a regulated gas market.

8—Amendment of section 91H—Obligations under Rules or Procedures to make payments

- (1) Section 91H(4)—before the definition of *notice to pay* insert:

AEMO includes, in relation to a gas trading exchange, a person appointed by AEMO to operate that exchange;

- (2) Section 91H(4), definition of *Registered participant*—after "participant" insert:

and a gas trading exchange member

9—Insertion of section 294D

After section 294C insert:

294D—South Australian Minister to make initial Rules relating to AEMO's gas trading exchange functions

- (1) The Minister in right of the Crown of South Australia administering Part 2 of the *National Gas (South Australia) Act 2008* (the *South Australian Minister*) may make Rules on any 1 or more of the following subjects:

- (a) AEMO's gas trading exchange functions;
- (b) the subject matter of a new head of power added to Schedule 1 by the GTE amendments;
- (c) any other subject contemplated by, or consequential on, the GTE amendments.

- (2) Rules may only be made under subsection (1) on the recommendation of the MCE.
- (3) Section 74(3) applies to Rules made under subsection (1) in the same way as it applies to Rules made by the AEMC.
- (4) As soon as practicable after making Rules under subsection (1), the South Australian Minister must—
 - (a) publish notice of the making of the Rules in the South Australian Government Gazette stating the date of commencement or, if they commence at different times, various dates of commencement; and
 - (b) make the Rules publicly available.
- (5) The South Australian Minister may, by a later notice published in the South Australian Government Gazette, vary a commencement date fixed under subsection (4)(a) of this subsection.
- (6) Once the first Rules have been made under subsection (1), no further Rules can be made under that subsection.

- (7) Rules in the nature of a derogation may be made under this section even though no request has been made for the derogation.

10—Amendment of Schedule 1—Subject matter for the National Gas Rules

Schedule 1—after item 55N insert:

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| 55O | The operation and administration of a gas trading exchange. |
| 55P | The content, operation and administration of a gas trading exchange agreement. |
| 55Q | The duties and obligations of members of a gas trading exchange. |
| 55R | Other rules relating to the conduct (including suspension) of the members of a gas trading exchange. |
| 55S | The determination and settlement of payments in relation to a gas trading exchange. |