

V E N C o r p



Victorian Energy Networks Corporation

30 October 2003

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Mr Michael Buckley
Acting General Manager, Regulatory Affairs - Gas
Australian Competition and Consumer Commission
PO Box 1199
DICKSON ACT 2602

Dear Michael

RE: MARKET AND SYSTEM OPERATIONS RULES - PROPOSED RULE CHANGES

I enclose for Australian Competition and Consumer Commission (Commission) consideration:

- an application for authorisation of a number of proposed changes to the Market and System Operations Rules (MSO Rules),
- an application for revision of VENCORP's Access Arrangement in light of the proposed changes to the MSO Rules, and
- an application for revision of VENCORP's Access Arrangement to cover changes to the MSO Rules since the Access Arrangement was made effective on 1 January 2003 and for which the Commission has either already granted authorisation or interim authorisation.

Proposed MSO Rules changes - application for authorisation and revision of Access Arrangement

VENCORP is proposing amendments to the Market and System Operations Rules (MSO Rules). The proposed rule changes, which are more fully described in the attached application, provide for:

- reallocation of authorised MDQ in situations where a tariff D customer withdrawal point is redesignated as tariff V such that any authorised MDQ held at that tariff D customer withdrawal point will be reallocated to the total pool of authorised MDQ held for all tariff V customers; and
- the mandatory review of Chapter 6 of the MSO Rules required by clause 6.8.1 of the Rules to be deferred until 31 March 2005, or until such other date as may be determined by agreement with Participants.

Also included in this application, for the purpose of providing maximum transparency for VENCORP's actions, is a minor change to the MSO Rules already implemented using the power provided under clause 10.3(d) of the Rules. That power enables VENCORP, with the agreement of all affected participants, to alter "any amount, date, time or period of time". This change is associated with the advancement of settlement payment times by 2 hours to allow banking transactions to be completed within the one day and to align payment times with the National Electricity Market.



Accordingly enclosed for Australian Competition and Consumer Commission (Commission) consideration are:

- an application made under section 91A of the Trade Practices Act 1974 for a minor variation to the Authorisation granted by the Commission in respect of the MSO Rules; and
- an application made under section 2.28 of the National Third Party Access Code for Natural Gas Pipeline Systems for revision of VENCORP's Access Arrangement.

Already implemented MSO Rules changes - application for revision of VENCORP's Access Arrangement

Since 1 January 2003 VENCORP has made application, and the Commission has authorised or provided interim authorisation, for a number of changes to the MSO Rules. At the time those applications were submitted VENCORP did not make application for revision of its Access Arrangement and instead questioned the need to do so as there was no requirement under its the new Access Arrangement made effective on 1 January 2003.

The Commission has since made VENCORP aware that, as the Access Arrangement makes reference to the MSO Rules as they existed on the 1 January 2003, the Commission would be bound to determine any dispute regarding Access Arrangement provisions, should such a dispute arise, on the basis of the MSO Rules as they existed on 1 January 2003.

VENCORP now submits an application for revision of VENCORP's Access Arrangement to cover changes to the MSO Rules since the Access Arrangement was made effective on 1 January 2003 and for which the Commission has either already granted authorisation or interim authorisation.

Accordingly, enclosed for Australian Competition and Consumer Commission (Commission) consideration is an application made under section 2.28 of the National Third Party Access Code for Natural Gas Pipeline Systems for revision of VENCORP's Access Arrangement.

Should you have any questions in relation to these applications, please call me on (03) 8664 6610.

Yours sincerely

Terry Grimwade
Executive Manager Energy Markets

Enc.

Cc: David Hatfield



**Application to the
Australian Competition and Consumer Commission
for a minor variation to the Authorisation of the
Market & System Operations Rules (MSO Rules)**

Application is hereby made under Section 91A of the *Trade Practices Act 1974* (Cth) for a minor variation of an authorisation as described in section 1 below.

- | | |
|---|--|
| (a) Name of applicant | The Victorian Energy Networks Corporation (VENCorp).

VENCorp is a public authority established under the <i>Gas Industry Act 1994</i> (Vic) ¹ and continued under the <i>Gas Industry Act 2001</i> (Vic) |
| (b) Short description of business carried on by applicant | VENCorp is the administrator of the Victorian gas transmission system and of the market for the conveyance of gas through the balance of gas flows in or through the transmission system. |
| (c) Address for service of documents on the applicant | Terry Grimwade
Executive Manager, Energy Markets
VENCorp
PO Box 413, World Trade Centre, Victoria 8005 |

1 Introduction

1.1 Background

This application for a minor variation of an authorisation is made by VENCorp to the Australian Competition and Consumer Commission (**Commission**) pursuant to section 91A of the *Trade Practices Act 1974* (Cth) (**Trade Practices Act**).

On 19 August 1998, the *Commission* granted authorisation under subsections 88(1) and 88(8) of the *Trade Practices Act* to Chapters 2, 3, 4, 5 and 6 of the MSO Rules². The authorisation came into force on 15 March 1999, with an expiry date of 31 December 2002.

On 17 May 2002, VENCorp made application to the *Commission* for re-authorisation of the MSO Rules for a further ten year period commencing 1 January 2003. On 18 December 2002 the *Commission* made its Final Determination which granted authorisation to the MSO Rules, effective for the period 8 January 2003 to 31 December 2012 (**Authorisation**); being authorisations numbered A90831, A90832 and A90833.

¹ The Gas Industry Act 1994 was renamed the Gas Industry (Residual Provisions) Act 1994 on 1 September 2001.

² The MSO Rules came into effect on 2 February 1999 by Order in Council published in the Government Gazette dated 4 February 1999.

The *Authorisation* was conditional (**Condition C6.1**) on the amendment of clause 3.1.13(d)(1) of the MSO Rules to include recognition of a "force majeure event" as grounds for acceptance of non-compliance with scheduling instructions.

On 29 August 2003 VENCORP sought authorisation for changes it considered would satisfy *Condition C6.1*. The *Commission* granted Interim Authorisation for those changes on 4 September 2003 and the changes were given effect by VENCORP on the 11 September by notice placed in the Victorian Government Gazette. VENCORP currently awaits the *Commission's* final determination for this application. (Commission's file reference C2003/1021).

Further to the application made by VENCORP on 29 August 2003 in relation to *Condition C6.1* -

- VENCORP made application to the Commission on 3 June 2003 for minor variations to the MSO Rules which were granted interim authorisation on 11 June 2003, and granted full authorisation in the Commission's Determination made on 10 September 2003 (Commission's file reference C2003/528).

These changes were given effect by VENCORP on the 16 October 2003 by notice placed in 19 June 2003 by notice placed in the Victorian Government Gazette.

- VENCORP made application to the Commission on 28 February 2003 for minor variations to the MSO Rules which were granted full authorisation in the Commission's Determination made on 10 September 2003 (Commission's file reference C2003/528).

These changes were given effect by VENCORP on the 16 October 2003 by notice placed in the Victorian Government Gazette.

The authorisation granted on 10 September was made conditional on an amendment being made to MSO Rules, clause 6.6.5(ga). The required change was given effect by notice placed in the Victorian Gazette dated 2 October, effective from 3 October 2003.

VENCORP:

- now proposes further variations to the MSO Rules (**Proposed Rule Changes**), and
- seeks, for the purpose of market transparency, authorisation for changes already implemented using the power provided by MSO Rules, clause 10.3(d), to alter "any amount, date, time or period of time" (**Implemented Rule Changes**).

1.2 Summary of the rule changes in this application

In summary,

- the *Proposed Rule Changes* provide for:
 - reallocation of authorised MDQ in situations where a tariff D customer withdrawal point is redesignated as tariff V, such that any authorised MDQ held at a tariff D customer withdrawal point at the time is reallocated to the total pool of authorised MDQ held for all tariff V withdrawal points;
 - the deferral of a mandatory review of Chapter 6 of the MSO Rules required after 5 years of market operation (i.e., by 15 March 2004) until 31 March 2005, or until such date as may be determined by agreement with Participants; and
- the *Implemented Rule Changes* provide for:
 - the bringing forward of settlement payment times by 2 hours to allow banking transactions to be completed within the one day and to align payment times with the National Electricity Market.

The *Proposed Rule Changes* and *Implemented Rule Changes* are more particularly described in section 3 and in Annexures A, B & C to this submission.

This submission will demonstrate that the *Proposed Rule Changes* and *Implemented Rule Changes*:

- will not materially change the effect of the *Authorisation* granted by the *Commission* in respect of the MSO Rules; and
- will not result in any reduction in the net benefit to the public provided by the *Authorisation*.

1.3 Impact on VENCORP'S Access Arrangement

The MSO Rules, clause 8.5(b)(2), require VENCORP to provide

“a description of the possible effect (if any) of the Rule change on access arrangements given under the *Access Code*”³.

The *Proposed Rules Changes* and *Implemented Rule Changes* do not change or impact on the provisions of, or tariffs set out in, VENCORP'S revised Access Arrangement, as approved by the *Commission* on the 13 November 2002, and effective from 1 January 2003.

1.4 Purpose of the authorisation application

VENCORP hereby applies under subsection 91A(1) of the *Trade Practices Act* for a minor variation of the *Authorisation*, being that the *Authorisation* is extended to cover the *Proposed Rule Changes* and *Implemented Rule Changes*.

2 Minor variation of Authorisation

This application is made under section 91A of the *Trade Practices Act*.

The *Proposed Rule Changes* and *Implemented Rule Changes* constitute a minor variation to the *Authorisation* granted to the MSO Rules because they will not result in a reduction in the extent to which the benefit to the public of the *Authorisation* of the MSO Rules outweighs any detriment.

Further, the *Proposed Rule Changes* and *Implemented Rule Changes*:

- do not materially alter the nature of the contracts, arrangements, understandings or conduct which are authorised by the *Authorisation* or the effect, application or intention of the MSO Rules; and
- will not result in any reduction of the net benefit to the public obtained as a result of contracts, arrangements, understandings or conduct under or pursuant to the MSO Rules.

Rather, in VENCORP'S view, the *Proposed Rule Changes* and *Implemented Rule Changes* will benefit the public and industry participants by:

- specifying what should happen to authorised MDQ held at a tariff D customer withdrawal point when the site is redesignated from tariff D to tariff V;
- delaying the review of Chapter 6 until after the Pricing Balancing Review⁴ at which time the participants and VENCORP would have more resources available to allocate to the task; and

³ National Third Party Access Code for Natural Gas Pipeline Systems

- allowing banking transactions to be completed within the one day and to align payment times with the National Electricity Market.

VENCorp understands that section 91A provides that a variation can be a "minor variation", notwithstanding that it affects in some way either the level or the nature of the public benefit or the public detriment flowing from the authorised conduct. This understanding is supported by a number of submissions for minor variations made by VENCorp to the *Commission* in the past and for which authorisations have been granted.

Subsection 91A(4) appears to contemplate that minor variations may involve some change to either the public benefit or the public detriment. The section states that the *Commission* must not make a determination varying an authorisation in such circumstances, unless it is satisfied that the "variation would not result, or would be likely not to result, in a reduction in the extent to which the benefit to the public of the authorisation outweighs any detriment to the public caused by the authorisation". Put another way, changes in benefit and detriment are not material unless the net effect of those changes is to alter the balance of benefit and detriment so that, compared with what prevailed as that balance at the time of first authorisation, the balance is tilted more towards detriment.

3 Description of Proposed and Implemented Rule Changes

3.1 Authorised MDQ where Tariff D changes to Tariff V

Changes are proposed to clause 5.3.4.

3.1.1 Proposed changes

At present there is no provision in the MSO Rules to address what should happen to authorised MDQ held at a tariff D customer withdrawal point when that site is redesignated as a tariff V site. The MSO Rules already provide for the reverse to happen, i.e., for sites redesignated from tariff V to tariff D.

The proposed amendments are set out in Annexure A and provide that, where a tariff D customer withdrawal point is redesignated as tariff V, the authorised MDQ at the site will be reallocated to the total pool of authorised MDQ for all tariff V withdrawal points. The proposal is intended to avoid potential distortion of the allocations of authorised MDQ and preserve the existing rights of holders of authorised MDQ.

3.1.2 Consultation

The *Proposed Rule Changes* were considered by and unanimously endorsed the Gas Market Consultative Committee⁵ at its meeting held on 13 August 2003.

3.1.3 VENCorp Board Acceptance

The VENCorp Board approved the *Proposed Rule Changes* at its meeting held on 22 September 2003.

⁴ The "Pricing and Balancing Review" was established by the Victorian Government in response to the Commission's recommendation, in its Determination of 18 December 2002 regarding the re-authorisation of the MSOR, that VENCorp undertake a review into whether another pricing mechanism should be introduced for the Principle Transmission System. As part of that review, VENCorp should consider whether a locational hourly pricing mechanism, such as hourly nodal pricing, should be introduced. Reference: Determination, section 6.2.11, page 70.

⁵ Gas Market Consultative committee, a Committee established by the VENCorp Board of directors to provide it with the representative views of the gas market participants on matters concerned with the MSO Rules and their operation.

3.2 Deferral of mandatory review of chapter 6

Changes are proposed to Clause 6.8.1.

3.2.1 Proposed changes

Clause 6.8.1(b) of the MSO Rules currently requires VENCORP to conduct a review of the intervention and market suspension", provisions of Chapter 6, by 15 March 2004. The MSO Rules also require that VENCORP must do so in accordance with the public consultation procedures prescribed by MSO Rules, clause 1.4, and that the Terms of Reference for the review are to be developed by VENCORP in consultation with the *Commission*.

Whilst the completion date for this Review is seven months away, the extensive nature of the issues to be covered and the formal consultation process to be followed strongly suggests the Review needs to commence now if the obligation is to be satisfied.

However, between now and the end of the year, Participants and VENCORP are required to dedicate a substantial amount of their time and energy to the current Pricing and Balancing Review. It is VENCORP's view that initiating a major review into Chapter 6 at the same time is undesirable, and that a better result could be achieved in each process if they were undertaken with little overlap.

The *Proposed Rule Changes*, detailed in Annexure B, provides that the review of Chapter 6 of the MSO Rules be deferred until 31 March 2005, or other such date as may be determined by agreement with Participants. The GMCC would be used as the forum to reach such agreement.

3.2.2 Consultation

The *Proposed Rule Changes* were considered by and unanimously endorsed the Gas Market Consultative Committee at its meeting held on 13 August 2003.

3.2.3 VENCORP Board decision

The VENCORP Board approved the *Proposed Rule Changes* at its meeting held on 22 September 2003.

3.3 Settlement payment times

Changes have been made to 3.6.16 and 3.6.17 and implemented using the powers provided under clause 10.3(d) of the MSO Rules.

3.3.1 Implemented changes

VENCORP uses the "Austraclear Real Time Gross Settlement System" for the management of settlement payments between VENCORP and Market Participants. Austraclear closes at 4:20 p.m. each business day.

At present, the MSO Rules require Market Participants to make settlement payments to VENCORP by 2 p.m. on settlement day and for VENCORP to pay Market Participants by 4 p.m. on the same day. However, the payment time of 4 pm does not allow sufficient time for process delays which may occur, increasing the risk of non-completion of a settlement on the required day.

The *Implemented Rule Changes* have altered the settlement payment times by bringing forward, to 12 noon, payments by market participants to VENCORP and, to 2 p.m., payments by VENCORP to market participants to allow Austraclear and banking transactions to be completed within the one day. These times were also requested by Participants so as to align payments with the National Electricity Market.

3.3.2 Consultation

The *Proposed Rule Changes* were considered by and unanimously endorsed the Gas Market Consultative Committee at its meeting held on 30 April 2003.

3.3.3 VENC Corp Board decision

The VENC Corp Board approved the *Implemented Rule Changes* at its meeting held on 19 May 2003.

3.3.4 Implementation of changes

The changes were implemented using the power provided by MSO Rules clause 10.3(d) to alter "any amount, date, time or period of time" provided all affected Participants formally endorsed the changes. In this instance, "affected" Participants were considered to be retailers, market customers, traders and pipeline owners, i.e., those who receive a settlement statement from VENC Corp.

4 Consultation Process

As previously stated, all the *Proposed Rule Changes* and *Implemented Rule Changes* were considered by the Gas Market Consultative Committee. That Committee has been established by the VENC Corp Board of Directors to provide it with the representative views of the gas market participants on matters concerned with the MSO Rules and their operation.

In the case of the *Implemented Rule Changes* to settlement payment times the use of clause 10.3(d) to implement those changes required VENC Corp to obtain the formal endorsement of each individual affected Participant organisations.

Details of consultation involved in progressing the *Proposed Rule Changes* and *Implemented Rule Changes* are provided in Annexure D.

5 Conclusion

5.1 Proposed Rule Changes and Implemented Rule Changes

As clearly demonstrated above, the *Proposed Rule Changes* and *Implemented Rule Changes* do not affect the fundamental principles, objectives or design of the Victorian gas market or the market design which have already been *Authorised* by the *Commission*.

Rather, the *Proposed Rule Changes* and *Implemented Rule Changes* are minor in nature and merely seek to provide for enhanced efficiency and effectiveness of the application of rules to the conduct of both the wholesale and retail gas markets.

The authorisation of the *Proposed Rule Changes* and *Implemented Rule Changes* will, therefore, constitute only a minor variation to the *Authorisation* and will not result in any reduction in the net benefit to the public of the *Authorisation*.

The *Proposed Rule Changes* and *Implemented Rule Changes* do not affect, nor do they represent a material change to the effect of, the *Authorisation*.

5.2 Request for Authorisations

Accordingly VENC Corp requests that the *Proposed Rule Changes* and *Implemented Rule Changes* be authorised under section 91A of the **Trade Practices Act**, with effect from the date of authorisation of the *Proposed Rule Changes* and *Implemented Rule Changes* by the *Commission*.

5.3 Contact Details

Any questions in relation to this application for authorisation should be directed to:

Terry Grimwade
Executive Manager Energy Markets
VENCorp
PO Box 413
World Trade Centre 8005

Phone: (03) 8664 6610
Fax: (03) 8664 6514

MSO RULES: PROPOSED CHANGES:**AUTHORISED MDQ WHERE TARIFF D CHANGES TO TARIFF V**

(Proposed changes to the current MSO Rules are identified in the following as: strike through for deletions, underline for additions)

5.3.4 Subsequent allocations and re-allocations of authorised MDQ

- (a) Where *VENCorp* and the relevant *Transmission Pipeline Owner* agree that there is available capacity on a *pipeline* in accordance with the relevant *service envelope agreement* in respect of which:
- (1) *VENCorp* is not prevented by clause 5.3.3(c) from allocating *authorised MDQ*; and
 - (2) *VENCorp* has neither allocated *authorised MDQ* nor reserved an amount of *authorised MDQ* in accordance with clause 5.3.2(a)(4),
- VENCorp* must allocate *authorised MDQ* up to that available capacity to any person who seeks an allocation of *authorised MDQ* in respect of a *delivery point* or *system withdrawal point*, in accordance with this clause 5.3.4.
- (b) If a *tariff V withdrawal point* becomes designated as a *tariff D withdrawal point*, then *VENCorp* is to allocate *authorised MDQ* to the *Customer*, who withdraws gas at that *tariff D withdrawal point* in a manner which, in *VENCorp's* reasonable opinion, is fair and equitable, and *VENCorp* should make a proportionate reduction to the total amount of *authorised MDQ* assigned to *tariff V withdrawal points*.
- (ba) If a *tariff D withdrawal point* becomes designated as a *tariff V withdrawal point*, then *VENCorp* must reallocate any *authorised MDQ* remaining allocated to that *withdrawal point* by making a proportionate increase to the total amount of *authorised MDQ* assigned to *tariff V withdrawal points*.
- (e) *VENCorp* must allocate *authorised MDQ* under clause 5.3.4(a) as follows:
- (1) if there is sufficient available *authorised MDQ* to satisfy the requirements of all persons who have requested an allocation of *authorised MDQ*, *VENCorp* must allocate the available *authorised MDQ* to each of those persons in respect of a *delivery point* or *system withdrawal point* at which each of those persons withdraw or propose to withdraw gas, in accordance with their requirements; and
 - (2) if there is insufficient available *authorised MDQ* to satisfy the requirements of all persons who have requested an allocation of *authorised MDQ*, *VENCorp* must conduct an auction amongst all persons from whom *VENCorp* has received requests for *authorised MDQ* and allocate the available *authorised MDQ* to the persons who offer the highest amount for that *authorised MDQ*.
- (ea) Allocation of *authorised MDQ* made in accordance with clause 5.3.4(e) will be effective only in respect of a *delivery point* or *system withdrawal point* at which the person applied to *VENCorp* for the allocation of *authorised MDQ*.
- (f) *VENCorp* must develop procedures pursuant to which it will allocate available *authorised MDQ* under clause 5.3.4(e)(2).
- (g) All monies received by *VENCorp* from an auction conducted in accordance with clause 5.3.4(e)(2) are to be used by *VENCorp* to offset its costs for the next *financial year*.

- (h) This clause 5.3.4, and the principles and procedures *VENCorp* develops and applies to effect an allocation of available *authorised MDQ*, comprise the queuing policy of *VENCorp* as required under the *Access Code*.

Note: Clauses 5.3.4(c) and (d) deleted, 11 March 1999.

end.

PROPOSED MSO RULES CHANGES: DEFERRAL OF MANDATORY REVIEW OF CHAPTER 6

(Proposed changes to the current MSO Rules are identified in the following as: strike through for deletions, underline for additions)

6.8 REVIEW OF CHAPTER 6

6.8.1 Timing of review

VENCorp must, within:

- (a) eighty *business days* of the third occurrence in any two year period of an event requiring *VENCorp* to direct the *market* to be suspended under clause 6.7.3; or
- (b) ~~five years from the commencement date by 31 March 2005, or other such date as may be determined by agreement with *Participants*.~~

whichever is the earlier, conduct a review of chapter 6 of these Rules in accordance with this clause 6.8.

6.8.2 Terms of reference

The terms of reference for the review to be performed by *VENCorp* under this clause 6.8 are to be developed by *VENCorp* in consultation with the *Regulator* and must incorporate, but are not to be limited to, the adequacy and appropriateness of:

- (a) the provisions of chapter 6; or
 - (b) any alternative provisions to those in chapter 6,
- in satisfying and facilitating the achievement of the *market objectives*.

6.8.3 Process of review

The review performed by *VENCorp* under this clause 6.8 is to be conducted in accordance with the *public consultation procedures*.

end.

PROPOSED MSO RULES CHANGES:

BRINGING FORWARD OF SETTLEMENT PAYMENT TIMES BY 2 HOURS

(Proposed changes to the current MSO Rules are identified in the following as: strike through for deletions, underline for additions)

3.6.16 Payment by Market Participants

- (a) No later than ~~2.00pm~~12 noon on the twentieth *business day* after the end of a *billing period* or ~~2.00pm~~12 noon on the second *business day* after receiving a *final statement* under clause 3.6.15, whichever is the later, each *Market Participant* must pay to *VENCorp* in cleared funds the *settlement amount* stated to be payable to *VENCorp* by that *Market Participant* in that *Market Participant's final statement*, whether or not the *Market Participant* disputes, or continues to dispute, the amount payable.
- (b) Payments made in accordance with clause 3.6.16(a) must be made using bank clearing house arrangements determined by *VENCorp* in consultation with affected *Participants* and *published* by *VENCorp*.

3.6.17 Payment to Market Participants

- (a) By no later than ~~4.00pm~~2.00p.m. on the day on which *VENCorp* is to be paid under clause 3.6.16, *VENCorp* must pay to each *Market Participant* in cleared funds the *settlement amount* stated to be payable to that *Market Participant* in that *Market Participant's final statement*.
- (b) Payments made in accordance with clause 3.6.17(a) must be made using bank clearing house arrangements determined by *VENCorp* in consultation with affected *Participants* and *published* by *VENCorp*.

end.

CONSULTATION PROCESSES FOLLOWED IN PROGRESSING THE RULE CHANGES

.....
Authorised MDQ where withdrawal point changes from Tariff D to Tariff V
Deferral of Chapter 6 review

(a) Consideration at Gas Market Consultative Committee Meetings

Meeting 94 held on 13 August 2003.

(b) Endorsement by the Gas Market Consultative Committee

The proposed rule changes were endorsed by the Gas Market Consultative Committee at its meeting held on 13 August 2003.

(c) Gas industry representation at Gas Market Consultative Committee meetings

Steve Thompson	AGL
Adam Crudden	BHP/Billiton
Brian Rochford	Envestra
Florian Barsch	ExxonMobil
Paul Callander	GasNet
Glenn Orgias	Origin Energy
Glenn Swaik	Origin Energy
Phil Harrick	TXU Storage
Natalie Wallace	TXU Trading
Graeme Cook	VENCorp
Terry Grimwade	VENCorp
Yeonnie Ham	VENCorp
Danny McGowan	VENCorp
Chris Pratt	VENCorp
Craig Price	VENCorp
John Wilding	VENCorp
Stephen Bridger	Visy

(d) Approval by VENCorp Board

The Proposed Rule Changes were approved by the Board of Directors of VENCorp at its meeting held 22 September 2003.

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Change to settlement payment times

(a) Consideration at Gas Market Consultative Committee Meetings

Meeting 94 held on 30 April 2003.

(b) Endorsement by the Gas Market Consultative Committee

The proposed rule changes were endorsed by the Gas Market Consultative Committee at its meeting held on 30 April 2003.

(c) Gas industry representation at Gas Market Consultative Committee meetings

Michelle Tandy	AGL
Steve Thompson	AGL
Adam Crudden	BHP/Billiton
Sean Nicolson	BHP/Billiton
Alan Reichel	Energy Users Association Australia
Don Vigilante	Energex
Florian Barsch	ExxonMobil
Nigel Collins	ExxonMobil
David Whitelaw	GasNet
Glenn Orgias	Origin Energy
Glenn Swaik	Origin Energy
Phil Harrick	TXU Storage
Natalie Wallace	TXU Trading
Sanjay Verma	TXU Trading
Graeme Cook	VENCorp
Peter Ferretto	VENCorp
Terry Grimwade	VENCorp
John Wilding	VENCorp
Stephen Bridger	Visy

(d) Written endorsement of the change from "affected" Participants - required by clause 10.3(d)

<i>"Affected" Participant</i>	<i>Participant type</i>	<i>Date of endorsement</i>
Visy Industries	Market Customer	27 May 2003
Bradmill	Market Customer	4 June 2003
Origin Energy	Host Retailer	20 May 2003
AGL	Host Retailer	15 May 2003
TXU	Host Retailer	23 May 2003
Energex	Non-host retailer	20 May 2003
Energy Australia	Non-host retailer	16 May 2003
Duke International	Trader	19 May 2003
Country Energy	Trader	12 June 2003
GasNet	Transmission Pipeline Owner	5 June 2003

(e) Approval by VENCorp Board

The Proposed Rule Changes were approved by the Board of Directors of VENCorp at its meeting held 19 May 2003.

end.