



Retail Energy Market Company

RULE CHANGE – REQUEST FOR SUBMISSIONS UNDER RULE 399A(1)(a)

C01/09R – Amendments to Rule Change Process (WA Only)

Introduction

REMCo, under the delegation of the REMCo Board, endorsed the Low Impact Rule Change C01/09R – Amendments to Rule Change Process on 24 June 2009. REMCo is seeking submissions on this endorsed rule change as required under Rule 399A(1) of the Retail Market Rules (RMR).

How to make a Submission on the Endorsed Rule Change

As provided under Rule 399A(2), each participant, pipeline operator, prescribed person and interested person may lodge an objection to the endorsed low impact rule change within the objection period. A submission under this rule must include reasons for the objection and specify whether the submitter considers the rule change to be non-substantial, low impact or high impact and include reasons for this classification.

Please note that if no objections are received from a participant, pipeline operator, shipper, swing service provider or other interested persons by the end of the objection period (specified below), under Rule 399A(3), the Rule Change Committee must recommend the rule change to REMCo for submission to the relevant jurisdictional approving bodies.

If you would like to make a submission, provide your submission, quoting the reference number **C01/09R**, to:

REMCo Rule Change
C/- VENCORP
PO Box 413
World Trade Centre
Melbourne
VIC 3005

And/or to:

remco.admin@vencorp.vic.gov.au

End of Objection Period: Submissions must be received by REMCo no later than **5pm AEST, on 17 July 2009.**

Background Information**Summary of Endorsed Rule Change**

On 1 October 2009, REMCo's SA gas market functions will be transferred to the Australian Energy Market Operator (AEMO), while REMCo will retain its existing functions in the WA gas market. The WA market will not be part of the market arrangements to be managed by AEMO.

This rule change amends rules 2 and 16, and a series of rules in Chapter 9 of the RMR so that there is a distinction between the two jurisdictions and that the rule change processes in Chapter 9 no longer refer to the arrangements in SA, whilst retaining the existing arrangement in WA. This will ensure REMCo's ongoing ability to manage rule changes impacting on the WA gas Market from 1st October 2009.

How to Obtain More Information

The Impact and Implementation Report for this rule change may be found on the REMCo website under the "Rule Change Committee" Resource section as per this link:

http://www.remco.net.au/resources_category.aspx?cat=Rule%20Change%20Committee.

This report was considered by the Rule Change Committee at its 11 June 2009 meeting and via circular resolution on 24 June 2009.

Endorsed Rule Change

Amend rules as follows, shown in change-marking:

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2. Definitions

“approving body” means the person to whom an endorsed rule change must be submitted for approval under the Energy Coordination Act 1994 (WA).

{Note: At the time version 4.8 of the rules commenced, the person to whom an *endorsed rule change* must be submitted for approval in Western Australia was the Economic Regulation Authority.}

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 {Note: At the time these rules commenced, the person to whom an *endorsed rule change* must be submitted for approval in Western Australia was the Minister administering the *Energy Coordination Act 1994 (WA)*.}¶
 <#>in South Australia — the person to whom an *endorsed rule change* which is required to be approved must be submitted for approval under the *Gas Act 1997*.¶

“in-progress rule change” means:

- (a) a *proposed rule change* or *recommended rule change* that has not been rejected by the *rule change committee* under rule 394(2) or rejected by *REMC*o under rule 399(1)(b); or
- (b) an *endorsed rule change* that has not been rejected by the approving body following its submission to that body under rule400A(3)(b).

“interested person” means, in relation to a matter:

- (a) a government representative in Western Australia; or
- (b) Economic Regulation Authority in Western Australia; or
- (c) any other person that (as applicable) the Economic Regulation Authority in Western Australia, considers has a legitimate interest in the matter or should be consulted in relation to the matter. .

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16. Rule change procedure does not apply to amending and updating Appendices

- (1) An amendment to:
 - (a) Appendix 1; and
{Note: The procedure for amending Appendix 1 is set out in rule 15.}
 - (b) Appendix 2 (excluding Sub-appendix 2.3); and
 - (c) Appendix 7; and
 - (d) Appendix 8.

~~is not a rule change under Chapter 9 and Part 9.2 does not apply to the amendment.~~
- (2) For the avoidance of doubt, Sub-appendix 2.3 is subject to Chapter 9.
- (3) Except as otherwise provided in these rules and subject to rule 16(4), a *network operator* may amend those sections of Appendix 2 that are applicable to the *jurisdiction* in which the *network operator's GDS* resides.
- (4) Before any amendment to Appendix 2 takes effect, the *network operator* must:
 - (a) consult each *user* and *REMC*o in relation to the amendment; and
 - (b) take into consideration any reasonable objection to, or request to alter, the proposed amendment, from *users* or *REMC*o; and
 - (c) provide *notice* to each *participant* and *REMC*o (in such format as the *network operator* and *REMC*o may agree) of the amended Appendix at least 20 *business days* prior to the updated Appendix taking effect.
- (5) Before any amendment to Appendix 7 takes effect, *REMC*o must:
 - (a) consult each *user*, *swing service provider* and *swing service provider of last resort* in relation to the amendment; and
 - (b) receive unanimous agreement from all *users*, all *swing service providers* and all *swing service providers of last resort* to the proposed amendment; and
 - (c) provide *notice* to each *participant*, *swing service provider* and *swing service provider of last resort* (in such format as *REMC*o reasonably may determine) of the amended Appendix at least 20 *business days* prior to the updated Appendix taking effect.
- (6) Before any amendment to Appendix 8 takes effect, *REMC*o must:
 - (a) consult each *user* and *swing service provider of last resort* in relation to the amendment; and
 - (b) receive unanimous agreement from all *users* and all *swing service providers of last resort* to the proposed amendment; and

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<#>Appendix 11; and¶
Appendix 12

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{Note: For the avoidance of doubt, in South Australia, it is a requirement under the *Gas Act 1997* that all rule changes must be approved by *ESCOSA*.}¶

- (c) provide notice to each *participant* and *swing service provider of last resort* (in such format as *REMC^o* reasonably may determine) of the amended Appendix at least 20 *business days* prior to the updated Appendix taking effect.

{Note: *REMC^o* and the *SSPs* or *SSPOLRs* must execute variations to the *SSPUD* or *SSPOLRUD* prior to *REMC^o* publishing amendments to Appendices 7 or 8. Amendments to Appendices 7 or 8 have no legal effect on the terms of any *SSPUD* or *SSPOLRUD*.}

Deleted: <#> . Before any amendment to Appendix 12 takes effect:¶
<#>*REMC^o* must consult each *user* that is a *current user* in an *EMD sub-network* and each *shipper* that is a party to the *Emergency Management Deed* in relation to the amendment;¶
<#>*REMC^o*, each *user* and each *shipper* that is a party to the *Emergency Management Deed* must execute a variation to the *Emergency Management Deed*; and¶
To avoid doubt, prior to *REMC^o* publishing amendments to Appendix 12 the parties to the *Emergency Management Deed* must execute variations to the *Emergency Management Deed*.¶

Chapter 9– Rule change process

Part 9.1 – Introduction

(Note: This Chapter sets out the rule change process, however ancillary documents to the rules, some of which are set out in the Appendices, can be amended outside of this rule change process, as set out in Part 1.5.)

378. Rule change request

- (1) A *participant* or an *interested person* may lodge in writing a *rule change request* with REMCo on any *business day*.
- (2) A *rule change request* must specify at least the following information:
 - (a) the *GBO identification* or the identity (as applicable) of the person lodging the *rule change request*; and
 - (b) the reason for the *proposed rule change*; and
 - (c) the *proposed rule change* either as marked-up changes to the text of the rules or as a detailed summary of the *proposed change* to the rules; and
 - (d) the anticipated impact of the *proposed rule change* on affected persons; and
 - (e) the proposed time frame for implementation of the *proposed rule change*.

378A. Proponent may withdraw a rule change request

- (1) A *proponent* may, at any time prior to the time that REMCo endorses a *proposed rule change* under rule 399(1)(a), withdraw a *rule change request* lodged by the *proponent* by lodging with REMCo a *rule change withdrawal request*.
- (2) A *rule change withdrawal request* must specify at least the following information:
 - (a) the *GBO Identification* or the identity (as applicable) of the person lodging the *rule change withdrawal request*;
 - (b) the date on which the *rule change request* that the person is seeking to withdraw was lodged with REMCo;
 - (c) the *rule change request* reference that REMCo assigned to the *rule change request* that the person is seeking to withdraw, or a description of the *rule change request*; and
 - (d) the reason for lodging the *rule change withdrawal request*.

- (3) Within two *business days* after receiving a *rule change withdrawal request* REMCo must either accept or reject the request and notify the person lodging the request of its decision.

378B. Rule change outline

A *rule change outline* must include:

- (a) the *proposed rule change* and any applicable *alternative amendments* as marked-up changes to the text of the rules;
- (b) any other information that REMCo considers is relevant.

379. Impact and implementation report

An *impact and implementation report* must include:

- (a) a copy, or instructions on how to obtain a copy, of the *rule change outline*; and
- (b) the identity of which *participants, pipeline operators* and *shippers* will be affected by the *proposed rule change*; and
- (c) an analysis of the impact of the *proposed rule change* on the persons identified under rule 379(b) above; and
- (d) an analysis of the anticipated implementation time, implementation *cost* and ongoing *cost* associated with the *proposed rule change*; and
- (e) a *cost/benefit* analysis of the *proposed rule change*.

380. Recommendation report

A *recommendation report* must include:

- (a) a copy, or instructions on how to obtain a copy, of the *rule change outline*; and
- (b) instructions on how to obtain a copy of the *impact and implementation report* prepared by REMCo; and
- (c) a *recommended rule change* to implement the *rule change request* (if this is different from the marked-up changes in the *rule change outline*); and
- (d) an implementation plan for the *recommended rule change* (if any specific implementation considerations have been identified); and
- (e) advice on the impact of the *recommended rule change* on REMCo, *participants, pipeline operators* and *prescribed persons*.

381. Timing of rule change

Each of REMCo, the *rule change committee, participants, pipeline operators* and *prescribed persons* must fulfil their obligations under Part 9.2 expeditiously.

382. There is no Rule 382

Part 9.2– Rule change

383. REMCo must have established rule change committee

- (1) REMCo must establish a *rule change committee* under these rules.
- (2) As soon as practicable and in any event within 3 months after a *rule change committee* member retires, is removed or otherwise vacates the office, REMCo must appoint a replacement member.

384. Composition of rule change committee

- (1) The *rule change committee* must comprise the following members:
 - (a) one member representing REMCo, who is the chairperson of the *rule change committee*; and
 - (b) at least one member representing the interests of network operators; and
 - (c) one member representing the interests of the user that has a market share of at least 50%; and
 - (d) at least one member representing the interests of all users other than those referred to in rule 348(1)(c).
- (2) An observer from the approving body may attend each *rule change committee* meeting.
- (3) Nothing said, or done, or omitted to be said or done, by the observer referred to under rule 384(2), fetters the *approving body's* discretion in approving or not approving an *endorsed rule change* submitted to the *approving body* for approval, or otherwise makes the *approving body* or the *State* liable in any way to any person including for negligence.

385. Tenure of rule change committee members

- (1) REMCo may appoint each *rule change committee* member for a period of up to 2 years.
- (2) REMCo may re-appoint a *rule change committee* member whose tenure has finished.
- (3) A person immediately ceases to be a member of the *rule change committee* if the person:
 - (a) becomes of unsound mind or a person liable, or a person whose assets are liable, to any control or administration under any *law* relating to physical or mental health; or
 - (b) resigns by *notice* to REMCo; or

Deleted: Rule changes proposed or approved in one jurisdiction only

Deleted: <#>Nothing in this Chapter 9 prohibits: ¶ <#>a participant or interested person from a jurisdiction lodging a rule change request in respect of: ¶ <#>a rule that only applies to that jurisdiction; or¶ <#>an issue that only applies to that jurisdiction; and¶ <#>participants and REMCo agreeing that the cost of a rule change affecting only one jurisdiction will be borne by the participants in that jurisdiction.¶ <#>A participant or interested person from one jurisdiction is not entitled to lodge a rule change request in respect of a rule or an issue that only applies to the other jurisdiction. ¶

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- (c) dies.
- (4) REMCo may remove a *rule change committee* member in the following circumstances:
 - (a) if the member becomes bankrupt, is convicted of fraud or on indictment of an offence other than fraud or is otherwise ineligible to be appointed as a director of a corporation under the *Corporations Act*; or
 - (b) if REMCo considers that the member has failed to adequately discharge the duties of a *rule change committee* member (including failure to consult with, represent the views of, or keep informed other *participants* of the type the member is appointed to represent); or
 - (c) if REMCo considers that the *rule change committee* member is otherwise unfit to hold the position of *rule change committee* member.
- (5) REMCo must forthwith *notify* a person in writing of his or her removal under rule 385(4).

386. Objectives of rule change committee

- (1) The rule change committee is to operate under these rules on the basis of the following objectives:
 - (a) to ensure that the retail gas market ~~operates and is governed in a manner~~ that is:
 - (i) open and competitive; and
 - (ii) efficient; and
 - (iii) fair to *participants* and their *customers*; and
 - (b) to ensure compliance with all applicable *laws*; and
 - (c) to ensure consultation with all *participants, pipeline operators, prescribed persons* and *interested persons* as is reasonably required to meet the objectives set out in this rule.

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387. Quorum

Quorum for a meeting of the *rule change committee* is 4 members, including at least one member under rules 384(1)(a) to 384(1)(d).

388. Meetings

- (1) The *rule change committee* must meet as and when required by these rules.
- (2) The *rule change committee* chairperson must ensure that each *rule change committee* meeting is minuted.

- (3) Within 5 *business days* after a *rule change committee* meeting, the *rule change committee* chairperson must circulate the draft minutes of the proceeding to the other members of the *rule change committee* for consideration and approval.
- (4) *REMC* must ensure that the minutes of each *rule change committee* meeting are made available to, and accessible by, each *rule change committee* member for 7 years after the date of the meeting.
- (5) *REMC* must provide all reasonable administrative assistance requested by the *rule change committee*.
- (6) The *rule change committee* may adopt such procedures as it sees fit for conducting meetings of the *rule change committee*.

389. Limitation of Liability

To the extent permitted by *law*, a *rule change committee* member is not liable for any loss or damage suffered or incurred by any person as a consequence of any act or omission of the *rule change committee* unless the *rule change committee*, or its members, as the case may be:

- (a) do not act in good faith under this Part 9.2; or
- (b) act fraudulently.

390. Indemnity

Notwithstanding rule 389, if a *rule change committee* member is liable to pay any amount for loss or damage suffered or incurred by a person as a consequence of any act or omission of the *rule change committee*, *REMC* must indemnify the *rule change committee* member:

- (a) for the full amount of loss or damage; and
- (b) for any *costs* and expenses incurred by the member in defending related proceedings,

unless the liability arose out of the member's:

- (c) conduct involving a lack of good faith under this Part 9.2; or
- (d) fraud.

391. *REMC* must accept or reject rule change request

- (1) As soon as practicable and in any event within 5 *business days* after receipt of a *rule change request*, *REMC* must either accept or reject the request.
- (2) *REMC* must:
 - (a) reject a *rule change request*:
 - (i) if the person lodging the *rule change request* is not a *participant* or an *interested person*; or

- (ii) if *REMC* determines that the *rule change request* is frivolous, vexatious, or not lodged in good faith; and
- (b) as soon as practicable after rejecting a *rule change request*:
 - (i) *notify* the *proponent* that the request has been rejected; and
 - (ii) provide the reason why the request was rejected.
- (3) *REMC* must accept a *rule change request* if it is not rejected under rule 391(2).

392. Appeal to REMCo

- (1) Within 5 *business days* after *REMC*'s notification under rule 391(2)(b)(i), the *proponent* may appeal *REMC*'s decision by submitting to *REMC*:
 - (a) a copy of the *proponent's* original *rule change request*; and
 - (b) a copy of *REMC*'s notification and reasons under rule 391(2); and
 - (c) the reasons why the *proponent* disagrees with *REMC*'s decision.
- (2) *REMC* may determine such procedures as are necessary to consider this appeal, but in any event must ensure that the appeal is considered and a decision reached whether or not to accept the *rule change request* within 20 *business days* of receipt of the appeal.
- (3) If *REMC* determines under rule 392(2) that *REMC* was correct in the first instance to reject the *rule change request*, then *REMC* must *notify* the *proponent* of the resolution.

393. If rule change request is accepted

If *REMC* accepts a *rule change request* under rule 391(3) or rule 392(2), *REMC* must:

- (a) *notify* the *proponent* that it has accepted the *rule change request*; and
- (b) within 20 *business days* after notification under rule 393(a), complete a *rule change outline* and, if *REMC* considers that the rule change is likely to have a low or high impact, a draft *impact and implementation report*; and
- (c) provide the *rule change outline* and draft *impact and implementation report* (if there is one) to the *rule change committee*.

394. Initial assessment by rule change committee

- (1) Within 20 *business days* after it receives a *rule change outline* and draft *impact and implementation report* (if there is one) under rule 393(c), the *rule change committee* must meet to consider the related *rule change request*.
- (2) The *rule change committee* must:

- (a) reject a *rule change request* if the *rule change committee* considers that the *proposed rule change*:
 - (i) is impractical to implement; or
 - (ii) is not cost effective for one or more of *REMC*, *participants*, *pipeline operators* and *prescribed persons* (as applicable) to implement; or
 - (iii) would have an adverse effect on the retail gas market; or
 - (iv) would not comply with the *law*; or
 - (v) be otherwise inconsistent with the objectives in rule 386; and
- (b) within 5 days after rejecting a *rule change request*:
 - (i) *notify* the *proponent* and *REMC* that it has rejected the *rule change request*; and
 - (ii) provide the reason why the *rule change request* was rejected.
- (3) If the *rule change committee* determines that the *rule change outline* and, if available, *draft impact and implementation report* does not contain sufficient information to determine the impact of the *proposed rule change*, the *rule change committee* may *notify REMC* of the additional information it requires, in which case:
 - (a) within 10 *business days* after the notification, *REMC* must provide the *rule change committee* with the information; and
 - (b) the *rule change committee* must meet again under rule 394(1).
- (4) The *rule change committee* must accept a *rule change request* if it is not rejected under rule 394(2).

395. Appeal to REMC

- (1) Within 20 *business days* after notification under rule 394(2)(b), the *proponent* may appeal the *rule change committee's decision* by submitting to *REMC*:
 - (a) a copy of the *proponent's original rule change request*; and
 - (b) a copy of the *rule change committee's notification* and reasons under rule 394(2)(b); and
 - (c) the reasons why the *proponent* disagrees with the *rule change committee's decision*.
- (2) *REMC* may determine such procedures as are necessary to consider this appeal, but in any event must ensure that the appeal is considered and a decision reached whether or not to accept the *rule change request* within 20 *business days* of receipt of the appeal.
- (3) If *REMC* determines under rule 395(2) that the *rule change committee* was correct to reject the *rule change request*, then *REMC* must *notify* the *proponent* of the resolution.

- (4) If *REMC^o* determines under rule 395(2) that the *rule change committee* should accept the *rule change request*, it must *notify*:
 - (a) the *proponent*; and
 - (b) the *rule change committee*,of the resolution.
- (5) Upon notification under rule 395(4)(b), the *rule change committee* must accept the *rule change request*.

396. If the rule change committee accepts the rule change request

- (1) If the *rule change committee* accepts a *rule change request* under rule 394(4) or 395(5), it must determine whether the *proposed rule change* is likely to have a non-substantial impact or a low impact on the affected parties under guidelines published by *REMC^o* under rule 396(3) (if any).
- (2) Without limiting the *rule change committee's* discretion under rule 396(1):
 - (a) a change to the rules that is being considered has a non-substantial impact if it has no effect on operations of *REMC^o*, *participants*, *interested persons* or *prescribed persons* and merely corrects typographical errors, grammatical errors, cross-referencing errors or other similar trivial defects in the rules;
 - (b) a change to the rules that is being considered has a low impact if it:
 - (i) does not have a material impact on the information technology systems of *REMC^o*, *participants*, *pipeline operators* or *prescribed persons*; or
 - (ii) does not materially alter consumer protection mechanisms under the rules; or
 - (iii) does not have a material commercial impact on *REMC^o*, *participants*, *pipeline operators* or *prescribed persons*; and
 - (c) a *rule change* that is being considered is classified as having a high impact if it is not classified as having a non-substantial impact or a low impact.
- (3) *REMC^o* may publish guidelines from time to time for the *rule change committee* to use in determining the impact of a *proposed rule change*.

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396A. Non-Substantial rule change

If the members of the *rule change committee* unanimously agree under rule 396(1) that the change to the rules that is being considered has a non-substantial impact, the *rule change committee* must recommend that *REMC^o* submit the non-substantial rule change to the *approving body* where the approval to a rule change is required by law. *REMC^o* will determine the format that the *rule change committee* must use for the recommendations.

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397. Low impact rule change

If the members of the *rule change committee* unanimously determine under rule 396(1) that the change to the *rules* that is being considered is likely to have a low impact, the *rule change committee* must advise *REMC* of that determination and submit an *impact and implementation report* to *REMC* within 2 *business days* after making the determination.

398. High impact rule change

- (1) If the *rule change committee* determines under rule 396(1) that the change to the *rules* that is being considered would not have a non-substantial impact or a low impact, or if an objection made under rule 399A(4)(a) has specified that a rule change is high impact, it must *notify REMC* of the determination and submit an *impact and implementation report* to *REMC*.
- (2) After notification under rule 398(1) or rule 399A(4)(a), *REMC* must:
 - (a) *notify each participant, pipeline operator, prescribed person and interested person* that:
 - (i) *REMC* has received a *rule change request* containing a *proposed rule change* that the *rule change committee* has determined would not have a non-substantial or low impact; and
 - (ii) *REMC* seeks submissions on the *proposed rule change*; and
 - (b) provide each *participant, pipeline operator, prescribed person and interested person* with:
 - (i) the *proposed rule change* or a description of the *proposed rule change*; and
 - (ii) information as to where they can access an electronic copy of the *rule change request* and the *impact and implementation report*; and
 - (iii) instructions on how to make a submission on the *proposed rule change* to *REMC*; and
 - (iv) the closing date for submissions, which must be at least 10 *business days* after notification under rule 398(1).
- (3) Each *participant, pipeline operator, prescribed person and interested person* may lodge a submission on the *proposed rule change* using the procedures notified under rule 398(2)(b)(iii).
- (4) Within 10 *business days* after the closing date notified under rule 398(2)(b)(iv), *REMC* must provide the submissions received under rule 398(3) to the *rule change committee*.
- (5) Within 20 *business days* after receipt of the submissions under rule 398(4), the *rule change committee* must meet to consider the submissions.
- (6) Within 10 *business days* after considering the submissions under rule 398(5), the *rule change committee* must make a recommendation to *REMC*.

399. Consideration of recommended rule change by REMCo

- (1) As soon as practicable and in any event within 20 *business days* after receipt of a *recommended rule change* under rule 396A or rule 397 or rule 398(6), *REMCo* must consider the *recommended rule change* and determine whether to:
 - (a) endorse the *recommended rule change*; or
 - (b) reject the *recommended rule change*.
- (2) If a *recommended rule change* relates to rule 362A then *REMCo* must not endorse the *recommended rule change* under rule 399(1)(a) unless at least 80% of the votes cast at a meeting of the *REMCo* Board support the endorsement of the *recommended rule change*.
- (3) If *REMCo* decides to reject a *recommended rule change* under rule 399(1)(b), *REMCo* must *notify*:
 - (a) the proponent; and
 - (b) each person *who* lodged a submission under rule 398(3) (if applicable); and
 - (c) each *interested person*,that the *recommended rule change* has been rejected and provide the reason why the *recommended rule change* was rejected.

399A. REMCo endorses low impact rule change

- (1) If *REMCo* endorses a low impact *recommended rule change* under rule 399(1)(a), then within 5 *business days* after the decision, *REMCo* must:
 - (a) notify each *participant, pipeline operator, prescribed person* and *interested person* that:
 - (i) *REMCo* has received a *rule change request* containing a *proposed rule change* that the *rule change committee* has determined to have a low impact; and
 - (ii) *REMCo* seeks submissions on the low impact rule change; and
 - (b) provide each *participant, pipeline operator, prescribed person* and *interested person* with:
 - (i) the *proposed rule change*; and
 - (ii) information as to where they can access an electronic copy of the *impact and implementation report*; and
 - (iii) instructions on how to make an objection on the low impact rule change to *REMCo*; and
 - (c) the date of the end of the objection period, which must be at least 10 *business days* after the notification under rule 399A(1)(a).

- (2) If a *participant, pipeline operator, prescribed person or interested person* wishes to object to a low impact rule change it must notify *REMC_o* of its objection by the end of the objection period. A submission under this rule 399A(2) must include the reasons for the objection and specify whether the submitter considers the low impact rule change to be non-substantial, low impact or high impact and include reasons for this classification.
- (3) If by the end of the objection period *REMC_o* has not received any objection under rule 399A(2), then the *rule change committee* must recommend to *REMC_o* that it treat the rule change as a low impact rule change, and *REMC_o* must treat that recommendation as if it were made under rule 396A.
- (4) If by the end of the objection period *REMC_o* has received any objection under rule 399A(2), then *REMC_o* must notify *participants, pipeline operators, prescribed persons* and *interested persons* of the objection and that:
 - (a) if an objection made under rule 399A(2) has specified that the *recommended rule change* is considered to be high impact, the rule change will be subject to the high impact rule change process set out in rules 398 and 399; or
 - (b) if an objection made under rule 399A(2) has specified that the *recommended rule change* is considered non-substantial or low impact (and so long as there are no other objections that require the rule change to be made subject to the high impact rule change process in rules 398 and 399), *REMC_o* will provide the objection to the *rule change committee* for it to consider.
- (5) As soon as practicable after receiving the objection information under rule 399A(4)(b), the *rule change committee* must determine:
 - (a) to recommend the rule change to *REMC_o* for determination under rule 400A(1) despite the objection; or
 - (b) to abandon the rule change; or
 - (c) to recommend an *alternative amendment* having regard to the objections received under rule 399A(2).
- (6) If the *rule change committee* decides to abandon the rule change under rule 399A(5)(b), it must notify *REMC_o* of its reasons. *REMC_o* must then notify *participants, pipeline operators, prescribed persons* and *interested persons* that the rule change has been abandoned and the reasons for the abandonment.
- (7) If the *rule change committee* decides to recommend an *alternative amendment* under rule 399A(5)(c) then:
 - (a) if the *alternative amendment* does not differ materially from the *recommended rule change*, the *rule change committee* will complete a report, in a format determined by *REMC_o* from time to time, recommending the rule change for approval by the *approving body* where the *approving body's* approval to a rule change is required by law; or
 - (b) if the *alternative amendment* differs materially from the *recommended rule change*, the *rule change committee* must advise *REMC_o* and *REMC_o* must treat that advice as if it were given under rule 397.

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400. REMCo endorses high impact rule change

- (1) If REMCo endorses a high impact *recommended rule change* under rule 399(1)(a), then within 5 *business days* after the decision, REMCo must:
 - (a) *notify each participant, pipeline operator, and interested person* that REMCo has endorsed a *recommended rule change* and is seeking submissions on the *endorsed rule change*; and
 - (b) provide each *participant, pipeline operator, prescribed person and interested person* with the following information:
 - (i) a brief description of the *endorsed rule change* and an explanation of the reasons for any material differences between the *proposed rule change* and the *endorsed rule change*; and
 - (ii) information as to where *they* can access an electronic copy of the *rule change request*, the *impact and implementation report*, and the *endorsed rule change*; and
 - (iii) instructions on how to make a submission on the *endorsed rule change* to REMCo; and
 - (iv) the closing date for submissions, which must be at least 20 *business days* after notification under rule 400(1)(a).
- (2) Each *participant, pipeline operator, prescribed person and interested person* may lodge a submission on the *endorsed rule change* using the procedures notified under rule 400(1)(b)(iii).
- (3) Within 10 *business days* after the closing date notified under rule 400(1)(b)(iv) or 400(5)(b)(iv), REMCo must provide the submissions received under rule 400(2) or 400(6) respectively to the *rule change committee*.
- (4) If the submissions provided under rule 400(3) contain an objection to the *endorsed rule change*, the *rule change committee* must either:
 - (a) complete a *recommendation report*, in a format determined by REMCo from time to time, recommending the submission of the *endorsed rule change* for approval by the *approving body* ~~where the *approving body's* approval to an *endorsed rule change* is required by law, despite the objection, and provide the report to REMCo; or~~ Deleted: in each jurisdiction
 - (b) amend the *endorsed rule change* to address the objection and either:
 - (i) if the amendment to the *endorsed rule change* is not material, provide REMCo with a *recommendation report*, in a format determined by REMCo from time to time, on the outline of the *alternative amendment* and how it differs from the *endorsed rule change*, and recommending the submission of the *alternative amendment* for approval by the *approving body* ~~where the *approving body's* approval to a rule change is required by law; or~~ Deleted: in each jurisdiction
 - (ii) submit the *alternative amendment* to REMCo; or
 - (c) abandon the *endorsed rule change* and *notify*:

- (i) the *proponent*; and
- (ii) each person who lodged a submission under rule 400(2); and
- (iii) each *interested party*;

that the *endorsed rule change* has been abandoned and the reason why the *endorsed rule change* has been abandoned.

- (5) If *REMC* receives an *alternative amendment* under rule 400(4)(b)(ii) or rule 400A(1)(b), then within 5 *business days* after the receipt of the *alternative amendment*, *REMC* must:
 - (a) notify each *participant*, *pipeline operator*, *prescribed person* and *interested person* that *REMC* has received an *alternative amendment* for an *endorsed rule change* and is seeking submissions on the *alternative amendment*; and
 - (b) provide each *participant*, *pipeline operator*, *prescribed person*, and *interested person* with the following information:
 - (i) the *alternative amendment* and an explanation of the reasons for any material differences between the *alternative amendment* and the *endorsed rule change*; and
 - (ii) information as to where they can access an electronic copy of the *rule change request*, the *impact and implementation report*, and the *endorsed rule change*; and
 - (iii) instructions on how to make a submission on the *alternative amendment* to *REMC*; and
 - (iv) the closing date for submissions, which must be at least 10 *business days* after notification under rule 400(5)(a).
- (6) Each *participant*, *pipeline operator*, *prescribed person* and *interested person* may lodge a submission on the *alternative amendment* using the procedures notified under rule 400(5)(b).
- (7) If the submissions provided under rule 400(3) does not contain an objection to the *endorsed rule change*, the *rule change committee* must:
 - (a) complete a report, in a format determined by *REMC* from time to time, recommending the submission of the *endorsed rule change* for approval by the *approving body* where the *approving body's* approval to an *endorsed rule change* is required by *law*; and Deleted: in each jurisdiction
 - (b) provide a copy of the report to *REMC*. Deleted: jurisdictional

400A. Submission for approval

- (1) *REMC* may determine such procedures as are necessary to consider a report received under rule 396A, 400(4)(a), 400(4)(b)(i) or 400(7), but in any event must ensure that within 20 *business days* of receipt of the report that the report is considered and a decision reached whether to:

- (a) submit the *endorsed rule change* for approval by the *approving body* where the *approving body's* approval to an *endorsed rule change* is required by law; or
 - (b) amend the *endorsed rule change* and endorse it for consultation under rule 400(5); or
 - (c) abandon the *endorsed rule change*.
- (2) If REMCo decides under rule 400A(1)(c) not to approve the *rule change committee's* recommendation, it must *notify*:
- (a) the *proponent*; and
 - (b) each person who lodged a submission under rule 400(2); and
 - (c) each *interested party*,

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that the *endorsed rule change* has been abandoned and the reason why the *endorsed rule change* has been abandoned.

- (3) If REMCo decides under rule 400A(1)(a) to submit the *endorsed rule change* for approval by the *approving body* where the *approving body's* approval to an *endorsed rule change* is required by law, REMCo must:
- (a) *notify* each *participant*, *pipeline operator*, *prescribed person* and *interested person* that the *endorsed rule change* is being submitted to the *approving body* which *notice* must include the details of the *endorsed rule change*; and
 - (b) submit the *endorsed rule change* to the *approving body*.

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401. Approval

- (1) Upon notification from the *approving body* that an *endorsed rule change* has been approved, REMCo must *notify* all *participants*, *pipeline operators*, *prescribed persons* and *interested persons*.
- (2) A rule change that has been approved by an *approving body* takes effect at a time specified by REMCo or the *approving body*.

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402. Amendment of documents relating to the rules

- (1) REMCo must ensure that as a result of any *endorsed rule change* taking effect under rule 401(2) that any subsidiary document that relates to, or is affected by, the rules, is updated and amended accordingly and REMCo must *notify* all affected persons of any amendment made.
- (2) REMCo may determine such procedures and processes necessary to give effect to its obligation in rule 402(1).