

The Standard Shipper Contract (SSC) requires DBP to make governing rules for the market for Spot Capacity on the Dampier to Bunbury Gas Pipeline (DBNGP). This document contains those rules (**Governing Rules**). They are designed with a view to achieving a market that is non-discriminatory, does not allow for gaming and are otherwise consistent with Clause 3.5 of the SSC.

### Definitions

**Spot Capacity** means any Gas Transmission Capacity on a Gas Day (being the Gas Transmission Capacity available after all Nominations for Reserved Capacity for that Gas Day has been scheduled by the Operator for that Gas Day), which Gas Transmission Capacity, is, according to the Operator (acting in good faith) available for purchase.

**Gas Transmission Capacity** means the capacity of the DBNGP to transport Gas.

### General Principles

- Spot Capacity is granted to shippers on a non-discriminatory basis
- Market manipulation is prohibited by any Spot Market participant including Operator, the Shipper and other shippers
- The Operator will not bid for Spot Capacity
- These rules are intended to be consistent with clause 3.5 of the SSC, if there is any inconsistency between these Governing Rules and the provisions in clause 3.5, the provisions of clause 3.5 prevail

### Governing Rules

The following rules apply to the market for Spot Capacity on the DBNGP:

- Anyone wanting to bid for Spot Capacity must have a Gas Transport Agreement (GTA) that is a (or contains) a Spot Capacity Service
- A Shipper must provide DBP with notice, via CRS, no later than 15:00hr before the Gas Day, containing:
  - Required Spot Capacity for the Relevant Gas Day (in TJ); and
  - The Daily Spot Price Bid.
- DBP will schedule Spot Capacity for the next Gas Day to relevant shippers by no later than 16:00hr on the prior Gas Day and otherwise complying with the scheduling provisions outlined in clause 8.9 of the SSC
- DBP will schedule Spot Capacity based on the highest Daily Spot Price Bids received to the lowest (subject to the floor price)
- All compliant bids will be scheduled until all Daily Bids are satisfied or until all available Spot Capacity is scheduled to Daily Bids
- If two or more shippers submit a Daily Bid that includes the same Daily Spot Bid Price and there is insufficient available Spot Capacity to accommodate these shippers' Daily Bids, the available Spot Capacity will be scheduled proportionally to the amount of Spot Capacity bid for by each shipper respectively
- If Spot Capacity is scheduled to the Shipper, the Shipper must pay the Daily Spot Bid Price for that Spot Capacity for that Gas Day whether or not it uses the Spot Capacity, unless:
  - (i) the Operator interrupts or Curtails the Spot Capacity which has been scheduled to the Shipper, and then only to the extent of that interruption or Curtailment; or
  - (ii) the Shipper does not use the Spot Capacity which has been scheduled to it in circumstances where there were no other shippers bidding for Spot Capacity for that Gas Day to which the Spot Capacity scheduled to the Shipper could otherwise have been scheduled

See example below

## Example -

Where a shipper has bid for Spot Capacity and it is not utilised, the Shipper won't be charged for scheduled Spot Capacity if there was no unmet demand for Spot Capacity on the Gas Day.

For example, there is 50TJ's of Spot Capacity advertised on a given Gas Day and only 30TJ's of Spot Capacity is scheduled, if a shipper's Spot Capacity is not utilised there will be no associated charge.

Alternatively, if there was 25TJ's advertised on a given Gas Day and DBP received bids for 30TJ's. All scheduled Spot Capacity will attract a charge regardless of utilisation.

## Spot Market Information

DBP will provide the following information to the Shipper in respect of each Gas Day as soon as practicable after that Gas Day:

Spot Market Information	Method /location
The total amount of Spot Capacity that is likely to be available and the Minimum Bid Price for the Gas Day	Daily email notice
The quantities subject of Daily Bids which relate to that Gas Day	CRS (Service Bids)
The quantities of Spot Capacity scheduled for that Gas Day	Report emailed to Shipper daily
The Daily Spot Bid Prices for all bids scheduled Spot Capacity for that Gas Day	CRS (Service Bids)

## Availability of Spot Capacity

The availability of Spot Capacity for each Gas varies and will depend on a range of factors, including but not limited to:

- the amount of uncontracted Gas Transmission Capacity for the Gas Day;
- the availability of compressor units;
- gas quality of the co-mingled gas stream in the DBNGP;
- ambient conditions;
- the level of nominations from shippers under their respective gas transportation contracts for the Gas Day and the amount of Gas scheduled to all shippers at each inlet and outlet point;
- the likelihood of each shipper using its contracted capacity that has not been nominated and scheduled for the Gas Day; and
- the level of Linepack

The availability of Spot Capacity is advised daily to Shippers via email. DBP reserves the right to change the available Spot Capacity at any time.

The following graph demonstrates the daily Spot Capacity advertised over the last year

**Figure 1: Advertised daily Spot Capacity**

Advertised Spot - July 2017 - June 2018

