WORKING TO BRING GAS PRICES DOWN

These recommendations are focused on making it easier to negotiate gas transportation contracts.

Gas markets are transforming. Largely isolated point-to-point pipelines have evolved into interconnected networks with two-way flows.

How gas pipelines are regulated

Gas pipelines in Australia are regulated under a negotiate-arbitrate framework. Pipeline owners and pipeline users negotiate the terms, conditions and prices for access to pipeline services. Negotiation is supported by information disclosure and regulatory decisions. Arbitration can be used if a deal cannot be agreed.

MAKING IT HAPPEN BY 2019: NEXT STEPS

Changes to National Gas Rules

COAG Energy Council or other stakeholders submit rule change requests to the AEMC to implement the Commission’s recommendations

Changes to National Gas Law

COAG Energy Council recommends law changes to the South Australian parliament related to the dispute resolution process

Updates to guidelines, systems and procedures

Regulators and AEMO update guidelines, systems and procedures to reflect changes to gas rules and law

If rule change requests are submitted promptly, all changes could be made in 2019 - before the next round of decisions on most access arrangements.