



17 April 2025

Australian Energy Market Commission  
Level 15  
60 Castlereagh Street  
Sydney NSW 2000

RE: GRC0074 - ECGS - Notice of Closure of Gas Infrastructure

## About Shell Energy in Australia

Shell Energy is Shell's renewables and energy solutions business in Australia, helping its customers to decarbonise and reduce their environmental footprint. Shell Energy delivers business energy solutions and innovation across a portfolio of electricity, gas, environmental products and energy productivity for commercial and industrial customers, while our residential energy retailing business Powershop, acquired in 2022, serves households and small business customers in Australia.

As the one of the largest electricity providers to commercial and industrial businesses in Australia<sup>1</sup>, Shell Energy offers integrated solutions and market-leading<sup>2</sup> customer satisfaction, built on industry expertise and personalised service. The company's generation assets include 662 megawatts of gas-fired peaking power stations in Western Australia and Queensland, supporting the transition to renewables, and the 120-megawatt Gangarri solar energy development in Queensland. Shell Energy also operates the 60MW Riverina Storage System 1 in NSW, as well as the 200MW Rangebank Storage System and 370MW Koorangie Storage System both located in Victoria.

Shell Energy Australia Pty Ltd and its subsidiaries trade as Shell Energy, while Powershop Australia Pty Ltd trades as Powershop. Further information about Shell Energy and our operations can be found on our website [here](#).

## General Feedback

Shell Energy welcomes the opportunity to provide feedback to the Australian Energy Market Commission's consultation on the East Coast Gas System Notice of Closure of Gas Infrastructure.

Shell Energy supports the preferred option for implementing a notice of closure requirement for gas infrastructure, which is to augment the gas bulletin board reporting requirements. Reporting via the gas bulletin board is a practical solution and would provide sufficient notice for planning and market purposes. Assessment and impact analysis could readily be carried out by AEMO and reported via the MTPASA currently under consideration. To minimise the burden on infrastructure owners and operators we recommend that data only be required in circumstances where closure is anticipated. If no closure is anticipated within the 36-month future period, there should be no requirement to report that fact.

We note that the benefit to the market from this rule change may be minimal due to the nature of gas supply and infrastructure. It has been observed that gas producing fields can rapidly deplete and cease production as a result. This may happen within a 36-month period. As a result, the notice of closure requirements should

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<sup>1</sup> By load, based on Shell Energy analysis of publicly available data.

<sup>2</sup> Utility Market Intelligence (UMI) survey of large commercial and industrial electricity customers of major electricity retailers, including ERM Power (now known as Shell Energy) by independent research company NTF Group in 2011-2021.

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exclude infrastructure owners and operators where it is associated with a producing field. Flexibility to provide shorter notice than 36 months would be a minimum requirement for such participants.

We suggest that the notice of closure requirement be limited to apply to infrastructure that may be able to give more reliable notice in advance and is of high impact to system supply outcomes. This may include large storage facilities, gas transmission infrastructure and processing facilities which are not reliant on a single production field and processing facilities.

Shell Energy supports a notice of closure requirement as an additional planning and transparency tool for the gas markets. We do not support a limitation on notice changes as proposed in Option 3 in the consultation paper. Rather than impose limitations on infrastructure closure notices it would be more appropriate to develop a comprehensive framework to provide appropriate negotiation, governance and compensation mechanisms to infrastructure owners should closures be assessed as posing a risk to supply reliability.

Shell Energy welcomes further engagement on this topic. If you have any questions or would like further details relating to this submission, please contact Peter Wormald at [peter.wormald@shellenergy.com.au](mailto:peter.wormald@shellenergy.com.au).

Yours sincerely,

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