

## ECGS Notice of closure for gas infrastructure

### **The Commission has made a draft rule to require participants to report to AEMO on the closure of gas infrastructure**

#### **The draft rule would provide increased transparency to support the reliability and supply adequacy of the ECGS**

The Commission has made a draft rule that would amend the Gas Statement of Opportunities (GSOO) and the Victorian Gas Planning Report (VGPR) provisions of the National Gas Rules (NGR) to require participants to report, in advance, to the Australian Energy Market Operator (AEMO) on the closure of gas infrastructure.

The draft rule, by providing more advanced information and therefore transparency to the market, would benefit market participants, governments, regulators and policymakers by providing them with more timely information on gas supply and delivery infrastructure closures in the East Coast Gas System (ECGS). By further reducing information asymmetries this would enable them to respond in an informed and efficient manner to any potential gas supply shortfalls.

This rule change is one of four rule changes that together seek to extend the reliability and supply adequacy (RSA) Framework for the ECGS. The intention for the extended Framework is to equip AEMO and market participants with tools to respond to any threat of gas supply shortfalls.

#### **The draft rule would introduce a notice of closure reporting obligation into the GSOO and VGPR**

At present, while participants provide a range of actual and forecast planning and infrastructure information under the GSOO which can be used to gather insights into permanent closures, there is no formal obligation to give advanced notice if gas infrastructure is permanently closing.

The draft rule would ensure there is a formal obligation for closure information to be reported transparently and in advance.

The obligation would:

- Apply to seven infrastructure types that are GSOO reporting entities that meet the Bulletin Board reporting threshold, i.e. with a nameplate rating of 10TJs/day or more, due to the impact they could have on reliability, these include:
  - Production facilities
  - Pipelines
  - Compression facilities
  - Storage facilities
  - LNG import facilities
  - Blend processing facilities
  - Blended gas distribution systems
- Apply to a reportable closure decision of the cessation of supply of gas. This means that if any of the seven gas infrastructure types are to permanently cease supplying covered gas services, the infrastructure operator must report this to AEMO, and it would be made publicly available.

#### **Information on reportable closure decisions would be reported to AEMO through the GSOO and VGPR survey process**

AEMO relies on GSOO reporting entities to provide information that is accurate and timely

through a GSOO survey, with the survey comprising questions that are relevant to the particular GSOO reporting entity. The draft rule would require the seven infrastructure types to report a closure to AEMO through the usual GSOO survey process. The survey is also used to inform the VGPR.

#### **AEMO would be required to publish a notice if closure information came forth outside the GSOO and VGPR publication cycle**

The draft rule would ensure any new information that comes forth outside of a planning report publication cycle in relation to a reportable closure decision would be captured and reported by AEMO. The process would include:

1. GSOO reporting entity identifies new information after responding to a GSOO survey
2. GSOO reporting entity provides new information to AEMO as soon as practicable
3. AEMO publishes a notice with new information as soon as practicable
4. AEMO considers whether it is appropriate to publish a supplement to either the GSOO or VGPR

#### **The advanced notice of closure obligation would promote timely reporting to the market**

The draft rule would require infrastructure operators to inform AEMO as soon as practicable after a decision is made to permanently cease supplying gas, and where practicable, at least 36 months' prior to the intended date for cessation of supply. Infrastructure operators would either inform AEMO through the GSOO survey process or by notification. In circumstances where the intended date for cessation of supply is within 36 months of the reportable closure decision, a GSOO reporting entity must provide reasons in writing to AEMO for why it has not been practical to provide 36 months' notice. These reasons will be published.

The Commission has considered the benefit of providing advanced notice of closure to market participants with sufficient time to respond to any reliability threats against the potential limitations of constraints of any specific notice period.

Under the draft rule we consider that there is benefit in the reporting entities providing as much notice as possible. As a result, the definition of a reportable closure decision is not strictly time-bound and could be made, and therefore reported, before the 36 months' notice period.

Additionally, requiring a strict minimum notice period could have created practical difficulties in circumstances where a reportable closure decision happens within 36 months' for some unforeseen circumstance. In order to set a minimum notice period and account for these sorts of circumstances, the Commission would need to explore an exemptions framework or other mechanism to address non-compliance risks. We consider that this would create regulatory complexity that is not proportionate to either the problem or potential benefit.

#### **The draft rule would include details of any closures from the 2026 reporting year**

The draft rule, if made as final, would commence on 18 September 2025, so the information can be made available for the 2026 GSOO and VGPR.

#### **We are seeking feedback on the draft rule**

The AEMC requests submissions to the draft determination by 7 August 2025. We expect to publish a final determination for the rule change in September 2025.

#### **For information contact:**

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