

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

Submission via AEMC website: <http://www.aemc.gov.au>

28 August 2025

Dear AEMC,

**Draft Determination on ECGS Projected Assessment of System Adequacy (Project Reference Code: GRC0080)**

Lochard Energy appreciates the opportunity to provide feedback on the Draft Determination and associated amendments for the ECGS Projected Assessment of System Adequacy (**ECGS PASA**).

Lochard Energy is the owner and operator of the Iona Gas Storage Facility (**Iona**), located in southwest Victoria. Iona is classified under the National Gas Rules Part 18 as a BB Storage Facility and BB Compression Facility (BB Storage and Compression Facility), connected to South West Pipeline (SWP) at Iona injection and Iona withdrawal point (DTS). Iona is also connected to 3 non-DTS connections (non-DTS).

We support the intent of the proposed rule changes to improve information in the ECGS on supply, demand and infrastructure capacity to support reliability and supply adequacy. However, we are concerned that the proposed changes overestimate the benefits of requiring BB shippers to provide the additional forecast information to facility operators while underestimating the additional cost burden that facility operators will incur to comply. Any changes should be made with minimal cost to market participants given the reporting obligations already in place.

With the proposed draft rule, we are concerned that additional resources - further increasing Iona's operating costs - will be needed to identify potential nomination and forecast discrepancies which could otherwise be avoided, in order to comply to draft rule 182(2) and draft rule 184(1A).

- BB shippers, on daily basis are required by draft rule 185B to provide BB storage and compression facility operator with good faith estimates of:
  - nominations (DTS and non-DTS) for the BB shipper's use of the BB storage and compression facility the next gas day D; and
  - forecasts (DTS and non-DTS) for the BB shipper's use of the BB facility for each gas day D+1 to D+6.
- BB shippers, on a daily basis are also required to provide DTS nomination and forecast to AEMO required by rule 211(1) and proposed draft rule 211(1A). In this regard, BB shippers are required to provide the same data to both the BB storage facility operator and to AEMO.
- BB storage and compression facility operator, in respect of its facility and having regard to information provided by BB shippers under draft rule 185B provides to AEMO in accordance to draft rule 182(1)(a-d) and draft rule 182(2):

- Aggregated nomination of DTS and non-DTS gas injected into and withdrawn from the storage facility for gas day D;
- Aggregated quantity of DTS and non-DTS gas forecast to be injected and to be withdrawn to and from the storage facility for gas days D+1 to D+6.

In using BB shipper DTS nominations and forecasts to aggregate nomination and forecast of the use of BB storage and compression facility, Lochard anticipates potential discrepancies between Lochard aggregated nominations and forecasts with information AEMO receives from BB shippers due to various circumstances.

Resolving these discrepancies would require additional resources from BB storage operator to identify and correct those discrepancies. And there is a risk that these discrepancies may potentially expose facility operators to penalties for circumstances beyond their control.

To address this issue:

1. The obligation on storage facilities and compression facilities to have regard to information provided by BB shippers under draft rule 185B and under proposed new rules 182(2) and 184(1A) should only apply to non-DTS connection points.
2. For DTS connection, Lochard recommends that AEMO publish nomination and demand forecast for DTS connection points for gas day up to D+6 and makes this information available to BB storage and compression facility operators. This DTS nomination and demand forecast could then be considered as the only source to be used by BB storage and compression to fulfil draft rule 182(2) and 184(1A) requirements.
3. Alternatively, if the solution suggested in item 2 above is not feasible, Lochard proposes amending rule 165(5) to suggest that Lochard would not be required to verify the accuracy of information or data provided to it by BB shippers under Part 18.

This recommendation will reduce the need for BB shippers to submit DTS nomination and forecast to both BB storage facility and AEMO which would reduce the risk of compliance issues arising from data discrepancies and potential confusion to the market. The proposed change will reduce compliance costs for the BB storage facility while enhancing the quality of information delivered.

If you have any questions about our submission, please contact Ee Siew Ong on 0407 947 567 or [eesiew.ong@lochardenergy.com.au](mailto:eesiew.ong@lochardenergy.com.au).

Yours sincerely



Becky Nguyen  
General Manager Commercial