



Your ref: GRC0080

28 August 2025

Mr Stuart Norgrove
Project Lead, East Coast Gas System
Projected Assessment of System Adequacy
Australian Energy Market Commission
Submitted online at: www.aemc.gov.au

Dear Mr Norgrove

Submission: East Coast Gas System – Projected Assessment of System Adequacy

CS Energy welcomes the opportunity to provide a submission to the Australian Energy Market Commission's draft determination on proposed *National Gas Rules (NGR)* for Short and Medium Term Projected Assessments of System Adequacy (**ST** and **MT PASA**) for the East Coast Gas System (**ECGS**).

About CS Energy

CS Energy is a Queensland-owned and based energy company that provides power to some of the State's biggest industries and employers. We generate and sell electricity in the wholesale and retail markets, and we employ almost 700 people who live and work in the regions where we operate

CS Energy owns thermal power generation assets, and we are building a more diverse portfolio. We also have a renewable energy offtakes portfolio of almost 300 megawatts, which we supply to our large commercial and industrial customers in Queensland. CS Energy is developing a 400 MW gas-fired peaking generator at Brigalow near Kogan Creek in Queensland.

Key recommendations

CS Energy, in its response to the Commission's Consultation Paper of April 2025, supported in-principle the introduction of ST and MT PASA for the ECGS. We expect deepening connectedness of the ECGS and the National Electricity Market (**NEM**) as investment in gas-fired generating plant increases to maintain reliable and secure electricity supplies as more weather dependent wind and solar plant are deployed. It will be very useful for gas-fired generators to have consolidated information about the short to medium term outlook for gas supplies.

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CS Energy reiterates that new information provision requirements are a major contributor to the rising compliance costs borne by the industry and, ultimately, consumers. Even a policy or regulatory intervention well-justified in-principle should minimise the associated compliance costs to maximise the overall benefit. We also consider that the design should avoid introducing requirements that vary slightly and unnecessarily from existing data requirements. Such requirements impose considerable administrative burdens on businesses and increase their compliance risk while delivering no benefit to consumers or regulators.

CS Energy therefore supports a three day forecast but is not convinced that a clear benefit of a seven day forecast has been demonstrated. The NEM is expected to see much greater variability in plant operations as more weather dependent plant enters and comprises a greater portion of supply-side assets. In this context, gas-fired peaking plant is likely to find its ability to forecast its operation over seven rather than three days becomes increasingly limited. Given the expected growth in the number of gas-fired power plant across the NEM, this in turn means that gas suppliers will find it difficult to provide seven day forecasts for a ECGS PASA. In light of this and given the administrative burden a seven day forecast would impose on participants, CS Energy suggests that a more prudent course is to start the new arrangements with a three day forecast. The efficacy of that setting could be reviewed after it had been in place for a reasonable period of time.

It is essential, if an ECGS PASA is introduced, the Australian Energy Market Operator (**AEMO**) consult on its proposed PASA methodology so industry can advise it whether that methodology will produce an ECGS PASA of use to gas consumers. The consultation process must enable thorough discussion among users and between them and AEMO. This process will help identify the type and granularity of information likely to deliver the greatest benefit at the least cost.

If you would like to discuss this submission, please contact Don Woodrow, Market Policy Manager, on either 0407 296 047 or dwoodrow@csenergy.com.au.

Yours sincerely



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