



28 August 2025

Submission: National Gas Amendment (ECGS Projected Assessment of Supply Adequacy) Rule – Draft Determination

The Australian Pipelines and Gas Association (APGA) represents the owners, operators, designers, constructors and service providers of Australia's pipeline infrastructure. APGA members ensure safe and reliable delivery of over 1,500 PJpa of gas consumed in Australia alongside over 4,500 PJpa of gas for export.

APGA welcomes the opportunity to provide additional feedback to the Australian Energy Market Commission (AEMC) on its Draft Determination to amend the National Gas Rules (NGR) to implement short- and medium-term Projected Assessments of Supply Adequacy (PASA), and associated settings, for the East Coast Gas System (ECGS).

APGA commends the AEMC's approach to consultation with industry on this matter – particularly in extending the timeline on implementation of the PASA, which provides a sufficient runway for participants to be able to comply.

On balance, the draft Rule achieves the policy intent without an unjustified increase in compliance burden. However there remain matters which may materially affect the costs and benefits of the proposed Rule, which the AEMC should take into consideration in determining the final Rule.

Definition of pipeline segments may change cost/benefit equation for pipelines

On the whole, there is likely to be relatively minimal material impacts on pipeline operators in complying with the Rule to report capacity outlook by pipeline segment. However depending on AEMO's interpretation and determination of pipeline segments, the implementation of capacity outlook reporting may become significantly more complex, and hence costly for users without clear associated benefits.

The draft Rule requires Bulletin Board (BB) pipeline operators to report the daily capacity and other information for each *pipeline segment* over a 24-month outlook. APGA recommended in our initial submission that the definition of pipeline segment be made consistent with the current definition of pipeline segments defined in the BB Procedures and the ECGS procedures.

The AEMC has acknowledged this, which APGA appreciates. However rather than specifying this in the Rule, AEMC has left it up to AEMO to define pipeline segment within the BB Procedures. The AEMC makes a statement in its determination for the draft rule that it expects AEMO to define pipeline segment in a similar way as how nameplate rating is defined in the BB Procedures.

While we support AEMO maintaining this approach, there remains a risk that AEMO may adopt a different interpretation in applying this definition, such that pipeline operators would be required to provide more granular data about capacity between potentially arbitrary points along a pipeline, instead of the pipeline's capacity across its entire length in one direction.

Without explicit guidance in the rules, AEMO may have greater discretion to adopt a different interpretation, or definition, of pipeline segments, compared to its current approach of defining the nameplate rating reporting requirements. This would manifestly increase the cost and complexity of compliance for pipeline operators, and presents a material risk that the cost may ultimately outweigh the benefits of the Draft Rule requiring publication of this information.

APGA recommends the AEMC include wording of expectations for AEMO around pipeline segment definitions in its determination accompanying the final Rule.

Simplify exemptions regime

The draft Rule moves general provisions for existing disclosure obligations from Part 27 to Part 18, including the Part 27 exemptions regime. Instead of combining these regimes, the Draft Rule has been constructed in a way which leaves both exemption regimes operating in tandem. This is inefficient and a missed opportunity to streamline the overall reporting framework, noting also that the exemptions framework under Part 27 is significantly more flexible and fit for purpose than those under Part 18. APGA recommends that this approach be amended in the final Rule.

Reporting obligations on mid-stream infrastructure operators

APGA notes that the draft Rule proposes to require BB production facilities to report 'daily capacity' with reference to gas field performance. This may prove challenging for mid-stream infrastructure such as gas processing facilities, which can be operated by third parties who do not possess this information. It is possible that in the future, upstream gas producers may increasingly rely on mid-stream infrastructure providers to free up cashflows, achieve scale efficiencies and lower initial capital costs required for gas production. This aspect of the draft Rule may therefore add further costs of compliance, or heighten the risk of non-compliance, for these types of mid-stream infrastructure operators.

To discuss any of the above feedback further, please contact me on +61 409 489 814 or policy@apga.org.au.

Yours sincerely,



CATRIONA RAFAEL
Senior Policy Manager
Australian Pipelines and Gas Association