

28 August 2025

Anna Collyer
Chair
Australian Energy Market Commission

Submitted via email: www.aemc.gov.au

Dear Ms Collyer

East Coast Gas System Projected Assessment of System Adequacy – Consultation Paper

Origin Energy Limited (Origin) welcomes the opportunity to provide comments on the Australian Energy Market Commission's (AEMC) *East Coast Gas System (ECGS) Projected Assessment of System Adequacy* Draft Determination.

Origin recognises the intent of the proposed short-term (ST) and medium-term (MT) projected assessment of system adequacy (PASA) forecasts to facilitate timely, informed and efficient decisions by market participants and the Australian Energy Market Operator (AEMO) to manage any emerging reliability and supply adequacy (RSA) threats. However, as noted in our response to the AEMC's Initial Consultation Paper, for a reform of this nature to provide any additionality, it would need to be based on a robust methodology that provides a credible view of the east coast gas market, factoring in the many uncertainties that can impact the validity of the key outputs (e.g. uncertainty around the outlook for gas power generation (GPG)). It should also not result in additional / material reporting burden for industry, particularly given existing publicly available information has been effective in facilitating decision making across the east coast gas market to date.

Considering the above, we note that much of the detail underpinning the outputs and methodology to produce both PASA's is yet to be fully defined and will be set out in Australian Energy Market Operator (AEMO) procedures. While we are supportive of the principles-based approach and the residual / scenario-based modelling described, the margin of error associated with key variables, such as weather forecasts and strategy-driven generation commitment, is likely to be material. The inaccuracy of key outputs could undermine the credibility of the reporting, reducing its overall efficacy / value. Further consultation with industry to determine the PASA methodology as part of the procedure development process will therefore be critical.

The Commission should also consider the potential limitations of the ST / MT PASA forecasts when considering how to integrate them into the broader suite of proposed ECGS reforms (e.g. how they are used to inform the use of AEMO interventions). Furthermore, the methodology should be routinely reviewed to ensure iterative improvement to address emerging issues and meet stakeholder needs. Specific design and implementation details to be considered in this context are noted below.

1. Modelling regions

A key design decision of the ST / MT PASA forecasts will be the regional definitions. AEMO should consider leveraging the analysis undertaken as part of the integration of gas development projections into the Integrated System Plan. The *Gas Infrastructure Option* Report proposes the use of 12 distinct gas zones to reflect the capability for gas-fired generation to operate based on supply, storage and pipeline capacity

constraints. Regardless of the option adopted, AEMO will need to consider how these gas zones will reconcile with electricity region inputs. It will be important that the groupings reflect physical flow constraints and the unique configuration of the east coast gas market.

2. Frequency of publication

Origin maintains the publication frequency of gas ST / MT PASA reports should be aligned with the equivalent electricity market reports, produced hourly / three-hourly, respectively. Although many inputs will only be updated daily, it is foreseeable that intraday updates could be material. While AEMO will have discretion whether to provide intraday updates if they consider them to be material, market participants are more capable of assessing materiality / the options available to them to manage RSA. If information and therefore action is delayed by 24 hours, there are likely to be fewer options available. Given the intention of the PASA rule change is to improve market transparency in operational timeframes to support market participant decision making, and considering the link between electricity / gas markets, it seems counterintuitive that the publication frequency will not align with electricity reports.

If you wish to discuss any aspect of this submission further, please contact Liz Robertson at elizabeth.robertson@originenergy.com.au.

Yours Sincerely,



Shaun Cole
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