

30 April 2014

Mr John Pierce
Chairman
Australian Energy Market Commission
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Dear Mr Pierce

Rule Change Request – National Gas Bulletin Board Capacity Outlooks

I am writing regarding a request from the AEMC to provide additional information on the National Gas Bulletin Board Capacity Outlooks Rule change.

AEMO welcomes the opportunity to clarify three matters raised in submissions regarding the intended benefits, the liability of participants, and the provision of confidential information.

Benefits of the medium-term capacity outlook

The medium term capacity outlook will require facility operators (producers, pipeline operators, and storage providers) to publish the scheduled maintenance information that is currently provided only to the contracted parties. The changes will:

- Assist participants to identify periods of restricted gas availability or deliverability, giving them an opportunity to make alternative supply arrangements. This is most beneficial to participants that do not have contractual arrangements with the affected facility, and would not otherwise be notified of the outage.
- Address information asymmetry issues for smaller market participants that do not have contractual arrangements with multiple facilities, and who therefore have reduced visibility of maintenance risks and opportunities.
- Improve system reliability by allowing facility operators to better coordinate maintenance outages.
- Promote economic negotiation of maintenance timing, to the benefit of both customers and facility operators.

Some submissions questioned whether maintenance coordination was causing issues in the current system. Over the past 12 months, AEMO has issued one direction to reschedule maintenance at Iona and has requested operators to adjust maintenance scheduling at Longford.

A number of facility operators are participating voluntarily in a maintenance coordination scheme in Victoria. Their participation in this scheme highlights the benefits that greater maintenance transparency provides.

Participant Liability

Several submissions highlighted concerns about providing information that may be misunderstood or misused by other participants.

As with all information published on the Gas Bulletin Board, the additional short and medium term capacity outlook data is subject to the agreed terms of use¹.

These terms limit the use of material published on the Bulletin Board, and provide an indemnity against the consequences of using that material, except in cases of bad faith or negligence.

Provision of confidential information

The proposed Rule change is not intended to require the provision of confidential information. The Rule change request was packaged with proposed changes to the Natural Gas Services Bulletin Board Procedures. These procedure changes would allow participants to remove or aggregate any information that is confidential to an individual customer before submitting medium term capacity outlook information to AEMO.

If you have any further questions please contact Nathan White, Manager Supply Forecasting on (07) 3347 4523.

Yours sincerely



Mike Cleary
Chief Operating Officer

¹ <http://www.gasbb.com.au/disclaimer.aspx> - see also National Gas Rule 185