



27 February 2014

Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Submitted electronically

Dear Sir/Madam,

Re: GRC0022: Consultation Paper: Publication of the GSOO and VAPR

Lumo Energy welcomes the opportunity to make a submission in response to the Australian Energy Market Commission's (Commission) Consultation Paper entitled National Gas Amendment (Publication of the GSOO and Gas VAPR) Rule 2014 (the Rule change proposal) as proposed by the Australian Energy Market Operator (AEMO).

Lumo Energy is 100% owned by Infratil Limited, a company listed on the New Zealand and Australian Stock Exchanges. Lumo Energy currently sells gas and electricity in Victoria and NSW, and electricity in South Australia and Queensland, and is one of the largest second tier energy retailers.

Lumo Energy supports the change in timing of the VAPR and GSOO publication, however, considers that the timing of the Rule change proposal may not be appropriate.

There are substantial changes in the supply-demand requirements as a result of Queensland LNG projects which are expected to have a substantial effect on the gas flows and capacity within the Victorian system.

AEMO recently advised that they would conduct a review called the 'Gas Market Resilience Programme' which will include a risk review of the South Eastern gas markets over the 2014 to 2019 period. AEMO stated in this document that the commencement of the LNG trains in the 2014/2015 period "*could have a significant impact on the operation and effectiveness of the gas markets operated by AEMO, and AEMO's other gas market services e.g. the Gas Statement of Opportunities and Gas Bulletin Board*".

Considering AEMO have specifically identified that LNG projects could affect the Gas Statement of Opportunities, Lumo Energy believes that this Rule change proposal regarding delivery of the gas planning reports should consider the outcomes of the Gas Market Resilience Programme prior to the final determination.

Further, during industry consultation on this Rule change proposal, AEMO indicated that whilst the publication schedule of formal planning reports would be amended, AEMO undertook to continue to publish data sets, such as the demand



projections, on a more frequent basis (e.g. annually). The Rule change proposal does not address the issue of data provision to industry, which is necessary for the efficient operation and use of natural gas services.

Consequently, Lumo Energy believes that the Rule change proposal should include an obligation on AEMO publish datasets in an agreed format, at agreed intervals, as agreed with gas market participants.

Lumo Energy would like the Commission to address our concerns as part of the rule consultation process.

Lumo Energy looks forward to continuing to work with the Commission and other stakeholders through the further stages of the rule change process. As such, we welcome the opportunity to meet with the Commission to further discuss the issues raised in this submission.

If you require any further information, please contact me on 03 9976 5601 or Branden Tan on 03 9976 5577 to discuss this submission further.

Yours sincerely

A handwritten signature in black ink, appearing to read "J. Mulder". The signature is fluid and cursive, with a long horizontal stroke at the end.

Justin Mulder
General Manager Wholesale
Lumo Energy Australia Pty Ltd