



24 March 2011

Mr John Pierce  
Australian Energy Market Commission  
PO Box A2449  
Sydney South NSW 1235

Dear Mr Pierce

**GRC0004 - Various Hedging Instruments in the Declared Wholesale Gas Market (DWGM)**

Origin Energy Limited (Origin) welcomes the opportunity to comment on the Australian Energy Market Operator's (AEMO's) Rule change request in relation to various hedging instruments in the DWGM.

The key principle of the National Gas Rule change request is to enable market participants to use more effectively their market hedging instruments to manage trading risks. Origin supports this principle. By providing participants with greater flexibility to optimise scheduled injections and uplift hedges, this can allow them to mitigate better the risk of imbalance and uplift payments. This may in turn result in the more efficient allocation of gas in the DWGM.

Origin notes that following the AEMC's decision, AEMO will need to make consequential changes to a number of its system and operating procedures. Participants will then need to make changes to their own systems in order to take advantage of these improvements. AEMO's interactions with participants will be important to ensure the effective development and implementation of these changes.

If you have any questions or would like to discuss this submission further, please call Hannah Cole (Regulatory Policy Manager) on (02) 8345 5500.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Phil Moody", written in a cursive style.

Phil Moody  
Group Manager - Commercial, Analysis and Risk Services  
Energy Risk Management