

26 March 2015

Mr John Pierce  
Chair, Australian Energy Market Commission  
Level 6, 201 Elizabeth Street  
Sydney NSW 2000

Lodged via [www.aemc.gov.au](http://www.aemc.gov.au)

Dear Mr Pierce

### **East Coast Wholesale Gas Market and Pipeline Frameworks Review**

GDF SUEZ Australian Energy (GDFSAE) appreciates the opportunity to make a submission in response to the initiation of the East Coast Wholesale Gas Market and Pipeline Frameworks Review (the Review) and the issues identified at the subsequent public forum.

GDFSAE welcomes the Review and believes the Australian Energy Market Commission (the AEMC) is well placed to identify opportunities to further develop Eastern Australian gas markets, especially in the context of the significant challenges facing the sector and in light of a number of structural impediments that have arisen in recent times. GDFSAE looks forward to continuing to work with the AEMC on this Review.

#### *Gas market experience*

GDFSAE owns and operates 3540MW of brown coal, gas fired and renewable generating plant in Victoria, South Australia and Western Australia, with its retail arm, Simply Energy, serving markets in Victoria, New South Wales, South Australia and Queensland. As well as gas fired generation and gas retailing on the East coast, GDFSAE is a gas shipper and actively participates in the facilitated hubs and in the contract market. GDFSAE also has gas interests in Western Australia.

GDFSAE perspectives on Eastern Australian gas markets are also informed by the extensive experiences of related businesses within the international GDF Suez energy portfolio. This includes as leading participant in Europe, as a buyer, transport and distribution network manager, storage operator and as the European liquefied natural gas leader. GDF Suez has more than 16 million customers in Europe. To the extent that it is possible, GDFSAE will seek to identify lessons learnt internationally to the Australian context.

Additionally, GDFSAE endorses the 'Industry Statement to support the Council of Australian Government's Energy Council Gas Market Development Vision'. This statement includes five principles that address the need for a clear policy and forward development strategy to improve information transparency, access to efficiently priced transport capacity and more effective facilitated markets. GDFSAE's submission has been framed around these principles.

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### ***Perspectives on the current state of the market***

GDFSAE acknowledges the market has continued to develop in recent decades and on the whole can be said to have met the needs of industry participants and consumers reasonably well. Likewise, as a fundamental component of the market, pipelines have generally been responsive to investors and have built and augmented pipeline infrastructure.

Nevertheless, reflecting on the status quo in many ways inhibits perspective. Market development is ubiquitous. The relevant consideration from GDFSAE experience is: could the markets be functioning better than at present; and in the face of rapid change, as the nature of gas development shifts and Australia faces international market linkages, is more targeted market reform desirable? While deeper analysis is required, GDFSAE view is in the affirmative based on its experience.

This position reflects GDFSAE observations that while there is an acknowledged level of trading in pipeline capacity, storage and commodity products, trade experience does not generally match the trading appetite. Notably, market liquidity and the opportunity to manage risks arising through market participation do not match participants' interests. The reasons for this include absence of integration, historical hub by hub developments, markets overly influenced by physical limitations, high entry and transaction costs, and focus on bi-lateral contracts and contractual strictures.

For these reasons among others, GDFSAE supports further development of Eastern Australian gas markets to address current and future challenges and uncertainties. Proposed changes should support overall productivity and economic efficiency, and most notably should maximise the value of trade in the market.

The Review presents an ideal opportunity to consider the merits of potential reforms in the face of the mounting challenges facing the sector. The context and rationale for reform requires careful consideration with emphasis on governments facilitating development where gaps exist in the market frameworks and improvements on existing arrangements that can be quickly realised.

In GDFSAE's view, it is important to consider how existing arrangements compare with optimal market arrangements. While industry and government readily accepts the current arrangements form our starting point, there is a clear sense that the current dialogue at time fails to consider the benefits of alternative arrangements. In that regard, having a clear perspective of optimal market design based on theory is a necessary consideration.

Such an exercise will help inform the direction of potential reforms, noting that all policy led reforms should be market-based and support efficient market outcomes which would be consistent with an optimal market design based on theory.

Additionally, there is already a test against which individual reforms can finally be tested. Consistent with the National Gas Objective, reform should *promote efficient investment in, and efficient operation and use of, natural gas services for the long-term interests of consumers of natural gas with respect to price, quality, safety, reliability and security of supply of natural gas.*

#### ***Areas for investigation:***

- **Optimal market design** based on international experience and economic theory should be clearly articulated as a benchmark against which reforms and existing arrangements should be juxtaposed.
- **Drivers of risk** determine participant responses in the market. There is value in examining how risks manifests for gas producers, shippers, users, traders and facilities to ensure that market reform promotes greater flexibility and optionality in managing market risk. In short, efficiency will

be maximised in an environment where true incentives are revealed and risks can be borne by those best placed to manage them. GDFSAE does not believe this is currently the case. There are examples where risk reveals financial costs which are not accurate signals and which can't be hedged or managed. Risk should be understandable, calculable and therefore able to be transferred so that resources are optimally engaged. GDFSAE suggests existing arrangements do not consistently signal the market to resolve or manage risk most efficiently.

- **Contractual arrangements** both facilitate and restrict market development. While the future growth of the Eastern Australian market is likely to depend on the ongoing use of long-term contracts it is also likely that a reduction in long-term contracts will increase trade liquidity and flexible approaches to managing risk in the market. The open question is how an appropriate balance between long-term contracts and short-term trading can evolve without compromising property rights. This extends to examining advantages provided to joint venture arrangements which do not allow room for innovation in contracting or encourage short term contracting.
- **System security and security of supply** are fundamental drivers of aspects of gas regulation and gas hub design, at times to the detriment of market development. At present gas emergency management and shortage issues are managed in a disparate fashion and at a jurisdictional level. While this is partially a product of the nature of gas, the growth in gas markets, pipeline infrastructure and the integration with electricity markets suggests this may not be the optimal arrangement going forward. An alternative would have a single market operator, for instance Australian Energy Market Operator (AEMO), undertaking this role in a coordinate manner drawing on individual jurisdictional plans. This includes AEMO managing market parameters more flexibly in the face of emergencies where conservative settings may be able to accommodate stresses more effectively. The logic of AEMO playing a central coordinating role should also apply to ensuring there is no overlap of maintenance and outages for critical facilities across the Eastern seaboard.

### ***Do we need a gas market development strategy?***

It is undoubtedly the case that energy markets tend to evolve in response to a range of factors. While primarily the desire to trade a commodity or a product gives rise to markets, the form and frameworks around such markets are also guided by the role of market operators, policy makers and governments seeking to reflect the long term interests of consumers.

While GDFSAE supports market led reform as a general principle, it is appreciated that facilitating timely development, especially in the face of significant challenges, is likely to require government and industry to take coordinated action. This point reflects the perspectives presented by Market Reform during the 25 February public forum.

Market Reform clearly indicated experience suggests that immature markets sometimes require government or market operator facilitation where individual interests hamper mutually beneficial long term developments. Interestingly, Market Reform was also strong to caution against government heavy handedness which can have the effect of inhibiting market development when matters best left to industry are not.

In this regard, it is clear that there are a number of disparate initiatives in the gas market and a clear perspective that Australian developments lag those of other jurisdictions. Nonetheless, there is an absence of clear perspectives on which reform will provide the most benefit in the context of existing challenges and how such reforms are best progressed. The Review presents an opportunity to develop a consolidated view on forward development with identifiable roles for industry, the market operator, government and policy makers.

Likewise, a coherent strategy will identify sufficient time for change to be considered and appropriate transition. GDFSAE agrees with the view that while the overall objective of policy should be to promote efficient markets and that identified changes can be expedited once the case for change has been made, no participant should be materially disadvantaged by unexpected major changes.

*Areas for investigation:*

- **Role of industry and government** in jointly facilitating market development. The development of a coherent strategy with clearly articulated roles for government, joint government and industry initiatives, and issues left to the market to evolve, is an appropriate approach, to supporting market evolution.
- **Consultation process and transition** arrangements to be used where notable reform is recommended should be clearly articulated in advance. Participants need the confidence to know matters of importance will be transparently resolved.
- **Maintaining a focus on gas markets** at a policy level is required on an ongoing basis to the same extent as occurs with electricity. It is arguable some of the issues today have arisen from an absence of policy initiative, especially as it pertains to market design, by existing institutions. GDFSAE suggests there has been an over reliance on the operator, facilities and large players to progress market development. Going forward GDFSAE believes the processes for gas development should be on par with electricity. AEMC conducted reviews and proactive consultation on market design concerns should be an ongoing process much like electricity.
- **Rule change processes should be consistent** across markets and aligned between gas and electricity. Existing arrangements that differ markedly, or limit rule change proponents, are not viewed favourably by the industry.

***Importance of market information***

GDFSAE takes as a starting position the view that published information should be accessible to all market participants on a non-discriminatory basis and at no extra cost, and that information should be as detailed as possible without compromising commercial sensitivity.

Presently, information arrangements are fragmented across multiple platforms and are incomplete which creates concerns for market participants, especially those not across the breadth of the supply chain, and interested stakeholders. The rapid development of liquefied natural gas facilities has also heightened the sense that market information is insufficient or incomplete.

Information is critical to enable participants to make decisions on how to respond to and manage risk. In this regard, as information asymmetries are genuine impediments to fully functioning markets GDFSAE has some support for the view that the market would be better served by more centralised and complete reporting arrangements.

In general terms, efficiency will be maximised by appropriate information disclosure to enable transparent price discovery, true incentives to be revealed and risks to be borne by the most appropriate parties. This suggests a level of transparency at least equivalent to the National Electricity Market and in the spirit of disclosure obligations for the Australian Stock Exchange. In short, market participants have an expectation of full knowledge of matters which have a direct bearing on the functioning of the market.

GDFSAE believes the review should consider which information is most appropriate to meet users' needs and can be presented to the wider market. The use of line pack information, flow and nominations data,

medium term system adequacy, contracted capacity, and injections and withdrawals should be considered. Likewise, information on upstream supply to enable the market and consumers to form reasonable expectation on the supply outlook over the longer term should be progressed.

In a 2006 paper the European Federation of Energy Traders provided that: “Market participants need to be able to predict the likely evolution of supply and demand affecting transportation flows, asset performances and prices. Without good information, a well-functioning wholesale market will be much slower to develop and less efficient. Improvement in information availability and transparency in the gas market can be achieved without compromising confidentiality or facilitating collusion.”

While we should not seek to create onerous information obligations just for the sake of it, the position of the European Federation of Energy Traders is probably a reasonable position from which to advance the AEMC’s line of inquiry.

*Areas for investigation:*

- **Information adequacy** remains an ongoing area for consideration. GDFSAE retains the view that parties are best able to enter the market when they have confidence in available information. While the perspectives of those reluctant to provide additional information are appreciated, there is little basis to suggest additional information will not assist parties at some level. Nevertheless, GDFSAE appreciates the view that provision of information needs to be considered in the context of the cost benefit trade-off for the market and participants.
- **Use of systems** that already exist should be favoured where possible. For instance, the National Electricity Market processes around system adequacy and outages could be replicated for the gas market.
- **Role of contracts in accessing data.** It is sometimes suggested that data can be provided pursuant to contracts or purchased if of interest to participants. Thus, it is apparent that participants with contract positions across the market are already able to source information (i.e. discrete outage data) which enables them to make commercial decisions earlier than parties with fewer or no firm contracts. While the logic in letting the market sort out information flows via contract has some appeal, it also suggests that strong relationships between dominant shippers and infrastructure undermine the ability of other participants to enter the market without long term contracts or actively participate in the market without a long term relationship with a pipeline.
- **Producer data** can have a dramatic impact on the market and therefore information on upstream supply should be improved to enable the market and consumers to form reasonable expectations on the supply outlook over the longer term.
- **Comprehensive gas demand data** which includes gas delivered on and off market inside hubs and gas delivered outside of existing hubs. Historical data, as well as AEMO forecasts, will enable companies to make their own projections about demand.
- **Capacity and adequacy data** improvements in the medium term are useful; however, information to 12 months out if not longer remains desirable. This data should be provided on a rolling basis and updated regularly for production data, storage, outage data, facilities, and large users’ outages. On the last point, some user outage decisions can have a significant impact on the market, therefore their plant or factory outages should be signalled to the market.

- **Load profile data by gas network area** would allow participants to review and understand the peakiness of gas market load by area. Where this data can be sourced it will inform the competitive process and allow retailers and large users to respond to market load preferences.
- **'Real time' feeds** have been suggested similar to information arrangements in the United Kingdom. One perspective, raised by industry during the AEMC's Gas Market Scoping Study, was for the gas bulletin board to be redesigned to take feeds from hubs and pipelines plus additional producer inputs. The proposal extends to common "hub" definitions across the gas bulletin board and the hub markets.
- **Importance of short term information** in promoting dynamic trade is a relevant consideration for the review. Short term trades or position changes based on capacity information, pipeline flows and line-pack data are possible if they can be used with confidence. For example, GDFSAE's initial view is that line-pack and storage data could be aggregated by zones (that align with hubs) at the beginning and end of day to facilitate opportunistic trades. Additionally, data on flows could better inform participant decision-making and it should be noted issues regarding flows have been a central consideration in market operator service concerns.

### ***Efficiently priced short to medium term capacity***

The issue of capacity trading has attracted significant attention in recent discussions. GDFSAE supports these discussions as part of a fulsome assessment of the pipeline framework in Eastern Australia.

At a high-level, GDFSAE supports the principle that improving the efficient access and use of pipeline and gas infrastructure is a fundamental component of the gas market. The full benefits of market developments and enhanced trading arrangements will be realised with a more effective transportation regime, including capacity trading and access,

GDFSAE believes that at a minimum facilitating easier trade of capacity should be an outcome of the Review. GDFSAE is open to the manner in which such an outcome could be achieved and suggests the AEMC with industry should be considering the impediments to further trade, which may mainly be contractual, and the mechanisms that can be used to enhance trading, which include the use of platforms as have been adopted in other jurisdictions.

GDFSAE does not see the capacity discussion as a debate between contract and market carriage models. While there are identifiable impediments to capacity trading on contract carriage pipelines, many of which pertain to the nature of conditions within the contracts and incentives on shippers, market carriage also creates complexities around the allocation of capacity credits and it has been repeatedly suggested fails to provide signals for pipeline augmentation.

Additionally, given the need to underpin investment it is understandable that pipeline owners and operators are defensive of the contract carriage model. While supporting pipeline investment cannot be overstated it should not mean the existing framework is sacrosanct. As while long term contracts are not absolute barriers to capacity trading in all forms they currently inhibit capacity trading.

Therefore, GDFSAE considers it desirable that any approach to capacity trading be developed which takes account of existing arrangements and can be used uniformly across Eastern Australia. While voluntary mechanisms have been advanced experience suggests that governments can play a role in facilitating structures and frameworks that encourage liberalised market outcomes.

GDFSAE appreciates that a number of models already exist in this space and suggests pre-existing approaches provide a useful starting point for discussion. In Europe, a number of models were progressed, one which was outlined at the AEMC public forum.

As an alternative, GDFSAE can conceive of a model which allows incumbent shippers to signal the price at which they would be willing to surrender tranches of capacity, including at times of high usage. This would have the advantage of doing away with the need to characterise capacity as either firm under long term contract or as available which limits participants thinking on how the market could evolve. Incumbent shippers should be able to offer capacity based on the trade-offs that they are best able to manage at a specified price instead of relying on pipelines offering as available capacity only. For instance, at a sufficiently high price an incumbent shipper may be willing to give up firm capacity and transport a portion of their own commodity using remaining capacity as they value the firmness less at that point in time.

A related issue, that is somewhat controversial, is contrasting the differences in transportation between gas and electricity. With the growing role played by a small number of pipeline players there is an open question as to the benefits of a single pipeline regulatory regime, notably with clear links between revenue and market outcomes. The alternative view is that pipeline investments are clearly underwritten by shippers and therefore already met the needs of the market. GDFSAE cautions against this issue consuming the Review but notes that a developed evidence and analytical base is required to aid a considered discussion in this area.

#### *Areas for investigation*

- **Mandated standard contractual terms for short and medium term capacity trades** to facilitate trade between parties whether independent of a trading platform or otherwise.
- **Address prohibitive contract terms** that currently apply in contracts. Long term contracts often prohibit pipeline owners from selling spare capacity at a price less than that paid by the incumbent long term shipper. These contract clauses require that should a pipeline owner sell spare capacity at a price below that in the existing contract the incumbent shipper be given a discount of the same value henceforth. GDFSAE understands these clauses take no account of the size or duration of opportunistic capacity trades by pipeline owners.
- **Manage contractual congestion** where the market fails to signal available capacity. As above, there are cases where in the absence of physical congestion access to pipeline infrastructure can be difficult as a pipeline is contractually congested. Initiatives overseas have been advanced to manage contractual congestion<sup>1</sup>. GDFSAE supports investigating models where holders of capacity can value and trade their capacity in a facilitated manner.
- **Availability of bundled products between hubs** which could be offered on standard contractual terms, over the long and short term, would resolve boundaries issues around market and contract carriage and could be a way to remove negotiation around injection and withdrawal points. These products would manage the requirements to transport gas along pathways between specific hubs.
- **Investigate the suitability of trading models used elsewhere** or alternatives suggested by participants. As a general rule unused capacity should be offered back to the market either bilaterally or traded through a market trading arrangement (whether a platform or auction) so that it can be directed to participants who value it most. The key questions remain: who determines the form and timing of capacity offered back; how is charging calculated; who is remunerated: the

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<sup>1</sup> For example: European Capacity Allocation Mechanism. See description at <https://www.ofgem.gov.uk/ofgem-publications/88152/implementationofcamingreatbritainfinal130614.pdf>

property holder, the pipelines, the market operator or all; and how does such a model impact investment incentives? It is critical to note that GDFSAE does not view models that result in financial imbalances favourably. Changes in capacity need to result in equal and opposite trades so that no party seeks recourse to socialised costs or pooled funds.

- **Alternative pipeline investment models** should be investigated. While the existing contract carriage model has a large role to play, especially for developing point to point infrastructure, it doesn't have to function in isolation. For instance, if it was determined that conditions were such that an investment was desirable at a location that would provide considerable market benefits but established participants would be unlikely to support this then a regulatory led outcome may be appropriate (for example inside an existing or future hub). Clearly articulated metrics for justifying an alternative investment approach and cost recovery would be required. Such a model also has the potential to operate in the context of the existing meshed network in Victoria.
- **Pipeline obligations to limit market impact** should be considered. Where pipelines are not exposed to contractual penalties and if shippers cannot shape behaviour there should be an incentive or legal obligations to maintain visibility around outages and ensure operational decisions are not overly conservative to the extent they penalise market participants.

#### ***Further development of facilitated gas markets***

Ideally trading hubs will provide an important market reference point that enables the value of gas to be identified based on the dynamics of supply and demand at a specific location. For this to occur, GDFSAE believes there needs to be a coherent strategy to develop the existing facilitated hubs to improve integration of the Eastern Australian market.

The development of the Wallumbilla Gas Supply Hub (WGSB) continues to support growing liquidity with further potential to refine the operation and services within that hub. Unfortunately, there is a sense that the Short term Trading Market (STTM) and Declared Wholesale Gas Market (DWGM) have failed to evolve as the market has moved on from managing the introduction of retail competition in gas.

Further, the existence of multiple hub designs creates complexities and inefficiencies. This is likely to discourage participation with the exception of gas retailers in capital city hubs. This leads to a view that while the WGSB is purpose built and continues to evolve, the remaining facilitated hubs require more development to manage challenges facing the market and to facilitate the optimal level of trade outside of bi-lateral contracts.

There are a number of reasons for this perceived lack of progress, that include the complicated nature of the hubs requiring significant work to progress even minor operational matters of detail and the consultative forums chaired by the AEMO being unable to regularly unify behind individual reforms given they are not created for the purposes of developing policy or markets.

Multiple market designs make trading complex and inefficient for participants with each market characterised by specific and enduring limitations. This differs to a widely accepted market with "clean" prices which would encourage greater participation and liquidity.

Hubs should be designed to facilitate participation and liquidity. Presently, hub characteristics and design leads to a situation where only gas retailers are likely to participate, with gas producers, industrial and commercial users and pipelines typically outside of these arrangements, and intermediaries choosing not to participate.

Within day price signals, trading day definitions, consistency of trading periods, and settlement processes should be set so as to facilitate trade and support a more liquid market including encouraging the development of forward products.

#### *Areas for investigation*

- **Rationalised market design** to more closely align with single market definitions, trading days, trading periods and market settings and parameters. While the hubs do not need to be identical, more straightforward market structures should aim for reduced costs, better integration and greater participation, noting that participants do not favour exposure to market trades where significant financial risks cannot be hedged.
- **Coordinated dispatch** would improve the potential for trade between regions and hubs. In GDFSAE view, a participant should be able to offer gas in one location to a range of destinations at the same time and the dispatch engine directs that gas to the participant who most values it. For instance, a participant with 5GJ of gas in Moomba should be able to nominate Sydney and Adelaide and achieve the price that best matches the value of the commodity and transportation costs to each of those locations.
- **Use of clear understandable within day charges and better management of ex-post pricing** arrangements. Use of 'clean prices' will create a level of comfort so as to enable participants to be exposed to market trades and hedge price risks. The current use of multiple additional charges in the STTM, including: market operator service, deviation payments, contingency gas (based on specific network concerns) and settlement shortfalls and surpluses is less than ideal. For the DWGM this means a single price without separate ancillary payments and uplift charges.
- **Better use of balancing and maximising trade.** Leaving aside the issue with uplift charges and ancillary payments the DWGM sets a price at the start of the day with subsequent prices acting to balance the market (ignoring problems with single price). Whereas the STTM uses a complicated balancing arrangement in which the ex-post price is revealed days later. In both markets, the ex-post price should represent the price of balancing and should be able to be influenced by all participants through their offers to the market. Balancing arrangements should be settled specifically in advance of the next ex-ante price. In other words all closed positions should be cashed out at the end of the day. GDFSAE can envisage the STTM using a single ex-post price which would allow renominations up to time positions needed to be calculated for close out and the ex-post price set. Clean rebalancing arrangements would facilitate better management of risk.
- **Signalling the value of capacity and services inside hubs** does not presently occur. Ideally the market would signal the value of solutions as they become known whether those solutions are pipeline, facility or storage orientated. Currently, in the DWGM the market does not provide useful signals and encourages participants to push in significant amounts of gas to resolve a variety of issues and avoid charges. It is possible that the use of multiple nodes, with capacity signals between those nodes, may be worth considering. The impact of having a series of nodes, in effect mini-hubs inside the Victorian network, should enable the market to signal for efficient responses. Conceptually each hub operates like a node; therefore the use of multiple nodes in Victoria is not an inconsistent approach.
- **Market design should signal costs efficiently and not try and coax behaviours** to manage concerns around gaming. The market design should ensure all risks can be identified and costs revealed so that participants can respond accordingly; however, there is a sense this is not presently the case. For example, where deviations occur in bad faith the market rules should clearly articulate the

actions to be taken against participants as distinct from limiting flexibility in the market to minimise the risk of misbehaviours.

- **Limit the role of pipeline and facilities within hubs** (unless they act as separate service providers) so where a pipeline or facility draws operational gas from the market they would play the role of user for that particular time.
- **Consolidation of prudential regimes**, an area which has been lagging despite the relative straightforward nature of this proposal. Eventual consolidation with the National Electricity Market should be considered as future area of review for the AEMC.
- **Development of gross indices** which captures all or the bulk of gas that is traded within a hub whether or not that trade occurs under a bi-lateral contact or on market. The current prices at the hub are likely not to reflect underlying prices and thus hub prices do not reflect market conditions, linked to contracts, or drive arbitrage between hub locations. GDFSAE notes that private providers are currently developing an index on the back of WGSB and encouraging these developments through industry commitments or similar may be appropriate.
- **Facilitating financial trade at Wallumbilla Gas Supply Hub**. At present trade is based on physical interconnection instead of relying on financial transactions at a virtual trading point as is the case in some markets. The benefits of identifying a single virtual point of exchange and allowing for injections and withdrawals from all points inside the defined hub should increase liquidity.
- **Identify preferred condition for Moomba Gas Supply Hub** based on coherent Eastern Australian gas development strategy given the concerns that such a development could reduce liquidity at the WGSB and should advance with clear expectations around the role of capital city hubs.
- **Auctioning of capacity credits** should be investigated in favour of the current method of allocation which imbeds a number of rigidities in the DWGM that favours facilities and larger retailers. This presumes that capacity credits would remain as opposed to any alternative forms of carriage.
- **Revisit position on backhaul for the purposes of calculating pipeline capacity** as failure to do so has the potential to create artificial capacity limitations where no such limitations actually exist.

### **Conclusion**

GDFSAE welcomes the Review and agrees the AEMC is well placed to identify key issues and work with industry to develop a coherent and integrated development strategy. GDFSAE looks forward to working with the AEMC for the duration of the Review on enunciating the matters contained within this submission.

Should you have any queries in relation to this submission please do not hesitate to contact me on, telephone, 03 9617 8415

Yours sincerely,



**Jamie Lowe**  
Head of Regulation