



April 3, 2014

Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Submitted Electronically

Dear Sir/Madam

**National Gas Amendment (National Gas Bulletin Board Capacity Outlooks)
Rule 2014**

Lumo Energy welcomes the opportunity to comment on the Australian Energy Market Commission's (Commission) Consultation Paper National Gas Amendment (National Gas Bulletin Board Capacity Outlooks) Rule 2014.

Lumo Energy is 100% owned by Infratil Limited, a company listed on the New Zealand and Australian Stock exchanges. We sell gas and electricity in New South Wales and electricity in South Australia and Queensland. We are currently one of the largest second tier retailers.

The Commission is currently consulting on a rule proposal submitted by the Australian Energy Market Operator (AEMO). The rule proposal requests changes to the National Gas Rules (NGR) regarding the level of short term and medium term capacity outlook information that is required to be published on the Bulletin Board by gas pipeline, production and storage facility operators.

AEMO's proposed rule change seeks an amendment to the NGR relating to the Bulletin Board. It argues improved information on the short term and medium term capacity outlook will result in increased transparency for all market participants in the Short Term Trading Market (STTM) by:

- increasing the existing short term capacity outlook for the Bulletin Board from three days to seven days; and
- implementing a new medium term capacity outlook using reports created by facility operators for their shippers.



Lumo Energy considers that the rule proposal is consistent with the National Gas Objective (NGO) as it will deliver more efficient outcomes in the gas market. We agree with AEMO that the rule proposal will deliver improved information for the market on:

- capacity changes allowing market participants to get access to the same information in a timely manner, leading to more efficient pricing and market outcomes;
- wholesale gas markets through the early identification of upcoming capacity issues at operational facilities helping market participants to manage their exposures;
- the reliability of supply through identification of potential overlapping periods, allowing alternative arrangements for gas supply to be put in place.

Lumo Energy supports the Commission's decision to treat this rule change as a non-controversial rule. Our view is rule change will not have a significant effect on the market for gas or on the regulation of pipeline services. Therefore, the rule change should be made on an expedited basis.

Lumo Energy thanks the AEMC for the opportunity to make a submission in response to this consultation paper. For any enquiries regarding this letter, please contact Mr. Con Noutso Wholesale Regulatory Manager at Lumo Energy on Tel: 03- 9976-5701

Yours sincerely

A handwritten signature in blue ink, appearing to read "J. Mulder", written over a faint circular stamp.

Justin Mulder
General Manager Wholesale
Lumo Energy Australia Pty Ltd