

A few  
words.

AGL

4 December 2014

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

Project reference: **GRC0028**

### **National Gas Amendment (Contingency Gas Evidentiary Changes) Rule 2014**

Dear Mr Pierce

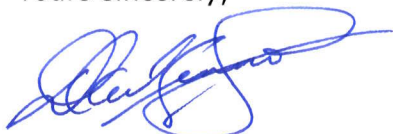
AGL endorses the rule change request submitted by AEMO on behalf of the Gas Wholesale Consultative Forum (**GWCF**), the consultation forum run by AEMO which has merged Victorian and STTM wholesale gas issues. AGL supported this proposal when it was debated and discussed at various STTM CF meetings, going back as far as 2011.

The package put forward makes eminent sense for the following reasons:

- Contingency gas (**CG**) is paid as scheduled. For market participants to have faith and credibility in the CG process and ultimately the STTM gas market, it is incumbent on AEMO to seek evidence of the additional gas supplied or of the agreed level of demand reduction. AGL would see this merely as good practice and those participants paying the High Contingency gas price on a CG day would have every right to be furnished with the assurance that the quantities were delivered.
- Equally, AGL would see the requirement for an explanation in the event of a price step being skipped as being reasonable. We support resettlement to occur where such evidence cannot be procured.
- We are comfortable with AEMO being granted further time to prepare and publish a reviewable event report whenever there is a CG event. The current timeframes are not workable.

Please refer any questions to George Foley (03) 8633 6239 or at [gfoley@agl.com.au](mailto:gfoley@agl.com.au).

Yours sincerely,



Duncan MacKinnon

**Manager Wholesale Markets Regulation**