



Response template for the East Coast Gas System Procedures Consultation

Email responses to: gasreform@aemo.com.au;

Review comments submitted by: *Alinta Energy*

Confidential: NO

Date: *28 April 2023*

Contact Person: *Hugh Ridgway*

Please complete sections 1, 2 and 3 below.

Section 1 - General Comments on the Procedure changes

Topic	Please Provide Response Here
East Coast Gas System Procedures	Noting the difficulties of consulting on procedures before the associated rules and legislation are published (made necessary due to the very tight legislative timelines for implementation of tranche 1 of the ECGS reforms) Alinta Energy would like to acknowledge the responsiveness of the AEMO gas reform team and the high level of support provided to participants around implementation.
BB Procedures	
BB Data Submission Guide	

Section 2 – Specific AEMO questions

Topic	Please Provide Response Here
AEMO seeks feedback from stakeholders as to whether there is a preference for using the existing Medium Term Capacity Outlook or Short Term Capacity Outlook or the extended daily capacity outlook as discussed in section 4 of the PPC.	

Section 3 - Feedback on the documentation changes in the Procedures

Participants are to complete the relevant columns below in order to record their response.

East Coast Gas System Procedures

Procedure Clause #	Issue / Comment	Proposed text Red strikeout means delete and <u>blue underline</u> means insert	AEMO Response (AEMO only)
2.1.4(c)	The Procedures refers to a 'starting point' and an 'end point' of a BB pipeline in the singular which may lead to some confusion about its applicability to pipelines with multiple starting or end points (i.e. any pipeline with a lateral). For example, a strict interpretation of this could mean that a simple point to point pipeline with a single lateral (let's say two injection points and one withdrawal point) would consist of two linepack zones which partly overlap.	<p>(c) Unless otherwise determined by AEMO in relation to a particular BB pipeline, each of the following is a linepack zone:</p> <ul style="list-style-type: none"> (i) the starting points<u>s</u> or end points<u>s</u> of a BB pipeline and an adjacent pipeline compression facility; (ii) the section of a BB pipeline between two sequential compression facilities, including all lateral pipelines; (iii) the section of a BB pipeline between two non-sequential midline compression facilities where there is no receipt or delivery connection point between those facilities; (iv) the starting points<u>s</u> and the end points<u>s</u> of a BB pipeline where there is no mid-line compression facility. <p>Alternatively, or in addition, AEMO could add a clarification to 2.1.4(c) along the lines of:</p> <p>'any section of a BB pipeline though which gas flows freely is considered a single linepack zone.'</p>	
2.1.5	The distinction between Amber linepack bound and Red linepack bound is not clear and may depend on a myriad of operational conditions of the pipeline itself and adjacent facilities. There is a strong risk that		

	individual facility operators will interpret this provision uniquely in respect of their own facilities and any differences will not be evident to users of this information. This is particularly the case for smaller pipelines where the operations of adjacent facilities have an immediate impact on linepack levels, rendering the information in the linepack forecast potentially misleading.		
2.2.1	Compiling individual forecasts from each retailer in respect of a demand zone, with each retailer using different forecasting methodologies, making different assumptions about inputs such as weather and individual errors arising from churn (where a party fails to account for a transfer) will compound errors and likely render the information unusable, particularly in respect of forecasts past the current gas day. Future reforms may consider a single forecast for each demand zone (perhaps performed by AEMO) informed by historical gas flows, relevant information provided by distributors, and based on a single set of assumptions about conditions such as weather.		
2.2.2	BB large user facilities who are generators in the NEM already provide information about availability via the PASA. AEMO should consider providing such facilities an exemption from reporting under this provision.		
3.7	It is noted that AEMO intends to develop a protocol for contacting part 27 relevant entities who are required to attend a Gas Reliability and Supply Adequacy Conference where the notice period is less than 24 hours. This is welcomed. Alinta Energy also recommends that AEMO collaborate with the AER to develop guidelines for participants around expected minimum response times. This will assist such entities in developing systems and business processes to support the framework and ensure that the costs of		

	implementation for industry are not excessive and subsequently passed on to consumers.		
East Coast Gas System Guidelines			
Procedure Clause #	Issue / Comment	Proposed text Red strikeout means delete and <u>blue underline</u> means insert	AEMO Response (AEMO only)
N.A.	Noting that the Guidelines are expected to be subject to a rule 8 consultation process, there does not appear to be any particular benefit to separating the information in the Guidelines from the Procedures. While we may need to wait until the publication of the final rules to fully comprehend this structure, Alinta Energy recommends that the content of the Guidelines and the Procedures be combined in a single document and a rule change be sought (if necessary) to facilitate this and align the consultation processes of each.		