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Rule Change Panel

Attn: Executive Officer
C/o Economic Regulation Authority
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24 August 2018

Submission to Rule Change on Western Australian Gas Bulletin Board Zones (GRC_2018_01)

AGL Energy (**AGL**) welcomes the opportunity to comment on the Rule Change Panel’s Rule Change Notice: GBB Zones (**Rule change proposal**).

AGL is one of Australia’s leading integrated energy companies and the largest ASX listed owner, operator, and developer of renewable generation. Our diverse power generation portfolio includes base, peaking and intermediate generation plants, spread across traditional thermal generation as well as renewable sources. AGL is also a significant retailer of energy and provides energy solutions to over 3.5 million customers in New South Wales, Victoria, Queensland, Western Australia, and South Australia.

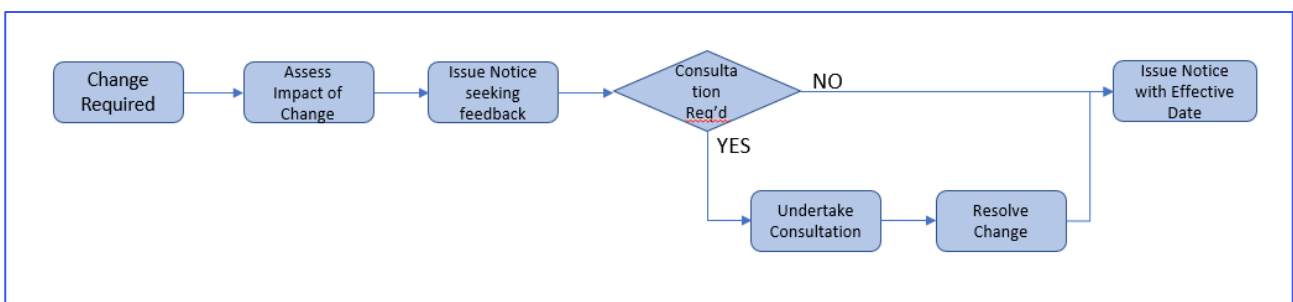
The Rule Change Proposal removes the list of Gas Bulletin Board Withdrawal Zones (Gas BB Zones) from the Gas Services Information (GSI) Rules and instead places these in the GSI Registration Procedure. This is intended to improve the flexibility in amending the Gas BB Zones when new pipelines are constructed, as well as reducing the regulatory burden and consultation timeframes.

Broadly, AGL supports measures to reduce un-necessary regulatory burden.

AGL notes that under the Rule Change Proposal, amending the Gas BB Zones in the GSI Procedures will still require following set consultation process and timeframes.

AGL suggests that the Rule Change Panel consider whether the Gas BB Zones could be considered as administrative information that could be published in a separate reference document that is not directly subject to consultation. Instead, the GSI procedure could include a decision-making framework for Gas BB zones. Such a framework should enable minor changes, which do not raise issues with participants, to be made quickly and with minimal regulatory burden. Amendments that are contentious or have a substantial impact would require AEMO to undertake an appropriate consultation process.

For example, a simplified process could involve AEMO publishing an initial notice seeking feedback, and if no issues are raised by participants AEMO could proceed immediately to a final notice with an effective date. The diagram below shows how a simplified framework might work.





AGL has recently been involved in similar procedure amendments with AEMO, where external factors may drive changes to defined lists or assets in the procedures, such as weather stations. These changes are often imposed on AEMO, with little notice, and a procedure change process must be followed.

Including such lists in a separate reference document would enable typographical errors or amendments to Gas BB Zone names to be addressed quickly and easily. While a simplified process would enable other non-contentious amendments to occur more efficiently.

AGL is happy to participate in the development of such a framework with AEMO, to ensure an efficient and effective outcome which meets both AEMO's needs and Participants' needs.

If you have any queries regarding this submission, please feel free to contact Mr Mark Riley on mriley@agl.com.au or 0475 805 262.

Yours sincerely,

Chris Streets

Senior Manager Wholesale Markets Regulation