

9 July 2024

Australian Energy Regulator (AER)
32 Turbot St, Brisbane City QLD 4000
By email: AERGasMarketsPipelineCapacityTrading@aer.gov.au

Dear AER Gas Markets Pipeline Capacity Trading Team,

Submission on Draft Day Ahead Auction Record Keeping Guideline

CleanCo Queensland welcomes the opportunity to provide feedback on AER's Draft Day Ahead Auction Recording Keeping Guideline – Version 2 (the Guideline). CleanCo was established by the Queensland Government in 2018. We deliver renewable and low-emission energy solutions and play a critical role in supporting new and existing energy developments to support customers of the Australian domestic market. Given the nature of our existing assets and generation, we have an interest in how the National Gas Market and its rules and policies develop to assist in enhancing quality of information received by the operator and to support compliance.

CleanCo believes the establishment of the Guideline is a crucial step towards clarifying the existing queries regarding day ahead auction record keeping. Furthermore, CleanCo notes that record keeping of the data provides a valuable resource for future planning and forecasting, allowing participants to anticipate demand patterns and price trends based on the historical data. However, CleanCo would like to raise the following concerns from the draft Guideline.

CleanCo notes the comment that a 'managing an imbalance' reason alone makes it difficult for AER to verify whether the material renomination was reasonable. However, CleanCo would like to request AER's further consideration of the requirement for participants to provide detailed reasons for 'managing an imbalance'. This is because 'managing an imbalance' is a renomination reason itself that arises as a result of the participation in the physical market. Gas renominations typically involve adjusting the quantities of gas that were previously nominated for transportation or storage, whereby:

1. The calculation of usage for the gas day does not occur until a few hours post the actual gas day, which by requirement then triggers an intraday/within day renomination which requires a record to be kept, which is common to manage the imbalance of the portfolio.
2. Having contractual obligations with facility operators require that additional fees are incurred upon incurring imbalances. It is common for the businesses to have a priority of not incurring excess fees where they can avoid it.

Facility operators and the users have an interest in maintaining balance within pipelines and adhering to contractual obligations. Renomination provides a mechanism to comply with these interests, allowing the adjustment of gas flows to align with contractual commitments and ensuring the reliable, cost effective and efficient delivery of gas. For instance, in the case of managing imbalances, CleanCo typically renominates approximately 2 – 3TJ. This type of small adjustment is usually sufficient to manage pipeline or portfolio

imbalances. We would suggest this makes 'managing pipeline imbalance or portfolio imbalance' a justifiable reason for renomination, provided that the adjusted volume is included as part of the renomination.

CleanCo notes the AER's second detailed example provided under Schedule 2 but we have concerns regarding the ability to obtain detailed information from counterparts in the event of renomination. Under Gas Sales Agreements, counterparts may not be contracted or obliged to provide a detailed description for each nomination. Third parties, especially, are not obligated to provide a detailed description of renominations. This raises concerns that obtaining detailed information from the counterparts may be impractical or could possibly exceed available contractual information.

CleanCo Queensland welcomes this chance to contribute to the future of National Gas Market. If you would like to discuss this submission further, please contact Senior Compliance Advisor, Lina Choi at lina.choi@cleancoqld.com.au or 0430 048 136.

Yours sincerely,



Andrew Burnett
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CleanCo Queensland