



06 August 2024

Mr Ben Maltby  
Contract Market Monitoring  
Australian Energy Regulator  
Level 11/1 King William Street  
ADELAIDE SA 5000

Senex Energy Pty Ltd  
ABN 50 008 942 827

**Head Office**  
Level 30  
180 Ann Street  
Brisbane Qld 4000  
GPO Box 2233  
Brisbane Qld 4001

**T** +61 7 3335 9000  
**F** +61 7 3335 9999

[info@senexenergy.com.au](mailto:info@senexenergy.com.au)  
[senexenergy.com.au](http://senexenergy.com.au)

**Email:** [ContractMarketMonitoring@aer.gov.au](mailto:ContractMarketMonitoring@aer.gov.au)

Dear Mr Maltby

## **RE: Wholesale Market Monitoring & Reporting Guidelines Submission Response**

Senex Energy (**Senex**) thanks the Australian Energy Regulator (**AER**) for its consultative process and the opportunity to comment on the Enhanced Wholesale Market Monitoring and Reporting Guidelines (**the Guidelines**).

Senex supports market transparency, however, is increasingly apprehensive about the extent of regulatory reporting required by producers. While we are appreciative of the AER's consultation process, the overall framework presented in the Guidelines lack sufficient detail to form a clear view of the level of regulatory reporting burden and how these costs are measured against the market and policy benefits of the Enhanced Market Monitoring Reform Package.

Despite verbal commentary made by the AER at various forums, at this point, Senex has limited confidence that this new regime will be successful in harmonising information collection processes with other government agencies/regulators. Instead, it will likely add to the already complex set of information requests (which gas producers are subject to), increase compliance risk and the cost of doing business. In any event, to form a clearer view, Senex requires further detail on the following:

### **1. Information Collected**

Whilst the types of information collected is outlined in Appendix A of the Guideline, little relevant detail has been provided. This reduces Senex's ability to provide constructive feedback on the nature and impacts on information collection. Considering the limited detail that is provided, in the Guidelines, it largely reflects the information currently reported to the Australian Competition and Consumer Commission (**ACCC**). Senex seeks to understand the differences in data collection and how this will be harmonised. Furthermore, it is unclear the differences in the activities undertaken by the respective regulatory bodies and how collectively this will aid the governance and development of the east coast gas market. At face value, the activities appear duplicative.

### **2. Process Harmonisation & Sharing of Data**

It has been mentioned in various Stakeholder forums, that there are legal restrictions on the ability for the ACCC to share information collected with the AER and other regulatory bodies. There has however, been little detail provided as to the reasoning.

We are looking to understand the complexities around limitations of sharing information and the steps regulatory bodies are taking to find solutions. We understand that in other sectors regulatory bodies have committed to closer collaboration and information sharing. For example, and for various

regulatory purposes, the Australian Securities and Investments Commission (**ASIC**) and Australian Prudential and Regulation Authority (**APRA**) made similar commitments to government and industry. We encourage open and transparent dialogue between the energy industry and regulators to discuss considerations of sharing information and at a minimum harmonisation of reporting.

The harmonisation of reporting dates is a first step towards minimising some of the burden, however the legal aspects around the broader sharing of information seems to limit this from further consideration. Senex considers that the harmonisation must extend beyond reporting dates to avoid overlapping of reporting and should be pursued. The full range of proposals/options need to be considered including:

- **Reverse data collection** - if the ACCC is unable to share information, could the AER collect the data and share it with the ACCC.
- **Issuing of a single notice** - issuing a single notice that satisfies the information collection of the various agencies could likely these ongoing issues. This has been suggested by other industry participants and Senex considers that this should be developed further.
- **Single market data portal** – The current situation of multiple portals with different “log-ons”, “data submission rules” and “general user friendliness” is making regulatory reporting more cumbersome than necessary. Irrespective of whether it is possible to issue a single notice, a single east coast market regulatory reporting portal (with restricted access to different regulators if required) would alleviate some of the “IT burden” for gas producers. Ideally this would be a “two-way” portal, where notices are posted by regulators and responses are submitted by producers.

In summary, based on the published Draft Guideline, Senex is not able to form a clear view on the workability and burden associated for gas producers. As mentioned, however, based on current engagements, we expect it will create an additional burden for gas producers such as Senex. At this point, we recommend the AER provides further clarification on its information collection proposals and in doing so explains how it considered all options for minimising the burden on industry.

The east coast market is facing short and long-term gas supply constraints (and rising energy prices), and the policy priority should be on developing the right regulatory settings to enable industry to address future shortfalls at least cost. Against this backdrop, it is essential that the regulatory settings for reporting are developed based on the principle of reducing “red tape” and compliance and cost burden for gas producers delivering existing and new supply. Senex emphasises the need for market transparency, however, this must be achieved through efficient and relevant data collection across regulatory bodies and government agencies and the provision of clear and comprehensive reporting guidelines (and support) to minimise the direct cost of compliance.

Thank you again for the opportunity to provide comments on the Draft Guidelines and we look forward to further engagements as the consultation progresses. Please do not hesitate to contact me with any questions regarding this response.

Yours sincerely

A handwritten signature in cursive script that reads "Erin L Bledsoe".

Erin Bledsoe  
Manager Regulatory & Compliance  
**Senex Energy Pty Ltd**