

3 December 2018

Ms Elizabeth Molyneux
General Manager, Energy Market Regulation
AGL Energy
699 Bourke Street, Docklands VIC 3008
Email: Elizabeth.Molyneux@agl.com.au

Dear Ms Molyneux

Re: Part 24 and Part 25 Full exemption – Churchie Pipeline

On 22 November 2018, Part 24 and Part 25 of the National Gas Rules (NGR) relating to capacity trading and the day-ahead auction came into effect.

We are writing to inform you of an exemption that applies to the Churchie Pipeline in relation to the new obligations under Parts 24 and 25. This has been granted for facilities that are subject to certain exemptions under Part 23 of the NGR.

Under Rule 611(2), the AER has determined to initiate and grant this full exemption from Part 24 and 25 requirements on the basis that the Churchie Pipeline holds an existing Part 23 Category 1 exemption and is a no third party access transmission pipeline. This takes account that the same criteria supporting a Category 1 Part 23 exemption equally apply for a full exemption under Part 24 of the NGR.

The Part 24 exemption will expire on 28 February 2023, unless the Part 23 Category 1 exemption continues to apply to the Churchie Pipeline, including any period during which the AER is considering whether to extend or reapply such an exemption, in which case the exemption will continue in force until the Part 23 exemption ceases.

As required by Rule 611(10), please notify the AER if circumstances change such that the Churchie Pipeline no longer qualifies for this full exemption.

Rule 611(9) requires the AER to maintain a public register for Part 24 exemptions. The details will be the same as those published on the Part 23 Register.

If you wish to discuss the content of this letter or have any questions, please contact Jeremy Llewellyn on (07) 3835 4610.

Yours sincerely



Peter Adams
General Manager
Market Performance