

Attachment A: Stakeholder feedback template

This template has been developed for stakeholders to provide their feedback on the proposed amendments outlined in the consultation paper, in addition to other concerns or issues that stakeholders have. The AER encourages the use of this template for submissions however stakeholders should not feel obliged to provide feedback on each question. The rationale for the proposed amendments can be found on **Error! Reference source not found.** and **Error! Reference source not found.** of the consultation paper.

Stakeholder details

Organisation: AGL Energy

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Date of submission: 12 May 2023

Question	Stakeholder submission
General amendments that will impact routine requirements	
<p>1. Do you think the requirement for facility operators and shippers to record time in a 24-hour format is appropriate? If not please state reasons?</p>	<p>Supported. AGL already complies with this requirement.</p>
Amendments that will impact routine requirements – Transportation Facility Users (shippers)	
<p>2. Do you think the proposed clarification of the time when the event(s) or other occurrence(s) took place that led to the renomination (HHMM1) and the time when the shipper became aware of the event(s) or other occurrence(s) (HHMM2) is clear and appropriate? If not, what changes to the proposed wording would you recommend?</p>	<p>Supported. AGL already complies with this requirement. However, AGL notes that there is currently no guidance on the gap between the two times that would be unacceptable, or the circumstances that would be unacceptable. AGL would welcome some guidance from AER on this issue (along with other issues raised below).</p>
<p>3. Do you think the proposed addition of a <u>record creator reporting field</u> will improve accountability when it comes to ensuring that records are accurate and verifiable? If not please indicate why not?</p>	<p>While AGL tracks this information for our own internal purposes, we do not believe this information should be reported to AER. The name of the individual trader would not have an impact on whether a company is in breach of reporting requirements. If there is a breach, the company is in breach and it is up to the company to manage the performance of the trader. There is no reason for the AER to have this information and we do not believe that reporting this information would lead to more accurate or verifiable records.</p>

<p>4. Do you think the addition of a record timestamp reporting field will improve shipper compliance to create <u>contemporaneous</u> records? If not please indicate why not?</p>	<p>Supported. AGL would welcome guidance from the AER on the meaning of “contemporaneous”. This guidance should describe what is acceptable and provide an indication of how soon after renomination is made must a record be made.</p>
<p>5. Do you think the addition of two additional category field options (MA and EO) for the <u>category reporting field</u> is appropriate and will allow shippers to accurately record the reason for renomination? If not please indicate why not?</p>	<p>Supported.</p>
<p>6. Do you think the additional requirement for shippers to record the delivery and receipt point of the transportation service that relates to the renomination is appropriate? If not please indicate why not?</p>	<p>Not supported as currently proposed. The proposal inadvertently captures more information than what is required by the AER and is a significant risk and reporting burden on shippers. Renominations occur when there is a significant change in gas flows (such as injecting greater volumes to meet unexpected increased demand). When this occurs, we provide pipeliners with an update for all receipt and delivery points based on our latest demand forecasts. These various small changes may not be relevant to the rebid reason but as currently proposed it appears that they must all be reported. The AER does not need to know the renominations for all receipt and delivery points (most of which are minor changes) that have changed throughout the day. The AER only needs to know the single point where there is the material change that is driving the renomination.</p>

<p>7. Do you think the proposed requirement to include the following information in the <u>description reporting field</u> offers specific clarity for the AER to verify the specific reason for material renomination and ensure that there is sufficient detail?</p> <ul style="list-style-type: none"> a. Background/context explaining the events that led to the renomination; b. Reason for renomination and why the specific category field option was chosen; and c. If applicable, any other further guidance on the reason for renomination. 	<p>Not supported.</p> <p>The AER is seeking further information from shippers on the context around events and renominations, however there is no guidance on what is an acceptable or unacceptable bid reason.</p> <p>AGL would welcome guidance from the AER on unacceptable bid reasons. For example, a shipper may wish to change their portfolio or make other commercially based decisions, which would result in a need to renominate. These types of decisions are not intended to mislead or impact the market, however it is unclear whether they would lead to a breach.</p>
<p>General questions</p>	
<p>8. Do you think there are any impediments for facility operators and/or shippers to comply with the additional requirements set out in the consultation paper?</p>	

<p>9. Do you think the proposed amendments to the Guideline are proportionate and appropriate to aid facility operator and shipper compliance with the NGR and the NGL?</p> <p>If not, why not?</p>	<p>No.</p> <p>The proposed drafting covers an extremely broad range of pipeline renominations, which does not provide any benefit to the market. The proposed changes simply create more administrative work for traders.</p> <p>AGL considers this reform should be better targeted to draw out the renomination reasons only where there has been a market impact (see below).</p>
<p>10. What are the additional costs that may be incurred by facility operators and shippers in complying with the proposed amendments?</p> <p>If you have identified additional costs, do you think that these costs are proportionate and appropriate?</p>	<p>Complying with the proposed procedures would involve costly IT system changes. As noted, we consider a more targeted reform is more appropriate.</p>
<p>11. Do you think the proposed amendments effectively addresses the issues raised in the rationale column in Tables A and B?</p> <p>Are there more appropriate ways to address the issues raised in the rationale?</p>	<p>AGL suggests that instead of seeking renomination information from shippers months after the relevant dates, it would be more appropriate and useful to seek renomination information immediately after any event where renomination impacts the outcome of the day ahead auction. This would:</p> <ul style="list-style-type: none"> • encourage shippers to keep timely information • avoid situations where a shipper has been incorrectly making records for months (there would be real time feedback and improvement) • reporting would be limited to situations where there are market impacts (the DAA is impacted by a renomination) and therefore more likely to be market benefits.

12. Do you have any additional concerns and/or comments that you would like to make?

In general, AGL finds the current framework to be onerous, overly specific, unclear rationale for the reporting, and easy to fall into inadvertent breach. Further detail and specification of reporting requirements is not the preferred solution.
