



16 May 2023

Jeremy Graham
Market Performance, Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601

Submitted online: AERGasMarketsPipelineCapacityTrading@aer.gov.au

Amendment of the Day Ahead Auction Record Keeping Guideline – Consultation Paper

Origin Energy Limited (Origin) welcomes the opportunity to provide comments on the Australian Energy Regulator's (AER) Amendment of the Day Ahead Auction Record Keeping Guideline Consultation Paper.

Origin recognises the intent of the proposed amendments is to improve the quality of information received in accordance with the Guideline and to aid facility operator and transportation facility user compliance with the National Gas Rules (NGR) and National Gas Law (NGL). We are broadly supportive of many of the proposed amendments in this respect. However, we do not consider there is a demonstrated need to require the provision of information relating to:

- record creators (i.e. the employee that recorded the renomination), noting the existing regulatory framework provides adequate incentives for shippers to ensure their traders are accountable when it comes to ensuring records are accurate and verifiable; and
- *why* a specific renomination reason has been selected (in addition to requiring background information explaining the events), as it is not clear what additional insight would be derived from the inclusion of that reporting criteria.

Any requirement to provide receipt / delivery point information relating to a renomination should also be on user defined basis, meaning that each shipper determines the naming conventions and information provided to describe the receipt / delivery point. This will assist with reducing compliance costs, noting system changes would be required where alternate naming conventions are mandated.

We have provided further comment on the specific questions outlined by the AER in Attachment 1. If you wish to discuss any aspect of this submission further, please contact Shaun Cole at shaun.cole@originenergy.com.au or on 03 8665 7366.

Yours Sincerely,

A handwritten signature in black ink that reads "S Cole".

Shaun Cole
Group Manager, Regulatory Policy

Question	Comments
General amendments that will impact routine requirements	
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?	We support this requirement
Amendments that will impact routine requirements – Transportation Facility Users (shippers)	
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?	We support this requirement.
3. Do you think the proposed addition of a record creator reporting field will improve accountability when it comes to ensuring that records are accurate and verifiable? If not please indicate why not?	<p>Origin does not consider the proposed change is necessary. The existing regulatory framework provides adequate incentives for shippers to ensure their traders are accountable when it comes to ensuring records are accurate and verifiable. From Origin's perspective in particular:</p> <ul style="list-style-type: none"> ▪ we have procedures in place that require certain trader tasks to be validated by a secondary trader following shift changes – this approach ensures any errors are rectified promptly, avoiding any material market impacts; ▪ gas traders are provided with training in relation to renomination record keeping requirements under the Guideline; and ▪ compliance with internal processes / requirements is considered as part of trader performance assessments. <p>It is therefore unclear what additional benefits would be derived from the proposed change, or ultimately how the information would be used by the AER as part of any compliance / enforcement actions.</p>
4. Do you think the addition of a record timestamp reporting field will improve shipper compliance to create contemporaneous records? If not please indicate why not?	We support this requirement.
5. Do you think the addition of two additional category field options (MA and EO) for the category reporting field is appropriate and will allow shippers to accurately record the reason for	We support this requirement.

renomination? If not please indicate why not?	
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?	Origin does not consider this change is necessary to assist us in locating records given existing systems / processes. To the extent the change is desired by the AER for compliance purposes, it would be important to ensure shippers are not required to develop new naming conventions for receipt and delivery points based on a prescribed set of definitions, as this would likely necessitate system changes for no material benefit. The provision of the receipt / delivery point information should be on user defined basis, meaning that each shipper determines the naming conventions and information provided to describe the receipt / delivery point.
7. Do you think the proposed requirement to include the following information in the description reporting field offers specific clarity for the AER to verify the specific reason for material renomination and ensure that there is sufficient detail? 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.	We are supportive of requiring background / context information explaining the events that led to the renomination to be provided, as set out in 7(a). However, the rationale for 7(b) is unclear, given the renomination category field selected should simply represent the most accurate option at the time of recording the renomination, and it is not clear what additional insight would be derived from recording <i>why</i> that specific field was chosen. Where the AER considers there should be a requirement for shippers to record additional information related to a renomination if applicable (as set out under 7(c)), further guidance on the type of information that may be relevant in this context should be provided in the Guidelines.
General questions	
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?	As highlighted in response to Question 6, the proposed reporting requirements could necessitate system changes in some cases, the materiality of which would depend on the precise scope of the change. Changes to compliance processes / training are also likely to be required. Ensuring the final Guidelines appropriately define the new requirements and the AER's expectations, and providing shippers with sufficient time to implement the necessary system / process changes, will therefore be important.
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? If not, why not?	To the extent the AER has identified deficiencies with the current framework, the proposed amendments should be appropriately targeted with a view to minimising any unnecessary compliance costs. In Origin's view, many of the changes proposed broadly meet this objective. However, as discussed in response to Questions 3 and 7 respectively, the merit of requiring information to be provided in relation to record creators and why a specific renomination field

	is selected (in addition to background information explaining the events) is unclear and requires further consideration
<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>	See response to Questions 8 and 9.
<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>	See response to Questions 3, 6 and 7.
<p>12. Do you have any additional concerns and/or comments that you would like to make?</p>	No additional comments are provided.