



South East Australia Gas Pty Ltd

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Australian Energy Regulator
GPO Box 520
Melbourne Vic 3001
Via email: AERGasMarketsPipelineCapacityTrading@aer.gov.au

Dear Sir/Madam

Re: Capacity Trading (PCT) and Day Ahead Auction (DAA) – Record Keeping Guideline

Thank you for allowing SEA Gas the opportunity to provide feedback on the Record Keeping Guidelines to be put in place as part of the Day Ahead Auction and the opportunity to provide feedback on these guidelines.

Generally, we are comfortable with what has been proposed here, although we have one particular concern to highlight, and have discussed this with some members of your team already. The format of the data we are to supply requires a nomination to consist of a receipt point and a delivery point. This implies that the contract/nomination is point to point only. Contracts offered by SEA Gas, and flexibility required for PCT and DAA mean that shippers can nominate at multiple receipt points and deliver to multiple delivery points. There is not a 1:1 relationship between receipt and delivery points and so we wouldn't be able to supply data in the format being asked. We can provide data on receipt and delivery points provided they are supplied in separate rows.

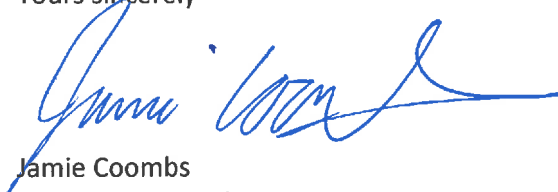
We provide the following responses to other sections in the guidelines.

Section	Response
5.1 Reporting Requirements	SEA Gas sees no obvious issue with the requirements specified here.
5.2 Transitional obligations during the first two years	SEA Gas considers that we will be able to extract the information specified from its system for transitional firm services.
5.3 Form of nomination and scheduling records	As highlighted above, our primary concern is that the form requires supplying receipt and delivery points for a nomination in a single record. This is contrary to how transportation facility user's contracts and their nominations are designed. Particularly in the case of larger users, shippers are contracted to multiple receipt points and multiple delivery points, allowing diversity in their portfolios. When nominating, they are sourcing their gas from one or more of the receipt points, and

	<p>then supplying gas to one or more delivery points. There is not a 1:1 relationship between receipts and deliveries, (although there can be instances where there is a single receipt and delivery being used on a day).</p> <p>It is SEA Gas' preference to supply receipt nominations and delivery nominations in separate rows – one row for each receipt and delivery point. This format was described in previous discussions with facility operators. This allows full flexibility in allowing for multi-point nominations, as well as those that are point to point and only have a single receipt and delivery point.</p>
5.4 Time required to keep records	SEA Gas currently retains backups of its nominations indefinitely, so don't have any concerns with this requirement.
5.5 Date information and data must be submitted	SEA Gas currently validates its systems and issues reports and invoices by the 10 th day of each month, and so consider that we can include this reporting requirement into that process.

Once again we appreciate the opportunity to provide feedback and hope that you consider the concern we have raised and can make appropriate adjustments to the guidelines prior to finalisation.

Yours sincerely



Jamie Coombs
Regulatory Coordinator