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Jemena Limited
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Via online submission

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Mr John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Dear Mr Pierce

**Jemena submission to consultation paper – National Gas Rules Amendment
(Northern Gas Pipeline – Derogation from Part 23)**

Jemena owns and manages some of Australia's most significant gas and electricity assets. Our investment in the Northern Gas Pipeline (NGP) complements existing assets that include:

- the Jemena Gas Network servicing 1.3 million customers around NSW
- the Eastern Gas Pipeline which delivers gas from Victoria's Gippsland basin to the ACT, Sydney and regional NSW
- the Darling Downs Pipeline Network in south-east Queensland supplying Darling Downs Power Station and APLNG's export pipeline.
- the Queensland Gas Pipeline which supplies Gladstone and Rockhampton
- Jemena's Victorian electricity network which delivers electricity to over 330,000 homes and businesses in north-west Melbourne.

Once completed the NGP will be able to bring around 90TJ of additional gas to the east-coast market each day. Should sufficient gas be made available in the Northern Territory, we will be able to expand and extend the NGP so that it can transport around 700TJs of gas each day – this is enough gas to meet the average daily gas needs of Sydney, Brisbane, and Adelaide.

Jemena appreciates the opportunity to respond to the consultation by the AEMC as the part of the Commission's assessment of the rule change proposal to revoke the derogation that applies to the NGP from Part 23 of the NGR.

We strongly believe that the Commission's decision must be to retain the derogation as it contributes to the National Gas Objective (NGO) and that the revocation of the derogation will not further the NGO. Jemena considers that the revocation would in fact detract from the NGO because it is likely to have a chilling effect on the genuine efforts of infrastructure investors to increase gas supply and increase competition.

We attach both public and confidential versions of each of Jemena's submission and a report by Houston Kemp. Jemena claims confidentiality pursuant to section 319 of the National Gas Law in respect of those sections of the confidential submission and

report which have been marked as 'C-i-C'. This is on the grounds that the highlighted sections provide details of contractual arrangements between Jemena and the Northern Territory Government which Jemena is legally obliged to keep confidential. The Northern Territory Government has agreed to Jemena sharing this information with AEMC but not to its public disclosure. In the public versions of each document, we have redacted only the confidential sections and marked those redactions as being pursuant to s319(3). We consider that the point being made in each case can still be understood in the redacted versions – only the actual contractual provision is omitted.”

If you have any questions or would like to discuss any aspect of this proposal, please contact me on (02) 9867 7483 or at usman.saadat@jemena.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Usman', with a horizontal line underneath the name.

Usman Saadat

General Manger Regulation