

## **NATIONAL GAS AMENDMENT (COMPENSATION AND DISPUTE RESOLUTION FRAMEWORKS) RULE (GRC 0067)**

**25 JANUARY 2024**

The Energy Users' Association of Australia (EUAA) is the peak body representing Australian commercial and industrial energy users. Our membership covers a broad cross section of the Australian economy including significant retail, manufacturing, building materials and food processing industries. Combined our members employ over 1 million Australians, pay billions in energy bills every year and in many cases are exposed to the fluctuations and challenges of international trade.

Thank you for the opportunity to make a submission under AEMC's National Gas Amendment (Compensation and Dispute Resolution Frameworks) Rule.

The EUAA considers that the draft determination presented by the AEMC strikes the right balance and provides the right guardrails for a new gas compensation and dispute resolution framework through:

- Improved governance and procedural arrangements that improve transparency and are fit for purpose;
- Eligible costs to be limited to direct costs;
- That only claims over \$50,000 can be submitted;
- That market participants eligible to make claims will fund the compensation funding and the independent expert.

The EUAA also considers that the draft determination strikes the right balance between consistency with the electricity compensation and dispute resolution framework and having bespoke components specific to the gas industry.

The EUAA is also supportive of the AEMC unifying the dispute resolution and compensation frameworks under the East Coast Gas System (ECGS), the Declared Wholesale Gas Market (DWGM) and the Short Term Trading Market (STTM).

The changes to the NGL and NGR as a result of this draft determination were prepared on the basis of changing the compensation and dispute resolution frameworks for the ECGS. However, as pointed out in our submission to the consultation paper, the draft determination identifies that the proposed changes to the NGL and NGR to facilitate the change to the ECGS will have "consequential changes" to both the DWGM and STTM.

The EUAA is concerned that the DWGM and STTM participants (particularly EUAA members) have not been adequately consulted during this process.

Additionally, The AEMC has not provided a financial model to demonstrate the improved efficiency and reduced costs making it difficult for the EUAA to categorically determine whether there would be cost efficiencies associated with the proposed rule change.

In conclusion, while the EUAA is pleased with the concepts presented for compensation and dispute resolution framework, the EUAA would encourage the AEMC to:

- perform financial modelling of the impacts of the proposed rule change to consumers and to other market participants;
- delay the implementation until the modelling is made available and the market participants have time to prepare for implementation of the procedures and guidelines; and
- properly consult with DWGM participants before including the DWGM in the current rule change proposal.

Do not hesitate to be in contact should you have any questions.



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