



31 July 2014

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

Project reference: **GRC0021**

**Draft Rule Determination  
National Gas Amendment (Portfolio Rights Trading) Rule 2014**

Dear Mr Pierce

AGL endorses the AEMC's draft determination, published on 19 June 2014, to make a rule which would implement the proposed rule submitted by AEMO. AGL's grounds for supporting this rule change were described in our submission of 3 April 2014 to the first round of consultation by the AEMC. We still subscribe to those reasons for endorsing the rule change.

The opportunity to utilise stranded AMDQ is expected to confer net benefits to participants in the Declared Wholesale Gas Market, based on analysis conducted by AEMO and reviewed by Market Participants at the Gas Wholesale Consultative Forum (**GWCF**). This particular rule change has its genesis in the work undertaken by the Transmission Capacity Working Group in 2011 which resulted in a final report and set of recommendations to the GWCF in 2012. We see a linkage, albeit a complementary one, between this change to introduce Portfolio Rights Trading in the market carriage framework for Victorian gas and the work being conducted on voluntary secondary capacity trading by the COAG Energy Council.

I can be contacted on (03) 8633 6239 or at [gfoley@agl.com.au](mailto:gfoley@agl.com.au).

Yours sincerely,

George Foley  
**Manager Gas Market Development**

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