

22 August 2017

Shari Boyd  
Director  
Australian Energy Market Commission  
PO Box A2449  
Sydney South NSW 1235



Dear Ms Boyd,

### **Draft Rule Determination for Improvements to the Natural Gas Bulletin Board**

The Public Interest Advocacy Centre (PIAC) is an independent, non-profit legal centre based in New South Wales. Established in 1982, PIAC tackles systemic issues that have a significant impact upon disadvantaged and marginalised people. We ensure basic rights are enjoyed across the community through litigation, public policy development, communication and training. The Energy + Water Consumers' Advocacy Program represents the interests of low-income and other residential consumers, developing policy and advocating in energy and water markets.

PIAC welcomes the opportunity to respond to the Draft Determination for Improvements to the Natural Gas Bulletin Board (the Bulletin Board). PIAC supports the both the intent and content of the draft rule.

PIAC supports the Council of Australian Governments (COAG) Energy Council's intention to increase transparency in the east coast gas market. Australian gas markets have traditionally operated in an opaque manner, making it difficult for gas users and shippers to participate effectively.

PIAC concurs with the COAG Energy Council and the AEMC that improving the provision of market information is a key element of encouraging better functioning gas markets, and notes also the flow-on effect that the price and availability of gas has on electricity prices.

PIAC is pleased that a number of changes to the Bulletin Board framework will extend the Bulletin Board's coverage to include facilities and pipelines that are currently not visible. PIAC endorses the removal of the zonal reporting model and exemptions for older facilities, as well as setting the facility registration threshold at 10TJ/day.

PIAC concurs with the AEMC that the existing framework is flawed due to the number reporting gaps it has allowed, and that the proposed amendments will potentially remove many of these gaps.

PIAC also supports the proposed amendments to funding arrangements for the Bulletin Board, including the removal of Bulletin Board cost recovery provisions for market participants. While reporting information may be a small burden on facility and pipeline operators, PIAC supports the AEMC's assertion that it should be considered a cost of doing business in the east coast gas market.

The rationalisation of AEMO's cost recovery mechanisms is also a positive reform. As a general principle, PIAC considers it desirable for energy market institutions to have simple, consistent systems for stakeholders to engage with,

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and PIAC considers the AEMO cost recovery element of the rule change to support this principle.

PIAC would welcome the opportunity to meet with the AEMC and other stakeholders to discuss these issues in more depth.

Yours sincerely,

**Craig Memery**

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