



9 August 2012

Mr Sjoerd Ammerlaan
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Lodged online - www.aemc.gov.au

Dear Mr Ammerlaan

National Gas Amendment (STTM – Market Schedule Variation transactions) Rule 2012

Alinta Energy welcomes the opportunity to comment on the abovementioned rule change proposal submitted by the Australian Energy Market Operator.

Alinta Energy supports the rule change and endorses the view that:

- the proposed rule will increase efficiency by facilitating transactions between users available under the current rules but only via a shipper intermediary;
- the proposal has industry support and has been broadly discussed as part of the STTM Consultative Forum, of which Alinta Energy is a member; and
- the proposal will not result in any significant costs or have a material impact on the market outside of the noted efficiencies above.

On this basis, Alinta Energy is comfortable with an expedited rule change.

In relation to the concern expressed in the consultation paper, Alinta Energy expects that participants' will develop the systems necessary to manage the risks of duplication and on that basis is not concerned about the absence of a limitation on initiation of Market Schedule Variations.

More broadly, Alinta Energy notes that it may have been opportune to examine other enhancements to the Market Schedule Variation transactions process at this stage to maximise benefits and minimise periods of change. One area of interest to Alinta Energy is automatic matching via a compulsory and transparent facilitation process.

A matching scheme would reduce overall administration in the market as participants will not be required to enter into individual contracts; it will improve transparency, will allow for smaller trade volumes and therefore reduce barriers to entry, and limits the ability of parties to introduce uneconomic administrative charges.

Nevertheless, it is appreciated that further analysis regarding the form of such a process is likely required and on that basis the current proposal should not be unduly delayed.



If you have any queries in relation to this matter please do not hesitate to contact me on, telephone, (02) 9372 2633.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "J Lowe".

Jamie Lowe
Manager, Market Regulation