

26 September 2011

Mr John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
SYDNEY SOUTH NSW 1235

Dear Mr Pierce

National Gas Amendment (Short Term Trading Market – Market Schedule Variation) Rule

We write in relation to the National Gas Rule change proposed by the Australian Energy Market Operator concerning Market Schedule Variations (MSV).

We note the rule change proposal comprises the following elements:

- extend the MSV transaction window from four to seven days;
- delete the MSV transaction window from the National Gas Rules with the intention that they be moved to the Short Term Trading Market Procedures; and
- treat the rule change as an expedited process.

We note the rule change is likely to be non-controversial and support the Australian Energy Market Commission's decision to expedite the rule change.

In relation to the substantive issues, Alinta Energy, as a member of the Short Term Trading Market Consultative Forum:

- supports extending the MSV transaction window from four days to seven days to improve use of the mechanism, and allow settlement calculations to be better informed by the available data;
- endorses the inclusion of the MSV transaction window in the Short Term Trading Market Procedures and its removal from the National Gas Rules contingent upon appropriate transitional arrangements to eliminate any regulatory gap; and
- agrees that the use of the Short Term Trading Market Procedures as the single document to determine MSV processes is appropriate in the context of the ongoing implementation and review of this market.



If you have any queries in relation to this matter please do not hesitate to contact me on, telephone, 03 9372 2633.

Yours sincerely,

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

Jamie Lowe

Manager, Market Regulation