

A few  
words.

30 March 2015

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



Project reference: **GRC0030**

**Draft Rule Determination  
National Gas Amendment (Matched allocation process in the STTM) Rule 2015**

Dear Mr Pierce,

AGL refers to the above draft rule determination released by the AEMC on 12 March 2015 after consideration of submissions to the consultation paper based on a rule change request submitted by Jemena Gas Networks (NSW) Ltd ("**JGN**").

AGL fully supports the draft rule determination as it would allow JGN the option of procuring gas under contract and to have price certainty on that gas by having it bypass the Sydney STTM settlements through the matched allocation process. We were fully supportive in our earlier submission dated 19 January 2015 to the AEMC for reasons that we articulated, namely that operational gas demand is driven by factors that are not responsive to price and therefore it is preferable to have price certainty around gas procured for operational reasons.

AGL also fully supports the inclusion of JGN's access to matched allocation in Part 20 of the National Gas Rules and away from the Transitional Provisions in Schedule 1, which will have the effect of giving JGN access to a matched allocation process beyond 1 July 2015. This was our position earlier as well.

Please refer any questions to George Foley (03) 8633 6239 or at [gfoley@agl.com.au](mailto:gfoley@agl.com.au).

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Duncan MacKinnon".

Duncan MacKinnon

**Manager Wholesale Markets Regulation**