



7 October 2021

Submission: Consultation on the South Australian derogation on price reporting from the gas pipeline regulation national package

The Australian Pipelines and Gas Association (APGA) represents the owners, operators, designers, constructors and service providers of Australia's pipeline infrastructure, with a focus on high-pressure gas transmission. APGA's members build, own and operate the gas transmission infrastructure connecting the disparate gas supply basins and demand centres of Australia, offering a wide range of services to gas producers, retailers and users.

APGA welcomes the opportunity to contribute to the South Australian Department for Energy and Mining Consultation on the South Australian derogation on price reporting from the gas pipeline regulation national package (the **Derogation Consultation**).

APGA welcomes the content of the Derogation Consultation paper and agrees with the conclusions of the South Australian Department for Energy and Mining and the derogation proposal. APGA considers Option 1 will better address the South Australian specific requirements in ensuring sufficient flexibility and the continued use of bespoke products, while noting that Option 2 is better than taking no action at all.

The derogation has been sought due to the uniqueness of the South Australian NEM which is dominated by variable renewable electricity and gas power generation. APGA flags to other jurisdictions that each NEM region is likely to move towards similar conditions as the South Australian NEM region as electricity decarbonisation continues. As such, other jurisdictions may wish to consider the potential implications of the provisions targeted under this derogation on the future of their own energy markets.

To discuss any of the above feedback further, please contact APGA's National Policy Manager, Jordan McCollum, on +61 422 057 856 or jmccollum@apga.org.au.

Yours Sincerely,

A handwritten signature in black ink, appearing to be "JM", written in a cursive style.

JORDAN MCCOLLUM
National Policy Manager