



7 November 2024

Submission: AEMC Draft Determination – integrating gas into the Integrated Systems Plan (ERC0395)

APGA welcomes the opportunity to provide final comments to the AEMC in support of its draft determination on the rule change request – **Better integrating gas and community sentiment into the ISP.**

Under the current National Electricity Rules (NER) AEMO has limited remit to consider gas supply chains in the preparation of the ISP. The proposed Rule Change Request will explicitly enable and require AEMO to develop gas industry projections and consider these projections in developing the Integrated Systems Plan (ISP).

Ultimately this will result in an ISP which more accurately reflects the relationships between the gas and electricity markets and is less likely to recommend inefficient overinvestment in the NEM. APGA reiterates comments made to the AEMC on the initial rule change request.¹

Noting the differences in operation of the electricity market versus the gas market, it is critical that AEMO *describe* rather than *prescribe* the gas market. APGA understands that these rule changes are not intended to give AEMO the power to plan for gas infrastructure in the way it does for electricity transmission in the ISP.

However, APGA observes the proposed amendments to the NER regarding the consideration of covered gas facilities (see below) could be generously interpreted to include a projection of facilities, not projection of capacity and utilisation of *existing* and *planned* facilities.

gas development projections means projections of developments in the covered gas industry used by AEMO as an input, assumption or scenario in the development of an *Integrated System Plan* and which may include a projection over the relevant period of:

- (a) demand for and available supplies of one or more covered gases;
- (b) prices for one or more covered gases;
- (c) capacity and utilisation of covered gas industry facilities,

¹ APGA, 2024, *Submission: Better integrating gas into the ISP (ERC0395)*, <https://apga.org.au/submissions/aemc-rule-change-request-better-integrating-gas-into-the-isp>

APGA recommends the AEMC either amend this wording (to be specific to existing and planned facilities), or provide guidance to make it clear that these provisions are not intended for AEMO to determine potential covered gas industry facilities.

To discuss any of the above feedback further, please contact me on +61 0409 489 814 or crafael@apga.org.au.

Yours sincerely,



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