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Gas Pipeline Capacity Trading and Day Ahead Auction 2019 (Fee Structure) – Consultation Paper

Origin Energy Limited (Origin) welcomes the opportunity to provide comments on the Australian Energy Market Operator's (AEMO) Gas Pipeline Capacity Trading and Day Ahead Auction 2019 (Fee Structure) Consultation Paper. Origin is supportive of the guiding principles of 'simplicity', 'reflective involvement' and 'avoiding unreasonable discrimination against a category of participants'. Consistent with this, we have provided comments on the high-level concepts raised in the Consultation Paper, as discussed below.

- *Capacity Trading Platform (CTP) fee structure:* Origin is supportive of aligning the CTP fee structure with the Gas Supply Hub (GSH) market, given the CTP will utilise the GSH exchange trading platform.
- *Day Ahead Auction (DAA) fee structure:* A variable transaction fee based on the capacity of auction products purchased by participants is appropriate.
- *Registration fee:* It is important that any costs associated with registering new parties are recovered on an equitable basis from those new parties, rather than through additional market charges. Participants already registered on the GSH should also not be required to pay a registration fee to use the CTP, given they share the same trading platform.
- *Operational Transportation Service Code Panel (OTS Code Panel) fee structure:* OTS Code Panel members should be engaged on a voluntary basis.
- *Period of fee structure:* The fee structure should remain in place until 30 June 2021, consistent with other gas market fee structures. This will allow for the interaction of all gas market fee structures to be considered as part of a consolidated review process and therefore assist ensuring fees are recovered equitably. To this end, we remain of the view that there is still merit in applying a fee structure for the Gas Bulletin Board that recovers costs from all parties that benefit from the information provided (i.e. by applying a fixed charge on all users).

If you wish to discuss any aspect of this submission further, please contact Shaun Cole at shaun.cole@originenergy.com.au or on 03 8665 7366.

Yours Sincerely,

A handwritten signature in blue ink, consisting of a series of connected loops and a final vertical stroke, positioned above the printed name.

Steve Reid
Group Manager, Regulatory Policy