

Dear AEMO

ERM Power is pleased to respond to AEMO's invitation for comments on its proposed changes to the Gas Bulletin Board ("GBB") procedures to capture LNG related information. We support the proposed changes as set out in Appendix 1 of the Impact & Implementation Report, to create a new Gladstone Demand Zone that will capture the individual pipelines connecting to the LNG processing facilities on Curtis Island. ERM Power's position is that transparency of gas flows relating to LNG is vital to enabling market participants to effectively manage their trading position, minimise risks and respond to changing market conditions.

With respect to timing, our preference is to have the new procedures commence as soon as possible. Until such time LNG information is made available, the domestic market will continue to operate with an incomplete picture of the market and face increased risks and uncertainty.

Regarding timing, we do not agree that the change should commence only when the second LNG project has commenced. Our view is that LNG related information should be made available as soon as possible to reduce risks to domestic gas market participants.

While our preference is for the change to commence in the earliest instance possible, if we were to have to work with the two approaches put forward by AEMO, we would prefer the second approach, that is, AEMO to estimate the date of the first cargo of the second LNG project, and declare an effective date 15 business days prior. This will provide greater certainty to participants regarding availability of the data. As AEMO suggests, the estimate could be based on notice by the LNG facility operators or public data.

Thank you and please feel free to contact me if you would like to discuss anything.

Regards

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