



6 March 2018

Jack Fitcher
Chief Financial Officer
Australian Energy Market Operator
GPO Box 2008
Melbourne Vic 3001

Submitted by email: jack.fitcher@aemo.com.au

Dear Mr Fitcher

Structure of Participant Fees in AEMO's Gas Markets – Draft Report

Origin Energy Limited (Origin) welcomes the opportunity to provide comments on the Australian Energy Market Operator's (AEMO) Draft Report on the Structure of Participant Fees in AEMO's Gas Markets, the key recommendation of which is to amend the existing fee structure associated with the Gas Bulletin Board (GBB).

Origin is supportive of AEMO's draft proposal, which would allocate 50 per cent of GBB costs to producers registered on the GBB and 50 per cent to participants withdrawing gas from the Short Term Trading Market (STTM) and Declared Wholesale Gas Market (DWGM). Such an approach will capture a broader group of participants relative to the exiting framework and therefore allow for more equitable allocation of costs. The 50:50 allocation between producers and facilitated market users will also help to ensure that no particular class of participants bears a disproportionate share of the costs, consistent with the guiding principles applied by AEMO under the National Gas Law (NGL) and National Gas Rules (NGR) when considering fee structures.

Notwithstanding the above, over the longer term Origin believes there is still merit in applying a fee structure that recovers costs from all parties that benefit from the information provided (i.e. by applying a fixed charge on all users). While AEMO did not consider this approach to be workable under the current regulatory framework, there is likely to be an increased need to move to such a model if GBB costs continue to rise over time.

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, appearing to read "Steve Reid".

Steve Reid
Group Manager, Regulatory Policy