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3/03/2021

By email

Dear Madam / Sir

Australia Pacific LNG Pty Limited & Ors application for re-authorisation AA1000544—interested party consultation

The Australian Competition and Consumer Commission (the ACCC) has received an application for re-authorisation from Australia Pacific LNG Pty Limited, QCLNG Operating Company Pty Ltd and GLNG Operations Pty Ltd (together, the Applicants). This letter is to invite you to comment. You are welcome to pass this letter on to others who may wish to make submissions.

The Applicants seek re-authorisation to continue to coordinate the timing and scheduling of maintenance events at their LNG facilities on Curtis Island for a period of 5 years. The Applicants are seeking re-authorisation because an existing authorisation (authorisations A91516 and A91517), granted subject to conditions by the ACCC in 2016, expires on 6 May 2021.

The conduct is that same as that conditionally authorised by the ACCC in 2016. However, the Applicants are seeking to change the condition during the course of the next 5 years. The existing condition requires the Applicants to publicly disclose maintenance schedule information that they have shared with one another, and to ensure that information remains accurate. The Applicants propose that the reporting condition continue in the short term but cease to apply when anticipated reporting requirements pursuant to the Gas Transparency Measures under the National Gas Law commence.

A full copy of the application for re-authorisation is available on the ACCC's Authorisations Register.

Interim authorisation

Because the existing authorisation is likely to expire before the ACCC has made a final decision about the application for re-authorisation the Applicants have also sought interim authorisation to enable the existing conduct to continue while the ACCC considers the application for re-authorisation.

In making an assessment as to whether it is appropriate to grant interim authorisation, the ACCC is not required to undertake a full assessment of the benefit and detriment likely to arise as a result of the proposed conduct.

The ACCC decides whether to grant interim authorisation on a case by case basis. Should an applicant request interim authorisation, the ACCC will usually consider a range of factors, including harm to the applicant and other parties if interim is or is not granted, possible benefit and detriment to the public, the urgency of the matter and whether the market would be able to return to substantially its pre-interim state if the ACCC should later deny authorisation.

Request for submissions

The ACCC invites you to make a submission on the likely public benefits and effect on competition, or any other public detriment, from the proposed arrangements. In particular the ACCC would appreciate your views on the proposal that the condition of authorisation requiring the Applicants to publicly disclose maintenance schedule information that they have shared with one another cease to apply if new transparency measures under the National Gas Law are implemented. The Applicants submit that if implemented, the Gas Transparency Measures will require the Applicants to report publicly on a broader and more detailed range of information than the current condition of authorisation requires meaning the reporting required by the condition of authorisation will no longer be necessary. Further information can be found in section 5 of the Applicants' supporting submission.

If you intend to provide a submission in relation to the Applicants' application for reauthorisation and/or interim authorisation, please do so by **23 March 2021**. If you wish to request an extension, please contact us on the details below as early as possible. Submissions after the due date (or after any extension granted) may not be taken into account. Submissions should be emailed to exemptions@accc.gov.au with the subject AA1000544 – Australia Pacific LNG Pty Limited & Ors – submission'.

Your submission will be placed on the ACCC's <u>Authorisations Register</u> on the internet unless you have made a request (with reasons) for us to exclude part or all of the submission from the public register (see <u>Guidelines for Excluding Information from the Public Register</u> for more information on how to make a request and how we assess requests).

Timetable

The ACCC will progress its assessment of the application in a timely manner. An indicative timetable is set out below for your information

24 February 2021	Lodgement of application and supporting submission.
3 March 2021	Public consultation process begins.
23 March 2021	Closing date for submissions from interest parties (including on interim authorisation).
April 2021	Applicant responds to issues raised in the public consultation process.
April/May 2021	Draft determination including decision on interim authorisation (interim authorisation decision will be made before 6 May 2021).
May 2021	Public consultation on draft determination including any conference if called.
June 2021	Final determination.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Luke Griffin on 02 6243 111 or exemptions@accc.gov.au.

Yours sincerely

Gavin Jones

Director

Competition Exemptions