



1 February 2016

Baethan Mullen
Acting General Manager, Adjudication Branch
Australian Competition and Consumer Commission
Lodged by email to adjudication@acc.gov.au

Re: A91516-A91517 - Australia Pacific LNG Pty Ltd and others, Disclosure of information regarding Scheduled Maintenance of LNG Facilities

Dear Baethan

Thank you for the opportunity to comment on the draft condition of authorisation prepared by the participants of the Australian Pacific LNG Project, the Queensland Curtis LNG Project and Gladstone LNG Project ("LNG Participants"), regarding the disclosure of information relating to the scheduled maintenance of the LNG facilities.

ERM Power welcomes the ACCC's acknowledgement of the concerns we raised in our previous submission, regarding the adverse competition impacts on the domestic energy markets of failure to make scheduled maintenance information available to all trading participants on an equal basis, given the fact that a maintenance shutdown of an LNG facility can materially impact domestic demand/supply conditions and prices. We strongly support the ACCC's proposal to impose a condition of authorisation requiring the public disclosure of the relevant information by the LNG Participants.

With regards to the draft condition prepared by the LNG Participants, we recommend the following additions.

- LNG Participants should be required by the condition of authorisation, to provide updates if there are material changes to information previously furnished. Out of date or erroneous information will be misleading to the rest of the market. Such information asymmetry will place other trading participants at a competitive disadvantage.
- While we appreciate the point that the disclosure of capacity impacts, unplanned maintenance and MTPASA and MTCO information, may technically be beyond the scope of the proposed conduct, we are concerned that the inability of non-LNG participants to access such information from the public domain, is acting as an impediment to competition and hindering market efficiency. While it is possible that the requirement on LNG Participants to disclose such additional information may be captured by the recommendations arising from the AEMC's East Coast Gas Market and Pipeline Capacity Frameworks review, the AEMC is expected to finalise its recommendations only in May 2016, following which time will be required to implement the necessary rule changes. Hence even if a requirement to disclose such information is included in the AEMC's final recommendations, it may not be until Q4 2016 when the changes come into effect. In the meantime, there will be three LNG projects up and running. We recommend that until such time the obligation to report is effected through the rules, the LNG participants should be required to disclose the additional information as part of the condition of authorisation or some other method.

Thank you again for the opportunity to provide our comments. Please feel free to contact me if you would like to discuss or require any further information.

Yours sincerely

A handwritten signature in black ink, appearing to be 'SK', written over a light blue circular stamp.

Sarah Kok
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