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Mr David Hatfield
Director
ACCC
23 Marcus Clarke Street
Canberra ACT 2601

11 November 2022

Dear Mr Hatfield

AA1000620 - Application for revocation and substitution of Authorisations AA1000396-1 and A1000396-2 under s 91C(1) of the Competition and Consumer Act 2010 (Cth)

We refer to the email dated 26 October 2022 from your colleague Jack Foley to AGL regarding the above application.

AGL does not oppose the application for revocation and substitution of the above authorisations. However, AGL submits that, if granted, the authorisation should be limited to a period of five years and the condition imposed on the original authorisations should be continued.

AGL submits that while there may be public benefits associated with the authorisation at present, the position may be different in 5 years due to changing market conditions. For example, there is currently a large degree of volatility and uncertainty in the east coast gas market and there are significant but not yet commercialised gas supplies in the Northern Territory. The July 2022 ACCC Gas Market Inquiry noted that the predicted 2023 shortfall in the east coast gas market may be addressed, in part, by additional volumes of gas produced in the Northern Territory and transported via the Northern Gas Pipeline (NGP) that connects Tennant Creek in the Northern Territory and Mt Isa in Queensland). Given the situation in the east coast gas market, and the potential further commercialisation in the Northern Territory, the potential for Northern Territory gas to help supply the East Coast market, AGL considers that market conditions may change over the next 5 years.

In AGL's view, while the proposed coordination offers public benefits, in light of the resultant information asymmetry between the applicants and other market participants, a condition which requires relevant applicants to publish scheduled maintenance information that they have shared with the other applicants is appropriate.

If you have any questions regarding this submission, please contact Caroline Gill at [REDACTED].

Yours sincerely,

[REDACTED]

Beth Griggs
General Manager, Legal, Competition, Energy Markets, Customer & Technology