



6 November 2014

Mr John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Dear Mr Pierce

GRC0021: PROPOSED NATIONAL GAS AMENDMENT (PORTFOLIO RIGHTS TRADING) RULE 2014 – REQUEST FOR SUBMISSIONS ON A SPECIFIC ISSUE

Origin Energy Limited (Origin) welcomes the opportunity to respond to the Australian Energy Market Commission's (AEMC's) request for further submissions in relation to the Portfolio Rights Trading (PRT) Rule change proposal.

We note the Victorian Government intends commissioning the AEMC to undertake a review of pipeline capacity, investment, planning and risk management mechanisms in the Victorian Declared Wholesale Gas Market. Given recommendations arising from this review may have implications for the implementation and use of PRT, Origin supports the view that PRT should be put on hold pending the outcomes of the review.

The AEMC's Explanatory Note details that one of the key factors prompting this request for submissions is the increase in AEMO's expected costs to implement PRT from \$500,400 to \$687,500. It also details that a reduced IT functionality model (i.e. where full Web Services functionality is not provided for PRT) would result in savings of approximately 14 per cent of total project costs. Should a Final Rule be made to implement PRT, Origin does not consider a reduced IT functionality an appropriate option. Offering Web Services is necessary to keep in line with our existing nominations functionality. In addition, as AEMO provides both Web Services and Web Exchanger currently, it is reasonable to expect it will continue to provide both services for all IT requirements going forward.

Should you have any questions or would like to discuss this submission further, please contact Lillian Patterson on lillian.patterson@originenergy.com.au or (02) 9503 5375.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Steve Reid", with a stylized flourish at the end.

Steve Reid
Manager, Wholesale Regulatory Policy