

4 October 2017

Gas Market Reform Group  
C/- Australian Energy Market Commission  
PO Box A2449  
SYDNEY NSW 2000

**Email: [enquiries@gmrg.coagenergycouncil.gov.au](mailto:enquiries@gmrg.coagenergycouncil.gov.au)**

**Senex Energy Limited**  
ABN 50 008 942 827

**Head Office**  
Level 14  
144 Edward St  
Brisbane Qld 4000

GPO Box 2233  
Brisbane Qld 4001

**T** +61 7 3335 9000  
**F** +61 7 3335 9999

[info@senexenergy.com.au](mailto:info@senexenergy.com.au)  
[senexenergy.com.au](http://senexenergy.com.au)

Dear Dr Vertigan

**RE: Standardisation Related Reforms and the Capacity Trading Platform**

Thank you for the opportunity to provide feedback on the GMRG's consultation paper relating to the standardisation related reforms and the design of the capacity trading platform.

Currently, Senex is not a user of transmission pipeline and compressor services and therefore does not have the in-depth expertise to comment on many of the areas outlined in the consultation paper on which you seek feedback. However, as a company developing its Western Surat Gas Project and acreage recently awarded by the Queensland Government from which all gas produced must be supplied to the domestic market, we expect to use 'transportation services' in the future.

Therefore we support the reform objectives aimed at developing:

- a capacity trading platform(s) that shippers can use to trade secondary capacity ahead of the nomination cut-off time and provides for exchange-based trading of commonly traded products and a listing service for other more bespoke products
- a day-ahead auction of contracted but un-nominated capacity, which would be conducted shortly after nomination cut-off and subject to a reserve price of zero (with compressor fuel provided in-kind by shippers)
- standards for key contract terms in primary, secondary and operational transportation agreements to make capacity products more fungible and, in so doing, facilitate a greater level of secondary capacity trading
- a reporting framework for secondary capacity trades that provides for the publication of the price and other related information on secondary trades.

We have provided comments on the four areas in which you specifically sought feedback: the liability provisions relating to off-specification gas, the general liability provisions, the credit support requirements, and the curtailment processes (Sections 3.2 and 3.3).

Should you have any questions in relation to this submission, in the first instance please contact Trevor Robertson, Government and Stakeholder Relations Manager (P: 0409 519 639).

Yours sincerely

  
Graham Yorbury  
Acting Managing Director and Chief Executive Officer

**Senex Energy Limited**