

From: Elizabeth Hawker [ehawker@auspg.com.au]
Sent: Wednesday, 18 July 2012 4:35 PM
To: Sastro, Anne
Cc: Shelley Reed
Subject: RE: RBP queuing requirements - materials for comment and submissions [SEC=UNCLASSIFIED]

Dear Anne

Here are our comments on the updated queuing proposal as discussed at the recent meeting on the 10th July.

APG is largely supportive of the AER's Staff Alternate View with the exception of the following issues:

1. **Applications to enter the queue must be signed by the company CEO** . We believe that this may be unnecessary and that an equivalent or delegated officer should be sufficient.
2. **Remaining in the queue** - We understand that APTPL may confirm with users quarterly that they wish to remain in the queue. However it is our view that this should not be mandatory (ie quarterly notification by the user). As we have previously suggested, if this were to be a mandatory quarterly notice then we suggest that information should be two-way, and the latest information and plans on proposed capacity needs to be provided to shippers prior to any confirmation of queuing status.
3. **Failed negotiations** - A user loses all the deposit unless it lodges an access dispute.

We do not agree with this and suggest that there should be circumstances where a deposit refund is required without the need to lodge a dispute. If negotiations held in good faith fail due to unforeseen circumstances, users should not be penalised. This includes where the timeframe for realising additional capacity extends out or is delayed or does not proceed; or any other changes to the arrangements come into play that are beyond the control of the user. Raising a dispute for such circumstances is an onerous and unsuitable mechanism.

We are concerned with the non-refundability aspects hinging on a negotiation, albeit held in good faith. The very requirement of a deposit puts the user in a comparably weaker bargaining position for the negotiation, given that they will have the possible loss of deposit as an outcome. This is even more apparent for smaller users.

If you have any queries in relation to these comments, please give me a call.

regards



Libby Hawker
T 03 8621 3709
F 03 9620 9944
M 0457 733 575

Market Development Manager

Part-time - Tues, Wed & Thurs
Level 1, 517 Flinders Lane, Melbourne VIC 3000
GPO Box 2847 Melbourne VIC 3000
www.australianpowerandgas.com.au

Follow us on:

