



INDEPENDENT
MARKET
OPERATOR

Gas Services Information Submission to Rule Change Proposal

GRC_2014_01 GSI Fee Allocation - Inclusion of Registered Production Facility Operators

Submitted by

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Date submitted:	26 August 2014

Submission

Submissions for Gas Rule Changes should be submitted to:

Independent Market Operator

Attn: Group Manager, Development and Capacity
PO Box 7096
Cloisters Square, Perth, WA 6850
Fax: (08) 9254 4399
Email: market.development@imowa.com.au

1. Please provide your views on the proposal, including any objections or suggested revisions.

Alcoa of Australia Limited (Alcoa) welcomes the opportunity to comment on this rule change. In 2012 and 2013 Alcoa provided submissions to the IMO about the design of the Gas Services Information (GSI). In these submissions Alcoa proposed a framework in which the costs of the GSI would be distributed amongst all users of the service. The proposal identified that costs should be shared amongst large gas users, producers and government. Alcoa was therefore disappointed when the GSI rules were finalised and only Registered Shippers were allocated costs.



Alcoa supports the rule change being proposed as it more evenly spreads the cost of operation of the GSI amongst all parties that benefit from the service. A more even spread of the costs improves the cost/benefit of the service resulting in greater participation in the services provided.

Alcoa also supports the amendment to the definition of Aggregated Shipper Delivery Quantity in Schedule 1 of the GSI Rules so that the exception pertaining to “Delivery Points feeding into another GBB Pipeline” will be extended to a GBB Storage Facility. The current definition results in gas being double counted when gas passes through the Mondarra Storage facility regardless of whether that gas will be going into storage or immediately being diverted into another GBB pipeline.

2. Please provide an assessment whether the change will better facilitate the achievement of the Market Objectives.

A more even spread of costs across the user group is likely to encourage greater participation and further development of the GSI. Users are more likely to use a service that they have to pay for and as a result this will broaden participation. Those users that have previously carried the full costs of the service are also likely to be more supportive of future development of the GSI as the cost:benefit is more balanced. Greater participation in the GSI supports the four key GSI Objectives.

3. Please indicate if the proposed change will have any implications for your organisation (for example changes to your IT or business systems) and any costs involved in implementing these changes.

There will be no additional costs as a result of these changes

4. Please indicate the time required for your organisation to implement the change, should it be accepted as proposed.

No additional time required
