



Energy Retailers Association  
of Australia Limited

13 March 2009

Mr Steve Rodgers  
Governance Section  
National Energy Market Branch  
Department of Resources, Energy and Tourism  
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## **RE: Declared Wholesale Gas Market Rules**

Dear Steve,

The ERAA wishes to provide this submission by way of industry comment on the draft wording of the Declared Wholesale Gas Market Rules that are to replace the Victorian Gas Industry Market and System Operation Rules (MSOR) that currently governs the Victorian wholesale gas market.

The ERAA is an association representing 13 retailers of electricity and gas throughout the National Electricity Market and the jurisdictional gas markets. ERAA members collectively provide electricity and gas to the majority of customers in Eastern Australia and are the first point of contact for end-use customers for both gas and electricity.

There is currently a massive effort underway to recast Retail Gas Market Rules into Retail Gas Market Procedures and the MSOR into Declared Wholesale Gas Market Rules. Whilst ERAA members are engaged in reviewing all the draft documents that have been issued, it did become apparent that the recasting of the MSOR was one of the more

strategic issues to be tackled in view of the material consequences to members of any unintended changes through the “translation” process. The ERAA therefore commissioned the firm of Baker & McKenzie to undertake a legal review of what is considered the most material chapter of the MSOR (Chapter Three), which relates to pricing and scheduling of gas, alongside its equivalent drafting in the Declared Wholesale Gas Market Rules. This legal analysis is submitted by ERAA as its submission to the current consultation. This document is to be found embedded on the previous page. ERAA members will probably wish to submit separately on the other chapters of the MSOR whilst also referring to this submission.

Should you have any queries, please feel free to call me on (02) 9437 6180.

Yours sincerely,

*[Transmitted electronically]*

Alastair Phillips

**Acting Executive Director**

Energy Retailers Association of Australia