



Major Energy Users Inc.

8 July 2008

Gas Market Development Section
National Energy Market Branch
Department of Resources, Energy and Tourism
GPO Box 1564
CANBERRA ACT 2601

Attention: Ms Michelle Croker

Dear Ms Croker

Release of the *National Gas (South Australia) (Short Term Trading Market) Amendment Bill 2009*

The Major Energy Users (MEU) has been involved in the development of the National Gas (STTM) Amendment Bill and has provided its input during the drafting process. The ability of MEU to be involved in the process has, as a result, allowed MEU to understand the reasons behind many of the aspects of the Bill and therefore recognise the balance behind many of the competing features.

Because of this the MEU has few issues that it considers should be changed within the current draft. Those that we consider do need to be addressed are:

1. The penalties for providing false or erroneous information are too low. Markets work best when there is transparency and when the information provided is robust and accurate. The current proposed penalties will not encourage accurate and genuine data being provided as there is insufficient incentive to be rigorous in information collection and dissemination.
2. There is no provision in the current draft to enable the veracity of costs which are "passed through" such as those related to the CPRS or of the market operator. Such costs need to be clearly identified and ascertained, and to be demonstrated as being appropriate in value and to be accurate. Such transparency is considered to be especially important to end users who ultimately pay for all of the costs associated with the new market.

Yours sincerely

A handwritten signature in black ink, appearing to read 'David Headberry', with a checkmark at the end.

David Headberry
Public Officer

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