

2 December 2021



Hydrogen blends and renewable gases Procedures review

Submitted to GWCF_Correspondence@aemo.com.au

Extending the national gas regulatory framework to hydrogen blends & renewable gases

The Public Interest Advocacy Centre (PIAC) is a leading social justice law and policy centre. Established in 1982, we are an independent, non-profit organisation that works with people and communities who are marginalised and facing disadvantage. PIAC builds a fairer, stronger society by helping to change laws, policies and practices that cause injustice and inequality. The Energy and Water Consumers' Advocacy Program (EWCAP) develops policy and represents the interests of low-income and other residential consumers of electricity, gas and water in NSW.

PIAC welcomes the opportunity to respond to the Australian Energy Market Operator's (AEMO) Hydrogen blends and renewable gases procedures review.

We note Energy Ministers have directed AEMO to review the National Gas Procedures (the Procedures) to identify potential changes that may be required to the Short-Term Trading Markets (STTM), Declared Wholesale Gas Market (DWGM) and Retail Markets Procedures (RMP) in Victoria, NSW and ACT, Queensland and South Australia to facilitate hydrogen blends and renewable gases.

PIAC does not support the use of Natural Gas Equivalents (NGE) in gas networks. If NGE are introduced to gas networks AEMO's procedures should be expanded to protect the interests of consumers.

The review and expansion of the Procedures to accommodate any use of NGEs must focus on suitability of consumption on equivalent terms with Natural Gas (NG). Equivalence must be assessed holistically and ensure there is no impact on the:

- safety of the network,
- life of network assets,
- cost of providing gas through networks,
- safety of consumers,
- utility, efficiency, or life of consumer appliances, and
- the accuracy of metering and billing of consumer usage.

Where the introduction of NGEs does result in impacts on any of these aspects the Procedures should focus on ensuring transparency, consistency and robust oversight of standards and specifications. Safety, quality, efficiency and affordability of supply to consumers must be protected and promoted.

PIAC will provide a detailed submission to the Australian Energy Market Commission in response to its review of the Regulatory Frameworks and will supply this to AEMO as a supplementary submission by 9 December 2021.

PIAC welcomes the opportunity to discuss these matters further with AEMO and other stakeholders.

Yours sincerely

Douglas McCloskey
Senior Policy Officer
Public Interest Advocacy Centre

Direct phone: +61 2 8898 6534
E-mail: dmcloskey@piac.asn.au