

Independent Market Operator
Gas Advisory Board

Minutes

Meeting No.	1
Location:	Parmelia Hilton, 'Swan B Room' 14 Mill Street, Perth WA 6000
Date:	20 December 2011
Time:	11.15am – 12.15pm

Attendees	Class	Comment
Allan Dawson	Chair	
Ben Coetzer	Producer	
Pete Ryan	Producer	
Steve Lewis	Pipeline	
Stephen Livens	Pipeline	
Nenad Ninkov	Shipper	
Geoff Gaston	Shipper	
Gordon Rule	Major User	
Mike Shaw	Major User	
Suzanne Frame	Independent Market Operator (IMO)	
Holly Medrana	Proxy for Wana Yang (Economic Regulation Authority)	
Natalia Kostecki	Proxy for Paul Hynch (Office of Energy (OoE))	
Apologies	Class	Comment
Paul Biggs	Small-User	
Paul Hynch	Observer OoE	Proxy sent
Wana Yang	Observer (Economic Regulation Authority)	Proxy sent
Also in attendance	From	Comment
Kate Ryan	IMO	Presenter
Stacey Oldfield	IMO	Minutes

Item	Subject	Action
1.	WELCOME The Chair opened the first meeting of the Gas Advisory Board (GAB) at 11.15am and welcomed members.	
2.	INTRODUCTIONS, APOLOGIES / ATTENDANCE The Chair invited members to introduce themselves and give a brief description of their background. Apologies were received for Dr Paul Biggs, Mr Paul Hynch and Ms Wana Yang. Ms Holly Medrana was introduced as a proxy for Ms Yang and Dr Natalia Kostecki as a proxy for Mr Hynch. Also in attendance were Ms Kate Ryan (presenter) and Ms Stacey Oldfield (minutes).	

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3	<p>ROLE AND OPERATIONS OF THE GAS ADVISORY BOARD</p> <p>The Chair noted that the role of the GAB is to provide advice to the IMO in the establishment of the initial rules for the Gas Bulletin Board (GBB) and the Gas Statement of Opportunities.</p> <p>The Chair stated that a copy of the constitution had been circulated to all members and member details and class would be published on the IMO web site to direct interested parties to the appropriate representative of their class.</p> <p>The Chair requested that members be objective and provide advice which would benefit the whole market and not their company's commercial position. However, members will have ample opportunity to represent their employer's interest during formal consultation periods.</p> <p>Mr Steve Livens raised the point that the producers class was missing from part 6.3 of the GAB Constitution (representatives that needed to be present in a quorum). The Chair replied that this was an oversight and the producer's class would be added to part 6.3 of the constitution.</p> <p><i>Action Point: A 'producers' class to be added to part 6.3 of the constitution to ensure each class is represented in the quorum.</i></p>	IMO
4	<p>GAS INFORMATION SERVICES PROJECT</p> <p>Ms Ryan presented the key points of the Gas Information Services Project paper provided for Agenda Item 4.</p> <p>Mr Nenad Ninkov asked whether the government would grant the IMO with the \$3,315,000 to implement the Gas Information Services Project or if this capital expense would be recovered through Market Fees. Ms Ryan replied the latter was the case with the Chair clarifying that the initial seed funding of \$350,000 from the OoE would not be recoverable.</p> <p>Mr Pete Ryan enquired whether the role of the GAB in terms of Emergency Management would be medium to long term planning. The Chair replied that the IMO estimated the need for an information page available to inform energy Market Participants and the government of periods of stress within the market. The Chair envisaged that this may not only include information from the gas industry, but also information to do with liquid fuel stocks from electricity generators. It has to be information that is useful to the Market Participants who will be affected by potential disruptions to the industry.</p> <p>Mr Geoff Gaston questioned whether it would be useful for the Australian Energy Market Operator (AEMO) to provide the members with a presentation of the National Bulletin Board (NBB) used in the Eastern States. The Chair noted that the IMO had a technical consultant looking at the functions of the NBB in AEMO and it may be useful for the consultant to give a presentation to the members. The Chair also noted that, other than the emergency page, the NBB is publically available on the web. However, the IMO will consider whether it would be valuable for AEMO to give a presentation.</p> <p><i>Action Point: The IMO to assess whether it would be valuable for AEMO or</i></p>	

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	<i>the IMO's technical consultants to give a presentation to members on the NBB.</i>	IMO
5	<p>OPTIONS FOR GAS BULLETIN BOARD SYSTEM</p> <p>Ms Ryan presented the paper on the Options for the Gas Bulletin Board System. The Chair noted that AEMO had shown a clear preference for option 3: Migrating the software from the NBB into the IMO IT framework, with the IMO to develop and operate the GBB.</p> <p>The Chair stated it was the IMO's intention to, as far as possible, maintain the same interface for the WA GBB as participants currently use to access the NBB, recognising that some participants operate both in WA and the Eastern States.</p> <p>The following questions were raised by members:</p> <p>Mr Ninkov asked what criteria the IMO were using to evaluate the three options for utilising the NBB system to deliver the GBB. The Chair replied the options were evaluated firstly on a technical basis i.e. what is feasible and what is not, and secondly on a costs and function basis. The Chair noted that WA will have its own gas rule book separate to the Eastern States gas rule book. The IMO will have to consider situations where the rules may differ between the states and how this should be implemented in the GBB as opposed to the NBB.</p> <p>The Chair noted an issue the IMO has encountered is to mine the data beyond the simple GBB would require an AEMO technical consultant to prepare and run a script to extract the information, and as such the IMO does not consider this really functional at the moment.</p> <p>Considering the NBB already has a WA element, Mr Steve Lewis suggested stage one of the implementation processes could be populating into the GBB what already exists in the NBB. The Chair replied that the NBB Graphical User Interface looked good but the database that supports it may be a problem. The Chair reassured that the IMO was sourcing the most cost-effective avenue of implementing the GBB.</p> <p>Mr Lewis further went on to ask whether the national gas law would be precedent to the Western Australia specific legislation. Dr Kostecki responded that WA has only adopted national gas law in respect to access arrangements and this is the reason why WA needs its own legislation for GBB and GSOO.</p> <p>Mr Gordon Rule raised the point that the key issue was whether the functionality of the NBB would be sufficient for the WA gas market. The Chair replied that the current user interface for the NBB would be adopted for the GBB; however, the WA market may need extra information. Mr Ben Coetzer added it will be a fundamental design decision whether the Emergency Management information is displayed on the GBB or whether it will just be visible in Emergency Management situations. The Chair noted that the regulators believed the Emergency Management information would only be activated in emergency situations but reiterated Mr Coetzer's</p>	

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	<p>observation that even though the information would not be visible at all times, it still needed to be loaded onto the system from day one to be available when required in an emergency.</p> <p>Mr Rule asked whether a gap analysis had been developed looking at the requirements of the GBB and what the NBB can deliver. The Chair replied that a gap analysis can be applied when we determine what WA will be supplying. Ms Ryan added that the consultants contracted by the IMO are looking at the risks and costs associated with the different options for using the AEMO system to operate the GBB, including if the requirements of the WA GBB are different to those of the NBB.</p> <p>Mr Coetzer noted that he was interested in the functionality of the GBB in terms of the Emergency Management information disclosure. The Chair informed the GAB that the IMO would be relying on the expertise of the members to provide advice and recommendations as to what should be included on the Emergency Management page.</p> <p><i>Action Point: A gap analysis to be undertaken to analyse the requirements of the GBB against what the NBB can deliver.</i></p>	IMO
6	<p>SCHEDULE OF MEETINGS IN 2012</p> <p>The Chair noted the draft schedule of meeting dates for 2012 and informed the GAB that should a significant number of members not be able to attend a certain meeting, the IMO may consider changing the meeting date.</p>	
7	<p>GENERAL BUSINESS</p> <p>Nil.</p>	
8	<p>NEXT MEETING</p> <p>GAB meeting No.2: Thursday 9 February 2012 (1.00pm – 3.00pm)</p>	
<p>CLOSED</p> <p>The Chair declared the meeting closed at 12.15pm.</p>		