

## Gas Advisory Board

### Agenda

<b>Meeting No.</b>	11
<b>Location:</b>	IMO Board Room Level 17, Governor Stirling Tower, 197 St Georges Terrace, Perth
<b>Date:</b>	Wednesday 17 <sup>th</sup> July 2013
<b>Time:</b>	4.00pm – 5.00pm

Item	Subject	Responsible	Time
1.	WELCOME	Chair	2 min
2.	MEETING APOLOGIES / ATTENDANCE	Chair	2 min
3.	INTRODUCTION TO THE GAB	Chair	5 min
4.	MINUTES OF PREVIOUS MEETING	Chair	5 min
5.	ACTIONS ARISING	Chair	5 min
6.	GAS INFORMATION SERVICES PROJECT UPDATE	IMO	10 min
7.	REGISTRATION AND GBB TRIAL OVERVIEW Presentation by IMO	IMO	15 min
8.	GENERAL BUSINESS		
9.	NEXT MEETING: Tuesday 15 <sup>th</sup> October 2013		

---

## Agenda Item 3: Introduction to the Gas Advisory Board

In June 2013, the IMO formally established the Gas Advisory Board (GAB) under the Gas Services Information (GSI) Rules.

### 1. ROLE OF THE GAB

The GAB is a committee of gas industry representatives convened by the IMO to provide advice in relation to:

- GSI Rule and Procedure Change Proposals;
- matters concerning the development of the GSI Rules and Procedures;
- the operation of the Gas Bulletin Board; and
- the preparation of the Gas Statement of Opportunities.

The GAB is a non-voting committee. Recommendations of the GAB are based on a consensus of the views expressed by GAB members.

### 2. EXPECTATIONS OF GAB MEMBERS

Members are expected to act in accordance with the GAB constitution, which requires members to:

- attend (or provide a proxy to) all meetings (expected to be bimonthly or quarterly)
- act as individuals, not as a representative of the company that employs them
- act in the best interests of the gas industry as a whole
- act in a way that properly reflects the interests of the sector of the gas industry that they have been chosen to represent
- have regard to, and make recommendations in accordance with, the GSI Objectives, which are to promote the long term interests of consumers of natural gas in relation to:
  - the security, reliability and availability of supply of natural gas in the State;
  - the efficient operation and use of natural gas services in the State;
  - the efficient investment in natural gas services in the State; and
  - the facilitation of competition in the use of natural gas services in the State.

The GAB Constitution is available on the IMO website at <http://www.imowa.com.au/gas-advisory-board>

### 3. QUORUM AND ADMINISTRATION

If a quorum is not present, no recommendations will be made. A quorum requires at least 50% of GAB members and at least one member representing each class to be present.

The composition of the GAB will be reviewed and updated annually, with half of the “Discretionary” class positions being open to nominations each year.

The IMO (Market Development Team) provides Secretariat services as required to the GAB and can be contacted on matters related to GAB functions. The Market Development Team can be contact on [market.development@imowa.com.au](mailto:market.development@imowa.com.au)

The IMO will endeavour to circulate meeting papers at least 5 business days prior to a meeting of the GAB. Papers will also be published on the IMO website at <http://www.imowa.com.au/gas-advisory-board>

The IMO will endeavour to circulate draft minutes of meetings to GAB members within 10 business days of the meeting. Once agreed, minutes will also be published on the IMO website.

### 3. 2013 MEETING DATES

The following meetings of the GAB have been scheduled for 2013:

- 17 July
- 15 October
- 17 December

### 3. RECOMMENDATION

*It is recommended that the GAB:*

**a) Note the information provided on role of the GAB.**



INDEPENDENT  
MARKET  
OPERATOR

## Gas Advisory Board Minutes

<b>Meeting No.</b>	10
<b>Location</b>	IMO Board Room Level 17, Governor Stirling Tower, 197 St Georges Terrace, Perth
<b>Date</b>	Tuesday 16 April 2013
<b>Time</b>	1.00pm – 1.55pm

<b>Attendees</b>	<b>Class</b>	<b>Comment</b>
Allan Dawson	Chair	
Kate Ryan	Independent Market Operator (IMO)	
Stephen Livens	Pipeline	
Mike Shaw	Major User	
Pete Ryan	Producer	
Geoff Gaston	Shipper	
Nenad Ninkov	Shipper	
Wana Yang	ERA	Observer
Paul Hynch	Public Utilities Office (PUO)	Observer
<b>Also in attendance</b>	<b>From</b>	<b>Comment</b>
Rachael Smith	Pipeline	Proxy
Natalia Kostecki	PUO	Observer
Rebecca Denton	IMO	Presenter
Laura Koziol	IMO	Presenter
Courtney Roberts	IMO	Minutes
<b>Apologies</b>	<b>Class</b>	<b>Comment</b>
Mark Cooper	Pipeline	
Nerea Ugarte	Small End Users, PUO	
Ben Coetzer	Producer	
Gordon Rule	Major User	

Item	Subject	Action
1.	<p><b>WELCOME</b></p> <p>The Chair opened the meeting at 1:00 PM and welcomed members to the tenth Gas Advisory Board (GAB) meeting.</p>	
2.	<p><b>MEETING APOLOGIES / ATTENDANCE</b></p> <p>The following apologies were received:</p> <ul style="list-style-type: none"> <li>• Nerea Ugarte (PUO appointee – Small End Users,)</li> <li>• Gordon Rule (Major User)</li> <li>• Mark Cooper (Pipeline)</li> <li>• Ben Coetzer (Producer)</li> </ul>	
3.	<p><b>MINUTES OF PREVIOUS MEETING</b></p> <p>The minutes of GAB Meeting No. 9, held on 16<sup>th</sup> April 2013, were circulated prior to the meeting.</p> <p>Mr Stephen Livens raised a comment on some typographical corrections that were to be made prior to publishing the minutes however, there were no other comments raised and the minutes were accepted as a true record.</p> <p><i>Action Item: IMO to publish the minutes of GAB Meeting No. 9 on the IMO website.</i></p>	<b>IMO</b>
4.	<p><b>ACTIONS ARISING</b></p> <p>Ms Kate Ryan noted that all action points had been completed apart from the action around the IMO to confirming their obligations with regard to the FOI Act, which is yet to be addressed.</p>	
5.	<p><b>GAS INFORMATION SERVICES PROJECT – UPDATE</b></p> <p>Ms Ryan and Dr Natalia Kosteci provided a brief update on the Gas Information Services Project (GISP):</p> <p>Ms Ryan advised that the GSI Rules (the rules) had been finalised and were submitted to the Minister for approval on 5 April 2013. Dr Kosteci advised that the Public Utilities Office (PUO) had referred to the Gas Services Information Act (the Act) and envisaged that the Gas Services Information Amendment Regulations (regulations) would be made in two tranches, the first tranche being focused on the heads of power for the rules and the second tranche being focused on the framework for the compliance and liability, with the schedules included for reviewable decisions and civil penalties.</p> <p>The PUO have divided the regulations in the two tranches and the first tranche of regulations is progressing to the Minister for approval. The first tranche will need to be approved by the Minister and gazetted before the rules can be approved. Following this, the second tranche of</p>	

	<p>the regulations will be forwarded to the Minister for approval before the rules can come into effect. The estimated time for the commencement of the rules is 1 June 2013.</p> <p>Mr Ninkov questioned whether the rules would be tabled in parliament on Monday (22 April 2013). Dr Kostecki advised that this would not be the case as the rules will only be tabled once the regulations are gazetted.</p> <p>Ms Ryan advised that as a result of these delays, the IMO's submission to the Economic Regulation Authority on the Allowable Revenue and the IMO's budget to the Minister had been moved to the first business day following commencement of the rules. The first obligation on market participants is for pipelines to register and this has been moved to 4 June 2013, being the first business day after the rules commence.</p> <p>Ms Ryan reminded the GAB that the GSI Procedures and the GAB Constitution are currently out for consultation until 22 April 2013.</p>	
6.	<p><b>DRAFT GAS SERVICES INFORMATION (GSI) PROCEDURES</b></p> <p>Ms Rebecca Denton and Ms Laura Koziol presented an overview of the GSI Procedure: Registration and Exemption and GSI Procedure: Operation of the GBB and EMF.</p> <p>The following points were noted:</p> <p><b><i>GSI Procedure: Registration and Exemption</i></b></p> <ul style="list-style-type: none"> <li>• Ms Denton advised that for those facilities that are owned, operated or controlled by multiple parties, there must be one contact nominated as the GBB operator of that facility. Ms Rachael Smith questioned what would happen if those parties could not reach a consensus on who to nominate, Ms Ryan advised Ms Smith that those parties involved would continue to be in breach of the rules (for failing to register) until the issue is resolved.</li> <li>• Ms Ryan advised the GAB that the draft forms for facility registration, exemption and transfer are now published on the IMO's website. Ms Smith questioned when the final forms will be available, Ms Ryan informed her that the finalised forms would be available shortly after consultation ends on 22 April 2013 and clarified that the expectation is that the forms would not differ too much from the draft versions and that there would be sufficient time given for market participants to register. The Chair welcomed any feedback from GAB on the forms.</li> </ul> <p><b><i>GSI Procedure: Operation of the GBB and EMF</i></b></p> <ul style="list-style-type: none"> <li>• Ms Koziol demonstrated the uploading of information to the GBB and advised that it would display information such as who uploaded the submission, the date the submission was made and whether the submission was successful. She also clarified that market participants would only be able to see their own submissions.</li> <li>• Mr Mike Shaw questioned what information (in terms of reports) would be visible to the user if a pipeline inputs information on your behalf. Ms Ryan advised Mr Shaw that, because the user will be</li> </ul>	

	<p>exempt from providing the data in this circumstance, it would not be able to see the pipeline submission, but will see the data published on the GBB.</p> <ul style="list-style-type: none"> <li>• Ms Koziol provided the GAB with a brief overview of the Emergency Management Facility (EMF) component of the GBB. Mr Ninkov questioned who would be allowed to access to the archived information after the EMF event has occurred, Ms Ryan responded that the Coordinator of Energy would be the only person allowed to access this information.</li> <li>• Ms Ryan advised that a revised participant interface specification document will be released shortly along with draft versions of the user guide and web services interface information for downloading reports. The documents will be published on the IMO's website and a tentative date of 9 May 2013 has been scheduled for the IT user group to convene for the first time.</li> </ul>	
9.	<p><b>GENERAL BUSINESS</b></p> <ul style="list-style-type: none"> <li>• No general business was raised.</li> </ul>	
<p><b>CLOSED:</b> The Chair declared the meeting closed at 1.55pm.</p>		

## Gas Advisory Board (GAB) - Action Points

**Legend:**

<b>Unshaded</b>	Unshaded action points are still being progressed.
<b>Shaded</b>	Shaded action points are actions that have been completed
<b>Missing</b>	Action items missing from sequence have been completed from previous meeting and subsequently removed from the log.

#	Year	Action	Responsibility	Meeting arising	Status / progress
27	2013	GAB members to direct any questions about the EMF to Ms Ryan for forwarding to the PUO.	All	March	Completed. No questions received.
30	2013	The IMO to confirm with the GAB the obligations on the IMO with regard to the FOI Act.	IMO	March	Completed. Circulated to GAB members on 10 June 2013.



---

## Agenda Item 6: GISP Update

### 1. REGULATIONS, RULES AND PROCEDURES

All the regulatory instruments to establish the Gas Bulletin Board (GBB) and Gas Statement of Opportunities (GSOO) are now in place:

- *Gas Services Information Act 2012* – commenced in April 2012;
- *Gas Services Information Regulations 2012* (implemented in three stages between June 2012 and June 2013) – last provisions commenced on 29 June 2013;
- Gas Services Information (GSI) Rules – commenced 29 June 2013; and
- GSI Procedure: Registration, Deregistration, Exemptions and Transfer and GSI Procedure: Operation of the GBB and Emergency Management Facility – commenced 29 June 2013.

### 2. REGISTRATION

With the GSI Rules and Procedures now in effect, all existing Gas Market Participants are required to apply for registration or exemption. Applications were due from all participants on 1 July 2013.

An update on the progress of registration and exemption applications will be provided at the meeting (Agenda Item 7).

### 3. GBB SYSTEM

Development of the GBB system and software is functionally complete. The GBB software has been independently audited and found to be compliant with the requirements of the GSI Rules and Procedures.

The GBB IT User Group met for the first time on 9 May 2013 and may meet once more before go live. The group was given a demonstration of the participant sections of the GBB system and discussed submission format and how data can be submitted to the GBB.

A GBB Trial system was made available to participants in May 2013. An update on the trial activity will be provided at the meeting (Agenda Item 7).

### 4. GAS STATEMENT OF OPPORTUNITIES

Preparation of the initial GSOO is well-advanced. The IMO Board is scheduled to consider the GSOO at its July 2013 meeting, with the GSOO to be published before the end of July 2012.

## 5. GISP BUDGET UPDATE

The following table summarises the expected spending on the GISP compared to budget estimates developed in early 2012.

These actual costs will be capitalised and recovered, along with the IMO's operational costs (approximately \$1.6 million per annum) through GSI Fees over the first five years of operation of the GBB and GSOO.

Please note, this does not include the \$350,000 in seed funding provided by the Public Utilities Office, which funded GISP activities prior to 1 July 2012.

Item	Project Budget	Est. Spend	Underspend	%
Employee Expenses	\$868,300	\$768,000	\$100,300	12%
Administration	\$287,200	\$234,000	\$53,200	19%
Advice	\$660,000	\$460,000	\$200,000	30%
GBB System Development*	\$1,149,500	\$988,000	\$170,500	15%
<b>Total</b>	<b>\$2,965,000</b>	<b>\$2,450,000</b>	<b>\$515,000</b>	<b>17%</b>

\* includes \$686,000 in system build costs. Remainder of spending relates principally to AEMO costs, security and compliance reviews and graphic design.

## 6. UPCOMING EVENTS

The following GISP events have been scheduled:

- Stakeholder update (third of three) – to be held at the IMO's office from 10AM to 11AM on 24 July 2013; and
- A GBB and GSOO Launch – to be held at the IMO's office in the morning of 2 August 2013 (further details to be advised).

## 7. RECOMMENDATIONS

*It is recommended that the GAB:*

**a) Note the update on the GISP.**