

## Independent Market Operator Gas Advisory Board

### Minutes

<b>Meeting No.</b>	5
<b>Location:</b>	IMO Board Room
<b>Date:</b>	11 September 2012
<b>Time:</b>	1:00 PM – 2:15 PM

<b>Attendees</b>	<b>Class</b>	<b>Comment</b>
Allan Dawson	Chair	
Ben Coetzer	Producer	
Pete Ryan	Producer	
Stephen Livens	Pipeline	
John Jamieson	Pipeline	Proxy for Steve Lewis
Gordon Rule	Major User	
Mike Shaw	Major User	
Suzanne Frame	Independent Market Operator (IMO)	
David Murphy	Small End Users (Public Utilities Office (PUO))	
Nenad Ninkov	Shipper	
Geoff Gaston	Shipper	
Paul Hynch	Observer, (PUO )	
<b>Apologies</b>	<b>Class</b>	<b>Comment</b>
Wana Yang	Observer, Economic Regulation Authority (ERA)	
Steve Lewis	Pipeline	Proxy sent
<b>Also attended</b>	<b>From</b>	<b>Comment</b>
Kate Ryan	IMO	Presenter
Brendan Ring	Market Reform	Presenter
Jenny Laidlaw	IMO	Observer
Joachim Tan	IMO	Observer
Rebecca Denton	IMO	Minute-taker

<b>Item</b>	<b>Subject</b>	<b>Action</b>
1.	<p><b>WELCOME</b></p> <p>The Chair opened the meeting at 1:00 PM and welcomed members to the fifth Gas Advisory Board (GAB) meeting.</p>	
2.	<p><b>APOLOGIES</b></p> <p>Wana Yang (ERA) sent her apologies.</p> <p>John Jamieson attended the meeting as a proxy for Steve Lewis (Pipeline).</p>	

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3	<p><b>MINUTES OF PREVIOUS MEETINGS</b></p> <p>As the GAB failed to reach a quorum in the previous meeting, the Chair asked for any comments on the minutes from meetings 3 and 4. No comments were raised and both sets of minutes were accepted.</p>	
4	<p><b>ACTIONS ARISING</b></p> <p>Ms Ryan provided an update on the action points from the third and fourth GAB meetings:</p> <p>The gap analysis between the Gas Bulletin Board (GBB) and National Gas Bulletin Board (NBB) has been deferred.</p> <p>The IMO had sent questions from the GAB members to the Australian Energy Market Operator (AEMO), and received a response from AEMO. AEMO's response to the questions was circulated to GAB members when it was received.</p> <p>The evaluation of the life cycle costs of the Gas Bulletin Board (GBB) has not yet commenced, but is due to be undertaken shortly.</p> <p>The proposed outline of the Gas Information Services (GIS) Rules was presented in the fourth meeting.</p> <p>No feedback or questions had been submitted to the IMO on the PUO drafting of the Gas Services Information (GSI) Regulations and proposed that this item could now be closed.</p> <p>The PUO does not intend to rename the Electricity Review Board, as it would involve a change in legislation. The PUO has circulated an electronic copy of the GSI Regulations overview to the GAB members.</p> <p>Ms Ryan added that the suggestion by the GAB members at meeting 4 that the IMO will, if possible, note in the draft GIS Rules the source of certain provisions (e.g. Wholesale Electricity Market Rules or National Gas Law), where applicable.</p> <p>No further comments were received on the draft Guiding Principles for the GIS Design produced by Market Reform.</p>	
5	<p><b>GAS INFORMATION SERVICES PROJECT – UPDATE</b></p> <p>Ms Ryan provided a brief update on the Gas Information Services Project (GISP):</p> <p>Drafting of the second tranche of GSI regulations is now underway, and this will provide the heads of power for the drafting of the rules and will set out the compliance regime.</p> <p>Rules drafting for the GIS Rules has just commenced. Ms. Rhonda Andrieux has been engaged to draft the rules. Drafting is beginning with the governance section, followed by other sections as the design is finalised. The IMO hopes to present the governance section of the rules at the next GAB meeting.</p>	

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	<p>The tender process for building the GBB system is concluded, and a recommendation has been made to the IMO Board. Subject to the Boards approval, the IMO will begin detailed scoping of the project.</p>	
6	<p><b>GIS DESIGN DRAFT REPORT – DISCUSSION</b></p> <p>Mr. Brendan Ring of Market Reform presented his draft GIS Design to the GAB.</p> <p>The definition of nameplate capacity in relation to pipelines was discussed. The capacity of a pipeline can change from one point of the pipeline to the other. The GAB also discussed the maximum capacity of a pipeline during an emergency compared to normal operations of the pipeline.</p> <p>The reporting of pipeline maintenance was discussed, with the issue of planned and unplanned maintenance being reported. The equity of maintenance information sharing between users and production facilities/pipelines was brought up, with the Chair responding that there were proposals in the Wholesale Electricity Market that could result in more outage data to be made available for electricity generation facilities. The Chair suggested that some information swapping between the gas and electricity sectors could be discussed at a later stage.</p> <p>The gas specification information proposed to be published on the GBB was discussed by the GAB. Mr Ring pointed out that there is no equivalent on the NBB for this, but that this was more of an issue for the PUO. The regulations pertaining to the gas specifications would prescribe the data required from participants and published on the GBB.</p> <p>Members of the GAB inquired whether backhaul would be reflected on the GBB. Mr Ring informed the GAB that the physical flows of gas would be shown on the GBB, as opposed to contractual arrangements. The GAB noted that backhaul would have to be netted off from the nominated amounts, to reflect actual flows.</p> <p>The segregation of gas users by type was questioned by the GBB. Mr Ring replied that the inclusion of demand information is required by the GSI Act and added that it would be useful data for the GSOO and for other parties in the gas industry.</p> <p>The GAB questioned how the costs of the GBB were proposed to be allocated. Mr Ring informed them that it was proposed that costs be met by shippers on a pro-rata basis, based on shipper allocations.</p> <p>Some members of the GAB raised concerns over the level of granularity of the data that they could be expected to provide to the GBB. They argued that unless there was an obvious need for the information to be published, it shouldn't, that they communicated directly between themselves. This was countered by members operating in the secondary market, who have little access to market data, yet are affected by changes in the capacity of facilities.</p> <p>The costs and time taken to submit the information to the GBB was brought up by members of the GAB, also the risks involved by mistakenly submitting incorrect or inaccurate information to the GBB as regards liability. The Chair</p>	

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	<p>reiterated that the GBB is an information service, and that it would not display price information.</p> <p><i>Action Item: The IMO to investigate whether outage information for electricity generators is publicly available and whether it could be used to reflect large user outages in the GBB.</i></p>	<p><b>IMO</b></p>
<p><b>7</b></p>	<p><b>GENERAL BUSINESS</b></p> <p>No further issues were raised.</p>	
<p><b>8</b></p>	<p><b>NEXT MEETING</b></p> <p>Tuesday, 9 October 2012.</p>	
<p><b>CLOSED</b></p> <p>The Chair declared the meeting closed at 2:15 PM</p>		