



Minutes

Meeting Title:	Gas Advisory Board (GAB)
Date:	23 September 2021
Time:	1:00pm – 3:00pm
Location:	Level 1, 66 St Georges Terrace, Perth

Attendees	Class	Comment
Peter Kolf	Chair	
Martin Maticka	Australian Energy Market Operator (AEMO)	
Bryon McLaughlin	Representative of the Coordinator of Energy (Coordinator)	
Chris Alexander	Small end-use customers	
Rachael Smith	Pipeline owner representative	Videoconference (VC)
John Jamieson	Pipeline owner representative	VC
Alexandra Wills	Gas producer representative	VC
Pete Ryan	Gas producer representative	
Michael Lauer	Gas shipper representative	VC
Jason Ridley	Gas shipper representative Proxy for Kathryn Sydney-Smith	VC
Richard Beverley	Gas user representative Proxy for Chris Campbell	
Jana O’Kane	Gas user representative	
Noel Ryan	Observer appointed by the Minister for Energy	
Lipakshi Dhar	Observer appointed by the Economic Regulation Authority (ERA)	VC

Also in Attendance	From	Comment
Kate Ryan	Coordinator	Presenter To Agenda Item 5 to 1:15pm
Dora Guzeleva	GAB Secretariat	

Also in Attendance	From	Comment
Stephen Eliot	GAB Secretariat	
Jenny Laidlaw	GAB Secretariat	VC
Laura Koziol	GAB Secretariat	VC
Robbie Flood	AEMO	Presenter VC For Agenda Item 6(c) to 2:30pm
Chris Warren	AEMO	Presenter VC For Agenda Item 6(c) to 2:30pm
Darryl White	AEMO	Presenter VC For Agenda Item 6(c) to 2:30pm
Allan McDougall	GasTrading Australia	Observer VC To 3:00pm
Paul Arias	Summit Southern Cross Power	Observer VC To 3:00pm

Apologies	From	Comment
Kathryn Sydney-Smith	Gas shipper representative	
Chris Campbell	Gas user representative	

Item	Subject	Action
1	Welcome	
	The Chair opened the meeting and welcomed all attendees with a Welcome to Country.	
	The Chair noted that he had no conflicts of interest.	
	The Chair noted that:	
	<ul style="list-style-type: none"> this is the first GAB meeting under the new governance arrangements; GAB members and their proxies are required to act in the interests of the gas market; the Chair's role is to seek consensus and to advise the Coordinator on any majority view and dissenting views; the Chair will meet regularly with the Coordinator and is open to GAB members for discussions at any time; communications with the Chair should go through the GAB Secretariat. 	

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2	<p>Meeting Apologies/Attendance</p> <p>The Chair noted the attendance, proxies and observers, as listed above.</p>	
3	<p>Minutes of Meeting 2020_11_17</p> <p>Draft minutes of the GAB meeting held on 17 November 2020 were circulated on 26 November 2020. The Chair noted that a revised draft showing some changes was distributed in the meeting papers.</p> <p>The GAB accepted the minutes as a true and accurate record of the meeting.</p> <p>Action: GAB Secretariat to publish the minutes of the 17 November 2020 GAB meeting on the Coordinator’s Website as final.</p>	<p>GAB Secretariat</p>
4	<p>Action Items</p> <p>The action items were taken as read.</p>	
5	<p>Welcome from the Coordinator of Energy</p> <p>The Coordinator thanked GAB members for attending the first GAB meeting under the modified governance arrangements for the Gas Services Information (GSI) framework.</p> <p>The Coordinator indicated that she is no longer a GAB member and that Brian McLaughlin is the Coordinator’s appointed representative on the GAB. Mr McLaughlin will take the perspective of the hazard management agency looking at how the GSI Rules support the State’s emergency management functions.</p> <p>The new governance arrangements are about consolidating the market development functions for the electricity and gas sectors. The Coordinator now has the function of the evolution and development of the GSI Rules. The GAB will be able to play a broader role in considering gas market development issues. The former Rule Change Panel Support team has transferred to Energy Policy WA (EPWA) to support these roles.</p> <p>There were no changes to the ERA’s licensing and compliance roles under the GSI Rules, and AEMO remains the operator.</p> <p>The Coordinator noted that she would consider any advice from the GAB on the GSI Rules and any broader gas market issues.</p> <p>The Coordinator welcomed Chris Alexander as the independent small end-use customer representative, which is a new position on the GAB. The Government has established an Expert Consumer Panel to build consumer representation and advocacy in WA, and Mr Alexander is a member of that panel.</p> <p>Mr Alexander indicated that he intends to work from an evidence base to seek good outcomes for gas customers. Mr Alexander noted that he would like to meet individually with GAB members to get a</p>	

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	sense of how they see things, and how this can link back to outcomes for small end-use customers.	
6	Rule Changes	
	(a) Overview of Rule Change Proposals	
	The Chair noted that there were no open Rule Change Proposals.	
	(b) LNG Trucking on the Gas Bulletin Board (GGB)	
	the Chair indicated that the GAB is to advise whether a net benefit is expected to result from developing and implementing a Rule Change Proposal based on AEMO's low-cost option to report the trucked LNG volumes on the GBB.	
	Martin Maticka gave a presentation to summarise the current status of the issue (slides are available on the GAB web page): ¹	
	<ul style="list-style-type: none"> • In 2019, the GAB asked AEMO to investigate trucked LNG and how it fits in the GSI Rules. The issue was that LNG is drawn directly from Woodside's Pluto production facility and is loaded onto trucks for distribution to end-users, and this gas is not captured under the GSI Rules or reported on the GBB. • AEMO came up with five options to present the trucked LNG on the GBB: <ul style="list-style-type: none"> (1) a virtual pipeline; (2) requiring end-users to register as large-user facilities; (3) expanding the definition of Registered Shippers; (4) a new framework for truck load-out Facilities; and (5) expanding reporting for Production Facility Operators. • The policy intent was that trucked LNG volumes should be captured under the GSI Rules and displayed on the GBB. • The GAB reached consensus at its meeting on 17/09/2020 that: <ul style="list-style-type: none"> ○ option (5) is preferred; ○ monthly reporting would be appropriate because of the time it takes for Woodside to get the information from its systems and would not create extra regulatory burden or costs for Woodside; and ○ to keep the costs as low as possible, data submission should be done by monthly emails to AMEO rather than via an automated process. • AEMO suggested that data could be reported to AEMO as a CSV file and provided an example of a monthly report that could be posted on the GBB. 	

¹ Note that the slides presented at the meeting differed from those distributed with the meeting papers. The updated version of the slides is published on the GAB web page.

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- AEMO proposed some requirements for the process:
 - a minimum threshold of 3 TJ/month;
 - Production Facilities to report to AEMO 2 weeks from the end of the month; and
 - AEMO to publish the report 3 weeks from the end of the month.
 - A change would need to be made to Part 3, Division 4 of the GSI Rules to expand the reporting obligation on Production Facility Operators, and to Part 4, Division 2 to require AEMO to publish the information on the GBB. No rule changes would need to be made to enable the Gas Statement of Opportunity to pick up the trucked LNG volumes.

In response to a question from Jana O’Kane, Mr Maticka confirmed that AEMO proposes to develop generic rules to determine which trucked LNG is to be captured. The current intent is to only capture the trucked LNG from Woodside’s Pluto facility because the other trucked LNG is already captured on the GBB, so this avoids a double-counting issue.

Ms O’Kane suggested that the intent is to capture information that is not currently captured on the GBB, not to gather additional information. Mr Maticka indicated that AEMO could either:

- capture gas coming out of Production Facilities that is not in the pipeline, and then decide whether we should also attribute where the gas is going, or simply indicate that the gas is being used for domestic consumption; or
- capture all trucked LNG, in which case we have to take steps to make sure it is not double counted.

Mike Lauer asked whether the 3 TJ/month minimum limit would apply to sent-out production or to shippers – that is, on production or consumption. Mr Maticka indicated that it would be on production.

Mr Lauer asked whether users of trucked LNG would need to register if they do not meet the current definition of large users.

Mr Maticka indicated that option 5 did not have any additional or new registration requirements for users. The other options were seen as too expensive and creating too much of an overhead for smaller customers.

Mr Lauer indicated that the proposed solution would give a picture of the trucked LNG coming into the market, which is not currently visible, providing it is more than 3 TJ/d, and asked whether there will be any information on the number of relevant shippers. Mr Maticka indicated that the GAB needs to discuss whether the data on trucked LNG should be aggregated or disaggregated.

As an example, Mr Lauer noted that reporting of gas that goes into the Goldfields’ Gas Pipeline includes information about the gas that goes to major shippers, and aggregated information by consumption zone for gas that goes to non-major shippers. Mr Lauer suggested that trucked LNG should be handled the same way.

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	<p>Ms O’Kane asked whether ‘aggregated’, meant aggregated with other gas coming from the Pluto production facility or with other trucked LNG. Ms O’Kane suggested that you would not aggregate Pluto production with other LNG shippers because then you have a double-counting issue.</p> <p>Mr Maticka asked how the GAB wants to see the information. Pete Ryan indicated that it would be reasonable to report the trucked LNG but not change the framework for how we capture users and producers. Mr Maticka indicated that the option to report on the trucked LNG in form of a virtual pipeline (option (1)) was discarded because of the high costs associated with rule changes and IT implementation.</p> <p>Mr Maticka indicated that the cost for option (5) would be about \$25,000, and in response to a question from Mr Alexander, indicated that the cost would be the same to report on an aggregated or disaggregated basis.</p> <p>Alexandra Wills asked for clarification on the difference between aggregated and disaggregated reporting. Mr Maticka indicated that disaggregated reporting means that AEMO can publish a report specifying the volume of trucked LNG shipped from Pluto and each other facility, instead of aggregating them in a single line item.</p> <p>Ms Wills indicated that the intent is to be able to see trucked LNG volumes from the Pluto facility, and aggregating these volumes with other trucked LNG volumes would defeat the purpose of what we are trying to achieve. Ms Wills indicated that AEMO’s proposed template looks suitable.</p> <p>Mr Lauer indicated that:</p> <ul style="list-style-type: none"> the principle is that gas coming into the WA market should be measured and we should be able to see where it comes from (e.g. the Pluto facility); if the LNG volume is not big enough to declare, then it should not be aggregated with other Pluto gas production, because then we cannot account for where the LNG goes; this is about being able to do the accounts for the WA gas market and the question is how much detail is needed about where gas goes; and trucked LNG should not be aggregated with other gas that is already recorded on the GBB that is used to make LNG after it has left the pipeline system. <p>Mr Alexander asked about the proposed 3 TJ/month limit – why do we need a minimum threshold, and how many trucks is that. Ms Wills indicated that 3 TJ is one truck. Ms O’Kane indicated that perhaps the minimum limit is not required.</p> <p>Mr Maticka summarised that the GAB supports:</p> <ul style="list-style-type: none"> disaggregated data reporting; 	

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	<ul style="list-style-type: none"> • all separate shipped trucked LNG terminals are to make separate submissions to AEMO; and • the benefit of doing this work outweighs the cost, which AEMO estimates will be under \$25,000. <p>The GAB agreed that the benefits of the proposal outweigh the costs and supported Mr Maticka's proposal as summarised.</p> <p>AEMO and EPWA agreed to discuss development of a Rule Change Proposal that will be processed via the Coordinator's Rule Change Process.</p> <p>Action: AEMO and EPWA are to discuss development of a Rule Change Proposal to provide for monthly reporting of trucked LNG volumes on the GBB.</p>	<p>AEMO, EPWA</p>

(c) Gas Trading Mechanism

Robbie Flood, Chris Warren and Darryl White gave a presentation providing the GAB with an overview of the operation of the Wallumbilla and Moomba Gas Supply Hub. Slides for the presentation are available on the GAB website and covered:

- where is Wallumbilla;
- key points about the hub:
 - voluntary participation;
 - trades for physical gas delivery;
 - anonymous submissions;
 - standardized products;
 - price matching;
 - traders warranting to deliver and receive gas;
 - participants responsibility for gas delivery;
 - AEMO managing settlement functions;
- the legal framework;
- trading locations;
- a trading example;
- off-market trades;
- spread products;
- benchmark prices;
- hub developments; and
- trading statistics.

The Chair asked the GAB to consider whether a working group should be established to discuss a gas trading mechanism or whether this requires a wider consultation. The Chair noted that the GAB Secretariat also listed several questions in the meeting papers that should be asked in such consultation.

The Chair also noted that Mr Ryan has drawn the GAB's attention to ACIL Allen's WA Gas and Downstream Opportunities Study. That

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	<p>study does not address a gas trading market, but it identifies issues with availability of information in the WA gas market and raises the question of whether information could be made more widely available.</p> <p>Mr Ryan indicated that the GAB should look at what is needed from a market development point of view. It would be a very long path to contemplate and implement a gas trading hub, but we need to think about what the next steps could be – do we need a gas supply hub, what are the benefits and costs of a mechanism like the Wallumbilla gas supply hub. Mr Ryan suggested that a GAB working group seems like a genuine step forward without over-committing.</p> <p>The Chair asked the GAB whether a working group should be formed to discuss the need for a gas trading mechanism.</p> <p>Mr Lauer indicated that the recommendations in the briefing paper for agenda item 6(c) were sound – it suggests that we seek to assess the requirements of the market, what people are looking for, where the value is, whether there is sufficient value to go ahead. Mr Lauer suggested that the GAB seek feedback from market participants on who wants a trading mechanism, why they want it, and what problem needs to be fixed.</p> <p>The Chair agreed that these are good questions and asked who should do the work.</p> <p>Dora Guzeleva indicated that a survey could be done, similar to a survey that was done previously. Mr Maticka and Stephen Eliot indicated that the survey was three years ago and did not come to a resolution.</p> <p>The Chair suggested that a paper should be prepared to seek feedback from market participants on these questions. Ms Guzeleva indicated that the GAB Secretariat can put together a paper if the GAB is happy with the questions.</p> <p>Ms Guzeleva indicated that the GAB can form a working group immediately if they wish, or it can first go to the market with a short survey and decide whether to form a working group depending on the responses. It may be more expedient to first ask the questions and then decide a path forward.</p> <p>Mr Alexander suggested that the GAB should be convened to look at outcomes of the survey before the GAB's next meeting in March 2022. Ms Guzeleva agreed that this can be done.</p> <p>Mr Ryan suggested that a GAB meeting or working group could be used to narrow the discussion to the questions that need to be asked and what potential solutions could look like. Such a discussion should be held before the March 2022 GAB meeting.</p> <p>The Chair indicated that there would be value in a working group before the March 2022 GAB meeting. The working group could guide EPWA and the GAB Secretariat in developing the survey or</p>	

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	<p>consultation, get it agreed, consult on it, and then present a recommendation at the next GAB meeting.</p> <p>Ms Guzeleva indicated that, to form a working group, the GAB would need to draft and agree on Terms of Reference for the working group, or it could simply hold a workshop of GAB members at a special GAB meeting. The GAB agreed to hold a GAB workshop rather than form a working group.</p> <p>The GAB agreed to hold a workshop in October 2021 to scope a paper/survey to seek stakeholder feedback on the need for, and the issues and benefits associated with developing a WA gas trading mechanism.</p> <p>Action: The GAB is to meet in October 2021 to scope a paper/survey to seek market participant feedback on the need for, and the issues and benefits associated with, developing a WA gas trading mechanism.</p>	<p>GAB</p>

(d) Review of market response to outages and the access and utilisation of ‘Nameplate Capacity’

The Chair noted that this issue was raised by Ms O’Kane, and asked the GAB to discuss the recent supply disruptions on 13/09/2020 and 22/06/2021 and the following questions raised by Kleenheat:

- what was the response of suppliers and pipeline operators;
- are there concerns from pipeline suppliers and buyers during recent supply disruption events;
- was additional nameplate capacity offered to the market or accessed during short-term disruption events;
- did gas users have to curtail gas use to manage imbalance notices and lack of access to gas.

Ms O’Kane provided background on the issue:

- since we are about to enter the unpredictable period around cyclone season and significant maintenance is going to occur in the WA gas market at the end of this year and start of next year, it is important to look at some recent serious supply disruption events where 100-200 TJ of gas has been lost from the WA market for a day or two;
- the market seemed calm during these events, but gas users, pipelines, and producers had to do a lot of work to access the gas needed for the market to continue to function in a steady state;
- 13/09/2020 and 22/06/2021 are just a couple of events to consider – there are other examples;
- discussion would be useful around:
 - when there is a loss of gas, have large gas users been able to access the gas that they need;

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- is nameplate capacity, which is a feature of the health of the gas market, offered to gas users; and
- have gas users had to turn down gas usage because they cannot access gas.

Richard Beverley indicated that:

- the supply market has changed since 30/06/2020 when the North West Shelf contracts ended, and the market is now very finely balanced;
- before then, there was excess supply in the spot market to fill gaps when short outages occurred at gas production plants;
- it seems that the market can just get by when there is a production plant outage for one or two days, but there are concerns for longer outages; and
- Alinta has had to reduce consumption during these sorts of events and rely on other arrangements, such as storage, so this is a big concern.

The Chair asked whether the GAB should do something about this.

Mr Alexander asked how outages are tracked. Ms O’Kane indicated that:

- events are reported on the GBB, but there is a three-day lag, and you do not see what is actually happening in the market;
- the market may be surprised gas usage is being curtailed due to lack of access to gas because the GBB may report that a significant amount of nameplate capacity is available;
- if you cannot access gas during an outage, then companies have to make their own way around the situation; and
- the question is whether this is a common problem – is there a concern with the health of the market going into a high-risk period when outages may last for weeks rather than days.

Mr Lauer indicated that:

- he monitors the GBB and reports on the foreshadowed outage environment in the upcoming month, and it is a concern that outages are often not reflected on the GBB;
- for example, the Northwest Shelf reported a nameplate capacity of hundreds of TJs in these last two outages, and there were no observed changes in their market behaviour, so he is concerned that the definitions and the management of capacity data on the GBB is not clearly understood;
- one of his reports indicates that the nameplate capacity of one plant changed from one month to the next – it dropped and then went back up again – which indicates that the meaning of nameplate capacity is not understood;

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- there is a need to get the definitions right – if a producer indicates that they have nameplate capacity, then this means they can supply gas to the market; and
- the GBB publishes several capacity reports, and outage events often do not get reflected in the short-term reports that show the days ahead;
- we need to make sure that we understand the defined terms in the GSI Rules, and that planned and unplanned outages are reflected in the appropriate GBB reports.

Ms O’Kane suggested a concept like deliverable capacity – the level of capacity that can be delivered tomorrow – which would be a well understood indicator of the health of the market.

Ms Guzeleva asked whether this is a problem with the rules, with interpretation of the rules, or with compliance.

John Jamison expressed a view that:

- nameplate capacity means the ongoing standard capacity of a plant or pipeline, which typically would not vary from day-to-day;
- medium- and short-term capacity does vary on a day-to-day basis, so we need to be clear about the definitions and the established criteria;
- there is already an obligation in the rules for people to report short- and medium-term capacity outlooks, and that information should be used to determine daily production and capacity numbers; and
- this is a matter of looking at the existing rules and making sure that they are being properly enforced.

Ms Wills commented that there is a difference between nameplate capacity and how the individual participants in each project can access that nameplate capacity, which varies from project to project. This will need to be considered.

Ms Guzeleva asked whether these terms are clearly defined, and Mr Maticka indicated that he can check.

Ms O’Kane asked if it is worth looking at how medium- and short-term capacity is reported on days with major disruption events and whether what was reported reasonably represents what was available to the market on those days. Mr Maticka indicated that compliance is a question for the ERA and Ms Guzeleva indicated that potential compliance issues need to be reported to the ERA.

Ms O’Kane indicated that this is not about laying blame, but how to ensure that market participants can manage major outages. People may not be aware that these events are occurring because the GBB indicates green line pack adequacy during these events.

Mr Maticka indicated that there was a previous GAB discussion about how a producer should log production issues. Mr Eliot indicated that this was about a year ago, and there was an action

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item on GAB participants to provide information about what information they need or would find useful during outages, but no responses were provided.

Mr Beverley indicated that it would be really useful to be able to see outages real-time, which the GBB does not currently provide. To make matters worse, there are contractual requirements under shipper arrangements that require shippers to then change their positions on the pipelines to bring in gas to support pipeline pressure when a production plant goes out, and this also does not show on the GBB.

Ms O’Kane indicated that these events are level zero in emergency response situations, so they are not registering on the GBB because they do not reach the threshold, but are serious for the gas users and producers to manage. Mr Beverley indicated that even if the event does reach the threshold, it is posted on the GBB three days later, which is too late.

The Chair indicated that it is clear that action is required and asked what needs to be done.

Ms Guzeleva asked AEMO to review whether any compliance issues have arisen and to report them to the ERA in accordance with the GSI Rules. Mr Maticka agreed that AEMO can do this.

Mr Ryan indicated that:

- producers seek to meet their obligations in all cases, and to do the right thing by the market in a contractual sense;
- the gas market is not a capacity market, so contractual obligations take precedence;
- in real-time, producers focus on addressing production issues, and then consider the priority by which they have to notify parties:
 - they will let off-takers under bilateral contracts know quickly, usually within hours; and
 - other parties might not find out for two or three days due to confidentiality and market disclosure requirements;
- there might be a more positive way to address these issues within the regulatory and legal constraints, recognising the confidentiality and sensitivity of that information, than to flag the issue with the ERA – perhaps something about how information can be provided on a timely basis with minimal fuss;
- we should try to understand these issues before we get the ERA involved; and
- as a first step, the GAB could engage with producers to get a clear understanding of what the producers could do to address the information asymmetry.

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	<p>Ms Guzeleva pointed out that AEMO is required to apply the GSI Rules, participants are required to follow the rules, and there is a monitoring and compliance process if the rules are not followed.</p> <p>Mr Maticka pointed out that there is a gap in how the GBB works, as it does not capture this information – we have an emergency management system, but we need a disruption early warning system.</p> <p>The Chair asked whether AEMO should start talking to producers.</p> <p>Ms Guzeleva indicated a gap analysis needs to be done to see where the problem lies – is it in the rules, in the understanding of the rules, or in performance and compliance.</p> <p>Mr Lauer indicated that:</p> <ul style="list-style-type: none"> • he agrees that the issue is not about finding fault, but how to improve the flow of information in the market; • the arrangement where producers have obligations to notify their customers first and the three-day delay before the information becomes generally available means that most of the market does not have the information, while some of the participants do; • this is a fundamental problem – it is important for an efficiently operating market that everybody knows when there is a problem in the market, as near as possible to the time; and • nobody should get three days to sort their problem out before the rest of the market discovers that there is an issue. <p>Mr Jamieson indicated that there are already requirements in the rules and agreed that a review needs to be carried out to see what deficiency exists. Mr Jamieson also suggested that AEMO discuss this with its east coast-based staff to see how they manage the issue, so that there can be consistency between how this is treated from east to west.</p> <p>Mr Alexander asked whether this can be addressed before the risks arise, when the weather gets worse this year. Mr Maticka indicated that it would take at least a year to make changes to the GSI Rules.</p> <p>Mr Alexander asked whether there is a way to provide market participants with guidance on interpretation of the rules. Mr Maticka indicated that it is not appropriate for AEMO to remind people to follow the rules when there may be a compliance issue.</p> <p>Ms O’Kane indicated that the GAB meets infrequently, so producers may not look at the requirements in the GSI Rules very frequently and asked whether there is a pragmatic way to remind market participants about the requirements. Mr Maticka indicated that it might be possible to provide a refresher about the reporting requirements via AEMO’s WA Gas Consultative Forum (WAGCF).</p> <p>Action: AEMO and EPWA to discuss a gap analysis of the producers’ outage reporting requirements under the GSI Rules.</p>	<p>AEMO, EPWA</p>

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	Action: AEMO to review whether there is an issue with producers' compliance with their outage reporting obligations under the GSI Rules.	AEMO
	Action: AEMO to provide a refresher of the outage reporting requirements at the next WAGCF.	AEMO
7	<p>Changes to the GAB Constitution</p> <p>The GAB noted the draft changes to the GAB Constitution and that the Coordinator will publish an invitation for submission on the proposed amendments to the Constitution in the near future.</p> <p>The Chair asked if the GAB has any comments on the draft changes to the GAB Constitution.</p> <p>Mr McLaughlin asked about the definition of Coordinator Website on page seven of the Constitution, and Ms Guzeleva confirmed that this is a defined term under the GSI Rules.</p> <p>Mr Alexander asked whether the GAB is allowed to hold meetings that are not in person, and Ms Guzeleva confirmed that this is allowed under the GSI Rules and the GAB Constitution.</p> <p>Mr Lauer agreed that the draft changes to the GAB Constitution are mostly administrative and noncontroversial but raised a concern that GAB members that are appointed to represent a group (e.g. shipper and producer representatives) do not have a right to appoint a proxy. Mr Lauer provided two reasons:</p> <ul style="list-style-type: none"> • shippers and producers pay for the systems under the GSI Rules, so it seems odd to limit their rights to send a proxy; and • clause 6.3 of the GAB Constitution says that the GAB cannot pass a resolution unless at least one gas user, gas shipper, pipeline owner or operator, gas producer, and small end use customer representative is present at a meeting, so limiting proxies makes it more difficult to conform to this requirement. <p>Ms Guzeleva indicated that clause 3.8 of the GAB Constitution allows for proxies, it only requires members to get approval for the proxies from the Chair.</p> <p>Mr Lauer indicated that two of the parties listed in clause 6.3 pay the costs under the GSI Rules – the shippers and producers – and denying them a proxy seems to disenfranchise the people paying the bills, which does not seem equitable or consistent with good governance.</p> <p>Ms Guzeleva pointed out that this requirement is consistent with the requirements for the Market Advisory Committee (MAC), and it is a courtesy for a representative to advise the Chair that they want to send a proxy.</p> <p>The Chair asked whether the concern is that the Chair might deny appointment of a proxy, which would be an extraordinary event.</p> <p>Ms Guzeleva indicated that it is important for the GAB Secretariat to know that a proxy is being sent to allow it to manage meetings and suggested that wording could be added to ensure that the Chair cannot unreasonably withhold approval of a proxy.</p> <p>Mr Lauer indicated that, if the concern is with the quality of proxies, then there are other ways to address the issue that do not create a</p>	

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	<p>risk of exclusion of a shipper's or producer's representative, such as establishing a set of pre-arranged proxies.</p> <p>The Chair indicated that he would discuss how to address this matter with the GAB Secretariat. Ms Guzeleva indicated that the issue is that people nominate themselves and go through an assessment process to be appointed to the GAB, and are appointed as individuals.</p> <p>The Chair indicated that there will be a public consultation process for the proposed changes to the GAB Constitution, concurrent with the consultation on the proposed changes to the MAC Constitution, where stakeholders will have further opportunity to raise concerns.</p>	
8	<p>GAB Schedule for 2022</p> <p>The GAB agreed the proposed GAB schedule for 2022 and noted that an additional meeting will be called in October 2021 to discuss whether there is a need for a gas trading mechanism in WA.</p>	
9	<p>General Business</p> <p>No general business was raised.</p>	
	<p>The Chair noted that the next scheduled GAB meeting is set for 24 March 2022.</p> <p>An additional meeting will be called in October 2021 to discuss whether there is a need for a gas trading mechanism in WA.</p>	

The meeting closed at 3:12pm