



Meeting Agenda

Meeting Title:	Gas Advisory Board
Meeting Number:	2022_03_24
Date:	Thursday 24 March 2022
Time:	1:00 PM to 2:45 PM
Location:	Online, via TEAMS.

Item	Item	Responsibility	Type	Duration
1	Welcome and Agenda (a) Introduce the new Chair (b) Conflict of Interest (c) Revised GAB Constitution	Chair	Noting	10 min
2	Meeting Apologies/Attendance	Chair	Noting	5 min
3	(a) Minutes of Meeting 2021_09_23	Chair	Decision	5 min
	(b) Minutes of Meeting 2021_10_28	Chair	Decision	5 min
4	Actions Arising	Chair	Discussion	5 min
5	Rule Changes			
	(a) Overview of Rule Change Proposals	Chair	Noting	5 min
	(b) GRC_2022_01 – Publication of tanker gas information on the Gas Bulletin Board	AEMO	Discussion	20 min
	(c) GRC_2022_02 – Gas Storage, Injection and Withdrawal Enhancements	CITIC	Discussion	25 min
6	Gap Analysis of Certain Information Provision Requirements under the GSI Rules	GAB Secretariat	Discussion	20 min
7	General Business	Chair	Discussion	5 min
	Next Meeting: Thursday 22 September 2022			

Please note this meeting will be recorded.



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. 	

Item	Subject	Action
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.</p>	
	<p>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 <u>agreed that the benefits of the proposal outweigh the costs and supported</u>confirmed that it supports 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.

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

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	<p>guide EPWA and the GAB Secretariat in developing the survey or 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>
	<p>(d) Review of market response to outages and the access and utilisation of 'Nameplate Capacity'</p> <p>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:</p> <ul style="list-style-type: none"> • 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. <p>Ms O'Kane provided background on the issue:</p> <ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ 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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	<ul style="list-style-type: none"> • 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. 	
	<p>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.</p>	
	<p>Ms Guzeleva asked whether this is a problem with the rules, with interpretation of the rules, or with compliance.</p>	
	<p>John Jamison expressed a view that:</p>	
	<ul style="list-style-type: none"> • 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. 	
	<p>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.</p>	
	<p>Ms Guzeleva asked whether these terms are clearly defined, and Mr Maticka indicated that he can check.</p>	
	<p>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.</p>	
	<p>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.</p>	
	<p>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</p>	

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	<p>item on GAB participants to provide information about what information they need or would find useful during outages, but no responses were provided.</p> <p>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.</p> <p>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.</p> <p>The Chair indicated that it is clear that action is required and asked what needs to be done.</p> <p>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.</p> <p>Mr Ryan indicated that:</p> <ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ 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>	

Item	Subject	Action
	<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 2022 <u>2021</u> 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 2022 <u>2021</u> to discuss whether there is a need for a gas trading mechanism in WA.</p>	
	<p>The meeting closed at 3:12pm</p>	



Minutes

Meeting Title:	Gas Advisory Board (GAB) Extraordinary Meeting
Date:	28 October 2021
Time:	1:00pm – 2:00pm
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)	Videoconference (VC)
Chris Alexander	Small end-use customer representative	VC
Alexandra Wills	Gas producer representative	
Pete Ryan	Gas producer representative	
John Jamieson	Pipeline owner representative	VC
Kathryn Sydney-Smith	Gas shipper representative	VC
Chris Campbell	Gas user representative	VC
Jana O’Kane	Gas user representative	
Dora Guzeleva	Observer appointed by the Minister for Energy	Proxy for Noel Ryan
Lipakshi Dhar	Observer appointed by the Economic Regulation Authority (ERA)	VC

Also in Attendance	From	Comment
Stephen Eliot	GAB Secretariat	VC
Jenny Laidlaw	GAB Secretariat	VC
Laura Koziol	GAB Secretariat	VC
Matthew Martin	Energy Policy WA (EPWA)	Observer
Rajat Sarawat	ERA	Observer VC
Erin Stone	Point Global	Observer VC From 1:15pm

Apologies	From	Comment
Rachael Smith	Pipeline owner representative	
Michael Lauer	Gas shipper representative	
Noel Ryan	Observer appointed by the Minister for Energy	

Item	Subject	Action
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1 Welcome

The Chair opened the meeting and welcomed all attendees with a Welcome to Country.

The Chair reported that he had met with several parties since the last GAB meeting, including:

- Mr Simon Adams and Ms Caroline Brown (Squire Patton Boggs);
- Ms Sally McMahon (Sally McMahon and Associates); and
- Ms Kate Ryan (EPWA), Ms Dora Guzeleva (EPWA), Mr Pete Ryan (Strike Energy), Ms Alexandra Wills (Woodside) and Ms Claire Wilkinson (Australian Petroleum Production and Exploration Association).

The GAB noted these meetings and that there were no conflicts of interest.

2 Meeting Apologies/Attendance

The Chair noted the attendance, proxies and observers, as listed above.

3 Consultation Process on the Need for a WA Gas Trading Mechanism

The Chair noted that the GAB Secretariat had prepared a list of questions that could be asked of stakeholders to assess the need for a gas trading mechanism in WA. The GAB was asked to consider whether these questions were adequate and to provide feedback.

Mr Martin Maticka suggested that the GAB should first identify any gaps in the functioning of the WA gas market before considering whether a gas trading mechanism was needed, as there might be other ways to address any identified gaps.

Mr Chris Campbell agreed with Mr Maticka that context was needed before the GAB commenced an exhaustive consultation process.

Mr Campbell considered that the market was functioning well and there was no observed market failure – the market offered price discovery; liquidity; certainty around short-, medium- and long-term gas supply; and many different ways to procure gas. Mr Campbell questioned the reason for starting a consultation process.

The Chair suggested that it was healthy to periodically ask whether a gas trading mechanism was needed, but that no further work was needed if there was no support for a mechanism.

Mr Campbell noted that the GAB represents all of the gas market participants – producers, shippers, and customers; and asked GAB

Item	Subject	Action
	<p>members for their views on whether there was a need for a centrally organised gas trading mechanism. Mr Campbell indicated that, as a customer, shipper, and user, he saw no need.</p>	
	<p>The Chair asked for the views of the other GAB members.</p>	
	<p>Ms Jana O’Kane supported Mr Campbell’s view. Ms O’Kane indicated that, as a gas user, she had been able to get access to gas supply and had not seen any market failures, so she saw no need for a gas trading mechanism.</p>	
	<p>Ms Wills noted that there were currently two gas trading platforms in the WA market, and indicated that, as a gas producer, she saw no need for another mechanism, or to improve the existing trading mechanisms.</p>	
	<p>The Chair noted that there were two gas storage facilities in WA and suggested that these facilities acted in some ways as an alternative to a trading market. The Chair asked whether the eastern states gas hub had access to storage facilities, and if not, whether this contributed to the need for the hub.</p>	
	<p>Mr John Jamieson indicated that:</p>	
	<ul style="list-style-type: none"> • various market participants had access to private storage facilities, but these facilities were not publicly accessible through the Wallumbilla Hub; and • one storage facility was connected to the Declared Wholesale Gas Market in Victoria. 	
	<p>Mr Jamieson considered that market participants first needed to agree that there was a need for a gas trading mechanism before starting discussions on market design.</p>	
	<p>Mr Campbell commented that the WA market was long on plant and storage capacity and had a plentiful gas supply, which was partly why there were no market failures in WA. There was about 2,000 TJ/day of capacity from all the gas plants and storage facilities in a market that peaked at 1,200 TJ/day, so there was no need for a new gas trading mechanism.</p>	
	<p>Mr Chris Alexander asked if the debate was whether to hold a consultation process, or if this decision had been made and the GAB was debating the questions to ask in the consultation process. Mr Campbell reiterated that the GAB first needed to determine whether there was an issue that needed to be addressed.</p>	
	<p>The Chair agreed that the GAB first needed to consider whether there was an issue and then move on to the more detailed questions. The Chair asked whether there was agreement that there was a need for a survey.</p>	
	<p>Ms O’Kane considered that there was no need for a questionnaire, as the GAB does not need to tie up people’s time with questions if no gap has been identified in the market.</p>	
	<p>Mr Campbell agreed with Ms O’Kane. Mr Campbell suggested that it was the GAB’s job to identify issues and, if the GAB agreed there was no issue, then there was no need to conduct a survey.</p>	

Mr Ryan suggested that:

- arrangements had been put in place to provide greater transparency on quantities, and now the discussion was about improving price transparency;
- funding remained a question – would the Government make funding available for market efficiency, or would this need to be funded through voluntary contributions from market participants; and
- rather than asking market participants to respond to a questionnaire, perhaps GAB members should respond to these sorts of questions.

Ms Kathryn Sydney-Smith asked for clarification on why the GAB should commence research on a gas trading mechanism, as she had not heard a clear justification during the meeting. Mr Campbell agreed.

Mr Bryon McLaughlin indicated that, from an emergency management viewpoint, EPWA considered issues on a risk basis. Consideration would need to be given to where there were risks in the gas supply chain and whether there was a need to develop a new arrangement, such as a gas trading mechanism, or if there was simply a need to tune some of the current arrangements to fix any perceived problems.

Ms Guzeleva indicated that the questions that the GAB Secretariat put forward for discussion were based on a previous survey by the Public Utilities Office (**PUO**, now EPWA) in 2019. Mr Matthew Martin indicated that the PUO conducted the survey in 2019 following a workshop with industry. The PUO received only two responses to the survey, which indicated a low level of concern, so the PUO did not proceed further. Any new survey would need to be clear about the reasons for the survey and provide detail about funding arrangements and whether this would be an optional or mandatory mechanism.

Ms Guzeleva indicated that:

- there was currently no head of power under primary legislation for a compulsory gas trading mechanism, and Government would only contemplate a legislation change and funding for a compulsory mechanism if there was support from industry and a cost-benefit analysis that showed net benefit, or some threat to security; and
- the GAB could work within the current legal framework for a voluntary mechanism like the Wallumbilla Hub, but this would require industry to agree there was a need for the mechanism and to provide funding.

Ms Guzeleva indicated that the GAB appeared to have three options:

- (1) a survey with questions like those drafted by the GAB Secretariat, which did not appear to have support from the GAB;
- (2) a survey with a subset of those questions, asking whether there was a need for a gas trading mechanism, and why/why not; or
- (3) no survey.

Ms O’Kane suggested that the first question should be whether there was market failure, and if so, what were the options to address the market failure, which might include a new gas trading mechanism.

Item	Subject	Action
	<p>The Chair asked if the GAB would support a modified questionnaire that condensed the questions.</p> <p>Ms O’Kane suggested that the GAB should itself discuss whether there was a market failure and then consider the questions. The Chair agreed that the GAB represents industry, so putting the questions to GAB members might be the best way forward. Ms Guzeleva suggested that the GAB should discuss and decide at the meeting how it would like to proceed on the matter.</p> <p>Ms O’Kane asked whether there was justification for a new, self-funded, standalone gas trading mechanism in a market that already had access to two gas trading mechanisms. Mr Campbell responded that there was no justification because such a mechanism would be redundant.</p> <p>Mr Ryan indicated that another way to ask the question was whether any market design problems existed that could be addressed through improved price transparency. Mr Ryan indicated that he would be interested in further exploring a gas trading mechanism to see if there were benefits but noted that other GAB members did not share this view.</p> <p>Ms O’Kane asked Mr Ryan how a new gas trading mechanism would improve price transparency. Mr Ryan replied that Ms O’Kane had noted at the last GAB meeting that there were circumstances where gas users were unsure of where to get gas from during certain events. Ms O’Kane indicated that her concern had been about being unable to access gas, not any failure of the existing gas trading mechanisms.</p> <p>Mr Ryan asked whether other GAB members believed the market was working, and that while some of the market mechanisms might need to be tweaked, the issues that needed to be addressed did not require price discovery. Mr Campbell considered that the WA gas market already had volume and price transparency, liquidity, and plenty of capacity, so there was no market failure to address.</p> <p>The GAB confirmed that its advice was to not proceed with a survey <u>and that a WA trading mechanism should not be pursued further.</u></p>	
4	General Business	
	<p>(a) Information Provision Requirements</p> <p>The Chair noted that AEMO gave a presentation on the information provision requirements in the Gas Services Information (GSI) Rules at its WA Gas Consultative Forum (WAGCF) on 27 October 2021. The Chair asked Ms O’Kane if she was happy with the presentation and whether there was anything else that needed to be done.</p> <p>Ms O’Kane noted that she asked a question at the WAGCF and by email regarding Nameplate Capacity and Capacity Outlook. Ms O’Kane noted that the definitions of these terms use the words ‘capable of being injected’ and asked:</p> <ul style="list-style-type: none"> • did this mean that the facility has reserves and offshore production capability to be able to deliver that gas to market during that outlook period; and 	

Item	Subject	Action
	<ul style="list-style-type: none"> if a facility has 100 TJ/day listed for its Nameplate Capacity and its Medium Term Capacity Outlook, and a major disruption event occurs so that there is no offshore production, but the facility could theoretically still produce 100 TJ/day, did this affect the Nameplate Capacity and/or Medium Term Capacity Outlook? 	
	<p>Ms O’Kane noted that Nameplate Capacity and Capacity Outlook were measures of the health of the market and information was needed on the market’s cumulative capacity and ability to ramp up and meet demand.</p>	
	<p>Mr Maticka indicated that the information to be provided depended on the outlook period:</p>	
	<ul style="list-style-type: none"> Nameplate Capacity would only change if there was almost a permanent loss of capacity; but a party would be making an incorrect submission if there was a 100 TJ/day outage and it indicated that it could deliver the 100 TJ/day in its seven-day Capacity Outlook. 	
	<p>Ms Guzeleva clarified that:</p>	
	<ul style="list-style-type: none"> Nameplate Capacity was a facility’s maximum output under normal conditions in standing data, which should not change regularly; and Capacity Outlook told the market how much gas the facility could actually deliver in the next seven days. 	
	<p>Ms Guzeleva indicated that the seven-day Capacity Outlook must be reported every day for a seven-day period, and the concern raised by Ms O’Kane was that there were delays in reporting short-term problems. Ms O’Kane agreed that short-term problems were often not reported straight away.</p>	
	<p>Ms Guzeleva suggested that the meaning of the terms should be clarified with all facility owners and operators.</p>	
	<p>Mr Maticka suggested that a permanent reduction in gas reserves would reduce a production facility’s ability to deliver, and that perhaps this should impact its Nameplate Capacity. Ms O’Kane agreed that this was the kind of detail that needed to be clarified.</p>	
	<p>Mr Maticka indicated that each rule may need to be reviewed to see if there were any gaps.</p>	
	<p>Ms Guzeleva asked if a facility’s Nameplate Capacity might not change, e.g. if it was not mothballed, as it could still produce if someone else decided to put gas through it.</p>	
	<p>Mr Maticka suggested that this interpretation would defeat the objective of providing information via the Gas Bulletin Board (GBB) – it was not the intent of the GBB to inform gas field developers of who can process their gas without building a matching facility.</p>	
	<p>Mr Maticka suggested that the question was whether a production facility’s Nameplate Capacity was linked to the field supplying it, and what was the objective of providing this information to the market. It was not useful to indicate what a facility was capable of producing if it had no gas to back it up.</p>	

Item	Subject	Action
	<p>Ms O’Kane suggested that:</p> <ul style="list-style-type: none"> Nameplate Capacity should be the onshore capacity; and Medium-Term Capacity Outlook should account for offshore deliverability and onshore capacity. <p>There was some discussion about:</p> <ul style="list-style-type: none"> the meaning of the terms Nameplate Capacity, Medium Term Capacity Outlook and seven-day Capacity Outlook; the impact of outages on what is reported for each of these measures; and whether the data reported should only take account of the technical capability of facilities, or the technical capability of facilities and the offshore deliverability of gas. <p>The Chair asked for the GAB’s views on whether there was a need for further clarification or for changes to the GSI Rules.</p> <p>Mr Maticka noted that a question about the definition of Nameplate Capacity was asked at the WAGCF on 27 October 2021 and indicated that AEMO would copy the GAB on AEMO’s response.</p> <p><u>Action: AEMO to copy the GAB in its response to the question on nameplate capacity asked at the WAGCF on 27 October 2021.</u></p>	<p><u>AEMO</u></p>
	<p>(b) LNG Trucking on the GBB</p> <p>The Chair noted that AEMO and the GAB Secretariat were developing a Rule Change Proposal to provide for a monthly report of trucked LNG volumes on the GBB. Mr Maticka and Ms Guzeleva confirmed that the intent is to present a Pre-Rule Change Proposal to the GAB for discussion at its meeting on 24 March 2022 and then to commence the formal Rule Change Process.</p>	
	<p>The Chair noted that the next scheduled GAB meeting is set for 24 March 2022.</p>	

The meeting closed at 2:00pm.

Agenda Item 4: Gas Advisory Board (GAB) Action Items

Meeting 2022_03_24

Shaded	Shaded action items are actions that have been completed since the last GAB meeting.
Unshaded	Unshaded action items are still being progressed.
Missing	Action items missing in sequence have been completed from previous meetings and subsequently removed from log.

Item	Action	Responsibility	Meeting Arising	Status/Progress
99	RCP Support and AEMO to develop a discussion paper regarding reporting of trucked LNG volumes on the GBB.	RCP Support / AEMO 30/10/2020	2020_09_17	Closed This item was discussed at the GAB meeting on 23/09/2021, where it was agreed that AEMO and the GAB Secretariat are to work together to develop a Rule Change Proposal (see Action 102).
101	GAB Secretariat to publish the minutes of the 17 November 2020 GAB meeting on the Coordinator's Website as final.	GAB Secretariat	2021_09_23	Closed The minutes were posted on the Coordinator's Website on 24 September 2021.
102	AEMO and Energy Policy WA (EPWA) are to discuss development of a Rule Change Proposal to provide for monthly report of trucked LNG volumes on the GBB.	AEMO, EPWA	2021_09_23	Closed A Pre-Rule Change Proposal is tabled for discussion by the GAB under Agenda Item 5(b).

Item	Action	Responsibility	Meeting Arising	Status/Progress
103	The GAB is to meet in October 2022 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.	GAB	2021_09_23	Closed The GAB met on 28 October 2021 to discuss this issue – see the minutes from this meeting at Agenda Item 3(b).
104	AEMO and EPWA are to discuss a gap analysis of the producers' outage reporting requirements under the GSI Rules.	AEMO, EPWA	2021_09_23	Closed This issue is to be discussed under Agenda Item 6.
105	AEMO to review whether there is an issue with producers' compliance with their outage reporting obligations under the GSI Rules.	AEMO	2021_09_23	Closed On 9 March 2022, AEMO informed EPWA that they have found no breaches as part of their operational process and market audit activities.
106	AEMO to provide a refresher to of the outage reporting requirements at the next WA Gas Consultative Forum.	AEMO	2021_09_23	Closed AEMO made a presentation on this matter to the WA Gas Consultative Forum on 27 October 2021.
107	AEMO to copy the GAB in its response to the question on nameplate capacity asked at the WAGCF on 27 October 2021.	AEMO	2021_10_28	Open AEMO sent an email with its response to stakeholders on 1 November 2021.



Agenda Item 5(a): Overview of Rule Change Proposals (as at 17 March 2022)

Gas Advisory Board (**GAB**) Meeting 2022_03_24

- Changes to the report provided at the previous GAB meeting are shown in **red font**.
- The next steps and the timing for the next steps are provided for Rule Change Proposals that are currently being actively progressed by the Coordinator.

Rule Change Proposals Commenced since the last GAB Meeting

Reference	Submitted	Proponent	Title and description	Commenced
None				

Approved Rule Change Proposals Awaiting Commencement

Reference	Submitted	Proponent	Title and description	Commencement
None				

Rule Change Proposals Rejected since the last GAB Meeting

Reference	Submitted	Proponent	Title and description	Rejected
None				

Rule Change Proposals Awaiting Approval by the Minister

Reference	Submitted	Proponent	Title and description	Approval Due Date
None				

Formally Submitted Rule Change Proposals

Reference	Submitted	Proponent	Title and description	Urgency	Next Step	Date
Fast Track Rule Change Proposals with Consultation Period Closed						
None						
Fast Track Rule Change Proposals with Consultation Period Open						
None						
Standard Rule Change Proposals with Second Submission Period Closed						
None						
Standard Rule Change Proposals with Second Submission Period Open						
None						
Standard Rule Change Proposals with First Submission Period Closed						
None						
Standard Rule Change Proposals with the First Submission Period Open						
None						

Pre-Rule Change Proposals

Reference	Proponent	Title and Description	Status	Next Step
GRC_2022_01	AEMO	<p>Publication of tanker gas information on the Gas Bulletin Board</p> <p>The proposal seeks to require the provision and publication of information about gas that is transported by tankers. This is to increase transparency in the WA Gas Market.</p>	Pre-Rule Change Proposal submitted on 31/01/2022	Formal submission
GRC_2022_02	CITIC	<p>Gas Storage, Injection and Withdrawal Data Enhancements</p> <p>The proposal seeks to require:</p> <ul style="list-style-type: none"> the publication of injection and withdrawal volumes for storage facilities; and the publication and visualisation of daily gas balance for storage facilities. <p>This is to increase transparency in the WA Gas Market.</p>	Pre-Rule Change Proposal submitted on 11/3/2022	GAB feedback



Agenda Item 5(b): GRC_2022_01 – Publication of Tanker Gas Information on the Gas Bulletin Board

Meeting 2022_03_24

1. Purpose

- GAB to provide its support for AEMO to formally submit Rule Change Proposal GRC_2022_01 to the Coordinator for Energy.
- GAB to provide its advice to the Coordinator of Energy on whether the Rule Change Proposal should be progressed if it is formally submitted.

2. Recommendation:

1. That the GAB:
 - a. confirms its support for option (5), as presented by AEMO at the 23 September 2021 GAB meeting, including that no requirements will be placed on users of trucked LNG to register as Large Users;
 - b. provides any final comments on the attached Pre-Rule Change Proposal; and
 - c. agrees that AEMO should formally submit the Rule Change Proposal, subject to AEMO addressing any comments provided under (b), as appropriate.
2. That the GAB advises the Coordinator whether the Rule Change Proposal should be progressed by the Coordinator.

3. Process

- The Issue was first raised at the GAB meeting on 27 September 2018.
- Options to address the issue were first discussed at the GAB meeting on 26 September 2019 and the GAB agreed on option (5) as the preferred option.
- AEMO presented a concept for the implementation of the agreed option at the GAB meeting on 23 September 2021. The GAB supported the concept and the development of a Pre-Rule Change Proposal.
- AEMO developed Pre-Rule Change Proposal GRC_2022_01, which was distributed to the GAB for comment on 31 January 2021. The GAB Secretariat received comments from Woodside (**Attachment 1**) and the APA Group (**Attachment 2**).
- AEMO has revised Pre-Rule Change Proposal GRC_2022_01 (**Attachment 3**) based on the submissions from Woodside and the APA Group for discussion by the GAB at its meeting on 24 March 2022.

4. Background

The issue of whether trucked LNG should be captured on the Gas Bulletin Board (**GBB**) was first raised at the GAB meeting on 27 September 2018. The GAB noted a presentation by Woodside at the 2018 Energy in Western Australia Conference about trucking LNG in the Pilbara region and agreed that the issue should be investigated.¹

The GAB next met on 26 September 2019, and in that meeting:

- Energy Policy WA (**EPWA**) confirmed that including trucked LNG volumes on the GBB is consistent with Government policy and this information should be captured if the cost of its provision is not higher than the benefits;
- AEMO gave a presentation¹ with five options on how trucked LNG data could be gathered and presented on the GBB, including:
 - (1) a virtual pipeline;
 - (2) requiring end-users to register as Large Users;
 - (3) expanding the definition of Registered Shippers;
 - (4) a new framework for truck load-out Facilities;
 - (5) expanding reporting for Production Facility Operators;
- the GAB agreed that option (5) is preferred because monthly submission and reporting of data would minimise costs for Production Facility Operators to provide and AEMO to collate and display the data.¹

The GAB discussed the details of how option (5) could be implemented at its meetings on 12 March 2020, 17 September 2020 and 23 September 2021.^{1, 2}

AEMO gave a presentation at the GAB meeting on 23 September 2021 that proposed a low-cost (approximately \$25,000) method for AEMO to report trucked LNG volumes on the GBB using option (5).³ Under AEMO's proposed method:

- LNG volumes that are trucked into Western Australia instead of being injected into the pipeline network would be reported on the GBB;
- LNG volumes that are withdrawn from a pipeline and then trucked to customers would not be reported on the GBB, because these volumes are already captured by the GBB;
- the trucked LNG data would be reported to AEMO as a CSV file that could be aggregated and posted on the GBB on a monthly basis – Production Facilities would report to AEMO two weeks after the end of each month and AEMO would publish the report within three weeks after the end of each month; and

¹ The following documents are published at <https://www.wa.gov.au/government/document-collections/gas-advisory-board-meetings-held-prior-july-2021>:

- the minutes for the 27 September 2018 GAB meeting;
- the minutes for the 26 September 2019 GAB meeting and AEMO's presentation from that meeting;
- the minutes for the 12 March 2020 GAB; and
- the minutes for the 17 September 2020 GAB meeting.

² The Minutes for the 23 September 2021 GAB meeting are discussed under agenda item 3(b).

³ AEMO's presentation is published at <https://www.wa.gov.au/government/document-collections/gas-advisory-board-meetings-held-july-2021>.

- 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.

At its 23 September 2021 meeting, the GAB supported AEMO's proposal and:

- confirmed that:
 - the operator of each trucked LNG terminal should make separate submissions to AEMO;
 - the reported data should be disaggregated;
 - the benefit of the proposal outweighs the cost; and
- asked AEMO and EPWA to discuss development of a Rule Change Proposal to be processed via the Coordinator's Rule Change Process.

AEMO subsequently developed Pre-Rule Change Proposal GRC_2022_01, EPWA provided input to the proposal, and the GAB Secretariat distributed the proposal to the GAB for comment on 31 January 2021. The GAB Secretariat received comments from APA Group and Woodside and these comments were provided to AEMO. Copies of these submissions are attached (**Attachments 1 and 2**).

AEMO has revised Pre-Rule Change Proposal GRC_2022_01 based on the submissions from Woodside and APA Group (**Attachment 3**). A summary of the changes that have been made to GRC_2022_01 is provided in the Appendix to this cover paper.

5. Discussion

There was discussion at the GAB meeting on 23 September 2021 regarding whether end-users of the trucked LNG would need to register as Large Users and to report volumes, but the minutes do not reflect what conclusion the GAB reached on this matter. EPWA notes that such a requirement would be consistent with option (2), not option (5), and recommends that the GAB confirms that such a requirement will not be placed on end-users of trucked LNG.

6. Attachments

- (1) Woodside submission on Pre-Rule Change Proposal GRC_2022_01 (18 February 2022)
- (2) APA Group submission on Pre-Rule Change Proposal GRC_2022_01 (17 February 2022)
- (3) Pre-Rule Change Proposal GRC_2022_01 – Publication of Tanker Gas Information on the Gas Bulletin Board

Appendix: Summary of AEMO's Changes to the Pre-Rule Change Proposal for RC_2022_01

- To address feedback from Woodside and for consistency, AEMO has consolidated the terminology of 'tanker' throughout the document.
- AEMO has made some minor grammatical and administrative changes throughout the document.
- In section 1:
 - Woodside commented on the first bullet point under 'Background', seeking clarification to ensure that trucked LNG facilities that are connected to the gas pipeline network and already reporting gas consumption are not included in the proposal.
 - AEMO did not make changes to the Pre-Rule Change Proposal to address this comment because the Background section already states that the proposal relates to gas that has not entered the gas pipeline network.
- In section 3:
 - The APA Group suggested that the new rules 73A(2) and (3) are unnecessary and should be deleted. The following table indicates how AEMO has redrafted rules 73A(2) and (3) to address this comment and indicates the impact of these changes:

		Previous Drafting	Current Drafting
Rules	72A(1)	A Production Facility Operator (PFO) must provide Monthly Trucked Gas Data (data) to AEMO	
	72A(2)	A PFO is not required to provide data to AEMO this month if its volume for this month is the same as last month	A PFO is not required to provide data to AEMO if its volume is zero
	73A(3)	If AEMO does not receive data from a PFO, then AEMO is to deem the same volume for this month as last month	if AEMO does not receive data from a PFO, then AEMO is to deem a zero volume.
Impact on PFOs that do not truck LNG		All PFOs must make at least one data submission – those that do not truck LNG would submit a zero volume and then rely on rules to deem continued zero volumes	PFOs that do not truck LNG do not need to make a submission
Ongoing reporting requirements		PFOs do not need to submit data if their volumes do not change from month-to-month	PFOs must submit non-zero data every month

	Previous Drafting	Current Drafting
If a PFO is late or neglects to provide data to AEMO	AEMO publishes the previous month's volume	AEMO publishes zero volume.

- To address feedback from Woodside, AEMO has amended the definition of 'Production Facility' to include LNG transported by a Tanker
- Section 4:
 - To address feedback from Woodside, AEMO updated the text for the justification to GSI Objective (d) to indicate that the proposed rule change will show how much gas will be transported from facilities, instead of where the gas is transported to.
- Section 5:
 - AEMO added headers for clarity.
 - AEMO amended the proposal to enable participants to submit data through the GBB data portal or via an alternative method (email). For compliance reasons, AEMO would like to encourage Market Participants to submit data through the GBB data portal, and AEMO will seek feedback on this issue at the GBB meeting on 24 March 2022.
 - AEMO has added text to indicate that some GAB members have indicated that the magnitude of the trucked LNG volumes do not warrant changes to the allocation of the GSI fees.

Agenda Item 5(b) - Attachment 1



Government of **Western Australia**
Energy Policy WA

GSI Rule Change Proposal Form

Rule Change Proposal ID: GRC_2022_01

Date received: [to be completed by Energy Policy WA]

Change requested by:

Name:	Martin Maticka
Phone:	(08) 9469 9933
Email:	Martin.Maticka@aemo.com.au
Organisation:	AEMO
Address:	GPO Box 2008 Melbourne VIC 3001
Date Submitted:	
Proposed urgency:	3 – Medium
Rule Change Proposal Title:	Publication of tanker gas information on the Gas Bulletin Board (GBB)
GSI Rule(s) affected	Part 3, Division 4, Rule 73A (new) – Information requirements for Production Facility Operators Part 4, Division 2, Rule 89A (new) – AEMO to publish certain information on GBB Schedule 1 – Glossary

Commented [A1]: Consider ensuring consistent terminology throughout document – there is a range of “trucked gas”, “trucked LNG” and “tanker gas” used.

Introduction

Rule 129 of the Gas Services Information Rules (**GSI Rules**) provides that any person may make a Rule Change Proposal by completing a Rule Change Proposal Form and submitting it to the Coordinator of Energy (**Coordinator**).

This Rule Change Proposal can be sent by:

Email to: energymarkets@energy.wa.gov.au

Post to: Coordinator of Energy
Attn: Director, Wholesale Markets
C/o: Energy Policy WA
Locked Bag 11, Cloisters Square
PERTH WA 6850

The Coordinator will assess the proposal and will notify you within 5 Business Days of receiving this form whether the Rule Change Proposal will be further progressed.

All of the fields below must be completed for the proposal to be progressed, and the proposal must:

- provide any proposed specific changes to particular GSI Rules; and
- describe how the proposed rule change would allow the GSI Rules to better address the GSI Objectives.

The GSI Objectives are to promote the long term interests of consumers of natural gas in relation to:

- (a) the security, reliability and availability of the supply of natural gas in the State;
- (b) the efficient operation and use of natural gas services in the State;
- (c) the efficient investment in natural gas services in the State; and
- (d) the facilitation of competition in the use of natural gas services in the State.

Details of the Proposed Rule Change

1. Describe the concern with the existing GSI Rules that is to be addressed by the proposed rule change:

Background

Liquefied Natural Gas (**LNG**) is drawn from Woodside's Pluto production facility and loaded onto specialist truck tankers (**tankers**) to be transported to end-users. As the gas does not enter the pipeline network, it is currently not reported on the WA Gas Bulletin Board (**GBB**).

The GSI Rules do not currently require information about gas that is transported by tankers to be published.

The Gas Advisory Board (**GAB**) agreed on 23 September 2021 that a Rule Change Proposal would be appropriate to enable the publication of information related to gas transported by tankers on the GBB. The GAB proposed that:

- the information requirements of Registered Production Facility Operators would be expanded to include the volume of gas transported by tankers;
- Registered Production Facility Operators will be required to submit the data to AEMO at monthly intervals; and
- AEMO will be required to publish the information on the GBB.

Proposed GSI Rules Amendment

The following GSI Rules amendments are proposed to enable the publication of trucked LNG information on the GBB:

- Part 3, Division 4 of the GSI Rules to require a Registered Production Facility Operator to provide information on the volume of gas that is transported by tankers from its GBB Production Facility;
- Part 4, Division 2 of the GSI Rules to enable AEMO to publish information on the volume of gas that is transported by tankers from GBB Production Facilities on a monthly basis; and
- the Glossary to define the terms Monthly Trucked Gas Data and Tankers.

2. Explain the reason for the proposed degree of urgency:

AEMO considers that this Rule Change Proposal should be progressed under the Standard Rule Change Process to ensure sufficient time is set aside for consultation with Gas Market Participants.

Commented [A2]: Include a clarification to ensure trucked LNG facilities that are connected to the pipeline gas network and already reporting gas consumption are not included in this.

Commented [A3]: This is defined under the GSI rules as a Production Facility which means a facility at which natural gas is produced for injection into one or more GBB Pipelines.

Given the trucked LNG will not be injected into a pipeline, this definition will need to be expanded/amended appropriately.

Commented [A4]: Please see above comment.

3. Provide any proposed specific changes to particular GSI Rules: (for clarity, please use the current wording of the Rules and place a ~~strike through~~ where words are deleted and underline words added)

Insert new Part 3, Division 4, rule 73A to require Registered Production Facility Operators to provide Monthly Trucked Gas Data for their GBB Production Facilities.

73A Registered Production Facility Operators to provide Monthly Trucked Gas Data

- (1) Subject to subrule (2), a Registered Production Facility Operator must provide AEMO with Monthly Trucked Gas Data within 10 Business Days after the last day of each calendar month.
- (2) If a Registered Production Facility Operator has previously provided Monthly Trucked Gas Data to AEMO and the Registered Production Facility Operator considers that the Monthly Trucked Gas Data has not changed from the previous month, then it is not required to submit Monthly Trucked Gas Data to AEMO for that month.
- (3) If AEMO has not received Monthly Trucked Gas Data within 10 Business Days after the last day of the calendar month from a Registered Production Facility Operator that has previously provided Monthly Trucked Gas Data, then AEMO must deem the Monthly Trucked Gas Data for that Registered Production Facility Operator for the calendar month to be the same as the Monthly Trucked Gas Data for that Registered Production Facility Operator for the previous month.

Insert new Part 4, Division 2, rule 89A to require AEMO to publish Monthly Trucked Gas Data on the GBB:

89A Publication of Monthly Trucked Gas Data on GBB

AEMO must publish on the GBB, for each GBB Production Facility and each calendar month, the information provided under rule 73A.

Insert new definitions in Schedule 1 – Glossary:

Monthly Trucked Gas Data means the total quantity of natural gas that is injected from a GBB Production Facility into Tankers to be transported to end users during a calendar month, determined on the basis of operational metering data where available or otherwise, where such data is not available, estimated by the Registered Production Facility Operator.

...

Tanker means a specialist truck tanker used to transport liquified natural gas.

4. Describe how the proposed rule change would allow the GSI Rules to better address the GSI Objectives:

AEMO considers that this Rule Change Proposal will better achieve GSI Objectives (a) and (d).

The GSI Objectives, as specified in rule 2 of the GSI Rules in relation to the GBB, are to promote the long-term interests of consumers of natural gas in relation to:

- (a) the security, reliability and availability of the supply of natural gas in the State
- (d) the facilitation of competition in the use of natural gas services in the State

AEMO considers this Rule Change Proposal supports GSI Objective (a) by ensuring that the amount of

gas transported by tankers is published on the GBB. Publishing the data on the GBB may help to identify any potential gas supply issues, thereby helping to maintain the security, reliability and availability of supply in the State.

The publication of gas transported by tankers supports GSI Objective (d) by providing existing and prospective Gas Market Participants with a clear indication of where natural gas is being transported within the State. This ensures that information is available to all participants, supporting competition between participants and potentially helping to identify opportunities for new participants.

Commented [A5]: This information wont provide a clear indication of where natural gas is being transported within the State, rather a clear indication of where and how much gas is being supplied from facilities within the State.

5. Provide any identifiable costs and benefits of the change:

The proposed change will ensure that the GBB (WA) will display more information about gas and support the GSI objectives outlined above.

Minor system changes will be required to the GBB (WA) to display the volume of gas transported from Production Facilities at monthly intervals. The implementation costs are expected to be minor (<\$25k for development) and can be managed within AEMO's existing budget.

If applicable, Gas Market Participants that transport gas with tankers will be required to submit additional information to AEMO on a monthly basis. Data submission via monthly emails rather than an automated process will help keep development costs low.

The Coordinator of Energy may also wish to consider if the calculation used to recover GSI costs, Coordinator Fees and Regulator Fees under Part 7, Division 4 would still be appropriate if the GBB (WA) included trucked gas quantities (i.e. should fees for Registered Production Facility Operators be adjusted to include volumes transported via Tankers).

GAB members previously indicated that trucked gas volumes are about 15-25 TJ/day. The sum of quantities for all Registered Production Facility Operators averaged about 95,000 TJ/quarter between Q1 2019 and Q4 2021, which suggests the trucked volumes would make up about 1.4% to 2.3% of total gas volumes from Registered Production Facility Operators.

Laura Koziol

From: Jamieson, John <John.Jamieson@apa.com.au>
Sent: Thursday, 17 February 2022 11:44 AM
To: EPWA - Energy Markets
Cc: Wagner, Hamish; Mason, Rebecca
Subject: FW: RC_2021_01 - Pre-Rule Change Proposal on the LNG Trucking Issue

Hi Stephen,

Please see responses to questions in red below.

Happy to discuss further if any queries.

Thanks

Regards John

**John Jamieson**

General Manager Market Services
Operations

L1, 121 Wharf Street
Spring Hill QLD 4000

M +61 (0)417 795 805
apa.com.au

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This message is intended for the addressee named and may contain confidential information. No confidentiality or privilege is waived or lost by mistransmission. If you are not the intended recipient, please delete it and notify the sender. Views expressed in this message are those of the individual sender.

From: EPWA - Energy Markets <energymarkets@energy.wa.gov.au>
Sent: Monday, 31 January 2022 1:56 PM
To: Martin Maticka <Martin.Maticka@aemo.com.au>; Mclaughlin, Bryon <bryon.mclaughlin@energy.wa.gov.au>; chrisgalexander163@gmail.com; Ryan, Noel <Noel.Ryan@energy.wa.gov.au>; Lipakshi.dhar@erawa.com.au; Alexandra.willis@woodside.com.au; Pete Ryan <pete.ryan@strikeenergy.com.au>; Rachael.smith@agig.com.au; Jamieson, John <John.Jamieson@apa.com.au>; Lauer, Mike (GMS) <mike@gastrading.com.au>; kathrynss@chevron.com; Chris.campbell@alintaenergy.com.au; jokane@kleenheat.com.au
Cc: Guzeleva, Dora <Dora.Guzeleva@energy.wa.gov.au>; George, Isaac <Isaac.George@energy.wa.gov.au>; Laura Koziol <Laura.Koziol@energy.wa.gov.au>; Edwin Ong <Edwin.Ong@aemo.com.au>; Jenny Laidlaw <Jenny.Laidlaw@energy.wa.gov.au>
Subject: [EXT]: RC_2021_01 - Pre-Rule Change Proposal on the LNG Trucking Issue

GAB Members

AEMO and EPWA were given an action at the GAB meeting on 2022_03_24, as follows:

Action 102: AEMO and EPWA are to discuss development of a Rule Change Proposal to provide for monthly report of trucked LNG volumes on the GBB.

AEMO has subsequently drafted a Pre-Rule Change Proposal (**PRC**) on this matter and has discussed the PRC with EPWA. Please find attached a copy of the PRC for your review and comment.

Can you please review the attached PRC and provide any comments back to EPWA that address following questions:

1. Do you have any general or specific comments on the PRC, including the description of the issue, the proposed solution, or the proposed rule drafting?

Proposed rule 73A(2) seems unnecessary given the likelihood of trucking volumes not changing from month to month – suggestion would be to delete proposed clauses 73A(2) & (3). Alternative would be to add a materiality threshold around the monthly volumes i.e. if volumes do not materially change month to month then the Producer is not required to submit data to AEMO.

2. Should changes be made to Part 7, Division 5 (GSI Fees) to account for the trucked LNG volumes?

- GSI Fees are apportioned 50/50 between Registered Shippers and Registered Production Facility Operators, and the portion allocated to Registered Production Facility Operators is apportioned to specific operators in proportion to their Facilities' contribution to Aggregated Daily Actual Gas Flow Data [see rule 116(3)], where Daily Actual Flow Data is the amount of gas that has been injected from a Facility into a GBB Pipeline.
- As a result, trucked LNG volumes will be ignored in allocating GSI Fees to Registered Production Facilities.
- GAB members previously indicated that trucked gas volumes are about 15-25 TJ/day, and AEMO has indicated that the sum of quantities for all Registered Production Facility Operators averaged about 95,000 TJ/quarter between Q1 2019 and Q4 2021, which suggests the trucked volumes would make up about 1.4% to 2.3% of total gas volumes from Registered Production Facility Operators
- GAB members are asked if this is sufficiently material to warrant changing the rules on fee allocation.
- Note that the market fees are Protected Provisions, so changing these rules would require Ministerial approval. This is not problematic, but would add a step to the rule change process.

I don't believe the volumes at present are material enough to warrant the change in fee allocation.

3. Should the proposed new rule 73A be a civil penalty provision?

- The rules in Part 3, Division 4 of the GSI Rules (Information requirements for Production Facility Operators) place requirements on Production Facility Owners to provide data to AEMO for posting on the GBB, and these rules are generally civil penalty provisions.
- This leads to the question of whether the proposed new rule 73A should also be made a civil penalty provision? If so, then changes would need to be made to the GSI Regulations to make this a civil penalty provision.
- However, given the materiality of these changes (see question 2), GAB members are asked whether it is worth the effort to make the regulation changes.

Given the nature of the information being provided I don't believe it is currently worth making the proposed rule a civil penalty provision.

Please send your responses to EPWA at energymarkets@energy.wa.gov.au by **Friday 18 February 2022**.

EPWA will provide circulate all comments to AEMO and all other GAB members. AEMO can then consider the GAB's comments and formally submit the Rule Change Proposal whenever it is ready.

Thanks,
Stephen

Stephen Eliot

**Principal Advisor
Wholesale Markets
Energy Policy WA**

Level 1, 66 St Georges Terrace, Perth WA 6000

(Locked Bag 11 Cloisters Square, Perth WA 6850)

t: 08 6551 4653 | m: 0421 093 598 | e: stephen.eliot@energy.wa.gov.au

Ngala kaaditj Whadjuk moort keyen kaadak nidja boodja.

I acknowledge and respect the Whadjuk people as the Traditional Owners of their ancestral lands, waters, and skies.



Government of Western Australia
Energy Policy WA

*We're working for
Western Australia.*



GSI Rule Change Proposal Form

Rule Change Proposal ID: GRC_2022_01

Date received: [to be completed by Energy Policy WA]

Change requested by:

Name:	Martin Maticka
Phone:	(08) 9469 9933
Email:	Martin.Maticka@aemo.com.au
Organisation:	AEMO
Address:	GPO Box 2008 Melbourne VIC 3001
Date Submitted:	
Proposed urgency:	3 – Medium
Rule Change Proposal Title:	Publication of tanker gas information on the Gas Bulletin Board (GBB)
GSI Rule(s) affected	Part 3, Division 4, Rule 73A (new) – Information requirements for Production Facility Operators Part 4, Division 2, Rule 89A (new) – AEMO to publish certain information on GBB Schedule 1 – Glossary

Introduction

Rule 129 of the Gas Services Information Rules (**GSI Rules**) provides that any person may make a Rule Change Proposal by completing a Rule Change Proposal Form and submitting it to the Coordinator of Energy (**Coordinator**).

This Rule Change Proposal can be sent by:

Email to: energymarkets@energy.wa.gov.au

Post to: Coordinator of Energy
Attn: Director, Wholesale Markets
C/o: Energy Policy WA
Locked Bag 11, Cloisters Square
PERTH WA 6850

The Coordinator will assess the proposal and will notify you within 5 Business Days of receiving this form whether the Rule Change Proposal will be further progressed.

All of the fields below must be completed for the proposal to be progressed, and the proposal must:

- provide any proposed specific changes to particular GSI Rules; and
- describe how the proposed rule change would allow the GSI Rules to better address the GSI Objectives.

The GSI Objectives are to promote the long term interests of consumers of natural gas in relation to:

- (a) the security, reliability and availability of the supply of natural gas in the State;
- (b) the efficient operation and use of natural gas services in the State;
- (c) the efficient investment in natural gas services in the State; and
- (d) the facilitation of competition in the use of natural gas services in the State.

Details of the Proposed Rule Change

1. Describe the concern with the existing GSI Rules that is to be addressed by the proposed rule change:

Background

Liquefied Natural Gas (**LNG**) is drawn from Woodside's Pluto production facility and loaded onto specialist truck tankers (**tankers**) to be transported to end-users. As the gas does not enter the pipeline network, it is currently not reported on the WA Gas Bulletin Board (**GBB**).

The GSI Rules do not currently require information about gas that is transported by tankers to be published.

The Gas Advisory Board (**GAB**) agreed on 23 September 2021 that a Rule Change Proposal would be appropriate to enable the publication of information related to gas transported by tankers on the GBB. The GAB proposed that:

- the information requirements of Registered Production Facility Operators would be expanded to include the volume of gas transported by tankers;
- Registered Production Facility Operators will be required to submit the data to AEMO at monthly intervals; and
- AEMO will be required to publish the information on the GBB.

Proposed GSI Rules Amendment

The following GSI Rules amendments are proposed to enable the publication of tanker gas information on the GBB:

- Part 3, Division 4 of the GSI Rules to require a Registered Production Facility Operator to provide information on the volume of gas that is transported by tankers from each of its GBB Production Facilities;
- Part 4, Division 2 of the GSI Rules to enable AEMO to publish information on the volume of gas that is transported by tankers from GBB Production Facilities on a monthly basis; and
- the Glossary to define the terms Monthly Trucked Gas Data, Production Facility and Tankers.

2. Explain the reason for the proposed degree of urgency:

AEMO considers that this Rule Change Proposal should be progressed under the Standard Rule Change Process to ensure sufficient time is set aside for consultation with Gas Market Participants.

3. Provide any proposed specific changes to particular GSI Rules: (for clarity, please use the current wording of the Rules and place a ~~strikethrough~~ where words are deleted and underline words added)

Insert new Part 3, Division 4, rule 73A to require Registered Production Facility Operators to provide Monthly Trucked Gas Data for their GBB Production Facilities.

73A Registered Production Facility Operators to provide Monthly Trucked Gas Data

- (1) Subject to subrule (2), a Registered Production Facility Operator must provide AEMO with Monthly Trucked Gas Data for each of its GBB Production Facilities within 10 Business Days after the last day of each calendar month.
- (2) A Registered Production Facility Operator is not required to provide Monthly Trucked Gas Data for a GBB Production Facility for a calendar month if that Monthly Trucked Gas Data is a zero quantity.
- (3) If AEMO does not receive Monthly Trucked Gas Data for a GBB Production Facility for a calendar month within 10 Business Days after the last day of that calendar month, then AEMO must deem the Monthly Trucked Gas Data provided to be a zero quantity.

Insert new Part 4, Division 2, rule 89A to require AEMO to publish Monthly Trucked Gas Data on the GBB:

89A Publication of Monthly Trucked Gas Data on GBB

AEMO must publish on the GBB, for each GBB Production Facility and each calendar month, the information provided under rule 73A(1) or deemed to be provided under rule 73A(3).

Amend definition of Production Facility in Schedule 1 – Glossary:

Production Facility means a facility at which natural gas is produced for injection into one or more GBB Pipelines, or from which liquified natural gas is transported by a Tanker.

Insert new definitions in Schedule 1 – Glossary:

Monthly Trucked Gas Data means the total quantity of natural gas that is injected from a GBB Production Facility into Tankers to be transported to end users during a calendar month, determined on the basis of operational metering data where available or otherwise, where such data is not available, estimated by the Registered Production Facility Operator.

Tanker means a specialist truck tanker used to transport liquified natural gas.

4. Describe how the proposed rule change would allow the GSI Rules to better address the GSI Objectives:

AEMO considers that this Rule Change Proposal will better achieve GSI Objectives (a) and (d).

The GSI Objectives, as specified in rule 2 of the GSI Rules in relation to the GBB, are to promote the long-term interests of consumers of natural gas in relation to:

- (a) the security, reliability and availability of the supply of natural gas in the State
- (d) the facilitation of competition in the use of natural gas services in the State

AEMO considers this Rule Change Proposal supports GSI Objective (a) by ensuring that the amount of gas transported by tankers is published on the GBB. Publishing the data on the GBB may help to identify any potential gas supply issues, thereby helping to maintain the security, reliability and availability of supply in the State.

The publication of gas transported by tankers supports GSI Objective (d) by providing existing and prospective Gas Market Participants with a clear indication of where and how much LNG is being supplied from facilities within the State. This ensures that information is available to all participants, supporting competition between participants and potentially helping to identify opportunities for new participants.

5. Provide any identifiable costs and benefits of the change:

i. AEMO System Changes

The proposed change will ensure that the GBB (WA) will display more information about gas and support the GSI objectives outlined above.

Minor system changes will be required to the GBB (WA) to display the volume of gas transported by tankers at monthly intervals. The implementation costs are expected to be minor (<\$25k for development) and can be managed within AEMO's existing budget.

If applicable, Gas Market Participants that transport gas with tankers will be required to submit additional information to AEMO on a monthly basis. As discussed at previous GAB meetings, Gas Market Participants will submit information of gas transported by tankers on a monthly basis to keep development costs low. AEMO will ensure Gas Market Participants are able to provide the required data via the GBB WA website portal from the commencement of this rule change, in the same way as other GBB (WA) data submissions. Gas Market Participants are invited to comment on the feasibility of submitting the data through this method. To assist in the implementation of this rule change, AEMO will allow the submission of this data through an alternative method for a transitional period.

ii. Consideration of GSI Fees

The Coordinator of Energy may also wish to consider if the calculation used to recover GSI costs, Coordinator Fees and Regulator Fees under Part 7, Division 4 would still be appropriate if the GBB (WA) included tanker gas quantities (i.e. should fees for Registered Production Facility Operators be adjusted to include volumes transported via Tankers).

GAB members previously indicated that tanker gas volumes are about 15-25 TJ/day. The sum of quantities for all Registered Production Facility Operators averaged about 100,000 TJ/quarter between Q1 2019 and Q4 2021, which suggests the tanker volumes would make up about 1.4% to 2.3% of total gas volumes from Registered Production Facility Operators.

A Pre-Rule Change Proposal survey was conducted in January 2022 by EPWA, and several GAB members responded that the volume of gas transported via Tankers did not warrant a change in the GSI fee allocations



Agenda Item 5(c): GRC_2022_02 – Gas Storage, Injection and Withdrawal Data Enhancements

Meeting 2022_03_24

1. Purpose

- GAB to provide feedback to CITIC Pacific Mining on its Pre-Rule Change Proposal.
- GAB to provide advice to the Coordinator of Energy on whether the Rule Change Proposal should be progressed if it is formally submitted.

2. Recommendation:

That the GAB:

1. discusses the Pre-Rule Change Proposal and provides feedback to CITIC Pacific, including whether:
 - a. the proposal would support better planning, management and operation of the WA gas market; and
 - b. the benefits of providing the relevant information are expected to outweigh the costs of its implementation; and
2. if the GAB recommends substantial changes to the Rule Change Proposal, agrees whether the Rule Change Proposal should be returned to the GAB for further consideration; and
3. if the GAB agrees that the Rule Change Proposal should not be returned to the GAB for further consideration, provides advice to the Coordinator whether the Rule Change Proposal should be:
 - a. progressed if submitted without any material changes;
 - b. progressed only if specific changes are made before it is formally submitted and the reasons why; or
 - c. not be progressed if it is formally submitted and the reasons why.

3. Process:

- CITIC provided the Pre-Rule Change Proposal to the GAB Secretariat on 11 March 2022. The issue is to be discussed for the first time at the 24 March 2022 GAB meeting.

4. Background

CITIC Pacific Mining provided a Pre-Rule Change Proposal GRC_2022_02 to the GAB Secretariat on 11 March 2022 (**Attachment 1**) for review and comment by the GAB. CITIC is proposing the following changes to the reporting requirements on Registered Storage Facility Operators and to the publication requirement on AEMO:

- Storage Facility Operators must separately submit, and AEMO must separately publish the actual or deemed¹ daily gas injection and withdrawal for each storage facility; and
- AEMO must publish the estimated daily stored gas balance for each storage facility as a percentage of total storage capacity.

CITIC has indicated that it will take into account any GAB comments on GRC_2022_02, will make any changes to its proposal accordingly, and will submit the proposal to the Coordinator in due course.

The GAB Secretariat notes that CITIC is proposing changes to clauses that are civil penalty provisions.

AEMO is asked to provide an indication of its cost and time to implement GRC_2022_02.

1. Attachments

- (1) Pre-Rule Change Proposal GRC_2022_02 – Gas Storage, Injection and Withdrawal Data Enhancements

¹ Deemed injection and withdrawal refers to the case where injection and withdrawal volumes at the same point in time are netted off and technically are not flowing into or out of the storage Facility.

GSI Rule Change Proposal Form

Rule Change Proposal ID: GRC_2022_2

Date received: [to be completed by Energy Policy WA]

Change requested by:

Name:	Dominic Rodwell
Phone:	08 9226 8386
Email:	Dominic.rodwell@citicpacificmining.com
Organisation:	CITIC Pacific Mining Management Pty Ltd
Address:	L7, 45 St Georges Tce Perth WA 6000
Date Submitted:	DRAFT TBA
Proposed urgency:	As soon as reasonably possible
Rule Change Proposal Title:	Gas Storage, Injection and Withdrawal Data Enhancements – Reporting historic and current Injection volume and Withdrawal volume data; and Reporting historic and current stored gas balance and adding a “fill” line to each gas storage barrel displayed on the GBB
GSI Rule(s) affected	Rule 67, 68, 87, Schedule 1 – Glossary

Introduction

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Email to: energymarkets@energy.wa.gov.au

Post to: Coordinator of Energy
Attn: Director, Wholesale Markets
C/o: Energy Policy WA
Locked Bag 11, Cloisters Square
PERTH WA 6850

The Coordinator will assess the proposal and will notify you within 5 Business Days of receiving this form whether the Rule Change Proposal will be further progressed.

All of the fields below must be completed for the proposal to be progressed, and the proposal must:

- provide any proposed specific changes to particular GSI Rules; and
- describe how the proposed rule change would allow the GSI Rules to better address the GSI Objectives.

The GSI Objectives are to promote the long term interests of consumers of natural gas in relation to:

- (a) the security, reliability and availability of the supply of natural gas in the State;
- (b) the efficient operation and use of natural gas services in the State;
- (c) the efficient investment in natural gas services in the State; and
- (d) the facilitation of competition in the use of natural gas services in the State.

Details of the Proposed Rule Change

1. Describe the concern with the existing GSI Rules that is to be addressed by the proposed rule change:

Section 1A: Storage Injection and Withdrawal Data

Clarification Summary:

Section 1A explains the issue about the Daily Actual Flow Data being reported on GBB but which appears not to reflect the volumes that are “deemed” to have been injected or withdrawn from/to the storage facility. Rather the published information appears to net at least some of the “deemed” volumes. AEMO currently publishes the Daily Actual Flow Data including for the past but this history is not useful because the data does not reflect the volumes that are “deemed” to have been injected or withdrawn from/to the storage facility.

Rule Change

Under Rule 68 of the GSI Rules, Registered Storage Facility Operators are required to supply AEMO with Daily Actual Flow Data for each Gas Day for a GBB Storage Facility.

Daily Actual Flow Data is currently reported by Registered Storage Facility Operators (and subsequently published by AEMO) on a net flow basis. This means that a market participant accessing information published by AEMO on the GSI Website can see a net figure for a Gas Day for a GBB Storage Facility showing whether injection volumes exceeded withdrawal volumes (and vice versa) but not what the actual injection and withdrawal quantities were for the relevant Gas Day.

In addition to the lack of actual injection and withdrawal data on a given Gas Day, the information published by AEMO does not grant access to historic Gas Day actual injections into and withdrawals from storage even though such daily information is shown on the WA Gas Bulletin Board (**GBB**) each day. Contrast this position with the availability of historic data in respect of Daily Actual Flow Data for a GBB Pipeline.

Our concern relates to the way in which the Daily Actual Flow Data for a GBB Storage Facility is being reported, namely that Registered Storage Facility Operators do not report, and AEMO does not publish, daily actual injection volumes and withdrawal volumes from GBB Storage Facilities as separate information streams. In our view the information asymmetry created under Rule 68 between Registered Storage Facility Operators and all other market participant’s results in an inefficient, opaque and ultimately unfair market – which is inconsistent with the stated GSI Objectives.

Further, we consider that separately recording and making available all daily actual injection and withdrawal data on the GBB and the GSI Website will allow market participants to

assess trends and make informed decisions which again will lead to improvements in market conditions. As you would understand, portfolio management for market participants is important and:

- where gas storage capacity has markedly increased by 300% with the introduction of the Tubridgi GBB Storage Facility – changing the nature of the gas storage market itself;
- where the gas market is becoming increasingly focused on trading activities (such as the potential formation of a true spot market, the arrangements on bilateral trades, gas sales and swaps etc); and
- in an environment where gas contracting arrangements are becoming shorter term rather than longer term arrangements,

therefore the market requires access to such information to enhance all portfolio management tools.

Accordingly, we wish to propose a rule change to the effect that data relating to both injections into and withdrawals from storage must be separately reported by Registered Storage Facility Operators for each Gas Day and captured on the GBB by AEMO for each Gas Day to enhance the accuracy and transparency of daily and historic gas storage data for the benefit of all market participants.

Section 1B: Storage Capacity Utilisation Data and Displaying a Fill Line

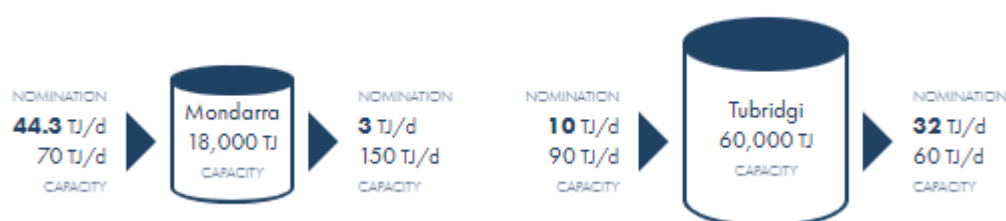
Clarification Summary

Section 1B explains that the proposed Daily Storage Facility Capacity Utilisation (meaning gas volume stored in the storage facility) is desired to only be reported for the actual Gas Day. There is no intent for a requirement to report and publish a forecast of the volume of gas that will be stored in the Registered Storage Facility. The specification to report the Daily Storage Facility Capacity Utilisation as at 8:00 AM on a Gas Day that it is reported for is arbitrary – reporting as at the end of the Gas Day would be equally as useful.

Rule Change

AEMO currently displays the respective storage capacities of each storage facility, their respective injection and withdrawal capacities and volumes nominated for injection and withdrawal, but do not display a fill line or any other indication of current stored volume (refer to GBB home page snip below).

STORAGE CAPACITY



The GSI Rules do not currently require Registered Storage Facility Operators to provide a stored gas balance (either as an ongoing disclosure or a periodic disclosure in conjunction with the provision of other data to allow for the calculation of a stored gas balance).

We as early architects of the WA gas market have a responsibility to those that come after us to do all things possible to accelerate this market's evolution from an immature, non-

transparent and abnormal market to a fully functional, transparent and normal market where standard supply demand dynamics drive the market and market factors.

The current rules have created an information asymmetry whereby only Registered Storage Facility Operators are aware of current storage facility stored gas volume, creating inequity in bargaining power and ultimately an opaque, inefficient market. The proposed rule change attempts to enhance transparency allowing all participants to make informed investment decisions.

The rule change proposal requires Registered Storage Facility Operators to provide AEMO with sufficient data to allow it to present a daily or weekly indication of the stored gas balance of GBB Storage Facilities on the GBB homepage (for instance, displaying the written stored gas balance as a percentage of the total storage capacity with a graphical indicator, such as an indicator line or fill colour on each storage barrel to accurately depict the stored gas level on each of the storage barrels). This enhancement is aligned with daily pipeline capacity utilization data being displayed on the GBB.

2. Explain the reason for the proposed degree of urgency:

We request the rules be amended “as soon as reasonably possible” on the basis that the current data being reported is creating unfavourable market conditions and is not useful for market participants unless they have been capturing GBB data every day since the commencement of storage operations.

Given the rule change proposal doesn’t require Registered Storage Facility Operators to create a new dataset (rather that they capture and report data from their existing dataset), we consider that this rule change proposal can be implemented without disadvantaging any party and at a minimal cost and minimal administrative burden.

3. Provide any proposed specific changes to particular GSI Rules: *(for clarity, please use the current wording of the Rules and place a ~~strike through~~ where words are deleted and underline words added)*

For Proposed Rule Change under Proposal 1A: Storage Injection and Withdrawal Data

Schedule 1 - Glossary:

Daily Actual Flow Data means, for a Gas Day:

- (b) for a GBB Storage Facility, the actual quantities of natural gas that are nominated and allocated by the Registered Storage Facility Operator is metered (based on operational metering data) as having been, or estimated by the Registered Storage Facility Operator to have been each of deemed or otherwise:
 - (i) ~~withdrawn~~ as delivered from each Delivery Point to which the storage facility is connected and injected into the storage facility on that Gas Day; and separately
 - (ii) as withdrawn from the storage facility and ~~injected~~ delivered into each Receipt Point to which the storage facility is connected on that Gas Day; and

For Proposed Rule Change under Proposal 1B: Storage Capacity Utilisation Data & Displaying a Fill Line

67 Registered Storage Facility Operators to provide Nominated and Forecast Flow Data

- (1) Subject to subrule (3), a Registered Storage Facility Operator must, by 6:00 PM on each Gas Day D, for each of its GBB Storage Facilities, provide to AEMO the following data for each Receipt Point and Delivery Point on a GBB Pipeline to which the Facility is connected (Nominated and Forecast Flow Data):
- (a) the aggregate quantity of gas nominated by Shippers to be withdrawn from each Delivery Point and injected into the GBB Storage Facility on Gas Day D +1;
 - (b) the aggregate quantity of gas nominated by Shippers to be withdrawn from the GBB Storage Facility and ~~injected~~ deemed or otherwise delivered into each Receipt Point on Gas Day D+1;
 - (b1) the estimated stored gas balance as a percentage of the total storage capacity of the GBB Storage Facility on Gas Day D+1;
 - (c) the aggregate quantity of gas forecasted by Shippers to be withdrawn from each Delivery Point and injected into the GBB Storage Facility on each of Gas Days D+2 to D+7 inclusive, if the operator has been provided with forecast quantities by Shippers; and
 - (d) the aggregate quantity of gas forecasted by Shippers to be withdrawn from the GBB Storage Facility and deemed or otherwise delivered ~~injected~~ into each Receipt Point on each of Gas Days D+2 to D+7 inclusive, if the operator has been provided with forecast quantities by Shippers.

68 Registered Storage Facility Operators to provide Daily Actual Flow Data and Daily Storage Facility Capacity Utilisation

- (1) Subject to subrule (2), a Registered Storage Facility Operator must, for each of its GBB Storage Facilities, ~~provide AEMO with Daily Actual Flow Data~~ for each Gas Day D by 2:00 PM on Gas Day D+2, provide AEMO with:
- (a) Daily Actual Flow Data; and
 - (b) Daily Storage Facility Capacity Utilisation.

Note: This subrule is a civil penalty provision for the purposes of the GSI Regulations. (See the GSI Regulations, regulation 15 and Schedule 1).

- (2) AEMO may grant an exemption to a Registered Storage Facility Operator from the requirement to provide AEMO with Daily Actual Flow Data and Daily Storage Facility Capacity Utilisation for its GBB Storage Facility where AEMO is satisfied, based on evidence provided by the relevant operator, that:
- (a) for each Receipt Point at which the facility is connected to a GBB

Pipeline, the facility is the only supplier of gas injected at that Receipt Point; and

- (b) for each Delivery Point at which the facility is connected to a GBB Pipeline, the facility is the only recipient of gas withdrawn at that Delivery Point.
- (3) AEMO may revoke an exemption where AEMO is no longer satisfied that the requirements of subrule (2) are being met.

87 Publication of actual flow information on GBB

- (1) AEMO must publish on the GBB the following actual flow information:
 - (d) for each Gas Day, the Daily Actual Flow Data and Daily Storage Facility Capacity Utilisation for each GBB Storage Facility provided under rule 68 or, where a Registered Storage Facility Operator has been granted an exemption under subrule 68(2), the information provided under rule 60 for the relevant Receipt Points and Delivery Points, aggregated by each of:
 - (i) all Delivery Points at which gas is withdrawn from one or more GBB Pipelines for injection into the storage facility; and
 - (ii) all Receipt Points at which gas withdrawn from the storage facility is injected into one of more GBB Pipelines; and

[Note to Coordinator: There is no need for similar changes to Rule 86, as utilisation data will be captured within the concept of “Nominated and Forecast Flow Data” in Rule 67.]

Schedule 1 – Glossary

Capacity Outlook means, for a Gas Day,

- (b) for a GBB Storage Facility, the Registered Storage Facility Operator’s estimate of the quantities of natural gas that ~~can be~~:
 - (i) can be withdrawn from the storage facility for injection into GBB Pipelines; ~~and~~
 - (ii) can be received by the storage facility and injected into storage; and
 - (iii) will be stored in the storage facility at the beginning of the Gas Day (expressed as a percentage of Storage Nameplate Capacity).

on the Gas Day, based on knowledge of the Facility’s capability and availability over that time (see rule 65); and

...

Daily Storage Facility Capacity Utilisation means, for a Gas Day, the quantity of natural gas stored in a GBB Storage Facility (expressed as a percentage of Storage Nameplate Capacity) that is metered (based on operational metering data) or accurately estimated by the Registered Storage Facility Operator as at 8:00 AM on that Gas Day.

[Notes to Coordinator: The Capacity Outlook data given under Rules 63, 64 and 65 and published under Rule 85 appears to be the data that is used to create the Storage Capacity barrel graphics on the GBB front page. Accordingly, the intention of this Rule change is to generate the data required to show a storage capacity utilisation level on the graphic.

For clarity the use of the phrase “deemed or otherwise” relates to general storage facility operational practice when one party is Withdrawing Gas and another party is Injecting Gas but the actual molecules in storage do not change, the molecules are “swapped” in pipe to facilitate the change in each user’s balance and therefore “deemed” to have been injected or withdrawn from/to the storage facility]

4. Describe how the proposed rule change would allow the GSI Rules to better address the GSI Objectives

The proposed rule change seeks to ensure that all market participants have access to daily and historic actual injection and withdrawal volume data together with storage facility capacity utilisation information, all of which will lead to a more transparent, competitive and ultimately a fairer market.

As use of the increased capacity in GBB Storage Facilities is becoming more common in portfolio management decisions for market participants, our view is that the benefits are directly relevant to the GSI Objectives outlined in Subsection 1 of those objectives. This includes promoting investment decisions, increased competition through understanding availability of and the efficient use of available capacity services (including injection, withdrawal and storage volume capacity services, where the meaning of “available capacity services” not only captures the injection and withdrawal capacity services but also the available storage capacity services which the facility relies on to be a commercially viable business. Our view is that such a transparent market has the potential to achieve better informed investment decisions by market participants and promote healthy competition in the market (especially compared to an uninformed market).

Subsection 2 of the GSI Objectives states that the “the primary purpose of the GBB is to include information relating to short and near term natural gas supply and demand and natural gas transmission and storage capacity in the State”. In our view, access to actual injection and withdrawal volume data and stored gas balance data from GBB Storage Facilities directly falls within “information relating to short and near term natural gas supply and demand and natural gas transmission and storage capacity in the State” that should be included on the GBB.

5. Provide any identifiable costs and benefits of the change:

As outlined above, the proposed rule change does not require Registered Storage Facility Operators to create a new dataset, rather, it requires them to capture and report data from an existing dataset.

Given Registered Storage Facility Operators already capture such injection volume and withdrawal volume data (which can simply calculate the stored gas balance), we do not consider there would be any material administrative or cost burden to them in reporting such data, nor do we consider there to be any significant administrative or cost burden on AEMO to record and publish such data moving forward.

By dealing with the information asymmetry between market participants and making available independent actual gas injection and withdrawal volume data along with a stored gas balance, the positive outcomes for the market will be better informed market participants making investment decisions in a more transparent and fair market. Where the market is becoming more dynamic and requiring participants to make portfolio management decisions within decreasing time frames, further information on important aspect of gas storage use will facilitate gas participant activities within the market in alignment with the GSI Objectives.



Agenda Item 6: Gap Analysis of certain Information Provision Requirements under the GSI Rules

Gas Advisory Board (**GAB**) Meeting 2022_03_24

Purpose

To respond to Action Item 104, which was for AEMO and Energy Policy WA (**EPWA**) to discuss a gap analysis of the producers' outage reporting requirements under the Gas Services Information (**GSI**) Rules.

Recommendation

That the GAB:

- notes the information provided in this paper;
- agrees that there are no gaps in the Production Facility Operators' outage reporting requirements under the relevant information provision requirements in the GSI Rules; and
- agrees to close Action Item 104.

Background

At its meetings on 23 September 2021 and 28 October 2021, the GAB discussed the interpretation of certain information provision requirements in Part 3 of the Gas Services Information (**GSI**) Rules. Part 3 of the GSI Rules deals with provision of information for the Gas Bulletin Board (**GBB**) and places obligations on:

- Registered Pipeline Operators;
- Registered Storage Facility Operators;
- Registered Production Facility Operators; and
- Registered Large Users.

The discussion of Part 3 of the GSI Rules was prompted by various supply disruptions that may not have been reflected in the information provided by the GBB. There was debate as to whether this was due to a gap in the information provision requirements or a misinterpretation of the reporting requirements.

The key points of discussion centred around the reporting of Nameplate Capacity, Medium Term Capacity Outlook and Capacity Outlook, and debate occurred as to whether reporting requirements should account for the access to gas supply.

It was also noted that there may be a reporting gap related to producer outages which are not captured as part of the emergency management system reporting.

Table 1 lists the information requirements contained in Part 3 of the GSI Rules and indicates which rules place requirements on each party to provide information to AEMO (this paper only considers the requirements of rules 54-60, 62-73, 76-78 and 115A).

Table 1 – Information Requirements Under the GSI Rules				
Information Requirement	Pipeline Operators	Storage Facility Operators	Production Facility Operators	Large Users
Facility Data	Rule 54	Rule 62	Rule 69	Rule 76
Nameplate Capacity	Rule 55	Rule 63	Rule 70	Rule 77
Medium Term Capacity Outlook	Rule 56	Rule 64	Rule 71	
Capacity Outlook	Rule 57	Rule 65	Rule 72	
Linepack Capacity Adequacy (LCA) Outlook	Rule 58	Rule 66		
Nominated and Forecast Flow	Rule 59	Rule 67		
Daily Actual Flow Data	Rules 60 and 115A	Rule 68	Rules 73 and 115A	
Daily Actual Consumption Data				Rule 78

Gap Analysis of the Relevant Information Requirements

Action Item 104 was placed on Energy Policy WA (EPWA) and AEMO at the GAB meeting on 23 September 2021, as follows:

AEMO and EPWA are to discuss a gap analysis of the producers' outage reporting requirements under the GSI Rules.

Table 2 provides EPWA's summary of the Facility Reporting Requirements for each type of facility, including:

- the intent of each information requirement;
- the information to be provided by each type of facility for each information requirement; and
- the timing for when data must be provided/updated for each information requirement.

In summary, Table 2 indicates that:

- Facility Data and Nameplate Capacity provide standing data about facilities;
- Medium Term Capacity Outlook provides information about the long-term (12-month) capacity of facilities;
- Capacity Outlook provides information about short-term (7-day) expected gas flows;
- LCA Flag Outlook provides information about the ability of pipelines and storage facilities to deliver nominated volumes in the short-term (3-days);

- Nominated and Forecast Flow provided information about expected short-term gas flows (over the next 7 days); and
- Daily Actual Flow Data and Daily Actual Consumption Data provide information on actual gas flow and consumption (2 days in arrears).

The Capacity Outlook row in Table 2 (highlighted) indicates the requirements and intent of Rule 72, which places requirements on Production Facility Operators to provide 7-day Capacity Outlook information to AEMO.

Rule 72 requires Production Facility Operators to provide an estimate of the gas quantities that their facilities can inject into pipelines for the next 7 days. This estimate should be based on **all** information available to the Production Facility Operators, and therefore should reflect an estimate of the impact of all known restrictions on the facilities' output, irrespective of whether the restrictions result from contractual obligations or outages related to upstream gas supply or to the facility itself.

Therefore, EPWA's view is that there are no apparent gaps in the Production Facility Operators' capacity outlook reporting requirements under the relevant information provision requirements in the GSI Rules

Note that none of these requirements in Table 2 relate to information on the long-term or short-term capability of upstream gas supply to continue to meet the needs of the domestic gas market. The Gas Statement of Opportunities is intended to provide information on natural gas reserves and the long-term (10-year) projection of the capacity of facilities and natural gas demand.

The Appendix provides definitions for the terms used in this paper.

Table 2 – Summary of Facility Reporting Requirements

Name	Intent	Information Provided	Timing
Facility Data (Rules 54, 62, 69 and 76)	<ul style="list-style-type: none"> • Provide standing data on the physical characteristics of the facilities. 	<ul style="list-style-type: none"> • For pipelines: <ul style="list-style-type: none"> ○ all physical receipt and delivery points; ○ all connected production facilities, storage facilities and pipelines; ○ all notional receipt and delivery points; ○ all shippers that use the pipeline; and ○ all physical delivery points that serve distribution Systems. • For storage facilities, the connected physical receipt and delivery points. • For production facilities, the connected physical receipt points. • For large users: <ul style="list-style-type: none"> ○ the physical delivery point points through which gas is supplied; and ○ the facility's Consumption Category. 	<ul style="list-style-type: none"> • Must be submitted upon registration of the facility. • Must be updated as soon as practicable after the facility owner becomes aware that the data is no longer accurate.

Table 2 – Summary of Facility Reporting Requirements

Name	Intent	Information Provided	Timing
<p>Nameplate Capacity (Rules 55, 63, 70 and 77) [Action Item 104]</p>	<ul style="list-style-type: none"> • Provide standing data on the long-term maximum physical capacity of facilities (TJ/d). • Does not provide any information about gas supply. • Should only change as a result of a decommissioning or expansion of the facility, or a major outage or maintenance program that will impact the facility for over a year. 	<ul style="list-style-type: none"> • For pipeline owners: <ul style="list-style-type: none"> ○ for a pipeline, the maximum gas quantity that can be delivered through the pipeline on a day, under normal operating conditions; and ○ for a gate station, the maximum gas quantity that can be delivered from a pipeline to the gate station on a day, under normal operating conditions. • For storage facilities, the: <ul style="list-style-type: none"> ○ production nameplate capacity; ○ refill nameplate capacity; and ○ storage nameplate capacity. • For a production facility, the maximum gas quantity that, can be produced by the facility and injected into pipeline(s) on day, under normal operating conditions. • For large users, the maximum gas quantity that can be delivered to the facility on a day. 	<ul style="list-style-type: none"> • Must be submitted by 31 March each year. • Must be updated as soon as practicable after the facility owner becomes aware that their facility's Nameplate Capacity Data is no longer accurate and: <ul style="list-style-type: none"> ○ the inaccuracy is >10% of Nameplate Capacity; and ○ the change is likely to impact the facility for >1 year.

Table 2 – Summary of Facility Reporting Requirements

Name	Intent	Information Provided	Timing
<p>Medium Term Capacity Outlook (Rules 56, 64 and 71) [Action Item 104]</p>	<ul style="list-style-type: none"> • Provide information about the expected physical capacity of facilities over the next 12 months (TJ/d) by providing information on outages and maintenance that are expected to materially affect capacity of the facility. • Does not provide information on gas supply – should only change as a result of an outage or maintenance program that will materially affect capacity of the facility. • A material impact or change means a change to capacity that is more than the greater of 10% of Nameplate Capacity or 10 TJ/day. 	<ul style="list-style-type: none"> • For pipelines, a notice of all planned work on the pipeline for the next 12 months that the operator reasonably expects to have a material impact on the pipeline capacity. The notice must include: <ul style="list-style-type: none"> ○ the identity of the pipeline; ○ expected start and end dates; ○ the expected capacity of the pipeline during that period; and ○ a description of the nature and location of the work. • For storage facilities, a notice of all planned work on facility for the next 12 months, that the operator reasonably expects to have a material impact on the facility capacity. The notification must include: <ul style="list-style-type: none"> ○ the identity of the facility; ○ the expected start and end dates; ○ the expected capacity of the facility during that period; and ○ a description of the nature and location of the work. 	<ul style="list-style-type: none"> • Must be submitted by 6:00 PM on the last day of each month for the next 12 months. • Must be updated as soon as practicable for any material change (>10% of Nameplate Capacity or and >10TJ/day), but not if the change is in the 7-day period for the Capacity Outlook.

Table 2 – Summary of Facility Reporting Requirements

Name	Intent	Information Provided	Timing
		<ul style="list-style-type: none"> • For production facilities, a notice of all planned work on facility for the next 12 months, that the operator reasonably expects to have a material impact on the facility's capacity. The notice must include: <ul style="list-style-type: none"> ○ the identity of the Facility; ○ the expected start and end dates; ○ the expected capacity of the Facility during that period; and ○ a description of the nature and location of the work. 	

Table 2 – Summary of Facility Reporting Requirements

Name	Intent	Information Provided	Timing
Capacity Outlook (Rules 57, 65 and 72)	<ul style="list-style-type: none"> • Provide information on the expected gas flow over the next 7 days on pipelines, gate stations, storage facilities, and production facilities. • Provide information about the expected physical capacity of facilities over the next 7 days (TJ/d). • For production facilities, this should reflect the operator's estimate of the gas quantities that can be injected from the facility into pipelines on each of the next 7 days. 	<ul style="list-style-type: none"> • For pipelines, the operator's estimate of the gas quantities that can be: <ul style="list-style-type: none"> ○ transported through the pipeline; and ○ delivered at each Gate Station, on each of the next 7 days, based on knowledge of the facility's capability and availability over that time. • For storage facilities, the operator's estimate of the gas quantities that can be: <ul style="list-style-type: none"> ○ withdrawn from the facility for injection into Pipelines; and ○ received by the facility and injected into storage, on each of the next 7 days, based on knowledge of the facility's capability and availability over that time. • For production facilities, the operator's estimate of the gas quantities that can be injected from the facility into pipelines on each of the next 7 days, based on knowledge of the facility's capability and availability over that time. 	<ul style="list-style-type: none"> • Must be submitted by 6:00 PM on Gas Day D, for each facility, for each Gas Day D+1 to D+7, inclusive. • Must be updated before 9:00 AM or 1:00 PM for any change for any Gas Day not yet ended.

Table 2 – Summary of Facility Reporting Requirements

Name	Intent	Information Provided	Timing
LCA Flag Outlook	<ul style="list-style-type: none"> Provide information about pipelines' and storage facilities' expected ability of to deliver nominated gas volumes over the next 3 days. 	<ul style="list-style-type: none"> For pipelines, a flag indicating the actual or expected capability of the pipeline to meet delivery nominations within the zone for the next 3 days, based on the pipeline's linepack and capacity, where: <ul style="list-style-type: none"> a green flag indicates normal operation; an amber flag indicates likely curtailment of interruptible gas flows; and a red flag indicates likely curtailment of firm gas flows; and For storage facilities, a flag indicating the operator's estimate of the number of days of gas supply that can be maintained at maximum operational outlet capacity, where: <ul style="list-style-type: none"> a green flag indicates >7 days; an amber flag indicates 3-7 days; and a red flag indicates <3 days. 	<ul style="list-style-type: none"> Must be submitted by 6:00 PM on each Gas Day D for each facility, for each zone, for each Gas Day D+1 to D+3. Must be updated as soon as practicable after the facility owner becomes aware of a change to the LCA Flag for a facility for a Gas Day that has not ended.

Table 2 – Summary of Facility Reporting Requirements

Name	Intent	Information Provided	Timing
Nominated and Forecast Flow	<ul style="list-style-type: none"> • Provide information on expected gas flow on pipelines and storage facilities over the next 7 days (nominations for tomorrow and estimated nominated for the following 6 days). 	<ul style="list-style-type: none"> • For pipelines: <ul style="list-style-type: none"> ○ the aggregate gas quantity nominated to be withdrawn at each delivery point tomorrow; and ○ the aggregate gas quantity forecasted by shippers to be withdrawn at each delivery point on each of the next 6 days (days 2 to 7, inclusive). • For storage facilities: <ul style="list-style-type: none"> ○ the aggregate gas quantity nominated to be withdrawn/injected from/into the facility tomorrow; ○ the aggregate gas quantity forecasted by shippers to be withdrawn/injected from/into the facility on each of the next 6 days (days 2 to 7, inclusive). 	<ul style="list-style-type: none"> • Must be submitted by 6:00 PM on each Gas Day D, for each Gas Day D+1. • Must be updated by 9:00 AM or 1:00 PM for any change for any Gas Day not yet ended.

Table 2 – Summary of Facility Reporting Requirements

Name	Intent	Information Provided	Timing
Daily Actual Flow Data	<ul style="list-style-type: none"> Provide information on actual daily gas flows on pipelines and storage facilities, 2 days in arrears. 	<ul style="list-style-type: none"> For pipelines, the metered actual or estimated gas flows on the day, for each receipt and delivery point. For storage facilities, the metered or estimated gas quantity withdrawn/injected from/into the facility on the day. For production facilities, the metered or estimated gas quantity that the facility has injected into each pipeline on the day. 	<ul style="list-style-type: none"> Must be submitted for Gas Day D by 2:00 PM on Gas Day D+2. Must be updated as soon as practicable after the facility owner becomes aware of changes, but no later than 1 year after the end of the period.
Daily Actual Consumption Data	<ul style="list-style-type: none"> Provide information on actual daily gas consumed at each user facility, 2 days in arrears. 	<ul style="list-style-type: none"> Daily actual metered or estimated consumption data per facility per day. 	<ul style="list-style-type: none"> Must be submitted for Gas Day D by 2:00 PM on Gas Day D+2.

Appendix: Definitions of Information Requirements

Facility Data

Facility Data means the information to be provided by:

- (a) an operator of a Transmission Pipeline, under subrule 54(1);
- (b) an operator of a Storage Facility, under subrule 62(1);
- (c) an operator of a Production Facility, under subrule 69(1); and
- (d) an operator of a Large User Facility, under subrule 76(1).

Rule 54(1) indicates that the Facility Data for a Pipeline are:

- (a) all physical receipt points and delivery points and the Production Facilities, Storage Facilities and other Transmission Pipelines to which they connect;
- (b) all notional receipt points and notional delivery points utilised by the Pipeline Operator, including the corresponding physical receipt points and delivery points;
- (c) all Shippers that use the Transmission Pipeline; and
- (d) all physical delivery points that serve Distribution Systems, including those physical delivery points that serve a Distribution System where more than one gas retailer can sell gas in accordance with an approved Retail Market Scheme under the Energy Coordination Act 1994.

Rule 62(1) indicates that the Facility Data for a Storage Facility are:

...for each GBB Pipeline to which the facility is connected, the physical receipt points and delivery points at which the Storage Facility is connected.

Rule 69(1) indicates that the Facility Data for a Production Facility are:

...for each GBB Pipeline to which the facility is connected, the physical receipt points at which the Production Facility is connected.

Rule 76(1) indicates that

- (a) the physical delivery point or delivery points through which gas is supplied by one or more GBB Pipelines to the Large User Facility, either directly or through a Distribution System; and
- (b) the predominant Consumption Category of the Large User Facility.

Nameplate Capacity

Nameplate Capacity means:

- (a) for a Transmission Pipeline, the maximum quantity of natural gas that, under normal operating conditions, can be delivered through the pipeline on a Gas Day;
- (b) for a Gate Station, the maximum quantity of natural gas that, under normal operating conditions, can be delivered from a GBB Pipeline to the Gate Station on a Gas Day;

- (c) for a Production Facility, the maximum quantity of natural gas that, under normal operating conditions, can be produced by the Facility and injected into one or more GBB Pipelines on a Gas Day;
- (d) for a User Facility, the maximum quantity of natural gas that can be delivered to the Facility on a Gas Day (i.e. that the connection to the Facility is capable of allowing); and
- (e) for a Storage Facility:
 - (i) Production Nameplate Capacity;
 - (ii) Refill Nameplate Capacity; and
 - (iii) Storage Nameplate Capacity.

**Medium Term
Capacity
Outlook**

Medium Term Capacity Outlook means:

- (a) a medium term capacity outlook provided to AEMO by a Registered Pipeline Operator in accordance with rule 56;
- (b) a medium term capacity outlook provided to AEMO by a Registered Storage Facility Operator in accordance with rule 64; and
- (c) a medium term capacity outlook provided to AEMO by a Registered Production Facility Operator in accordance with rule 71.

Rules 56(2) and (3) indicate, for a Registered Pipeline Operator:

- (2) The Medium Term Capacity Outlook must include Planned Service Notifications for all planned work on the GBB Pipeline during the period covered by the outlook, which the operator reasonably expects to have a material impact on the capacity of the pipeline.
- (3) A Planned Service Notification must include:
 - (a) the identity of the GBB Pipeline;
 - (b) expected start and end dates of the capacity change;
 - (c) the expected capacity of the GBB Pipeline during that period as a result of the work; and
 - (d) a text description of the nature and location of the work.

Rules 64(2) and (3) indicate, for a Storage Facility Operator:

- (2) The Medium Term Capacity Outlook must include Planned Service Notifications for all planned work on the GBB Storage Facility during the period covered by the outlook, which the operator reasonably expects to have a material impact on the capacity of the storage facility.
- (3) A Planned Service Notification must include:
 - (a) the identity of the GBB Storage Facility;
 - (b) expected start and end dates of the capacity change;
 - (c) the expected capacity of the GBB Storage Facility during that period as a result of the work; and

(d) a text description of the nature and location of the work.

Rules 71(2) and (3) indicate that, for a Production Facility Operator:

- (2) The Medium Term Capacity Outlook must include Planned Service Notifications for all planned work on the GBB Production Facility during the period covered by the outlook, which the operator reasonably expects to have a material impact on the capacity of the production facility.
- (3) A Planned Service Notification must include:
 - (a) the identity of the GBB Production Facility;
 - (b) expected start and end dates of the capacity change;
 - (c) the expected capacity of the GBB Production Facility during that period as a result of the work; and
 - (d) a text description of the nature and location of the work.

Capacity Outlook

Capacity Outlook means, for a Gas Day:

- (a) for a GBB Pipeline, the Registered Pipeline Operator's estimate of the quantities of natural gas that can be:
 - (i) transported through the pipeline; and
 - (ii) delivered at each Gate Station, on the Gas Day, based on knowledge of the Facility's capability and availability over that time (see rule 57);
- (b) for a GBB Storage Facility, the Registered Storage Facility Operator's estimate of the quantities of natural gas that can be:
 - (i) withdrawn from the storage facility for injection into GBB Pipelines; and
 - (ii) received by the storage facility and injected into storage, on the Gas Day, based on knowledge of the Facility's capability and availability over that time (see rule 65); and
- (c) for a GBB Production Facility, the Registered Production Facility Operator's estimate of the quantity of natural gas that can be injected from the Facility into GBB Pipelines on the Gas Day, based on knowledge of the Facility's capability and availability over that time (see rule 72).

LCA Flag Outlook

LCA Flag means for a Gas Day:

- (a) for a GBB Pipeline (or part of a GBB Pipeline within a Zone), a green, amber or red flag indicating the actual or expected capability of the pipeline to meet the relevant delivery nominations within the Zone for that Gas Day based on the pipeline's linepack and capacity, where:
 - (i) a green flag indicates normal operation;
 - (ii) an amber flag indicates likely curtailment of interruptible gas flows; and

- (iii) a red flag indicates likely curtailment of firm gas flows; and
- (b) for a GBB Storage Facility, a green, amber or red flag indicating the best estimate of the Registered Storage Facility Operator of the number of days for which supply of natural gas can be maintained at maximum operational outlet capacity (allowing for forecast refilling), where:
 - (i) a green flag indicates more than seven days;
 - (ii) an amber flag indicates three to seven days; and
 - (iii) a red flag indicates less than three days.

Nominated and Forecast Flow

Rule 59(1) indicates that the Nominated and Forecast Flow Data for a Pipeline is:

- (a) the aggregate quantity of gas nominated by Shippers to be withdrawn at the Delivery Point on Gas Day D+1; and
- (b) the aggregate quantity of gas forecasted by Shippers to be withdrawn at the Delivery Point on each of Gas Days D+2 to D+7 inclusive, if the operator has been provided with forecast quantities by Shippers on the GBB Pipeline.

Clause 67(1) indicates that the Nominated and Forecast Flow Data for a Storage Facility is:

- (a) the aggregate quantity of gas nominated by Shippers to be withdrawn from each Delivery Point and injected into the GBB Storage Facility on Gas Day D +1;
- (b) the aggregate quantity of gas nominated by Shippers to be withdrawn from the GBB Storage Facility and injected into each Receipt Point on Gas Day D+1;
- (c) the aggregate quantity of gas forecasted by Shippers to be withdrawn from each Delivery Point and injected into the GBB Storage Facility on each of Gas Days D+2 to D+7 inclusive, if the operator has been provided with forecast quantities by Shippers; and
- (d) the aggregate quantity of gas forecasted by Shippers to be withdrawn from the GBB Storage Facility and injected into each Receipt Point on each of Gas Days D+2 to D+7 inclusive, if the operator has been provided with forecast quantities by Shippers.

Daily Actual Flow Data

Daily Actual Flow Data means, for a Gas Day:

- (a) for a GBB Pipeline, the actual flows on that Gas Day for each Receipt Point and each Delivery Point on that pipeline, determined by the Registered Pipeline Operator on the basis of operational metering data where available or otherwise, where such data is not available, estimated by the Registered Pipeline Operator;
- (b) for a GBB Storage Facility, the quantity of natural gas that is metered (based on operational metering data) as having been, or estimated by the Registered Storage Facility Operator to have been:

- (i) withdrawn from each Delivery Point to which the storage facility is connected and injected into the storage facility on that Gas Day; and
- (ii) withdrawn from the storage facility and injected into each Receipt Point to which the storage facility is connected on that Gas Day; and
- (c) for a GBB Production Facility, the quantity of natural gas that has been injected from the Facility into each relevant Receipt Point on a GBB Pipeline on that Gas Day determined on the basis of operational metering data where available or otherwise, where such data is not available, estimated by the Registered Production Facility Operator.

**Daily Actual
Consumption
Data**

Daily Actual Consumption Data means, for a GBB Large User Facility and a Gas Day, the quantity of natural gas that is metered (based on operational metering data) as having been, or estimated by the relevant Registered Large User to have been, used by the facility on that Gas Day.