



Rule Change Notice: Publication of Tanker Gas Information on the Gas Bulletin Board (GRC_2022_01)

This Rule Change Notice is issued under rule 132(1) of the Gas Services Information (**GSI**) Rules.

Submitter: Martin Maticka, AEMO

Date submitted: 29 March 2022

The Rule Change Proposal

AEMO has proposed changes to the GSI Rules to require:

- Registered Production Facility Operators to provide data to AEMO on the volume of Liquefied Natural Gas (**LNG**) that Production Facility Operators transport from their Registered GBB Production Facilities by tankers;
- AEMO to publish these gas volumes on the Gas Bulletin Board; and
- the data to be provided and published on a monthly basis.

A copy of the Rule Change Proposal is attached to this notice.

This Rule Change Proposal indicates the clauses of the GSI Rules that AEMO proposes changes to and indicates AEMO's assessment of why the proposed changes would allow the GSI Rules to better address the GSI Objectives.

Background of the Proposal Development

The issue of whether trucked LNG volumes need to be published on the Gas Bulletin Board was first raised at a Gas Advisory Board (**GAB**) meeting on 27 September 2018. At its meetings on 26 September 2019, 12 March 2020, 17 September 2020, 23 September 2021 and 28 October 2021, the GAB:

- agreed that there is a benefit in publishing trucked LNG volumes on the Gas Bulletin Board;
- discussed options for Registered Facility Operators to submit trucked LNG volume data to AEMO and for AEMO to publish that data on the Gas Bulletin Board;
- agreed on a preferred option; and
- agreed that AEMO should develop a Rule Change Proposal to implement the preferred option.

AEMO developed a Pre-Rule Change Proposal to implement the GAB's preferred option and the GAB Secretariat distributed the Pre-Rule Change Proposal to the GAB for comment by email on 31 January 2022.

AEMO revised the Pre-Rule Change Proposal to address comments received from APA Group and Woodside. The GAB discussed the revised Pre-Rule Change Proposal at its meeting on 23 March 2022 and agreed:

- that AEMO should formally submit the Rule Change Proposal to the Coordinator, subject to clarifying that the proposal would not require submission or publication of information on the region that the trucked LNG will be delivered to; and
- to advise the Coordinator that the Rule Change Proposal should be progressed.

AEMO subsequently amended the Rule Change Proposal to clarify the above matter and submitted it to the Coordinator on 29 March 2022.

Decision to Progress the Rule Change Proposal

The Coordinator has decided to progress the Rule Change Proposal using the Standard Rule Change Process on the basis of its preliminary assessment that the proposal addresses a valid issue and appears to be consistent with the GSI Objectives and based on preliminary estimates, will have minimal cost impost on Gas Market Participants.

Timeline

This Rule Change Proposal will be progressed under the Standard Rule Change Process described in Part 8, Division 4 of the GSI Rules. The projected timeline for processing this proposal is:



Call for Submissions

The Coordinator invites interested stakeholders to make submissions on this Rule Change Proposal. The submission period is 30 Business Days from the Rule Change Notice publication date. Submissions must be delivered to the Coordinator by **5:00pm on Tuesday 24 May 2022**.

The Coordinator prefers to receive submissions by email to energymarkets@energy.wa.gov.au, using the submission form available at <https://www.wa.gov.au/government/document-collections/rule-change-process>.

Submissions may also be sent to the Coordinator by post, addressed to:

Coordinator of Energy

Attn: Director, Wholesale Markets Branch

Energy Policy WA

Locked Bag 11 Cloisters Square WA

PERTH BC WA 6850



GSI Rule Change Proposal Form

Rule Change Proposal ID: GRC_2022_01

Date received: 29 March 2022

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:	29 March 2022
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.
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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.

Note: The proposed GSI Rules amendments do not include provisions to submit or publish information about the region that the transported gas will be allocated.

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, in the same way as other GBB (WA) data submissions. AEMO will allow the submission of data through an alternative method for a transitional period of six months from the commencement of this rule change.

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.
