



Minutes

Meeting Title:	Gas Advisory Board (GAB)
Date:	24 March 2022
Time:	1:00pm – 2:40pm
Location:	Videoconference (Microsoft TEAMS)

Attendees	Class	Comment
Sally McMahon	Chair	
Martin Maticka	Australian Energy Market Operator (AEMO)	
Bryon McLaughlin	Representative of the Coordinator of Energy (Coordinator)	
Chris Alexander	Small end-use customer representative	
Alexandra Wills	Gas producer representative	
Pete Ryan	Gas producer representative	
John Jamieson	Pipeline owner representative	
Trent Leach	Pipeline owner representative	Proxy for Rachael Smith
Kathryn Sydney-Smith	Gas shipper representative	
Mike Lauer	Gas shipper representative	
Chris Campbell	Gas user representative	
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)	

Also in Attendance	From	Comment
Dominic Rodwell	CITIC Pacific Mining (CITIC)	
Jia Wu	CITIC	
Stephen Eliot	GAB Secretariat	
Laura Koziol	GAB Secretariat	

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

Item	Subject	Action
1	<p>Welcome and Agenda</p> <p>The Chair opened the meeting and welcomed all attendees with a Welcome to Country.</p> <p>The Chair introduced herself and indicated that she would like to meet individually with each of the GAB members. The Chair thanked the previous Chair, Mr Peter Kolf, for his service to the GAB.</p> <p>The Chair reminded the GAB that it is an advisory group on Rule Change Proposals, procedure changes, and all matters relating to the GSI Rules and Procedures, not a decision-making group, and that the GAB's advice must be consistent with the GSI objectives.</p> <p>The Chair indicated that she intends to limit the number of people that attend GAB meetings and that members are expected to represent the interests of the participant class that they were appointed to represent.</p> <p>The Chair asked members to declare any conflicts of interest. No conflicts were declared.</p> <p>Ms Guzeleva advised that the GAB Constitution has been revised following public consultation in late 2021 and that the new revised version of the Constitution is available on the Coordinator's website.</p>	
2	<p>Meeting Apologies/Attendance</p> <p>The Chair noted the attendance, proxies and observers, as listed above.</p>	
3	<p>(a) Minutes of Meeting 2021_09_23</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 23 September 2021 GAB Meeting on the Coordinator's website as final.</p>	GAB Secretariat
	<p>(b) Minutes of Meeting 2021_10_28</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 10 October 2021 GAB Meeting on the Coordinator's website as final.</p>	GAB Secretariat

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4	<p>Actions Arising</p> <p>The action items were taken as read.</p> <p>The GAB noted that AEMO had responded to Action 107 by email on 1 November 2021 and that this item is closed.</p>	
5	<p>Rule Changes</p> <p>(a) Overview of Rule Change Proposals</p> <p>The Chair noted that there were no open Rule Change Proposals and two Pre-Rule Change Proposals that would be discussed at the meeting.</p>	
	<p>(b) GRC_2022_01 – Publication of tanker gas information on the Gas Bulletin Board (GGB)</p> <p>The Chair noted that the GAB was being asked:</p> <ul style="list-style-type: none"> • whether it supports AEMO formally submitting GRC_2022_01 to the Coordinator; and • to advise whether the Coordinator should progress the proposal once formally submitted. <p>Mr Maticka indicated that AEMO would prefer for the trucked liquefied natural gas (LNG) data to be submitted via the WA GBB website portal, as is done for all other GBB data, but that AEMO would accept data via email for an interim period. Ms Willis indicated that this is a pragmatic solution.</p> <p>Mr Maticka indicated that he wanted to confirm the intent of the proposal to capture the data for the gas that is sent out, not the consumption data, because, if not, the Rule Change Proposal would need to be amended.</p> <ul style="list-style-type: none"> • Ms Willis indicated that her understanding is that the intent is to capture the gas that is coming out of the facilities, not that delivered to end users. Mr Maticka agreed, he just wanted to make sure the GAB was still in agreement. • Mr Lauer indicated that the issue was that gas from pipelines is allocated to the regions it is shipped to, so the question was which region the trucked LNG would be allocated to. • Mr Maticka indicated that the trucked LNG would be allocated to the same region that it is trucked from, that he will review the Rule Change Proposal to ensure that this is clear and will clarify the proposal if necessary. <p>The GAB agreed:</p> <ul style="list-style-type: none"> • that AEMO should formally submit GRC_2022_01 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 GRC_2022_01 should be progressed. 	

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(c) GRC_2022_02 – Gas Storage, Injection and Withdrawal Enhancements

The Chair indicated that the GAB is being asked to:

- provide feedback to CITIC on its Pre-Rule Change Proposal; and
- advise whether CITIC should come back to the GAB and whether it should make specific amendments to the proposal before it formally submits the proposal.

Mr Rodwell indicated that, for the first part of CITIC’s proposal:

- the proposal is to have storage facilities provide actual deemed extraction and withdrawal volume data for publication on the GBB;
- when a party nominates to inject or withdraw gas, the actual quantities do not go into or out of the storage facility instead the aggregated quantities go into or out of the storage facility and the storage users’ account balances are adjusted – this is the deemed injection and withdrawal data that CITIC is after;
- Mondarra appears to already provide this data, and the historic data is available on the GBB;
- Tubridgi appears not to provide the same level of data, its Actual Flow report appears to only show data for the net of injections and withdrawals, and this data is insufficient; and
- the proposal should not have any impact on confidentiality of the data because CITIC is after the aggregated injection and withdrawal volumes, similar to what is published for the pipelines.

Mr Rodwell indicated that, for the second part of CITIC’s proposal:

- the proposal is for AEMO to provide a fill-line on the pictograms on the GBB to indicate the utilised capacity for each storage facility; and
- the utilisation of a storage facility can be derived from data that is already available on the GBB, but only with significant effort, and this information will be useful for users to know in negotiations with storage facility operators.

Mr Maticka indicated that AEMO would prefer for storage facilities to provide AEMO with data on how much capacity is available rather than have AEMO calculate the value, and that AEMO could then easily present this data on the GBB.

Mr Leach indicated that he is not sure why Tubridgi is not providing the same level of data as Mondarra – i.e. if Mondarra is providing more information than is required, or if Tubridgi is not meeting its requirements. Mr Leach indicated that he would investigate to ensure that Tubridgi is meeting all of its requirements.

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	<p>Mr Rodwell indicated that he believes Tubridgi is meeting its requirements under the GSI Rules. Mr Leach asked whether Mondarra was providing more information than is required under the GSI Rules.</p> <p>Mr Rodwell indicated that he asked AEMO in November-December 2021 why he cannot get historic injection and withdrawal data for Tubridgi and that AEMO responded that this information is not required under the GSI Rules, which is what triggered this Pre-Rule Change Proposal.</p> <p>The Chair asked whether Mondarra is providing more information than it is required to provide. Mr Rodwell indicated that this is possible and may be because Mondarra is connected to different pipelines, whereas Tubridgi is only connected to one.</p> <p>Mr Leach indicated that AGIG:</p> <ul style="list-style-type: none"> • is supportive of providing the injection and withdrawal data if it is determined that would be beneficial to publish this information, but that AGIG is not sure of the value that it would provide; • would want to consider any confidentiality issues with publishing the injection and withdrawal data; • cannot see the value in providing the fill-line because: <ul style="list-style-type: none"> ○ the issue for the market is injection and withdrawal capacity rather than the storage within the facility; and ○ any capacity that is not fully utilised may be fully contracted. <p>Mr Rodwell indicated that market transparency is important to allow people to look at the historic average or daily utilisation so that they can make informed decisions.</p> <p>The Chair suggested that it would be helpful if the Rule Change Proposal presented a sharper link between the requirement to publish the information and the benefits to the market, consistent with the GSI Objectives.</p> <p>Mr Lauer indicated that:</p> <ul style="list-style-type: none"> • you will only see the difference between the data provided by Tubridgi and by Mondarra if you look at the data files, not if you look at the summary data; • neither storage facility is providing more data than is required under the GSI Rules; • Tubridgi is reporting only the net volume, while Mondarra is reporting injection and withdrawal data, which allows you to calculate a net volume, so Mondarra is providing more information; and • the fill-line for each facility could be calculated from data that is available on the GBB, so publishing it on the GBB would 	

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	<p>not provide new information, but would make it more transparent and auditable.</p> <p>The Chair suggested that the proposal is about making it simple and easy to get access to the data, so the question is whether it is worth the cost to make the changes.</p> <p>Mr Lauer suggested that the benefits of the proposal come from:</p> <ul style="list-style-type: none"> • standardisation of the data from the storage facilities; and • transparency and ease of access to the data. <p>Mr Campbell agreed that it makes sense to make the injection and withdrawal information available.</p> <p>Mr Campbell noted that gas producers are not required to provide information on the amount of gas they have in the ground and requiring this from storage facilities would be an extra requirement that is not placed on everybody else. Mr Rodwell argued that gas storage and gas production are not comparable, so they shouldn't necessarily face the same rules.</p> <p>Ms Sydney-Smith noted that Chevron considers its data to be confidential and that its contracts with AGIG prevent AGIG from passing on Chevron's data. Ms Sydney-Smith questioned the need for asset-by-asset data and whether there is a material benefit to the proposal.</p> <p>Mr Rodwell indicated that CITIC is a large user of Tubridgi and wants to be able to accurately model the actual volumes going into and out of the facility because it wants to know if injection and withdrawal capacity is going to be available in the market.</p> <p>Mr Rodwell indicated that CITIC does not need to know how many customers Tubridgi has or the volumes on a customer-by-customer basis, just the total injections and total withdrawals. CITIC's Sino Iron Project has a maximum usage of 65 TJ/day, a minimum of 8 TJ/day and a swing of 30 TJ from day-to-day, and Tubridgi is an important lever for managing CITIC's gas portfolio. The information that CITIC is seeking will allow it to make an informed decision on whether capacity is going to be available to inject or withdraw at a particular time.</p> <p>Mr Rodwell expressed the view that CITIC would not be the only gas customer that wants access to storage facilities and to be able to model this in its portfolio of gas supply.</p> <p>Ms Sydney-Smith indicated that she would be uncomfortable with data on an asset-by-asset or customer-by-customer basis.</p> <p>Mr Rodwell indicated that he is only interested in the total gas volume into and out of the facility, not on a customer-by-customer basis.</p> <p>Ms Sydney-Smith indicated that a large amount of information is already on the GBB and questioned what additional information is</p>	

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	<p>needed that cannot be discerned from the data that is already available.</p> <p>The Chair referred to the point raised by Mr Leach that providing the data indicated by CITIC may not reveal the availability of the facilities because the capacity might be contracted and asked whether this is something that needs to be addressed in the proposal.</p> <p>Mr Leach indicated that AGIG had not considered this, but perhaps some sort of indication could be added of whether injection or withdrawal rights are available.</p> <p>Mr Rodwell indicated that CITIC is not after information about contracts, just volumes.</p> <p>The Chair asked the GAB for views on whether the data sought by CITIC would provide value to the market.</p> <p>John Jamieson suggested that:</p> <ul style="list-style-type: none"> • data on either net flows or on actual flows into and out of a facility will provide an indication of what capacity is available, so the GBB probably already provides enough information available to form such a view; • you will need to talk to the facility operator to get an answer to the question of whether there is uncontracted capacity available; and • storage facility operators are unlikely to try to withhold capacity. <p>Ms O'Kane suggested that a narrow segment of the market would likely benefit from the information that CITIC is seeking, and the question is whether it would benefit the market as a whole. Ms O'Kane asked if there are other parties that would be interested in this information.</p> <p>Ms Willis suggested that it would be good to understand the implementation costs to determine if the changes are worthwhile. The fill-line information can be calculated from data that is already available, so it is only worth publishing the fill-line if it can be done at low cost.</p> <p>Mr Jamieson noted that system changes are not simple and require a full range of testing.</p> <p>Mr Rodwell indicated that CITIC has asked AEMO for an estimate of its cost to develop and implement the changes, but AEMO has not yet responded. Mr Maticka indicated that AMEO would consider this a very small piece of capital work that would cost less than \$50,000.</p> <p>Mr Lauer suggested that this appears to be an issue between CITIC and AGIG, and that AGIG did not react negatively in the first instance, so perhaps AGIG should respond to the proposal and then CITIC can come back to the GAB with a revised proposal. It</p>	

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	<p>is a question of whether AGIG is prepared to provide two pieces of data rather than one, and AGIG already has all three pieces of data.</p> <p>Mr Leach suggested that CITIC and AGIG can discuss the matter to see if it can be addressed between CITIC and AGIG in a way to reduce costs.</p> <p>The Chair summarised that the remaining issues that need to be addressed are:</p> <ul style="list-style-type: none"> • confidentiality of the data; • who benefits from the increased transparency and simplicity from the proposal and how this links to the GSI Objectives; and • what are the costs for AEMO to develop and implement the proposal and for storage facility operators to provide the data. <p>The Chair suggested that CITIC and AGIG should discuss the matter and that CITIC should take on board the GAB's and AGIG's feedback and bring a revised Pre-Rule change Proposal back to the GAB before submitting it to the Coordinator.</p> <p>The GAB agreed that this is a reasonable path forward.</p> <p>Mr Rodwell asked whether the proposal should seek to amend the definition of the data, because doing so would mean that data from before the definition change could not be compared to the data after the definition change. Instead, it may be better to insert a new data stream.</p>	
6	<p>Gap Analysis of Certain Information Provision Requirements under the GSI Rules</p> <p>The Chair noted that the paper provided was for noting and that the GAB was being asked whether:</p> <ul style="list-style-type: none"> • it agrees with the findings presented in the paper that there are no gaps in the GSI Rules in relation to identifying supply interruptions; and • the item can be closed. <p>The paper was taken as read. The following comments were made:</p> <ul style="list-style-type: none"> • Mr Lauer agreed with the findings presented in the paper, and noted that the issue is not with the requirements in the GSI Rules but with ensuring that the data is clearly reported and presented in the reports on the GBB. For example, Mr Lauer noted that the available capacity recently reported for the Goldfields Gas Pipeline significantly exceeded its Nameplate Capacity on several days. This indicates that there are either issues with the data provided or the report. <p>Ms O'Kane agreed with Mr Lauer.</p> <p>Mr Jamieson agreed that Nameplate Capacity should be relatively static and be higher than the capacity reported to be</p>	

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	<p>available for the day. Mr Jamieson noted that APA is currently investigating the issue raised by Mr Lauer.</p> <ul style="list-style-type: none"> • Mr Maticka noted that AEMO is ensuring compliance with the GSI Rules but that the relevant checks are mechanical. Mr Maticka noted that AEMO did not check the quality of the data because AEMO does not have the expertise for such checks. Mr Maticka suggested that if stakeholders are concerned about the quality of any of the data published on the GBB, they should raise the issue with AEMO's market operations team and AEMO will investigate. <p>The Chair asked if it wouldn't be simple for AEMO to check if any of the submissions is exceeding the Facility's Nameplate Capacity. Mr Maticka clarified that this would not solve the issue because there are some legitimate reasons under which a Facility may exceed its Nameplate Capacity for a limited period.</p> <p>Mr Lauer agreed that it would be difficult for AEMO to check the data quality. Mr Lauer offered to show AEMO the recent anomalies that Gas Trading had identified.</p> <ul style="list-style-type: none"> • Mr Lauer noted that, for example, the data on the GBB was reporting 630 TJ of Nameplate Capacity for the North-West Shelf for the near future but that this capacity will not be available in the case of an outage. • Ms O'Kane noted that under the Medium Term Capacity outlook, the Devil Creek Production Facility is currently reporting available capacity of 110 TJ but the Daily Actual Flow reported for that Facility is zero. Ms O'Kane considered that, based on this information she does not know if the facility can deliver the 110 TJ tomorrow. Therefore, it is unclear if the gas market is in a healthy position tomorrow. • Ms Guzeleva clarified that the Capacity Outlook should reflect the Facilities' capabilities over the upcoming seven days which addresses Ms O'Kane's concerns. Ms Guzeleva noted that EPWA has not assessed the integrity of the data provided for the Capacity Outlook. • Mr Campbell considered that the data on the GBB may be misleading stakeholders by suggesting that there is more gas and more capacity available than what is actually available. • Mr Alexander asked how it is possible that there are issues with the data integrity without any compliance issues. <p>Mr Maticka noted that AEMO reports its own compliance breaches and any alleged breaches it becomes aware of to the ERA. The ERA then investigates the alleged breaches and also has a monitoring function.</p> <ul style="list-style-type: none"> • Mr Lauer asked whether it would be a compliance breach if a Gas Producer reports a capacity of 630 TJ in the Capacity 	

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	<p>Outlook for a Production Facility but the Facility was then subject to an unexpected outage reducing the actual capacity to zero. Mr Maticka noted that this would constitute a compliance breach.</p> <p>Mr Lauer asked who should be monitoring that the information on the GBB is compliant.</p> <p>Mr Maticka noted that AEMO does not have the resources to check whether submissions are made in good faith. Mr Maticka noted that the GSI Rules would need to be amended to place a requirement on AEMO to physically validate submissions and AEMO would need to be provided funding for such a function.</p> <ul style="list-style-type: none"> The Chair concluded that the gap analysis presented under this agenda item served its purpose. The Chair noted that the issue is not caused by the reporting and publishing requirements but that the questions is how to introduce the checks and balances to ensure that the information reported and published is compliant without requiring stakeholders to question the integrity themselves. <p>Mr Lauer sought clarification about the process for stakeholders to raise compliance concerns. Mr Maticka noted that stakeholders can raise any concerns or questions about the information on the GBB with AEMO’s market operations team and can report any potential breaches to AEMO or the ERA.</p> <p>The Chair suggested that Energy Policy WA, AEMO and the ERA should meet offline to clarify the processes around compliance monitoring and enforcement and report back at the next GAB meeting.</p> <ul style="list-style-type: none"> Ms O’Kane suggested that the ERA could use the upcoming outage of the Wheatstone production facility as a case study to assess reporting compliance and the gas market’s reaction to such a significant outage. Ms Dahr noted that the ERA holds the market surveillance function for the GSI Rules. Ms Dahr offered that the ERA’s compliance team could provide a presentation at the next GAB meeting. <p>The Chair suggested that the ERA should inform stakeholders about its compliance function related to the GSI Rules, using a real-life case-study, outside of the GAB meeting.</p> <ul style="list-style-type: none"> Mr Lauer offered to talk to the ERA about the issues he has identified. 	
	<p>Action: Energy Policy WA, AEMO and the ERA to meet offline to clarify the processes around compliance monitoring and enforcement and report back at the next GAB meeting</p>	<p>Energy Policy WA, AEMO, ERA</p>

Item	Subject	Action
7	General Business No general business was raised.	
	The Chair noted that the next scheduled GAB meeting is set for 22 September 2022.	

The meeting closed at 2:40pm.