

MINUTES – Gas Wholesale Consultative Forum (GWCF)

DATE: Tuesday, 12 June 2018
 TIME: 9.30 am – 12 pm
 LOCATION: AEMO's Offices and teleconference
 CONTACT: GWCF_Correspondence@aemo.com.au

ATTENDEES:

| NAME | COMPANY |
|-----------------------------|-------------------------------|
| Neale Scott (Chair) | AEMO |
| Hayley George (Secretariat) | AEMO |
| Trent Morrow | AEMO |
| Mark Pollock | AEMO |
| Hugh Ridgway | AEMO |
| Robbie Flood | AEMO |
| Roger Shaw | AEMO |
| Saul Milner | AEMO |
| Luke Garland | AEMO |
| Tom Walker | AEMC |
| Shari Boyd | AEMC |
| Maria Ducusin | AER |
| Max Hooper | AER |
| Robert Matton | AER |
| Anders Sangkuhl | Alinta |
| Daisy Correa | Alinta |
| Scott Young | APA |
| Rick Abbott | APA |
| Adam Welch | APPEA |
| Duncan MacKinnon | Australian Energy Council |
| Phil Platt | Bluescope |
| Andrew Godfrey | EnergyAustralia |
| Georgina Snelling | EnergyAustralia |
| Adrian Tero | Epic Energy |
| Sarah Kok | ERM Power |
| Paul Bresloff-Barry | Gas Trading Australia |
| Jordan McCollum | Jemena |
| Becky Nguyen | Lochard |
| Chotima Micallef | Lochard |
| Shaun Cole | Origin |
| James Shead | Powershop |
| Jennifer Brownie | QLD Electricity Users Network |
| Jason Borgas | Santos |
| Jamie Coombs | SEA Gas |

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| Alice Paradisi | Shell |
| Erin Bledsoe | Shell |
| Varun Dewan | Snowy Hydro |

1. Apologies and attendance

Neale Scott (AEMO, Chair) welcomed attendees to the GWCF meeting.

2. Confirmation of agenda, previous meeting minutes and actions

Neale Scott (Chair, AEMO) confirmed the meeting agenda. Minutes of the previous GWCF meeting (10 October 2017) were accepted by the group, and it was noted there are currently no outstanding action items.

3. Australian Energy Market Commission (AEMC) update

Tom Walker and Shari Boyd (AEMC) provided the following updates:

- DWGM Rule Changes: The AEMC and AEMO are working with the Victorian Government to develop three Rule Changes as a result of the review in 2017. The Rule Changes will be submitted to the AER in July, and will follow the usual rule change process from there.
- A Review of Economic Regulation is being undertaken, specifically Parts 8-12 of the National Gas Rules (NGR). The AEMC intend to publish this report at the end of June.
- Liquidity Review: a draft report was published and submissions are now closed. The final report is due to the COAG Energy Council at end of June for publication in August.

Further information on all AEMC Rule Changes can be found via the following link:

<https://www.aemc.gov.au/our-work/changing-energy-rules/rule-changes>.

Further information on all AEMC Market Reviews can be found via the following link:

<https://www.aemc.gov.au/our-work/market-reviews-and-advice>.

4. Project updates

4.1 Pipeline Capacity Trading Reforms

Trent Morrow (AEMO) talked through the *Pipeline Capacity Trading* presentation included in the meeting pack, explaining the project background, what the reform package will include, how the developments will be implemented and the project timeline. Trent also expanded on the Market Procedure changes, explaining the STTM and DWGM integrations, legal and regulatory requirements, Bulletin Board Procedures and the overall project next steps.

For further information on the project follow this link to the project webpage:

<https://www.aemo.com.au/Gas/Pipeline-Capacity-Trading>.

Any questions relating to the project can be submitted to the pipeline capacity trading inbox:

pct@aemo.com.au.

4.2 Bulletin Board Rule Change

Hugh Ridgway (AEMO) talked through the *Gas Bulletin Board 2018 Rule Change* presentation included in the meeting pack. In a rule determination made in late 2017, the AEMC made changes to a number of requirements of the Gas Bulletin Board (GBB), and as part of the implementation of these changes, AEMO and participants who provide AEMO data for the GBB will need to make alterations

to their systems. Hugh explained how the project will be implemented, the current project status and a timeline for the project.

Any feedback or questions relating to this project can be sent to:

GWCF_Correspondence@aemo.com.au.

4.3 Bulletin Board Scoping Study

Robbie Flood (AEMO) expanded on the *Bulletin Board Scoping Study* paper included in the meeting pack, explaining that AEMO has been asked by the Commonwealth Government Minister to perform a scoping study to explore additional enhancements to the Natural Gas Services Bulletin Board with a focus on the implementation of a centralised facility to capture real-time data from gas producers and pipeline operators. A report will be prepared focusing on five key areas, including;

- Stakeholder Engagement.
- Economic and Policy Analysis.
- Legal and Regulatory review.
- Connectivity.
- Processing and presentation requirements.

Robbie explained the short project timeline, noting the final report is due in December 2018.

4.4 Gas Day Harmonisation

Roger Shaw (AEMO) talked through the *Gas Day Harmonisation* presentation included in the meeting pack, advising that the COAG Energy Council has approved harmonising gas days. The Draft Law and Rules published by GMRG applies to all states except WA (NT awaiting Energy Council decision). The standard gas day from 6am to 6am AEST applies to natural gas facilities effective 6am AEST on 1 Oct 2019. Roger explained what natural gas facility operators must now do, as well as AEMO's responsibilities.

Any questions relating to gas day harmonisation can be sent directly to Roger Shaw:

Roger.Shaw@aemo.com.au.

5. NSW-VIC Flows on the Bulletin Board

Robbie Flood (AEMO) expanded on the *NSW-Vic Flows on the Bulletin Board* paper included in the meeting pack, giving a detailed background on BB Actual Flow and Forecast Pipeline Flow data from prior to and after October 2016, until the change that was implemented on 27 June 2017. AEMO now propose to change the sign of the data preceding 27 June 2017 to ensure a consistent data set in line with current reporting.

Stakeholders were asked to go back to their businesses and discuss this proposal, and to get back to AEMO if they have any comments or feedback, specifically on whether this approach is supported, and if there any significant system implications of adjusting the historical data.

Comments or feedback can be sent to GWCF_Correspondence@aemo.com.au.

6. STTM Warning Allocation Limits

Saul Milner (AEMO) talked to the *STTM Allocation Warning Limits* paper included in the meeting pack, explaining that AEMO is looking at adding another level of validation when a PAD (Facility Allocation Daily) file is submitted. The validation would be a warning when comparing the allocation to the schedule. AEMO requested feedback on several specific questions:

- Are warning limits applicable?
- Do warning limits add value, or cause issues?

- What are participant's views of the Ex-Post Price, and can it be removed?
- What would participant's like to do about data that needs to be revised, even though it has been used to set prices?
- What else would participants like in the STTM to help with data submissions?

Stakeholders can send their comments and feedback to Saul directly: Saul.Milner@aemo.com.au, by the end of June 2018.

7. STTM Procedure Change

Saul Milner (AEMO) explained the *STTM Procedure Change* paper included in the meeting pack, stating that AEMO is proposing a minor change to the STTM Procedures. The only thing AEMO would like to do is update the Note at the bottom of 7.1.3C on Page 34.

A marked-up version of the proposed Procedure can be found at the following link:
http://www.aemo.com.au/-/media/Files/Gas/STTM/Policies/STTM-Procedures--version-13_1.pdf.

Comments and feedback on this can be sent to Saul directly: Saul.Milner@aemo.com.au, by the end of June 2018.

8. Maintenance Rule Change proposal

Luke Garland (AEMO) talked to the *Maintenance Rule Change Proposal* paper included in the meeting pack, explaining that AEMO proposes to amend NGR 326 to improve and clarify its existing maintenance coordination function. The proposed changes will cover two key areas;

- Removing inconsistencies in the NGR regarding how AEMO coordinates maintenance and assesses the impacts on system security.
- Enhance the NGR to be consistent with the NGL and current practise as to who is involved in the maintenance coordination process and who AEMO can issue directions regarding maintenance to.

If feedback is generally supportive of this change and there are no concerns, AEMO will progress this rule change request as an expedited rule change request, per NGR 9.

No feedback was raised at the meeting, with AEMO requesting any feedback be sent to GWCF_Correspondence@aemo.com.au by the end of June 2018.

9. Upcoming Rule Change proposals

Luke Garland (AEMO) advised of the following upcoming Rule Changes:

- Gas Quality.
- Threats to system security and intervention reports.
- Participant disclosure obligations and the VGPR.

Details on each of these are explained in the *Upcoming Rule Change Proposal: DWGM Minor Improvements* paper included in the meeting pack, noting that these changes are not included in the broader reforms that are being considered by the AEMC and GMRG.

AEMO welcomed any feedback on the above-mentioned Rule Changes, as well as any additional items that stakeholders feel AEMO should be looking at. Feedback can be sent to:

GWCF_Correspondence@aemo.com.au.

10. Other Business

AEMO noted that there is STTM and DWGM training in Sydney on 19 and 20 June, for which spots are still available. Further information on AEMO's training courses, and enrolments can be found on the following link: <http://www.aemo.com.au/Careers-and-training/Industry-training-courses>.

11. Next Meeting

The next meeting will be held on Tuesday 14 August 2018.