

## MINUTES – WA Gas Consultative Forum

MEETING: 3  
 DATE: Tuesday, 16 August 2016  
 TIME: 2:00 pm to 3:10 pm  
 LOCATION: AEMO WA Office; 197 St Georges Tce, Perth  
 CONTACT: WAgasforum@aemo.com.au

### ATTENDEES:

NAME	COMPANY
Cameron Parrotte (Chair)	AEMO (Executive General Manager WA)
Courtney Roberts (Secretariat)	AEMO (Team Co-ordinator)
Andrew Winter	AEMO (Principal, Stakeholder Relations WA)
Andrew van de Werve	AEMO (Group Manager, Corporate Services WA)
Neetika Kapani	AEMO (Team Leader, System Capacity WA)
Martin Maticka	AEMO (Group Manager, Operations and Technology WA)
Rebecca Petchey	AEMO (Senior Analyst, System Capacity WA)
Joachim Tan	AEMO (Senior Analyst, System Capacity WA)
Fiona Wiseman	Alinta Energy
Adam Welch	APPEA
Ian Whitehead	BHP Billiton
Adam Stephen	Summit Southern Cross
Donald Xie	Chevron Australia Pty Ltd
Matt Brown	Domgas Alliance
Natalie Robins	Economic Regulation Authority
Allan McDougall	Gas Trading
Vincent Blondeau	Kleenheat
Hans Niklasson	Kleenheat
Bryon McLaughlin	Public Utilities Office
Alexandra Willis	Quadrant Energy Australia Limited
Stephen Eliot	REMCo
Julie-Anne Simmons	South32 Worsley Alumina Pty Ltd
Jacinda Papps	Synergy
Sam Clark	Woodside Energy Ltd
John Jamieson	APA Group
Amy Lomas	Department of State Development
Martin Drake	North West Shelf Gas
Erin Stone	Point
Alexandra Willis	Quadrant Energy
Dave Rafferty	Santos
Carole Clare	Synergy

### 1. Welcome

Cameron Parrotte (Australian Energy Market Operator (AEMO)) opened the meeting at 2:00pm and welcomed attendees to the third AEMO WA Gas Consultative Forum (WAG-CF).

Cameron Parrotte introduced Andrew Winter (AEMO) as the recently appointed Principal, Stakeholder Relations (WA) and noted that Gas Market Participants will become familiar with Andrew as he will be managing stakeholder relationships and engagement for the Perth office.

Cameron Parrotte provided an update on the actions from the previous meeting and sought stakeholder's endorsement on the minutes from the 24 May WAG-CF. No further comments were raised and the minutes of the previous meeting were accepted as a true record. AEMO to publish minutes from the previous meeting as final on the website (action item 1.1).

## **2. Terms of Reference – WA Gas Consultative Forum (WAG-CF)**

Cameron Parrotte sought stakeholders endorsement on the Terms of Reference circulated with the meeting papers. Feedback was sought on the proposed number of business days required for meeting papers to be circulated. Stakeholders commented that this should depend on the volume and complexity of the papers and agreed that 5 business days should be the standard lead time.

It was also raised that the third point under 'Functions' should be amended to reflect that while the views of each Gas Market Participant will be captured, AEMO will omit attributing names to statements in the meeting minutes. Stakeholders endorsed the Terms of Reference pending these updates. AEMO to publish the Terms of Reference on its website pending these changes (action item 2.1).

## **3. AEMO website walkthrough**

Cameron Parrotte introduced Annette Kelly, Online Program Delivery (AEMO) from the team in Melbourne who had been leading the website redevelopment project.

Stakeholders were given a walkthrough of the recently launched website which was initiated in August 2015 and expanded in November to incorporate WA. It was highlighted that due to the volume of documents and information, the website now incorporates a user friendly search tool that enables archived documents to be retrieved easily. It was noted that while reducing the number of webpages, no content has been deleted from the previous Independent Market Operator (IMO) website and that all non-active documents and information can still be accessed via the search tool. It was also noted that the website has been optimised for tablets and mobiles.

No questions were raised. Cameron Parrotte invited stakeholders to contact AEMO with any feedback once they had an opportunity to explore the new website.

## **4. AEMO stakeholder engagement action plan**

Cameron Parrotte introduced Andrew van de Werve (AEMO) to present the Stakeholder Engagement Action Plan.

Andrew van de Werve noted that the Stakeholder Engagement Action Plan had been formed from the Stakeholder Engagement Promise which includes the timeframe that AEMO intends deliver each item.

It was noted that some items included in the action plan had been closed out to date. Stakeholders were advised that a briefing on the outcomes of the Australian Energy Market Commission (AEMC) review on the national Gas Bulletin Board (GBB) will be given at the next WAG-CF. Andrew van de Werve highlighted that a Service Card will be provided to stakeholders at the next meeting detailing who to contact in AEMO about particular issues (action item 4.1). Stakeholders were advised that discussions around establishing a GBB reference group will take place at the next WAG-CF (action item 4.2).

## **5. Gas Statement of Opportunities and stakeholder input**

Cameron Parrotte introduced Neetika Kapani (AEMO) to present on AEMO's proposed approach for developing the 2016 Gas Statement of Opportunities (GSOO) as well as the current implementation plan.

Neetika Kapani sought stakeholders feedback on the presentation slides circulated in the meeting pack. Stakeholders were advised that comments could also be provided to AEMO through email or

meetings with either their allocated Stakeholder Manager, Cameron Parrotte or the System Capacity WA team. Stakeholders were advised that in accordance with the proposed implementation plan, AEMO aims to have the draft GSOO completed by the end of October and Board approval in November, with the publication scheduled to be released on 8 December 2016. A Rule change would be required to alter this timeline.

Stakeholders sought feedback and provided comments on:

- The assumptions about fuel switching, in particular a move towards renewables. AEMO noted some mine sites are exploring renewable options such as Sandfire DeGrussa.
- Whether the impacts resulting from the Paris targets will be considered. It was confirmed that the Paris targets were being considered in the Electricity Statement of Opportunities (ESOO) forecasting next year which will have a flow on effect on the 2017 GSOO.
- Whether the forecasts for the ESOO would be adjusted as it did not take into account the CO2 targets. It was advised that the ESOO forecasts cannot be adjusted as the information was not available at the time when assumptions were developed but would be considered in next year's ESOO.
- While the State may have adequate Gas reserves, a decline in current exploration and the location of reserves need to be considered over the longer term. Government incentives for domestic drilling, and transparency around domestic gas obligations and offsets will better inform the domestic market and future investment. AEMO agreed to consider these issues in the GSOO.
- It was questioned how much weight is given to onshore gas in future forecasting. It was advised that onshore gas will be considered.
- It would be good if the GSOO is transparent in terms of total non-power generation gas demand forecast assumptions ie. consumption from residential and commercial customers.
- It was noted that domestic gas prices are not driven by LNG netback prices. AEMO welcomed suggestions for an alternative maximum gas prices.
- Stakeholders noted that previous GSOOs have placed a lot of emphasis on the supply and demand forecasts and suggested that more information around price forecasts and how they are derived would be useful.

Neetika Kapani thanked stakeholders for their input and invited further preliminary comments. Any other useful analysis or information that cannot be accommodated in the GSOO on practical grounds (in line with the GSOO workplan) can be included in future Insights papers.

It was agreed the draft modelling outputs of the GSOO would be provided at the next Consultative Forum, enabling stakeholders to provide feedback. AEMO to schedule the next consultative forum in late October to ensure feedback is provided on the draft GSOO (action item 5.1).

## **6. Outcomes of Emergency Management Facility (EMF) June 2016 event**

Cameron Parrotte introduced Bryon McLaughlin (Public Utilities Office) to present on the outcomes of the recent EMF test.

Bryon McLaughlin informed stakeholders of the annual EMF test that was activated in June 2016 in accordance with the GSI Rules. This is an exercise facilitated by the Coordinator of Energy. It was found that Gas Market Participants provided the required information in a timely manner and that there were no issues with the systems or with the IMO transition to AEMO.

There was a technical issue identified with the Direction template as the document is required to be signed, scanned and sent back to AEMO. This was found to impose delays if there was no access to a printer or scanner. The option of incorporating digital signatures is being explored. Stakeholders raised that it would be useful to provide information outlining the assumptions and the period in which large gas use facilities can use alternate fuels.

#### **7. Other business**

No further business was raised.

#### **8. Future agenda items**

It was requested that the outcomes of the AEMO review on the national GBB be presented at the next WAG-CF following the outcomes of the COAG Energy Council meeting (action item 8.1).

#### **9. Next meeting**

Cameron Parrotte thanked stakeholders for their attendance and advised that the next meeting is scheduled for 15 November will be brought forward to enable comments to be provided on the draft GS00. Stakeholders were encouraged to contact AEMO to further discuss the development of the GS00. The meeting was closed at 3:10 pm.

**Action items raised at meeting - WA Gas Stakeholder Consultation Forum**

<b>Item</b>	<b>Topic</b>	<b>Action required</b>	<b>Responsible</b>	<b>By</b>
1.1	Previous meeting minutes	AEMO to publish minutes from the meeting on 24 May 2016 as final on the website.	AEMO	August
2.1	Terms of Reference – WAG-CF	AEMO to publish the Terms of Reference on its website pending the changes raised by stakeholders.	AEMO	August
4.1	AEMO stakeholder engagement action plan	AEMO to provide a Service Card to stakeholders detailing who to contact in AEMO about particular issues.	AEMO	November
4.2	AEMO stakeholder engagement action plan	Discussions around establishing a GBB reference group to take place at the next WAG-CF.	AEMO	November
5.1	Gas Statement of Opportunity – stakeholder input	AEMO to schedule next Consultative Forum meeting in late October to ensure stakeholders are provided with the draft modelling outputs of the GSOO, and are able to provide feedback.	AEMO	September
8.1	Future agenda items	AEMO to brief stakeholders on the outcomes of the AEMC review on the national GBB at the next forum.	AEMO	November