

MINUTES – WA Gas Consultative Forum (WAGCF)

MEETING: 5
 DATE: Tuesday, 31 January 2017
 TIME: 1:00 pm to 1:50 pm AWST
 LOCATION: AEMO WA Office; 197 St Georges Tce, Perth
 CONTACT: WAgasforum@aemo.com.au

ATTENDEES:

NAME	COMPANY
Andrew Winter (Chair)	AEMO
Courtney Roberts (Secretariat)	AEMO
Cameron Parrotte	AEMO
Andrew van de Werve	AEMO
Neetika Kapani	AEMO
Martin Maticka	AEMO
Joachim Tan	AEMO
Danny McGowan	AEMO (via video-conference)
Amanda Rudd	Alinta Energy
Andrew Doe	Anglogold Ashanti
Michael Puls	APA Group
Adam Welch	APPEA
Michael Brooks	ATCO Australia
Caroline Cherry	Chamber of Minerals and Energy of WA
Donald Xie	Chevron
Dominic Rodwell	Citic Pacific
Colin Sadlier	DBP
Trent Leech	DBP
Natalie Robins	Economic Regulation Authority
Geoff Hoblely	EDL
Don Bower	Energy Access Services
Wendy Ng	ERM Power
Atul Garg	FMG
Allan McDougall	Gas Trading
Herman Prinsloo	Horizon Power
Vincent Blondeau	Kleenheat
Hans Niklasson	Kleenheat
Ashley Chan	KUFPEC
Tim Norman	NWSG
Stewart Gallagher	NWSG
Robin Coombe	PE Wheatstone
Alex Willis	Quadrant Energy
Matthew Shier	Rio Tinto
Mathew Kavalam	Rio Tinto
Dave Rafferty	Santos
Sam McCreedy	Santos
Nathan Turner	Shell
Sophie Cunneen	Shell
Adam Stephen	Summit Southern Cross Power

1. Welcome

Andrew Winter (Australian Energy Market Operator (AEMO)) opened the meeting at 1:00 pm and welcomed attendees to the first AEMO WA Gas Consultative Forum (WAGCF) of 2017.

Andrew Winter provided a status update of the actions raised at the previous meeting and noted that all actions had been completed.

Stakeholder's endorsement was sought on the minutes from the 31 October 2016 WAGCF. 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. WA Retail Gas Market Update

Danny McGowan (AEMO) updated stakeholders on the topics discussed at the previous Procedure Change Committee (PCC) held in December 2016. Topics noted were:

- Appointment of Auditor for 2017;
- REMCo functions transition to AEMO; and
- WA profiling.

It was noted that four low impact procedure changes are currently out for consultation. Further information on these procedure changes are available at <http://aemo.com.au/Stakeholder-Consultation/Consultations>.

Stakeholders were advised that an update will be provided at each WAGCF to keep stakeholders informed on current and emerging WA gas retail market issues and initiatives that AEMO and the PCC are addressing.

3. 2017 Gas Statement of Opportunities (GSOO)

Neetika Kapani and Joachim Tan (AEMO) presented the plan for the development of the 2017 Gas Statement of Opportunities (GSOO) and the proposed stakeholder engagement approach.

2016 GSOO

Key points from stakeholder feedback on the 2016 GSOO were highlighted. It was noted that as a result of this feedback AEMO included peak WA gas demand forecasts, additional supporting data and scenario on gas reserves for the domestic market.

It was advised that the WA Economics and Industry Standing Committee hearing took place in November 2016. The Committee's recommendations were noted and AEMO will continue to increase transparency in the GSOO process and improve its stakeholder engagement approach.

It was questioned whether AEMO would consider delaying the 2017 GSOO should an inquiry be held. AEMO advised the Gas Services Information (GSI) Rules requires AEMO to publish a GSOO each year.

Stakeholders highlighted that an additional scenario was included in the 2016 GSOO and raised that going forward it would be valuable to be advised on later inclusions or changes to the GSOO.

Proposed engagement approach for 2017

During the development of the GSOO AEMO proposes to engage stakeholders over the following phases:

- Phase 1 – Active consultation with stakeholders over Q1 and Q2, issuing of 'Information Request', seeking stakeholder input and feedback on 2017 GSOO structure and content.
- Phase 2 – High level assumptions and key messages presented to stakeholders in Q3 as well as a comparison between previous forecasts vs actuals.

- Phase 3 – Preliminary results presented to stakeholders in Q4 and final refinements made to the GSOO in preparation for publication in December.

It was noted that AEMO will also be consulting with industry and government bodies over Q1 and Q2. Stakeholders supported this proposed approach.

In accordance with the Committee's recommendation that a formal process needs to be established for gathering information from participants, an 'Information Request' will be issued to participants during Phase 1. It was noted that the 'Information Request' template will be shared at the next WAGCF (action item 3.1).

Stakeholders questioned whether the 'Information Requests' will be generic or customised to each participant. It was advised that the requests will be customised dependant on participant class.

Stakeholders questioned whether WA will be contrasted to the East Coast in the 'Insights' paper. It was responded that the WA 'Insights' paper is related to the WA GSOO and hence will not be making contrasts to the East Coast.

4. Allowable Revenue 4 (AR4) Submission Update

Andrew Van De Werve (AEMO) presented an update on AEMO's Allowable Revenue 4 submission to the Economic Regulation Authority (ERA).

It was noted that since the last update, the ERA handed down its determination on 16 December 2016 after undertaking a public consultation process. The ERA approved funding for AEMO's market operations, system management functions and GSI functions.

Stakeholders questioned the 2017-18 and 2018-19 variance. It was advised that this was due to 2017-18 being the final year of depreciation for the initial GSI systems investment.

5. Other business

No other business was raised.

8. Future agenda items

Stakeholders noted that it would be valuable to present the 'Insights' paper at the next WAGCF subject to release timing and an overview of which Facilities the government have flagged for shut down and the market impacts.

9. Next meeting

Andrew Winter thanked stakeholders for their attendance and advised that the next WAGCF meeting is scheduled for 30 May 2017.

The meeting was closed at 1:50 pm.

Action items raised at meeting - WA Gas Stakeholder Consultation Forum

Item	Topic	Action required	Responsible	By
1.1	Previous meeting minutes	AEMO to publish minutes from the previous meeting as final on the website.	AEMO	February
3.1	2017 Gas Statement of Opportunities	Information Request template to be presented at the next WAGCF.	AEMO	May