

MINUTES – WA Gas Consultative Forum (WAGCF)

MEETING: 6
 DATE: Tuesday, 30 May 2017
 TIME: 1:00 pm to 2:45 pm AWST
 CONTACT: WAgasforum@aemo.com.au

ATTENDEES:

NAME	COMPANY	NOTES
Andrew Winter	AEMO	Chair
Courtney Roberts	AEMO	Secretariat
Amanda Niklaus	AEMO	
Luke Dowling	AEMO	
Neetika Kapani	AEMO	
Martin Maticka	AEMO	
Joachim Tan	AEMO	
Martin Maticka	AEMO	
Jay Halai	AEMO	
Shaun Pethick	AEMO	
Danny McGowan	AEMO	video-conference
Mark Riley	AGL Energy	video-conference
Amanda Rudd	Alinta Energy	
Michael Puls	APA Group	
Adam Welch	APPEA	
Katherin Domansky	BHP Billiton	
Kynan Smith	Commonwealth Bank Australia	
Caroline Cherry	Chamber of Minerals and Energy of WA	
Donald Xie	Chevron	
Pete DiBona	Chevron	
Dominic Rodwell	Citic Pacific Mining	
Colin Sadlier	Dampier Bunbury Pipeline	
Taron Brearley	Department of State Development	
Natalie Robins	Economic Regulation Authority	
Elizabeth Walters	Economic Regulation Authority	
Don Bower	Energy Access Services	
Wendy Ng	ERM Power	
Allan McDougall	Gas Trading	
Paul Bresloff-Barry	Gas Trading	
Herman Prinsloo	Horizon Power	
Ali Al-Hazza	KUFPEC	
Ashley Chan	KUFPEC	
Martin Drake	North West Shelf Gas	
Mathew Lawtie	North West Shelf Gas	
Fatima Padia	Office of the Auditor General	
Mona Loo	Office of the Auditor General	
Robin Coombe	PE Wheatstone	
Christian Catalano	PE Wheatstone	
Aden Barker	Public Utilities Office	
Bryon McLaughlin	Public Utilities Office	

Alex Willis	Quadrant Energy	
Matthew Leech	Quadrant Energy	
Dave Rafferty	Santos	
Sam McCreedy	Santos	
Daniel Calder	Shell	
Sophie Cunneen	Shell	
Julie-Anne Simmons	South32	
Adam Stephen	Summit Southern Cross Power	
Carole Clare	Synergy	
Jenny O'Donoghue	Synergy	
Vincent Blondeau	Wesfarmers	
Michael Glossop	Woodside	

1. Welcome

Andrew Winter (Australian Energy Market Operator (AEMO)) opened the meeting at 1:00 pm (AWST) and welcomed attendees to the WA Gas Consultative Forum (WAGCF) meeting 6.

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 WAGCF meeting 5, held on 31 January 2017. No further comments were raised and the minutes 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 Procedure Change Committee (PCC) meeting held on 15 February 2017. Topics noted were:

- Tenure of PCC members;
- Verification of shipper on Albany Kalgoorlie; and
- GST ruling.

It was noted that four low impact procedure changes have recently concluded. These changes came into effect on 31 March 2017. Further information on these procedure changes are available at <http://aemo.com.au/Stakeholder-Consultation/Consultations>.

It was advised that the next PCC meeting is scheduled for 21 June 2017 at which 'WA profiles' will be discussed.

3. 2017 Gas Statement of Opportunities (GSOO)

Neetika Kapani (AEMO) provided an update on the progress of the 2017 GSOO, including the proposed structure and the information request process. The following points were raised:

- The analytical approach will be the same used to develop previous GSOOs however, different forecasting consultants, as well as in-house forecasting capabilities will be used.
- It was asked whether the GSOO would disclose which participants responded to the Information Request and how participants would be protected so that their information isn't used to assess their commercial position. It was advised the data being evaluated will be presented at an aggregated level, while protecting the confidentiality of the information provided.
- It was questioned how the group of gas suppliers were selected. It was advised that they were the GSI market participants.

- It was raised whether there was a better way to manage late changes to the GSOO such as the 'late addition scenario' to the previous year's GSOO. It was advised that measures have been implemented to avoid late changes, such as ensuring stakeholder engagement occurs early and throughout the development of the GSOO. Additional information may also be released in a supplementary document.
- Given the GSOO will cover LNG as well as domestic gas, what percentage of gas suppliers has been captured by the GSOO data? 97 per cent of the current domestic gas suppliers have been captured by the GSOO data.
- Are the 6 gas suppliers that were surveyed responding on behalf of the entire joint venture or as individual companies? Stakeholders requested that slide 7 of the presentation be amended to reflect who makes up those 6 gas suppliers (action item 3.1).

3.1 Insights Paper

Luke Dowling and Amanda Niklaus (AEMO) presented an overview of the Insights Paper recently published on 29 May 2017. The following points were raised:

- It was noted that the capacity factor assumed in the Insights Paper for renewables was based on the average capacity factor for renewables in the SWIS. There was stakeholder interest in investigating rooftop PV on gas demand, and intra-day effects of renewables on gas demand.
- Stakeholders raised that it would be useful to see what is on the horizon for the next 10 years for renewables (eg. approved projects and what do they represent in GWh per year).
- Stakeholders raised interest on how gas fired generation could support the intermittency of renewable generation. At present the Load Following Ancillary Service market meets fluctuations up to 72 MW to maintain security.
- It was questioned whether the Insights Paper will be fed into the GSOO. It was advised that this will remain a stand alone piece but further individual analysis may be undertaken. AEMO requested the WAGCF provide feedback to wa.capacity@aemo.com.au on the Insights Paper and other areas for analysis (action 3.2).
- AEMO requested stakeholders identify issues which could be considered for further analysis. These issues would then be collectively considered by the Forum as possible further areas for analysis.
- The Insights Paper is located at <https://www.aemo.com.au/Media-Centre/Renewables-Influence-on-the-Generation-Mix-and-Gas-Demand-in-WA>.

3.2 National Gas Statement of Opportunities (GSOO)

Joachim Tan (AEMO) presented an overview of the 2017 National GSOO.

- It was asked that given the 5 minute Rule Change proposal is likely to have an effect on gas generation bidding, has there been consideration given to modelling of the Rule Change? AEMO to seek the advice internally and report back to the WAGCF (action item 3.3).
- Stakeholders questioned when the next National GSOO will be released and what changes have been made. LNG production estimates would be further considered in the next GSOO, due for release in the next month.

4. Gas Bulletin Board (GBB)

Jayesh Halai (AEMO) presented an update on the GBB market trends, a debrief on the Emergency Management Facility (EMF) and improvements made to the GBB. The following points were noted:

- Stakeholders questioned the basis for the production forecasts when comparing it to actual consumption. It was advised that the forecasts are based from submissions made by GBB Participants. The file is called 'Nominated and Forecast flow'.

- Stakeholders raised concern over production figures shown on slide 4 and sought clarification. It was advised that the difference comes from 1.5 TJ in losses, the remainder of differences comes from all large users with production less than 10 TJ per day. This is due to production of less than 10 TJ per day are not required to register.
- A number of requested changes will be implemented in the next GBB release. Stakeholders requested AEMO circulate a full list of the GBB suggested changes along with the minutes (action item 4.1).

5. Other business

Review of WAGCF the Terms of Reference

Stakeholders considered and endorsed the existing WAGCF Terms of Reference.

WA office move and data centre update

Shaun Pethick (AEMO) presented an update on the office move. The following points were noted:

- AEMO staff located in the 197 St Georges Terrace building will be moved to Central Park by end of August while staff located at the East Perth Control Centre (EPCC) will be moved by end of September.
- AEMO has secured a commercially favourable occupancy rate for the next ten years, regardless of what happens to the broader rental market. Post this period, a re-negotiation will take place and AEMO will include any adjustments to market fees in its Allowable Revenue submission at that time.

6. Future agenda items

No other agenda items were suggested.

7. Next meeting

Andrew Winter thanked stakeholders for their attendance and advised that the next WAGCF meeting is scheduled for 25 July 2017.

The meeting was closed at 2.45 pm (AWST).

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 (GSOO)	Stakeholders requested slide 7 of the presentation be amended to reflect who makes up those 6 gas suppliers.	AEMO	June
3.2	2017 Gas Statement of Opportunities (GSOO)	AEMO requested the WAGCF provide feedback to wa.capacity@aemo.com.au on the Insights Paper and other areas for analysis.	Stakeholders	July
3.3	2017 Gas Statement of Opportunities (GSOO)	AEMO to seek advice internally and report back to the WAGCF on whether the 5 minute Rule Change proposal is likely to have an effect on gas generation bidding.	AEMO	June
4.1	Gas Bulletin Board (GBB)	Stakeholders requested AEMO circulate a full list of the GBB suggested changes along with the minutes	AEMO	June