

## MINUTES – WA Gas Consultative Forum (WAGCF)

MEETING: 8  
 DATE: Tuesday, 14 November 2017  
 TIME: 1:00 pm to 2:05 pm AWST  
 CONTACT: [Wagasforum@aemo.com.au](mailto:Wagasforum@aemo.com.au)

### ATTENDEES:

NAME	COMPANY
Andrew Winter (Chair)	AEMO
Neetika Kapani	AEMO
Joachim Tan	AEMO
Noelle Leonard	AEMO
Amanda Niklaus	AEMO
Steve Kane	AEMO
Mark Riley (Video-conference)	AGL
Chris Campbell	Alinta
Richard Beverley	Alinta
Will Street	Alinta
Michael Puls	APA
Adam Welch	APPEA
Ben Ford	ATCO Australia
Chris Pemberton	ATCO Australia
Colin Sadlier	Australian Gas Infrastructure Group
Cathy McKeagney	AWE
Kynan Smith	CBA
Caroline Cherry	Chamber of Minerals and Energy of WA
Pete DiBona	Chevron
Dominic Rodwell	Citic Pacific Mining
Trent Leach	Dampier to Bunbury Natural Gas Pipeline
Don Bower	Energy Access Services
Ken Chan	Equity Lifting
Natalie Robins	ERA
Atul Garg	FMG
Matt Anderson	FMG
Paul Bresloff	Gas Trading
Allan McDougall	Gas Trading
Mike Lauer	Gas Trading
Taron Brearley	Department of Jobs, Tourism, Science and Innovation
Ben Laidler	Department of Jobs, Tourism, Science and Innovation
Tetsuo Suwa	Kansai Electric Power Australia
Naoki Katayama	Kansai Electric Power Australia
Hans Niklasson	Kleenheat
Toko Inanaga	Kyushu Electric Australia
Adam Stephen	Newgen
Donald Xie	NSWG
Martin Drake	NWSG
Joe Castellano (Video-conference)	Origin Energy
Aaron Kerrigan	Perth Energy

Matthew Leech	Quadrant Energy
Alexandra De Beer	Quadrant Energy
Peter Kolf	Rule Change Panel WA
Jenny Laidlaw	Rule Change Panel WA
Stephen Eliot	Rule Change Panel WA
Dave Rafferty	Santos
Sam McCready	Santos
Daniel Calder	Shell
Aakash Sembey (Video-conference)	Simply Energy
Julie-Anne Simmons	South32
Carole Clare	Synergy
Adele Long	Wood Mackenzie
Michael Opie	Woodside
Michael Glossop	Woodside
Robin Coombe	Interested stakeholder

## 1. Welcome

Andrew Winter (AEMO) opened the meeting at 1:00 pm (AWST) and welcomed attendees to the WA Gas Consultative Forum (WAGCF) meeting 8.

All actions from the previous meeting (12 September 2017) had been completed. No further comments were raised and the minutes were endorsed. AEMO to publish the minutes from the previous meeting as final on the website (action item 1.1).

## 2. 2017 Gas Statement of Opportunities (GSOO)

Neetika Kapani and Noelle Leonard (AEMO) provided an update on the key messages, preliminary demand and supply forecasts, and gas market balance for the 2017 GSOO. The Forum discussed/noted:

- Coal plant retirements have not been considered in gas demand scenarios. This would be considered in a separate Insights Paper.
- Renewable energy sources have been considered in the demand scenarios. It was suggested that a waterfall graph be used to show when additional renewables are assumed, and how much coal and gas generation is reduced in MWh.
- The gas demand forecasts consider the Turbridgi Gas Storage Facility. However, as it is a gas storage facility, it is net zero to annual gas demand.
- The demand and supply forecasts should consider a range of factors and not just gas prices. It would be beneficial to consider the price assumptions.
- The supply scenarios show a willingness to supply gas to the market at the 'right' (rate of return, cost of production, and profit) price.
- The timing driver for potential gas supply appears to be instantaneous, higher prices result in new gas supply, however in reality there is a lag in gas supply due to development timeframes. It appears there is a quick turnout between price drivers and reserve development.
- The low gas supply scenario would result in a significant economic slump for the State. As there is a significant difference between the base and low scenarios in the later years (~600TJs), there should be a description of the assumptions underlying the low supply scenario as this may contribute to gas demand destruction.
- The increase in potential gas supply from 2023 assumes reserves are developed at the higher forecasted gas prices.

- Potential gas supply forecasts for each year is independent of each other.
- As part of the formal information request, Participants provided information on available capacity which is lower than facility nameplate capacity.
- Domestic gas from Pluto, Browse, and Waitsia expansion are not included in to the supply scenarios as the quantity of supply from these facilities are not known to AEMO, or FID is yet to be reached.
- The reserve analysis is consistent with that of Wood Mackenzie.
- The domestic gas price forecast is a ratio of the LNG netback price (after taking into account shipping, liquefaction costs of A\$2.93 and other factors).
- It was suggested that for future WA GSOO's AEMO may ask suppliers 'at what price are producers willing to supply to the domestic market'.

### **3. AEMO's submission to the ACCC: WA and NT LNG Producers**

Given the length of discussion on the GSOO this item will be discussed at the next WAGCF.

### **4. Other Business**

- WA gas market training - this item will be discussed at the next forum.
- The WAGCF was advised a survey would be circulated following the meeting to seek feedback from stakeholders on the content and operation of the forum.

### **6. Future agenda items**

No future agenda items were raised.

### **7. Next meeting**

Andrew Winter thanked stakeholders for their attendance and advised dates for 2018 meetings have been scheduled:

- 30 January
- 22 May
- 4 September
- 20 November

The meeting was closed at 2.05 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	November