



## DEVELOPMENT OF A WHOLESALE GAS MARKET IN WESTERN AUSTRALIA

### BACKGROUND

At the October 2013 Gas Advisory Board (GAB) meeting, members expressed support for the IMO to investigate the potential development of a wholesale gas market in Western Australia (WA). The IMO committed to include further discussion on the options available in a GAB meeting agenda in early 2014. The IMO engaged Market Reform to develop a discussion paper to outline at a high level the potential structure of a wholesale gas market and facilitate a discussion with GAB members. The purpose of developing this high level design was to test the feasibility of developing a wholesale gas market in WA.

At the February 2014 meeting, GAB members discussed the benefits of an independently operated wholesale gas market in WA and the key elements of effective gas and capacity trading mechanisms. GAB members generally supported the continuation of the IMO's investigations into the development of a wholesale gas market in WA.

At the May 2014 meeting, a high level market design and the associated costs were presented to the GAB to inform its consideration of the progression of a proposal to Government to establish a wholesale gas market in WA. At that meeting, members discussed a number of design options and requested that the IMO hold a workshop to engage the industry more broadly on the proposal. The workshop was held on 16 July 2014.

At the GAB meeting following the workshop, members agreed that stakeholders should be given more time to consider the proposal and provide feedback to the IMO for the GAB to consider at its next meeting.

The papers considered by GAB and the minutes of GAB meetings are available on the IMO website: <http://www.imowa.com.au/GAB>.

### INVITATION FOR SUBMISSIONS

The IMO would like to invite submissions from Gas Market Participants and other stakeholders regarding the need for, and high level design proposed to develop a wholesale spot gas market in WA.

Please note the IMO's usual approach is to publish all submissions made unless the submitter requests the IMO to treat the submission as confidential.

Submissions must be delivered to the IMO by **5:00 PM on Friday, 29 August 2014**.

The IMO prefers to receive submission by email to [market.development@imowa.com.au](mailto:market.development@imowa.com.au).

Written submissions may also be sent to the IMO by fax or post, addressed to:

Independent Market Operator  
Attn: Group Manager, Development and Capacity  
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