

## NOTICE OF GUIDELINE CONSULTATION

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### Gas Supply Guarantee Guidelines Consultation

Date of Notice: 19 February 2020

This notice informs Production Facility Operators, BB Storage Providers, Pipeline Operators and Gas Generators and interested parties (**Consulted Persons**) that AEMO is conducting a consultation on the Gas Supply Guarantee Guidelines (the Guidelines). Unless otherwise defined, terms used in this notice have the meanings set out in the Guidelines.

#### Matter under Consultation

The matter for consultation is to amend the expiry date in section 1.4(a) of the Guidelines, currently set to expire on 31 March 2020. A draft of the amendment to the Guidelines is published with this notice for consultation.

The Minister for Energy and Emissions Reduction has written to AEMO and issued a corresponding media release, to request that the Gas Supply Guarantee framework be extended while further work is undertaken on the need to retain the GSG, or other similar mechanism.<sup>1</sup>

Until that further work is undertaken, the GSG will continue to be operationalised through the Guidelines.

The GSG was established in March 2017 to provide a mechanism to facilitate delivery of commitments made by gas Production Facility Operators and Pipeline Operators to make gas available at times of peak demand in the National Electricity Market.<sup>2</sup>

Production Facility Operators propose to meet this commitment by making additional gas supply available to Gas Generators.

The GSG mechanism is operationalised through Gas Supply Guarantee Guidelines<sup>3</sup> which outline AEMO's ability to:

- determine a Gas Supply Shortfall exists, due to the Extended Pre-Dispatch Report, used in conjunction with existing Natural Gas Services Bulletin Board data, to provide visibility of gas supply and demand up to 7 days ahead;
- call an Assessment Conference to exchange information about electricity and gas supply and demand conditions to facilitate AEMO's assessment of whether a Gas Supply Shortfall exists, or is reasonably likely to occur;

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<sup>1</sup> Hon Angus Taylor, 2019. "Government seeks to extend the Gas Supply Guarantee". Available: [https://www.minister.industry.gov.au/ministers/taylor/media\\_releases](https://www.minister.industry.gov.au/ministers/taylor/media_releases).

<sup>2</sup> Hon Josh Frydenberg, 2017. "Gas pipeline companies to work with Turnbull government to ensure gas delivery". Available: <https://joshfrydenberg.com.au/latest-news/gas-pipeline-companies-to-work-with-turnbull-government-to-ensure-gas-delivery/>. Viewed: 20 August 2019.

<sup>3</sup> AEMO. *Gas Supply Guarantee Guidelines*, December 2017. Available at: [https://www.aemo.com.au/-/media/Files/Electricity/NEM/Emergency\\_Management/2017/GSG-Guidelines-v-10.pdf](https://www.aemo.com.au/-/media/Files/Electricity/NEM/Emergency_Management/2017/GSG-Guidelines-v-10.pdf).

- call an Industry Conference for AEMO to confirm a potential Gas Supply Shortfall and to facilitate an industry response from Production Facility Operators, BB Storage Providers, Pipeline Operators and Gas Fired Generators.

Participants should note that a consequence of amending the expiry date will be that the confidentiality deeds previously entered into by participants to keep information provided at Assessment Conferences confidential will continue to apply until the new expiry date.

### The Consultation Process

The consultation process is outlined below. Dates are indicative only and subject to change.

PROCESS STAGE	INDICATIVE DATE
Closing date for submissions in response to this Notice and Guidelines	18 March 2020
Publication of Final Report and Guidelines	25 March 2020

### Invitation to Make Submissions

AEMO invites written submissions on the matter under consultation, including any alternative or additional proposals you consider may better meet the objectives of this consultation and the National Electricity Law and the National Gas Law.

Please identify any parts of your submission that you wish to remain confidential, and explain why. AEMO may still publish that information if it does not consider it to be confidential, but will consult with you before doing so.

Please note that material identified as confidential may be given less weight in the decision-making process than material that is published.

### Meetings

In your submission, you may request a meeting with AEMO to discuss the matter under consultation, stating why you consider a meeting is necessary or desirable.

If appropriate, meetings may be held jointly with other Consulted Persons. Subject to confidentiality restrictions, AEMO will generally make details of matters discussed at a meeting available to other Consulted Persons, and may publish them.

### Closing Date and Time

Submissions in response to this notice of guideline consultation should be sent by email [GSG\\_communications@aemo.com.au](mailto:GSG_communications@aemo.com.au), to reach AEMO by 5.00pm (Melbourne time) on 18 March 2020.

All submissions must be forwarded in electronic format (both pdf and Word). Please send any queries about this consultation to the same email address.

Submissions received after the closing date and time will not be valid, and AEMO is not obliged to consider them. Any late submissions should explain the reason for lateness and the detriment to you if AEMO does not consider your submission.

### Publication

All submissions will be published on AEMO's website, other than confidential content.

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