# Emergency Procedures (Gas) consultation



version comparison

# **Published**

# **Emergency Procedures (Gas), version 7**

#### 1 Introduction

"The Emergency Procedures (Gas) are designed to enhance the Australian Energy Market Operator (AEMO) and industry's ability to manage the preparation for, response to and recovery from gas emergencies in Victoria."

# 1.3 Definition of an 'Emergency'

"AEMO will declare an emergency, under NGR 333, when AEMO reasonably believes the emergency meets the criteria for a Level 5 emergency as described in section 2.5 of these procedures."

#### 2.5 Level 5 –

"An emergency which has escalated to the extent that:

- Energy Safe Victoria (ESV) or AEMO reasonably believes that there is a situation which requires them to declare an emergency.
- The Governor of Victoria acting in Council declares an emergency under Part 9 of the Gas Industry Act 2001 on the recommendation of the Minister for Energy and Resources or Responsible Minister.
- ESV or the Director of ESV issues a direction under section 106 of the Gas Safety Act 1997."

Effectively, AEMO will declare an emergency (under the National Gas Rules) when AEMO reasonably believes either ESV or the Governor in Council will use its authorities under the Gas Safety Act or the Gas Industry Act or where ESV or AEMO reasonably believe that an Emergency should be declared. .

# Draft

# **Emergency Procedures (Gas), version 9.**

#### 1.1 Purpose and Scope

"These Procedures apply to situations relating to the conveyance, supply or use of gas where AEMO reasonably believes there is a threat to the reliability of supply, security of a Declared system or public safety. For clarity these Procedures do not apply to a situation within the Victoria gas system that do not threaten a Declared system."

Clarifies the scope of the Emergency Procedures (Gas) (Procedures) with acknowledgment of the scope and limitations of the Emergency Protocol (Protocol) as defined in the National Gas (Victoria) Act Part 6. This Act limits the scope of the Protocol (and thereby Procedures) to Declared systems.

Threats to the Victorian gas system that do not threaten a Declared system may be communicated via the Victorian Gas Emergency Communications Protocol (VGECP) as referenced in section 5.10.

#### 2.3 Gas emergency

" A Gas emergency (emergency) occurs when AEMO in its absolute discretion considers that a situation is an emergency and declares there to be an emergency under NGR 333 or when AEMO declares there to be an emergency under NGR 333 at the direction of a government authority authorised to give such directions.

AEMO may reasonably believe a situation is an emergency (and declare an emergency) when the use of Emergency powers of a gas company, ESV or the Minister are reasonably required to overcome a threat to the normal operating state of a Declared system. "

#### Section 2.5 Emergency powers

"Emergency powers, as defined for these Procedures, is the authority invested in:

- ESV, under the Gas Safety Act;
- the Minister, under the Gas Industry Act; and
- a gas company, under the Gas Industry Act."

AEMO consideration of when to declare an emergency under NGR 333 will extend to incorporate the use of the authority invested in a gas company under the Gas Industry Act.

A gas company may reasonably use its authority in a situation that is characterised by a "Level" other than that described for "Level 5" (i.e. may be used for a Level 3 or Level 4). The reference to "Emergency" being a "level 5 emergency" has therefore been removed.

AEMO may now declare an emergency under NGR 333 at any Level and this declaration will be made subject to the conditions given in Section 2.3 and 2.5.

# **Emergency Procedures (Gas), version 7**

# 1.4 Obligation on Registered Participants for Emergency Planning

"Under Part 19, Division 5, Subdivision 2 of the NGR, Registered participants have specific obligations with respect to emergency planning. These include:"

Provides a summarised list of Registered participant obligations under the National Gas Rules (**NGR**).

#### 2 Levels of Gas Emergencies

"The Procedures classify emergencies into 5 levels"

#### 2.6 Threat to System Security

"As established in NGR 205, AEMO has implemented procedures to operate the declared transmission system in a way that averts or minimises Threats to System Security. A Threat to System Security can occur at any level, and may impact the transmission system partially, or as a whole."

"emergencies" (section 2) may be classified into one of 5 levels.

"Emergencies" (section 1.3) are declared by AEMO under NGR 333 when AEMO reasonably believes the emergency meets the criteria of a level 5 emergency.

The scope of a threat to system security as established in NGR 205 is limited to threats to the Declared Transmission System.

#### Draft

# **Emergency Procedures (Gas), version 9.**

# 3 Obligations

Defines the obligations of the three distinct groups that are responsible for management of, and recovery from, an event and/or emergency (AEMO, the Victorian Government and Registered participants).

Listed obligations have been aligned with those defined by legislation, the National Gas Law (NGL) and the NGR.

#### 2.1 Normal operating state

"A normal operating state is an operating condition relating to the conveyance, supply or use of gas that does not threaten the reliability of supply, security of a Declared system or public safety."

#### 2.2 Gas Event

"A Gas event (**event**) is a situation that threatens the normal operating state of a Declared system and where AEMO has not declared an emergency under NGR 333."

#### 2.3 Gas emergency

"A Gas emergency (emergency) occurs when AEMO in its absolute discretion considers that a situation is an emergency and declares there to be an emergency under NGR 333 or when AEMO declares there to be an emergency under NGR 333 at the direction of a government authority authorised to give such directions."

Additional terminology has been introduced to improve clarity and understanding of the anticipated response to a situation and also to better reflect the Procedures "Declared system" scope.

A "Threat to System Security" as referenced in the Procedures Version 7 aligns broadly to with the "Gas event (event)" term established in the proposed Procedures version

The "gas event" term has been defined to expand beyond "Threat To System Security". It encompasses threats to both the Declared Transmission System and also Declared Distribution Systems (i.e. "Declared systems").

#### 2.1 to 2.5 Level

The Procedures classify emergencies into 5 levels

Describes the levels and the response of specific accountable roles.

# 2.4 Event and emergency levels

"Event and emergency levels are defined in Table 1."

Description of levels remain unchanged (with exception of Level 5) however the description of specific actions taken by individual roles has been dropped.

#### 6 Levelled response

This section describes the levels and the likely response arrangements to be instigated to manage the threat for each level.

The responsibilities and actions of the organisation are described as opposed to those of the specific accountable roles within an organisation.

# **Emergency Procedures (Gas), version 7**

#### 3.2 Victorian Emergency Management Arrangements

"Supporting the Act is the Emergency Management Manual Victoria (EMMV). The EMMV contains policy and planning documents for emergency management in Victoria, and provides details about the operational and support roles different organisations play in the emergency management arrangements, including those arrangements specifically related to gas emergencies."

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# **Emergency Procedures (Gas), version 9.**

#### 5.9 State emergency management response

"The State Emergency Management Plan outlines the arrangements for a co-ordinated response to emergencies by all agencies with a role or responsibility in emergency response. The Energy Sub-Plan outlines the Victorian arrangements to deliver a co-ordinated response to energy emergencies. The processes given in the protocol have been developed to align with these plans."

The State Emergency Management Plan (SEMP) came into effect on 30 September 2020 and replaced the applicable parts of the Emergency Management Manual.

Reference to Victorian Government Top level structures have been removed and replaced with a reference to arrangements detailed in the SEMP and Energy-sub-plan.

#### 3.4.1 Energy Industry Response Committee

"Is formed to vet the operational strategy and possible use of emergency powers as well as provide strategic advice to government on the impacts and response to a gas Level 5 emergency."

#### 5.5 Gas Emergency Management Group

AEMO will consult with ESV and the Department via the Duty Officer Teleconference for any potential need to declare an emergency under NGR 333.

This group may direct/recommend additional consultation via the Gas Emergency Management Group (GEMG). As required, the GEMG will be formed to vet the operational strategy and possible use of Emergency powers.

The GEMG and EIRC have effectively been consolidated into the GEMG.

# 3.5 AEMO Emergency Management Structures

# 3.6 Emergency Management Structures

Defines a generic structure for organisational roles and responsibilities that may participant in an emergency response.

# 5 Communication and co-ordination

The generic structure of an organisations roles with respect to an event and/or emergency response have been removed from the Procedures.

The proposed Procedures, version 9, places greater emphasis on the responsibilities and actions of the organisation (as opposed to the individual roles within that organisation).

# **Emergency Procedures (Gas), version 7**

# 4.1 Identification and Activation of Industry to an Emergency

"AEMO maintains its vigilance on the safety and security of supply of Victoria's gas system through:

- Operating a 24/7 Gas Control Centre.
- Maintaining a Gas Duty Manager, Emergency Duty Manager and Incident Coordinator on a 24/7 basis.
- Regular interaction and liaison with Registered participants and government departments, including emergency services.
- Gas and weather forecasting processes."

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# **Emergency Procedures (Gas), version 9.**

# 4.1 Maintain normal operating state

"AEMO may become aware of a potential threat to the normal operating state of a Declared system through their function in monitoring and control of a Declared Transmission System or when notified of a threat to a Declared system by a *Registered participant*."

"Distributors and other Registered participants must notify AEMO as soon as practicable of any event or situation which the Registered participant becomes aware of where, in the reasonable opinion of the Registered participant, the situation is of a kind that AEMO may reasonably believe there is a threat to the normal operating state of a Declared system."

AEMO operates the Declared Transmission System and does not have direct operational oversight of Declared Distribution Systems or non-declared assets.

AEMO is dependent on Registered participants (including Distributors) to provide notification of a threat outside the Declared Transmission System that may reasonably threaten a Declared system. Refer also to section "4.2 Identify a threat"

#### 4.1 Identification and Activation of Industry to an Emergency

"AEMO keeps Registered participants informed about the nature, extent and expected duration of emergencies, including updates of the emergency status as required through the use of System Wide Notices (SWNs – see section 6.1) and the Victorian Energy Emergency Communications Protocol (VEECP) attached at Annex G. "

#### **5 Communication and Co-ordination**

The Victorian Energy Emergency Communications Protocol (VEECP) was replaced by the Victorian Electricity Emergency Communications Protocol (VEECP) and the Victorian Gas Emergency Communications Protocol (VEGCP).

The processes detailed within the VGECP have largely been incorporated within the proposed Procedures, version 9 (refer Market Notices and Industry and Emergency Teleconferences).

VGECP may be activated when there is a need for information sharing that extends beyond the scope of the Procedures, as detailed in section 5.10.

# 4.1 Identification and Activation of Industry to an Emergency

"In the event that a likely or actual emergency is identified by AEMO, Registered participant, or government department, the following steps occur:

- The identifying organisation notifies AEMO of any event or situation it becomes aware of.
- AFMO activates the VFECP.
- AEMO will activate its Incident Coordination Team.
- When an emergency arises, AEMO notifies ESV and advises Registered participants through a SWN.
- Where emergency powers are invoked, each Registered participant complies with all emergency directions given by AEMO, ESV or government.
- AEMO will keep Registered participants informed of any material changes in the nature, extent and expected duration of an emergency through SWNs and the VEECP.
- An emergency will continue until such time as AEMO determines that the emergency has ended.
- AEMO must notify all Registered participants when it believes that the emergency has ended."

# 4 Response process

"The response to an event and emergency as outlined in the Procedures as depicted by Error! Reference source not found.. Additional detail related to a response to a specific event and emergency level is given in section Error! Reference source not found.."

The response process as detailed in the proposed Procedures, version 9, is illustrated by process flow charts given in section 4 and 6.

# **Emergency Procedures (Gas), version 7**

#### 4.2.1 Emergency Declaration Process

"The declaration will be implemented by issuing the Emergency Declaration Notice, to the Emergency Manager, Duty Manager or General Manager of each Registered participant"

If a Registered participant cannot be contacted, AEMO will check emergency contact details provided under NGR Rule 334 with Operations Centres or other Registered participants. Transmit the Level 5 Emergency Declaration Notice to the Registered participant's designated contact number/address and note the time of the transmission in the Event Log using a SWN. Use all reasonable endeavours to contact the Registered participant.

# Draft

# **Emergency Procedures (Gas), version 9.**

#### 4.5 Emergency declaration

A decision to declare an emergency will be made by an authorised officer of AEMO and will be communicated to Registered participants via a market notice. This notification will likely be accompanied with details of a scheduled Emergency Teleconference, although this teleconference may, on occasion, be conducted prior to a declaration.

#### 5.1 Market notice

A market notice issued by AEMO will be published via a System Wide Notice (SWN) and will communicate operational issues to the market in accordance with the Wholesale Market Electronic Communication Procedures (Victoria). SWNs are posted on the Market Information Bulletin Board and sent via SMS and/or email to each Registered participant's registered contact.

AEMO will provide notification of an emergency declaration to the participant's registered contact.

#### 4.2.2 Emergency Directions to Participants

Once an emergency or Threat to System Security (see section 4.5) has been declared, further directions to gas industry Registered participants and ancillary entities will be implemented by issuing the Directions to Registered Participants Under Section 91BC, to the Duty Manager, General Manager or appointed Emergency Manager of each industry Registered participant.

# Section 4.8 Event and emergency response measures

AEMO will provide written notification of a direction under the NGL, Section 91BC to the participant's registered contact.

"A Registered participant must also notify AEMO of any action taken by the Registered participant under its safety plan and safety procedures or otherwise in response to that event or situation."

This is an extension of NGR 333 (2) (b) necessary for AEMO to co-ordinate the response to an event or emergency.

#### 4.4 Guidelines for Determining the Declaration

"AEMO declaring a Level 5 emergency or Threat to System Security, AEMO will consult with ESV and the Minister. Before declaring a level 5 emergency, AEMO will consult with the Director of ESV and the Minister for Energy through the Energy Industry Response Committee (EIRC). At an EIRC meeting it will be determined under whose authority emergency powers will be enacted (i.e. the Minister, the Director of ESV or AEMO."

#### 4.5 Emergency declaration

"Where AEMO or a gas company believe it is reasonable and necessary to use these powers [Emergency powers], and where practicable, AEMO will convene a Duty Officer Teleconference to seek a recommendation from this group on:

- 1. the requirement to use Emergency powers;
- 2. the appropriate legislation through which those powers should be enacted; and
- any need to confirm this requirement through the Gas Emergency Management Group."

# **5.2 Duty Officer Teleconference**

"To be responsive to fast emerging issues, and to ensure ESV and the Department (holders of Emergency powers) are kept informed and ready to respond at the appropriate time, the emergency representatives of ESV, the Department and AEMO may liaise regularly throughout the relevant event or emergency via the Duty Officer Teleconference. AEMO may also request the emergency representative of a Registered participant attend this teleconference where relevant to the assessment of a threat in a Declared Distribution System or relevant to the use of Emergency powers by a gas company."

AEMO (prior to declaring an emergency under NGR 333) will consult with the Emergency representative of a gas company, where that participant believes it is reasonable and necessary to use Emergency powers.

# **Emergency Procedures (Gas), version 7**

# 4.5 Threat To System Security

"If AEMO believes that declaring a Threat to System Security is necessary, then it will notify Registered participants (through SWNs)"

"Threat to System Security" as established by NGR 205 is limited to the Declared Transmission System.

# Draft

# **Emergency Procedures (Gas), version 9.**

# 4.4 Notify threat to the normal operating state

"If AEMO believes that there is a threat to the normal operating state then it will, without delay, notify *Registered participants*, ESV and the Department of that threat via a market notice."

#### 4.2 Identify threat

"The Registered participants notice to AEMO of any event or situation must, where possible, include an estimate of the nature and magnitude of the threat, whether AEMO will need to intervene or the Registered participant will need to act, and where the threat is likely to be located."

AEMO will issue a notification where there is a threat to the "normal operating state" of a Declared Transmission System or a Declared Distribution System.

A Registered participant that provides AEMO with notification of a threat must provide to AEMO (where possible) information necessary for AEMO to give a notification of a threat to the normal operating state.

# 4.5.1 Threat to System Security – Market Response and Intervention

"Where AEMO reasonably considers that a Threat to System Security is unlikely to subside without intervention, AEMO may intervene in the Market by taking any measures it believes are reasonable and necessary to overcome the Threat to System Security, including (without limitation) making the following directions under section 91BC of the NGL."

"Threat to System Security" as established by NGR 205 is limited to the Declared Transmission System.

# 4.8 Event and emergency response measures

"AEMO will determine the response measures reasonably required to respond to a threat in a Declared Transmission System, and a Distributor will perform this function for their Declared Distribution System."

#### 4.8.2 AEMO market request and intervention

"AEMO will respond to an event or emergency by taking any measures AEMO believes are reasonable and necessary to overcome the threat. These measures are given in the System Security procedures which outline a graduated set of responses aimed at mitigating or eliminating a threat and restoring system security, with the minimal disruption to the market, participants and the community."

A Distributor will guide the response required to address a threat in a Declared Distribution System.

AEMO may exercise its powers under 91BC in response to a threat in a Declared Distribution System via measures detailed in the System Security Procedures.

# 4.6 Load Curtailment

- 4.7 Gas Rationing and Recovery
- 5.1 Supply Restoration

# 4.8.4 Curtailment, rationing and recovery

"Curtailment, rationing and recovery may be implemented via a combination of directions given by AEMO through permitted market intervention measures and using directions given or actions taken under Emergency powers. The Guidelines provide the priorities, principles, considerations, measures and processes that will be applied in curtailment, rationing and recovery in response to an event or emergency. These processes are described as the co-ordinated:

- Curtailment: rapid and controlled reduction in customer load.
- Rationing: allocation of insufficient gas supply to customers.
- Recovery: restoration of supply to customers and normal Market function."

References the Gas Load Curtailment and Gas Rationing and Recovery Guidelines to avoid duplication or misalignment of material.

# **Emergency Procedures (Gas), version 7**

# **5.3 Emergency Revocation Process**

"When the AEMO Chief Executive Officer agrees that the situation is under control and no further threat exists, the AEMO Chief Executive Officer will hand back control to the industry Registered participants."

#### Draft

# **Emergency Procedures (Gas), version 9.**

#### 4.7 Revoke an emergency

"A declaration of an emergency will be revoked when AEMO determines that the emergency has ended, and this will occur when the use of Emergency powers is no longer reasonable or necessary to overcome a threat to a Declared system.

For clarity, the threat that initiated the emergency may still exist after the emergency declaration has been revoked and AEMO may still intervene in the market to address that threat however Emergency powers will not be used."

#### 5.3 Emergency Revocation Process

The revocation will be implemented by issuing the Level 5 Emergency Revocation Notice, to the Duty Manager, General Manager or appointed Emergency Manager of each industry Registered participant.

#### 4.7 Revoke an emergency

AEMO will communicate the end of the emergency to Registered participants, ESV and the Department via a market notice and this may be confirmed via an Emergency Teleconference.

AEMO will provide notification that the declared emergency has been revoked to the participant's registered contact.

#### 6.2 Victorian Energy Emergency Communications Protocol

The Victorian Energy Emergency Communications Protocol (VEECP) has been developed by AEMO and Victorian gas and electricity industry stakeholders to ensure timely and accurate advice and information is disseminated in a coordinated manner during a gas emergency.

#### 5.10 Victorian Gas Emergency Communications Protocol

The Victorian Energy Emergency Communications Protocol (VEECP) was replaced by the Victorian Electricity Emergency Communications Protocol (VEECP) and the Victorian Gas Emergency Communications Protocol (VEGCP).

The processes detailed within the VGECP have largely been incorporated within the proposed Procedures, version 9 (refer Market Notices and Industry and Emergency Teleconferences)

VGECP may be activated when there is a need for information sharing that extends beyond the scope of the Procedures, as detailed in section 5.10.

# 6.3 Media Management

In ensuring a consistent message to the public during a gas emergency including Level 5, an agreement has been made with government and industry whereby AEMO will speak on behalf of the Victorian gas supply industry when there are widespread and prolonged gas shortages affecting Victorians.

To meet the objective of the agreement, the SIS has been developed

# 5.7 Single Industry Spokesperson

"The Single Industry Spokesperson Protocol Gas is a documented procedure between AEMO and participating Registered participants."

"It establishes a process by which a single source of truth is established for all media messaging to the public and where AEMO takes a leadership role in media relations"

Note, Distributors are currently the only participating Registered participant in the SISP

# 5.8 Emergency Management Joint Public Information Committee

The Emergency Management Joint Public Information Committee is a government committee, raised during State emergencies to co-ordinate communication.

Published Emergency Procedures (Gas), version 7	Draft  Emergency Procedures (Gas), version 9.
No equivalent section	Appendix B. Legislation and regulation Summary of legislation and regulation applicable to the Emergency Procedures (Gas)