

GWCF December 2024 Meeting Notes

Meeting:	GWCF Meeting #45
Date:	Wednesday, 4 December 2024
Time:	9:30am-11:00am (AEST)
Location:	Teleconference

Commentary added in **BLUE** is expansions provided after the meeting.

1 Welcome and attendance / apologies – Luke Stevens, AEMO

Luke Stevens (AEMO) welcomed all to the meeting and acknowledged country. No apologies were received.

The GWCF noted AEMO's [Competition Law Protocol](#) and its requirements on both AEMO and participants. Luke Stevens (AEMO) noted in the chat that the meeting recording had started. The AEMO Privacy Notice was included as a footnote of the meeting agenda.

There were no objections to the agenda or previous meeting notes.

2 AER update

Jeremy Llewellyn (AER) spoke to the following:

- The AER published the second version of the Day Ahead Auction (DAA) Record Keeping Guidelines in August 2024. The AER noted that the effective date on these guidelines is 1 March 2025.
- The AER noted that pipeline capacity auctioned off through the DAA is highly sought after, resulting in elevated prices on some pipelines such as the Eastern Gas Pipeline (EGP) and the South West Queensland Pipeline (SWQP). The AER continues to monitor the DAA on a daily and weekly basis for compliance with the record keeping guideline.
- Reserves and Resources reporting continues to be one of the AER's compliance priorities. The AER wishes to see more complete reporting for the second round of annual reporting for reserves and resources data. The AER clarified the difference between Gas Statement of Opportunities and Gas Bulletin Board submission requirements.
- Short term transactions is another AER compliance priority this year. The AER noted that they are continuing to find issues with the reporting of supply and swap transactions.
- The AER noted that they actively participated in the 2024 Gas Bulletin Board Biennial Review with AEMO.

A question was received as follows:

- Courtney Czechowski (Origin) asked that given the AER is running daily and weekly checks of short-term transaction reporting data, if market participants haven't heard from the AER, should they assume that their reported data is meeting expectations.

- Jeremy Llewellyn (AER) noted that not hearing from the AER is generally a good thing in relation to reporting obligations. Jeremy also clarified that all of the gas market transparency measures are compliance priorities for the AER.
- Eleni Metallinos (DCCEE) asked if the AER are considering adding Kurri Kurri to enable swaps across the Sydney network.
 - Robbie Flood (AEMO) noted there is no intention of adding additional swap locations.

3 AEMC update – Meredith Mayes

Meredith Mayes (AEMC) spoke to the following on the reliability and supply adequacy reforms:

- The AEMC is working on incorporating gas and community sentiment into the Integrated System Plan (ISP). The final determination is due to be published on 19 December 2024.
- Energy ministers have submitted three of the four expected reliability and supply adequacy framework rule change requests to the AEMC. The Reliability Standard, Supplier of Last Resort and Advance Notice of Closure rule change requests have been submitted. The AEMC is waiting for the PASA rule change request which is expected to arrive before Christmas.
- The AEMC noted that it will begin with the Reliability Standard rule change next year and will stagger the start of the rule changes.

No questions were received for this item.

4 Consultation and Implementation Update – AEMO

Luke Stevens (AEMO) provided a summary of relevant gas consultations including the Hydrogen rule change for STTM and Retail Market Procedures (NSW/ACT, QLD, SA), GBB as well as the consultation on the STTM Procedures on the addition of Kurri Kurri Custody Transfer Point.

The updated Market Clearing Engine (MCE) for the DWGM is set to go-live on 16 December 2024.

No questions were received for this item.

5 Other Business

5a. Rule Change Proposal – APA – Dandenong LNG

Scott Young (APA) spoke to the following:

- APA is seeking to lodge a rule change request with the AEMC that seeks to extend the 2022 DLNG Rule for a period of 10 years. If implemented, the 2022 DLNG rule change would be extended through to 2036.
- APA currently owns the DLNG tank and the vaporisation facilities. BOC is the current owner of the liquefaction facilities, which, are facing chronic reliability issues. Rectification of these reliability issues will require significant investment.
- The extension of the 2022 DLNG rule for 10 years provides certainty that those costs incurred during rectification of the liquefaction reliability issues can be recovered.

A question was received as follows:

- Patrick Stock (VIVA Energy) asked to what extent is a 10 year extension necessary here when a decision on the Geelong LNG terminal is expected in Q1 2025? Would an LNG import terminal in Vic by 2028 mean the investment period needed for Dandenong is obviated?
 - Scott Young acknowledged that if an FID was taken on an LNG import terminal, then that would absolutely be taken into consideration by the AEMC as to whether an extension of the 2022 DLNG Rule was required.
 - Scott Young highlighted that in the absence of on-site liquefaction, once the DLNG tank is empty it cannot be re-filled and the facility would likely have to be decommissioned.
- Luke Stevens (AEMO) asked is there a particular date that APA is looking to lodge the rule change by.
 - Scott Young indicated that APA is currently discussing the rule change with the AEMC and would be aiming to have it lodged with the AEMC by Christmas.

5b. ECGS directions outside of the markets

Libby Chen (AEMO) spoke to the following:

- In March 2024 issued directions to maintain and improve the adequacy of supply of gas following the rupture of the Queensland Gas Pipeline. Following the event AEMO reviewed its directions and has considered alternate approaches for directing gas on a contract carriage pipeline.
- Libby Chen spoke to four options regarding directing contract carriage pipelines:
 - Option 1: AEMO directs the pipeline operator to transfer the title of gas from Shipper A to Shipper B.
 - Option 2: AEMO directs the pipeline operator to not transfer the title of gas from Shipper A to Shipper B.
 - Option 3: AEMO issues a direction to Shipper A specifying the amount of gas required to inject but leaves it to the pipeline operators to determine whether a title transfer occurs.
 - Option 4: AEMO directs the pipeline operator to transfer the title of gas from Shipper A to B on the basis an obligation is created for Shipper B to repay the gas within a timeline.
- AEMO invites market GWCF participants to provide feedback on these options by COB 20 December 2024 to help identify the preferred approach.

Comments and questions were received as follows:

- Andrew Zancanaro (Jemena) asked that in the context that entry points of pipelines are common trading locations, e.g. producer sells gas to primary shippers who may trade gas to others, who is the Shipper A that is being directed? The producer, the primary shipper or the secondary shipper. Noting that this will impact compensation as each trade is at a different price/cost.
 - Robbie Flood (AEMO) noted that the two main issues that AEMO is trying to resolve is establishing whether a contractual obligation exists and, if the title to the gas should be or should not be transferred. Robbie Flood noted that the existing compensation framework is used to deal with the cost aspect of directions.

- Courtney Czechowski (Origin) asked is AEMO considering a rule change request to improve the gas compensation framework and enable it greater flexibility to appropriately assign costs.
 - Libby Chen (AEMO) indicated that AEMO is not considering a rule change in relation to compensation at this time.

5c. DWGM/ECGS Iona Underground Storage refill

Robert Dickie (AEMO) spoke to the following:

- AEMO monitors trends in the supply and demand of gas in the east coast gas system. Iona Underground Storage (Iona UGS) reached a low of 9.5 PJ in early August. In early September storage inventories increased to approximately 11 PJ and, since then has risen by a further 1.5 PJ. Currently Iona UGS storage levels are within the range of historic norms for the December period.
- AEMO will continue to monitor the re-filling of Iona UGS but is not currently concerned about the refill progress.

Comments and questions were received as follows:

- Tao Liang Lee (Shell) asked if AEMO can give some background on how the AEMO model works and the forecast on the SWQP slide.
 - Robert Dickie (AEMO) noted that AEMO uses a PLEXOS based model that was originally developed for the GSOO. The model has been modified to look at a shorter time horizon of one to two years and uses forecasts submitted to the gas bulletin board as well as, forecasts developed as part of the GSOO.
 - Robert Dickie (AEMO) also commented that the SWQP slide uses gas bulletin board and AEMO demand forecast data and has not necessarily been extracted from the PLEXOS model.

5d. Other items (ALL)

Luke Stevens (AEMO) spoke to the following:

- User guide to MIBB reports to be released in December with updates for the DWGM MCE Project and editorial changes for STTM and Retail Market Procedures.
- The Australian Standards Committee for general purpose natural gas (AS4564) is expected to publish an updated standard for consultation that incorporates hydrogen and biomethane by the end of 2024.
- Consultation on DWGM capacity certificate zone for Hydrogen Park Murray Valley will commence once a commissioning date has been set.
- AEMO is yet to confirm a date for the outstanding SPE update.
- AEMO is seeking feedback on the draft STTM technical guide v4.3 by 1 February 2025.
- 2025 GWCF meeting dates have been finalised and invitations send out. The 2025 dates are:
 - 9 April 2025
 - 11 June 2025
 - 17 September 2025

- 3 December 2025.

Comments and questions were received as follows:

- Alice Hines (Hydro Tasmania) asked if there are any plans for review/upgrade of the short-term transactions submission platform.
 - David Younger (AEMO) noted that AEMO is reviewing survey responses and preparing the GBB Biennial Review for publication by the end of the year. AEMO has received a lot of feedback on STT and will be talking to it and, potential updates in that report. In terms of next steps, AEMO will discuss the report's outcomes and recommendations at the GWCF next year.

Summary of action items

Table 1 Action items for AEMO:

Item	Topic	Action required	Responsible	By
45.5d	STTM IT Refresh	Luke Stevens (AEMO) confirm date for SPE update.	Luke Stevens (AEMO)	N/A

Table 2 Action items for Participants:

Item	Topic	Action required	Responsible	By
45	Meeting Minutes	Review meeting minutes for December 2024 meeting.	ALL	Response by COB 18/12/24
45.5b	ECGS directions outside of the markets	Email feedback or comments on the options identified to GWCF_Correspondence@aemo.com.au .	ALL	Response by COB 20/12/24
43.5c	Draft STTM Technical Guide v4.3 (track)	Email feedback or comments on errors to GWCF_Correspondence@aemo.com.au .	ALL	Response by COB 1/02/25

6 Attendees:

Name	Organisation	Name	Organisation
Adrian Spizzo	Macquarie	Libby Chen	AEMO
Alice Hines	Hydro Tasmania	Lina Choi	Clean Co Queensland
Alice McLaren	AEMO	Linda Uhlmann	AER
Alison Foster	AGL	Liz Robertson	Origin Energy
Amin Gholami	CSR	Luke Stevens	AEMO
Andrew Zancanaro	Jemena	Martina McCowan	AEMC
Anna Kan	ESSO	Meredith Mayes	AEMC
Anne McTernan	Arrow Energy	Mitchell Stewart	Cooper Energy
Anthony Hill	ETSI	Myra Horomidis	AEMO
Arlyne Yuliana	AEMO	Natasha Solanki	Shell
Bayden McDonald	DEECA	Nicholas Pope	AEMO
Beck Mason	APA	Nicholas Zarifeh	Snowy Hydro
Ben Lewis	Westside Corporation	Nik Srbnovski	Woodside
Brad Gee	Jemena	Noah Tran	RM Hedge
Brendan Dillon	SGM Solutions	Patrick Lau	TPC
Chotima Micallef	Lochard Energy	Patrick Stock	VIVA Energy

Name	Organisation	Name	Organisation
Chris Warren	AEMO	Paul Bresloff-Barry	Gas Trading
Christian Dunk	AEMC	Paul Papaheorgiou	Woodside
Christina Sutherland	Santos	Paul Tarrant	SGM Trading
Christopher Imgraben	Senex Energy	Peter Wormald	Shell
Christopher McRae	Clean Co Queensland	Puneet Joshi	AEMO
Claudia Prider	Cooper Energy	Rachael Lim	AEMO
Clotilde Belanger	Origin Energy	Richard Lee	Senex Energy
Cody Huang	AEMO	Robbie Flood	AEMO
Collins Okwirry	AEMO	Robert Dickie	AEMO
Corneels de Waard	Clean Co Queensland	Robert Matton	AER
Courtney Czechowski	Origin Energy	Roy Oliver	ESSO
Craig Norton	RM Hedge	Rupert Cheung	Alinta Energy
Damien Kennedt	AGL	Ruslan Davletgareev	Woodside
Daniel Evans	Hansen	Ryan Kok	Woodside
Daniel Tucci	APA	Sam Picken	APA
Darryl White	AEMO	Saul Milner	SIMEC Energy
David Habib	Cooper Energy	Scott Jeffery	Energy Australia
David Rodwell	Macquarie	Scott Young	APA
David Younger	AEMO	Shounan Chen	Jemena
Devrim van Dijk	Woodside	Simon Lui	AEMO
Eleni Metallinos	DCCEEW	Stephen Del Monaco	ESSO
Espoire Matabishi	AEMO	Tamara Herbert	Santos
Eve Phyu	AEMO	Tao Liang Lee	Shell
Gaurav Arora	Beach Energy	Thao Le	RM Hedge
Harmony Davey	DCCEEW	Tim Benjamin	DEECA
Harrison Gibbs	AEMC	Tina Mao	Origin Energy
Helen Proosa	ESSO	Tony Bergmeier	Snowy Hydro
Hitesh Sampat	AEMO	Tony Tang	Shell
Hugh Ridgway	Alinta Energy	Troy Olcorn	Energy Australia
Jack Rowe	APA	Victoria Hillbrich	Beach Energy
James Golden	DEECA	Viren Pushpanayagam	Telstra
James Harding	Jemena	Winnie Cheung	Jemena
James Simpson	RM Hedge	Yingyi Wang	RM Hedge
James Thomson	Woodside	Zach McGlinn	AEMO
Jamie Coombs	SEAGAS		
Jeremy Llewellyn	AER		
Jess Fraser	Jemena		
Joanna Scott	Shell		
Julie Adams	ESSO		
Katharina Benzler	DEECA		
Kunal Shah	Energy One		
Leigh Clemow	EUAA		
Leo Xue	RM Hedge		
Levi Jackson	ESSO		

No apologies were received ahead of the meeting.