

Gas Advisory Board

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Agenda

Meeting No.	9
Location:	IMO Board Room
	Level 17, Governor Stirling Tower, 197 St Georges Terrace, Perth
Date:	Tuesday, 19 March 2013
Time:	1:00 PM to 3:00 PM

Item	Subject	Responsible	Time
1.	WELCOME	Chair	5 min
2.	MEETING APOLOGIES / ATTENDANCE	Chair	3 111111
3.	MINUTES OF PREVIOUS MEETING	Chair	5 min
4.	ACTIONS ARISING	Chair	3 111111
5.	GAS INFORMATION SERVICES PROJECT UPDATE	IMO	10 min
6.	GAS BULLETIN BOARD DEMONSTRATION	IMO	15 min
	No paper		10 111111
7.	EMF INFORMATION	IMO	30 min
8.	DRAFT GAS SERVICES INFORMATION PROCEDURES	IMO	30 min
	To be circulated prior to the meeting		
9.	GENERAL BUSINESS		
10.	NEXT MEETING: Tuesday, 16 April 2013		

Independent Market Operator

Gas Advisory Board

Minutes

Meeting No.	8
Location:	IMO Board Room
Date:	7 February 2013
Time:	1:00 PM – 2:30 PM

Attendees	Class	Comment
Allan Dawson	Chair	
Pete Ryan	Producer	
Stephen Livens	Pipeline	
Mark Cooper	Pipeline	
Mike Shaw	Major User	
Paul Hynch	Observer, (Public Utilities Office (PUO))	
Fiona Edmonds	Shipper	Proxy for Nenad Ninkov
Suzanne Frame	Independent Market Operator (IMO)	
Nerea Ugarte	Small End Users, PUO	
Apologies	Class	Comment
Nenad Ninkov	Shipper	Proxy sent
Gordon Rule	Major User	
Ben Coetzer	Producer	
Geoff Gaston	Shipper	
Also attended	From	Comment
Kate Ryan	IMO	Presenter
Natalia Kostecki	PUO	Observer
Aditi Varma	IMO	Observer
Jenny Laidlaw	IMO	Observer
Joachim Tan	IMO	Observer
Rebecca Denton	IMO	Minute-taker

Item	Subject	Action
1.	WELCOME	
	The Chair opened the meeting at 1:00 PM and welcomed members to the eighth Gas Advisory Board (GAB) meeting.	
2.	APOLOGIES	
	Geoff Gaston, Gordon Rule, Wana Yang and Ben Coetzer sent their apologies.	
	Fiona Edmonds attended the meeting as a proxy for Nenad Ninkov (Shipper).	
	The Chair introduced Nerea Ugarte, of the Public Utilities Office as the new GAB representative for Small End Users.	

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Item	Subject	Action
3	MINUTES OF PREVIOUS MEETINGS	
3	The Chair asked the GAB for any comments on the minutes from the previous meeting. Mr. Cooper clarified that his job title was General Manager – Commercial; not General Manager of Commercial Operations.	
	There were no other comments or disagreements raised and the minutes were accepted.	
	Action Item: IMO to update the minutes of GAB Meeting No. 7 to correct Mr. Cooper's position title.	IMO
4	ACTIONS ARISING	
	Ms. Ryan provided an update on the outstanding action points from the previous GAB meetings:	
	All of the actions items currently on the actions register have been completed and can be closed.	
	Action Item 3: A gap analysis was conducted by the IMO on the AEMO Bulletin Board and the proposed WA GBB, and this was circulated to GAB members on 10 January 2013.	
	Action Item 9: The life cycle costs of the GBB were evaluated and circulated to members on 10 January 2013.	
	Action Item 18: The IMO is currently investigating whether outage information for electricity generators could be used for the GBB. An update on this process was provided to GAB members on 10 January 2013.	
	Action Item 19: A Cost Benefit Analysis (CBA) was carried out on the GISP by the Sapere Research Group (Sapere) and this report was published on the IMO website in late December 2012.	
	Action Item 21: The IMO has consulted with APA on arrangements for the Mondarra Storage Facility with respect to nominated and forecast flow information.	
5	GAS INFORMATION SERVICES PROJECT – UPDATE	
	Ms. Ryan provided a brief update on the Gas Information Services Project (GISP):	
l	There has been a delay in the approval of the Gas Services Information (GSI) Regulations, which must be made before the GSI Rules can be approved. This resulted in the delayed of the the consultation on the second draft of the GSI Rules and design. The delay in the GSI Regulations has also impacted a number of the project timelines, the main change being the commencement of the GBB being moved from 1 July to 1 August 2013.	
	The GSI Regulations have been largely drafted, and the PUO has released, for public consultation, information on the provisions relating to protected information in the regulations. This consultation paper has been included in the GSI Rules consultation pack released by the IMO on 21 January 2013. After consultation on these provisions, it is planned that the Regulations will	

Item	Subject	Action
Item	be made by the end of April, subject to Ministerial approval. The second round of industry consultation on the draft GSI Rules and design is currently underway, with submissions due by close of business on 22 February 2013. This is the final round of consultation on the GSI Rules. A stakeholder workshop was held on 6 February 2013 to discuss the GSI Rules. GSI Procedures are currently being developed, and the Procedures dealing with rRegistration and GBB operations Procedures are to be released alongside a draft GAB Constitution for consultation around 11 March 2013. Sapere completed a CBA on the GBB and the GSOO, and this report was released to stakeholders. Sapere encountered difficulties quantifying the differences between the Emergency Management Facility (EMF) and the GBB. The report found that there was a net benefit of the GBB and GSOO, which was likely to be stronger if the EMF were excluded as only market benefits being taken into account, not the benefits of improved emergency management, and many of the costs of the GBB would be incurred for the EMF in any event. GBB system development is now underway, and a draft Participant Interface Specification document is due to be sent out within the week. The IMO is currently collecting the contact details of IT representatives from each of the stakeholders that will be obliged to provide data to the GBB, and is establishing an IT user group which will be provided with details on the	Action
	establishing an IT user group which will be provided with details on the technical requirements for GBB data provision. The Chair added that the interface was simple to use and it was optional if a participant wished to create an interface for the automatic provision of data. Ms. Ryan informed the GAB that the system would accommodate data exchange by CSV file format and HTTP or web interface. The drafting and development of the GSOO is underway, and the first GSOO is due in July 2013. This GSOO will be relatively simple as the IMO does not yet have all of the data needed. The IMO does not intend to consult further with industry on the first GSOO. The Chair requested that there be a demonstration of the GBB system in the	
	next GAB meeting. Action Item: IMO to demonstrate the GBB System to GAB at the next GAB meeting.	IMO
6	2013 GISP TIMELINES AND KEY DATES	
	Ms. Ryan outlined the timelines and key dates for the GIS Projects.	
	GSI Rules are to be completed in March and formally made by the end of April 2013. The GSI Procedures are due to be released for consultation in March and approved following the making of the GSI Rules.	
	For the GBB system, a draft Participant Interface Specification is to be sent to stakeholders shortly. For participants building an interface, the IMO expects that they will be able to test this with the GBB system from May, and the IMO anticipates running a trial of the system in June/July.	

Item	Subject	Action
	Initial registration and exemption applications for the GBB are due on 1 July 2013, with initial data submission due on 31 July for the start date of the GBB on 1 August 2013. Ms. Edmonds asked whether applications for exemption from registration and data provision could be submitted early. The Chair responded that the IMO would be happy to consider applications informally ahead of the formal obligations commencing and Ms. Ryan confirmed that this was possible, but noted the IMO could not formally approve or reject an exemption application until the GSI Rules have commenced.	
	Ms. Ryan informed the GAB that registration would involve paper-based applications, and the registration forms were currently being developed along with the Procedures and drafts would be distributed to stakeholders soon.	
	There are two GSOOs being published in 2013, the first in July, the second at the end of the year.	
	The current GAB will be wound up at the conclusion of the GISP, and a new GAB will be established under the GSI Rules. The Chair added that once the GBB and GSOO are established, the workload of the official GAB was not expected be onerous, and the meetings would likely be bi-monthly or quarterly.	
. 7	SECOND CONSULTATION DRAFT GAS SERVICES INFORMATION RULES	
	The GAB discussed the issues raised at the stakeholder workshop on the Second Consultation Draft of the GSI Rules held on 6 March 2013.	
	Ms. Ryan commented that many of the concerns of stakeholders had voiced about the GBB previously were not raised again. The majority of questions had been directed at Kieran Murray of Sapare on the CBA. The Chair noted that it had been suggested that a follow up study of the costs and benefits of the GBB and GSOO be undertaken, following a period of operation. The Chair considered that such a study would be useful. Mr. Cooper questioned whether any of the international studies used in the CBA had been followed up, and if these were applicable to Western Australia.	
	The Chair clarified that as stakeholders were not able to provide quantitative information on the benefits of the WA GBB and GSOO, international studies were used to benchmark the benefits, but had been discounted where appropriate. Sapere had looked for, but been unable to find, any follow-up studies of these previous CBAs.	
	Ms. Ryan commented that during the discussion on the GSI Rules there was particular interest in the definition of a Large User Facility, and which facility types would be exempt.	
	Ms. Ryan also noted that, in response to concerns raised by Shippers on the proposed fee methodology, the IMO had proposed an alternative approach and was requested participants to provide feedback.	
	Ms. Varma and Ms. Ryan noted that there had been questions related to the information requirements of the EMF, in particular whether dual fuel facilities would be reporting their diesel usage and stock. The Chair added that given the IMOs role in both the electricity and gas markets, they would have an	

Item	Subject	Action
	overview of certain information that the Coordinator of Energy may find useful in an emergency.	
	Mr. Shaw raised the issue that while the Coordinator may have access to certain information, it was not clear whether that information could be shared with the IMO.	
	Ms Ryan responded that the Coordinator will likely have access to other information in an emergency and will need to consider whether and how the information can be shared, which might be via the EMF, of other means. The Chair also noted that the EMF was likely to provide an efficient mechanism for sharing information.	
	Ms. Ryan reiterated a request made at the workshop that stakeholders consider whether the standing data [EMF Information] required for the EMF was capable of being determined and provide feedback to the IMO.	
	Mr. Ryan suggested that although many stakeholders no longer voiced concerns of the EMF, that he had received feedback that stakeholders were concerned the EMF had not been fully defined – that the type of information and the granularity of this information had not been clearly laid out yet.	
	Ms. Kostecki replied that the GBB and EMF need to be considered as a whole and noted there is currently no central repository for gas market information. Ms. Kostecki explained that the GBB provided much of the information required for an emergency and noted that the EMF would be a tool used by the Coordinator of Energy to efficiently collect and share information required for a particular emergency that would previously have been collected informally. Ms. Kostecki further noted obligations to provide information are best [reasonable] endeavours obligations.	
	The Chair noted that the EMF would likely evolve over time, as reviews are undertaken following any activation.	
	Ms. Kostecki noted that the existing requirements were informed by the Gas Emergency Planning Committee. The system would also be subject to testing periodically, which may identify improvements.	
	Ms. Edmonds asked the PUO whether amendments were going to be made to the <i>Westplan – Gas Supply Disruption</i> to reflect the EMF. Ms. Kostecki replied that amendments were proposed and that the PUO was working on a communication protocol to link the <i>Westplan</i> and the EMF, but at this stage she could not comment on the timing and process for developing these and testing the system.	
	Mr. Cooper noted that in some cases systematising information provision may not be sufficiently flexible, and noted that, in any event, analysis and judgement will always be required.	
	Mr. Ryan questioned whether the PUO was keeping up with the IMO in terms of development of the Rules and Regulations. Ms. Kostecki replied that the PUO was working closely with the IMO to make sure that the GSI Rules and Regulations were developed to work effectively together.	
	Mr. Ryan questioned how stakeholders could best assist the PUO.	

Item	Subject	Action
	Ms. Kostecki suggested that feedback from industry stakeholders on the protected provisions in the Regulations and the data requirements of the GBB and the EMF would be of great use to the development of a useful system.	
	Ms. Laidlaw noted that there was some discussion at the stakeholder workshop in relation to the EMF Information, such as minimum linepack.	
	GAB members discussed what minimum linepack actually meant and the Chair concluded that feedback from stakeholders would be appreciated on whether the definitions in the Rules make sense and provide the useful information intended.	
	Mr. Shaw noted the need to bear in mind that the information being provided needs to be useful to those who need it, and does not end up causing confusion.	
	Mr. Cooper noted that there are some challenges in providing feedback on draft Rules – technical officers struggle with the legal detail and lawyers are likely to take the view a risk averse approach bearing in mind the civil penalty regime. The Chair added that the intention was not to be adversarial, but that if industry stakeholders engaged with the IMO in developing rules and requirements which were relevant and practical to implement, then they would minimise compliance issues in the future.	
	Mr. Livens expressed concerns that IT issues could cause compliance breaches. The Chair noted these concerns.	
	Mr. Ryan queried whether a working group should be established or the officers responsible for the <i>Westplan</i> be invited to the next GAB meeting to consider the proposed EMF information. Mr. Ryan stated that at this stage it was not clear what the difference between the GBB and EMF is and what the requirements are.	
	Mr. Cooper reiterated concerns over the definitions of certain data, which could change on a daily basis due to changing conditions and cannot be warranted as being accurate.	
	Mr. Livens raised the issue of the data published on the GBB being used to make commercial decisions, noting that users of the AEMO bulletin board were required to accept terms and conditions before entering the site. Ms. Ryan replied that users of the GBB would be required to accept terms and conditions of the site, which will indicate that the information published is indicative only and that any party that relies on it does so at its own risk.	
	Action Item: The IMO will invite PUO officers that are responsible for the Westplan – Gas Supply Disruption to the next GAB meeting to discuss the EMF.	IMO
8	GENERAL BUSINESS	
	The following two items of general business were raised:	
	Mr. Shaw questioned whether there were persons on the Electricity Review Board with gas experience. The Chair replied that there were	

Item	Subject	Action
	experts in a range of industries, and despite the name of the board, it would be dealing with both electricity and gas issues and had expertise to do so. In order to change the name of the board, a change in the legislation would be required.	
	2) The Chair informed the GAB that the IMO has been trying to source a fourth IMO Board member with gas experience. A person has been identified and the IMO is awaiting approval of the appointment. In the meantime, the preferred candidate has been engaged on contract to assist the Board as it considers the GSI Rules.	
	The GAB also continued to share experiences from previous gas supply emergencies and discuss some of the difficulties in translating information into 'rules' language.	
9	NEXT MEETING	
	Tuesday, 19 March 2013.	
CLOSE	OSED	

The Chair declared the meeting closed at 2:30 PM.

Gas Advisory Board Meeting No 9. 19 March 2013





Gas Advisory Board (GAB) - Action Points

Legend:

Unshaded	Unshaded action points are still being progressed.
Shaded	Shaded action points are actions that have been completed
Missing	Action items missing from sequence have been completed from previous meeting and subsequently removed from the log.

#	Year	Action	Responsibility	Meeting arising	Status / progress
22	2013	IMO to update the minutes of GAB Meeting No. 7 to correct Mr. Cooper's position title.	IMO	February	Completed. Minutes now published on the IMO website.
23	2013	IMO to demonstrate the GBB at the next GAB meeting.	IMO	February	To be completed at Meeting No. 9 – refer to Agenda Item 6.
24	2013	The IMO to invite officers of the Public Utilities Office responsible for the Westplan – Gas Supply Disruption to the next GAB meeting.	-	February	Completed.



Agenda Item 5: GISP Update

1. GAS SERVICES INFORMATION REGULATIONS

Consultation has now closed on the regulations relating to Protected Information and the Public Utilities Office is preparing a final draft of the Gas Services Information (GSI) Amendment Regulations 2013 for approval.

Subject to the timing of approvals, it is anticipated that the GSI Amendment Regulations will be made in the second half of April 2013.

2. GSI RULES

Consultation has also closed on the Second Consultation Draft of the GSI Rules and the IMO is preparing a final draft GSI Rules for consideration by the IMO Board and Minister for Energy in March 2013.

The IMO will publish the final draft GSI Rules that are submitted to the Minister for approval, along with a revised Design Summary and response to the issues raised in submissions, by the end of March 2013.

Similar to the GSI Regulations, subject to the approvals process, it is anticipated that the GSI Rules will be made in late April 2013.

3. GSI PROCEDURES AND GAB CONSTITUTION

Drafts of the following documents will be released for consultation in the week commencing 11 March 2013:

- GSI Procedure: Registration, De-registration and Registration Exemption;
- GSI Procedure: Gas Bulletin Board Operation; and
- GAB Constitution.

The following table summarises the expected timing of the key stages in the development of these documents:

Stage	Expected timing
GSI Procedures & GAB Constitution released for consultation	By 15 March 2013
Stakeholder workshop	4 April 2013
Submissions due	22 April 2013
Final GAB Constitution published	29 April 2013
Final GSI Procedures published	By end May 2013

As noted previously, the IMO will also be developing a further GSI Procedure – a Monitoring Protocol. This will be developed through a separate, consultative process.



4. GAS STATEMENT OF OPPORTUNITIES

The development of demand and supply forecasts for the first GSOO are now underway, with the GSOO on track for publication in July 2013.

5. GBB SYSTEM

Development of the GBB system continues to progress well, with the following functionality now substantially complete:

- Registration and standing data;
- Provision of information to the GBB; and
- GBB reports and map.

Development is continuing in the following areas:

- The Emergency Management Facility;
- Information provision for GSI Fee calculations; and
- Tools to support IMO operational responsibilities.

Further documentation to assist participants in both the submission of data to the GBB and retrieval of information published on the GBB is also under development and is expected to be released in draft form over the coming month or so.

6. **RECOMMENDATIONS**

It is recommended that the GAB:

a) Note the update on the GISP.



Agenda Item 7: Emergency Management Facility (EMF) Information

1. ISSUE

At the previous GAB meeting an issue was raised regarding whether the information that will be available to assist in the management of an emergency will be sufficient.

The purpose of this Agenda Item is to provide GAB members with an opportunity to consider the information that will be available, both via the GBB and the EMF, and discuss whether any further specific information is likely to be required.

The GSI Rules already provide a broad power for the IMO, on the direction of the Hazard Management Agency, to request any relevant information from any Gas Market Participant. However, if there is specific information with is likely to be required, templates and other guidance may be able to be prepared to facilitate the provision of this information in the event the EMF is activated.

2. EMF INFORMATION SUMMARY

The following table summarises the information available when the EMF is activated.

Information ¹	Summary	GBB (public)	EMF (restricted)
Network Representation Information	 Information identifying all: GBB Pipelines and the Zone(s) they are located in; All delivery and Receipt Points on GBB Pipelines, including Gate Stations, and the Zones they are located in; and GBB Production, Storage and Large User Facilities, including the Zone they are in/connected to and the point(s) at which they connect to GBB Pipelines. 	√	
Contact Information	Contact information (including a primary contact person) for all Registered Participants.	✓	
Facility Standing Data (GBB)	List of all GBB Facilities ² and their nameplate capacities.	√	



Information ¹	Summary	GBB (public)	EMF (restricted)
Facility Standing Data (EMF)	 The following information: Upper and lower operational limits of GBB Pipelines, Storage Facilities and Production Facilities (e.g. minimum linepack requirements); The capability of Large User Facilities to operate on an alternative fuel, and if so, what alternative fuel; Delivery points that serve distribution systems (broadly defined)³; and Large ser facilities that supply electricity to residential customers³. 		✓
Capacity Outlook	Seven day forecast of the capacity of each GBB Pipeline, Storage Facility and Production Facility.	√	
Capacity Adequacy Flag	 Three day forecast of the adequacy of the capacity of each GBB Pipeline and Storage Facility: For GBB Pipelines, whether they can supply all firm and/or interruptible deliveries on the gas day; and For storage facilities, the number of days it can produce gas at its nameplate capacity for injection into one or more GBB Pipeline (allowing for forecast refilling). 	√	
Medium Term Capacity Outlook	12 month forecast of any changes to capacity of each GBB Pipeline, Storage Facility and Production Facility as a result of planned maintenance or other planned works.	✓	
Nominated and Forecast Flows	Seven day forecast of gas flows in and out of:	√	



Information ¹	Summary	GBB (public)	EMF (restricted)
Daily Actual Flows ⁴	 Daily Actual Flows (published around 2 days after the relevant Gas Day) including: aggregate flows into, and out of, each Zone (including total demand in the Zone); and flows in/out of each GBB Storage Facility and flows out of each GBB Production Facility. 	√	
Daily Actual Consumption Information ⁴	 Information published around 2 days after the Gas Day: The daily actual consumption information of each GBB Large User Facility, aggregated for the GBB as a whole in each of the following consumption categories: mining (including electricity generation for mining); other electricity generation; minerals processing; manufacturing processes (including industrial use of gas as a raw material); and other, The daily actual consumption (excluding Large User Facilities), aggregated by Zone, of: distribution-connected consumption; and other consumption. Information published around 1 week after the relevant Gas Day: The daily actual consumption of each GBB Large User Facility; and The daily actual consumption of each GBB Large User Facility, aggregated by Zone and consumption category. 	√	



Information ¹	Summary	GBB (public)	EMF (restricted)
Twice daily actual flows	 The actual flows: recoded in the previous Gas Day, published very shortly after the end of the Gas Day; and recorded in the first 12 hours of the current Gas Day, published during the Gas Day. 		✓
Dual fuel stocks	From each Large User Facility that is capable of operating on an alternative fuel, the stock of alternative fuel available, time required to transition to using this fuel and period the Facility can operate using this alternative fuel (likely to be updated periodically during an emergency).		√
Ad hoc EMF Information	Any other information required to be provided by any Gas Market Participant ⁵ (as directed by the Coordinator of Energy), which may include any relevant information such as: • the amount of gas held in a storage facility; • more detailed maintenance or works information; • information about the production of alternative fuels by users of gas; and • information about the interruptability of deliveries.		✓

Notes:

- 1. The above table excludes:
 - a. information collected in relation the Gas Quality Specification and Gate Stations, which are not considered directly relevant to emergency management; and
 - b. any transitional arrangements.
- 2. GBB Facilities are those that must be registered for the GBB which, in summary, include all transmission pipelines, storage facilities and production facilities with a nameplate capacity of 10TJ/day or more. It also includes facilities of large users that are



capable of being delivered 10TJ/day or more, but excludes those that can demonstrate they have not, and will not, consume at that level.

- 3. Not expressly contained in the second consultation draft of the GSI Rules.
- 4. Given the lags in publication, this information will be of limited use in an emergency (primary use for emergencies will be trend analysis).
- 5. This can include gas market participants that are not required to be registered for the GBB (i.e. operators of facilities that fall below the 10TJ/day threshold).

3. RECOMMENDATION

It is recommended that the GAB:

a) Consider whether there is a need to more specifically define the 'ad hoc' information that will be available in the management of an emergency.