Gas Wholesale Consultative Forum

20 June 2019

Agenda

1. Welcome and attendance/apologies
2. Previous meeting minutes and actions
3. AEMC standing agenda item
   - DWGM rule changes
4. AER standing agenda item
   - Day-Ahead Auction
   - Off-market capacity trades
5. Bulletin Board updates
6. Gas Day Harmonisation update
7. DWGM Operations update
   - Recent market interventions
8. Pipeline Capacity Trading / Day-Ahead Auction updates
9. Operational Transport Service Code Panel consultation outline
10. Other Business

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Previous meeting minutes and actions

Roger Shaw (AEMO)

AEMC standing agenda item

AER standing agenda item

Gas Bulletin Board updates

Robbie Flood (AEMO)

Gas Bulletin Board updates

1. Recap
2. Background to requirements
3. Defects
4. Logic changes
5. Minor enhancements
6. Documentation impacted
7. Next Steps

Recap

LOCATION	SUPPLY (TJ)	DEMAND (TJ)	NET (TJ)
QLD	4,052	3,983	68
NSW	0	461	-461
SA	221	294	-72
VIC	1,536	1,102	434
TAS	0	23	-23
NT	152	70	81
TOTAL	5,960	4,851	1,109

Supply – this is the total production and storage that has been receipted into the various states, with the exception of Victoria where the data relates only to the Victorian Transmission System.

Demand – this is the total demand in each state with the exception of Victoria which is based on the Victorian Transmission System. Victorian Transmission System nominations are at the controllable points only and a calculation has been performed to present the uncontrollable data. Some GPG nomination data may be excluded from the demand in each state due to the aggregation methodology.

- New BB went live on 30 September 2018
- Around 30 new facilities registered as a result of the
  - Facility threshold reduced to 10 TJ/d
  - Northern Territory and indirectly connected facilities included in definition of BB facility
- Pipeline data now reported at a connection point level (~600 points per day)
- There have been a number of performance issues, defects and logic deficiencies.

https://www.aemo.com.au/Gas/Gas-Bulletin-Board

Requirements background

- Requirements have been gathered based on feedback from DoEE, AER, participants, Support Hub queries, internal AEMO users and queries from BB users.
- Priority is on
  1. Defects
  2. Logic changes
  3. Minor enhancements to the user experience
  4. Minor changes to the map interface
- A number of other requests have been made including updates to the map functionality and the inclusion of all pipelines. This is not in scope for the current round of changes.

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Defects

1. Performance of BB reports – specifically Pipeline Connection Flow report
   a) Performance of downloads
   b) Date range flexibility and the date picker
2. Exemptions
3. Gate Station owner
4. Daylight saving display for MTCO
5. Effective dates logic
6. Connection points with zero flows do not display the CP name
7. Cut-off time for submitting updated nominations to be as per the gas day
8. Removal of low and high range fields, updates to validation for submissions
9. Legacy locations to be removed
10. Removal of the completeness field
11. LastUpdated field returns 1/1/1 as the date
12. Markets portal incorrectly displays the date
13. MSP Capacity incorrectly displayed
14. RBP flow to be based on Brisbane
15. CGP flow to be CGP side of Ballera
16. CGP capacity to be based on flow direction

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Logic changes

1. Aggregation
   a) Priority of connection points
   b) Complexity of some production facilities
   c) Complexity of some gate stations
   d) Complexity of some facility connections
2. Pipeline connection flow report should be only pipelines
3. Standing data model updates
   a) All nodes should have a priority on one facility
   b) All nodes should have two facilities connected to it
   c) All facilities should have at least one connection point
   d) All nodes must have a location assigned to them
   e) All nodes should consist of 2 or 4 connections points (limited exceptions to this)

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Minor enhancements

1. Date range flexibility for nominations, STCO, LCA, MTCO, Nameplate (CP and Facility) and uncontracted capacity
   a) Limited ability to interrogate data
   b) Functionality to be able to see a date range or all submissions for a date
2. Compliance reports to be made available
   a) Missing data submissions
   b) Late data submissions
   c) Nil Quality
3. Design layout of the report interface to be improved to allow better use of the “real estate”
4. Combined capacity report to be made available (including nameplate, STCO and MTCO)
5. Pipeline connection flow report and nodes and connection point report
   1. Include the ordering on the pipeline
   2. Include the type of connection point
6. Shipper List submission to be automated
7. Market notices for registration changes to be automated
8. NGP arrow to be added to the map
9. BB to be responsive for non-PC devices e.g. mobile and tablet
10. Minor updates to the tables and labels on the map

Documentation impacted

1. Aggregation methodology – minor clarifications required
2. BB submissions procedure and BB submission guide – consultation required
   a) Consolidated into single document
   b) Gate Station owner as optional field
   c) Update to validations
   d) Nominations submissions to be clarified
   e) Shipper lists to be included
3. BB reports guide
   a) New compliance reports
   b) Facility report – remove high and low range
   c) Remove completeness field
   d) Updates to MTCO, LCA, STCO, Nominations and forecasts and uncontracted capacity (enhanced date selection)
   e) New Combined capacity report
   f) Update to pipeline connection flow report – include the order and the data type
   g) Market notices

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Next Steps

1. Resource Estimates have been established.
2. The biggest challenge will be bringing in resources as core development people are assigned to other projects
3. When confirmed, consultation will begin on BB Submission Procedure, followed by defect fixes and then enhancements

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Gas Day Harmonisation update

Roger Shaw (AEMO)

DWGM Operations update

Luke Garland (AEMO)

Robbie Flood (AEMO)

DWGM Operations update

1. Intervention Reports
2. 27 May 2019
3. 29 May 2019
4. Next Steps

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Intervention Reports – NGR 351

Within 10 business days after one or more of the following events:

- An intervention by AEMO;
- An event which, in AEMO's reasonable opinion, is or may be a threat to system security
- An emergency

AEMO must investigate the circumstances of that event and prepare a report to assess:

- Adequacy of the Rules relevant to the event or events;
- Appropriateness of actions take by AEMO in relation to the event or events; and
- The costs incurred by AEMO and Registered participants as a consequence of responding to the events or events.

Reports are published on AEMO's website

http://www.aemo.com.au/Gas/Declared-Wholesale-Gas-Market-DWGM/Market-notices

27 May 2019 - overview

- AEMO issued a notice of a threat to system security in the Victorian Declared Wholesale Gas Market (DWGM) for gas day 27 May 2019
- Cold temperatures resulted in a high DWGM demand of 1,025 TJ
- Longford's scheduled injections accounted for around 70% of this demand
- Just after 15.00 hrs Longford's injections significantly decreased
- AEMO was unable to obtain clear information from Longford
- Modelling indicated that forecast pressures at Dandenong City Gate (DCG) Inlet would be below operating limits by 20.00 hrs
- As a result, AEMO issued a notice of threat to system security and subsequently injected 20 TJ of LNG in the 6.00 pm to 10.00 pm scheduling interval
- The market impact resulting from this event was in the form of additional ancillary payments, and corresponding uplift payments, of $45,637

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Longford flow

Limited clarification provided from Longford, noting there were large deviations from what had been scheduled.

Assessment – NGR 219 and 277

A requirement of NGR 277 is that the owner or operator of facility that is connected to the DTS must comply with any applicable operating agreement entered under the National Gas Law (NGL 91BG).

NGR 219 also requires Producers to promptly notify AEMO if, for any reason, there is a material change to the quantity of gas that it intends to inject into the DTS.

AEMO's assessment is that the Rules are adequate for 27 May 2019, however AEMO considers that Longford's adherence to them was lacking.

- AEMO received no advice on the changes to the delivery profile at Longford. AEMO contacted Longford at 15.07 hrs requesting clarification regarding the decreased flow rates from Longford.
- Longford had requested a Supply Demand Point Constraint (SDPC) of 700 TJ at 17.31 hrs, however this was 2 hours after the initial reduction in flow injections.
- AEMO did not receive advice that the Longford compressor on the EGP had tripped. This information was obtained from Jemena at 18.44 hrs after AEMO contacted Jemena with regards to low odorant readings at VicHub and TasHub. AEMO considers this to be a material change in delivery profile.

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Assessment – NGR 341

NGR 341 requires that if AEMO believes there is a potential threat to system security, it must notify Registered participants, without delay, the details of that threat to system security.

In this event, the issue was the potential pressure breach at DCG Inlet. This could be resolved by scheduling out-of-merit-order (injection bids above the market price) gas from Dandenong LNG.

AEMO notes that it may be within the current Rules for AEMO to constrain on gas that has already been bid in without needing to notify the market of a threat to system security. However, this would need to consider existing constraints and system security.

AEMO finds that the NGR provisions are adequate, however, AEMO considers that further review and consultation should be undertaken with regards to:

- Whether AEMO must issue a threat to system security to call for a market response
- The need to issue a threat to system security to constrain on gas that has already been bid into the market

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29 May 2019 - overview

- AEMO issued a notice of a threat to system security in the Victorian Declared Wholesale Gas Market (DWGM) for gas day 29 May 2019
- Cold temperatures had been forecast for Victoria on 29 May 2019, with a maximum of 11°C in Melbourne and 7°C in Ballarat. Total demand for the day was 1,095 TJ
- Between 13.30 hrs and 15.30 hrs a strong band of rain and hail passed over greater Melbourne resulting in a temperature drop of ~3°C. This temperature change had not been forecast
- As a result, the demand increased earlier than anticipated and forecast system pressures indicated that a breach of DCG Inlet system would occur
- As a result, AEMO issued a notice of threat to system security and subsequently injected 12 TJ of LNG in the 6.00 pm to 10.00 pm scheduling interval
- The market impact resulting from this event was in the form of additional ancillary payments, and corresponding uplift payments, of $33,267

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Forecast and actual temperature

Forecast temperatures did not anticipate the large reduction

Forecast and actual demand

Both Market Participant and AEMO's forecasts, showed that between 14.00 hrs and 18.00 hrs system demand exceeded forecast demand

Assessment – NGR 341 (repeat)

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AEMO finds that the NGR provisions are adequate, however, AEMO considers that further review and consultation should be undertaken with regards to:

- Whether AEMO must issue a threat to system security to call for a market response
- The need to issue a threat to system security to constrain on gas that has already been bid into the market

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Next steps

- Detailed report to be provided to the AER regarding 27 May event
- Further review and consultation should be undertaken with regards to:
  - Whether AEMO must issue a threat to system security to call for a market response
  - The need to issue a threat to system security to constrain on gas that has already been bid into the market

  This further work to be incorporated in other upcoming reviews.

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Pipeline Capacity Trading / Day-Ahead Auction updates

Trent Morrow (AEMO)

Operational Transport Service Code Panel consultation outline

Jordan Daly (AEMO)

Other business

Next meeting

19 September 2019