Five-year review of the WA GSOO

Presented to WA Gas Consultative Forum

By Christopher Meredith, Analyst

16 February 2023

Agenda

1. Context
2. Outcomes of previous 5-year review
3. Stakeholder survey
4. Timeline

Context

- The WA GSOO must be reviewed at least once every five years under Clause 105 of the Gas Services Information Rules.
- The first review was completed in 2018.
- This second review will cover GSOOs published between 2018 and 2022.
- Purpose:
  - Guide the content of the WA GSOO for the next five years (2023 to 2027).
  - Seek feedback from gas market participants.

GSI Rule requirements

105 Consultation on GSOO information

(1) AEMO must, at least once in every five year period, conduct a review of the GSOO information.

(2) The review must be carried out in consultation with Gas Market Participants and gas industry groups.

(3) The review of the GSOO information may consider any of the following:

(a) the regions (if any) to be specifically considered in a GSOO;

(b) assumptions upon which a GSOO is developed;

(c) scenarios to be considered by a GSOO;

Outcomes from the 2018 five-year review

- Gas demand forecasts are more realistic than supply or price forecasts.
  - Demand should be disaggregated into both category of user and geographies
- The modelling assumptions for gas supply and price forecasts need review.
  - Supply and pricing methodology was not clear
  - The GAB members supported the discontinuation of domestic gas price forecasts
  - Potential gas supply needed to take domestic gas agreements into account
  - Make more use of GBB data
- Further granularity in the analysis is desirable, including identification of sensitivities.
  - Inclusion of low and high scenarios
- Peak gas demand forecasts need review
  - Discontinue the peak gas day forecast

Stakeholder survey

- AEMO will issue a web-based survey via email. It is designed to:
  - Be quick and easy to complete.
  - Provide quantitative and qualitative data.
- Questions to address:
  - Content preferences.
  - Effectiveness of stakeholder engagement for GSOO development.
  - Rating of benefits of the GSOO for stakeholder organisations.
  - Open-ended responses allowed to address other issues.
- Other engagement welcome but must be completed in April 2023.
- Participation is voluntary.
- We will endeavour to incorporate as many of the recommendations as possible into the 2023 WA GSOO, but time constraints may mean that some are not enacted until the 2024 WA GSOO.

Timeline

- WA GCF 16 February 2023
  - Introduce the five-year review of the WA GSOO
- By end of February 2023
  - AEMO to email market participants and industry groups (using the GCF contact list) with link to survey and request to complete
- 17 March 2023
  - Close of survey submissions period
- WA GCF May 2023
  - Presentation of review results
- June 2023
  - Final review report completed and published

Questions ad Feedback

wa.capacity@aemo.com.au