

# GWCF March 2024 Meeting Notes

<b>Meeting:</b>	<b>GWCF Meeting #42</b>
<b>Date:</b>	Thursday, 21 March 2024
<b>Time:</b>	10:30am-12:30pm (AEDT)
<b>Location:</b>	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. Libby Chen (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 on Gas Transparency Measures – Tom Baker, AER

Tom Baker (AER) spoke to the following:

- The AER's gas surveillance oversight in relation to reporting under the Gas Transparency Measures, with a focus on
  - short term transaction reporting
  - reserves and resources reporting
  - facility developer reporting.
- Observations on compliance with the above reporting obligations
- Publication of special report on short term transaction reporting.

Questions were received as follows:

- Jennifer Brownie (QEUN) asked how much the non-reporting affected quantity forecasts or whether the special report will cover this.
  - Tom Baker (AER) answered that for price assumptions, approximately 95% has been reported so it could have an impact but would be relatively small.
- Chris Murphy (Telstra) asked if the AER were mainly missing price assumptions data and only for 5% of the market and are confident that the right quantity forecast has been received.
  - Jeremy Llewellyn (AER) answered that volume data is reported to AEMO and the price data is reported to the AER and noted that there was still more to do to sort out the volume data.

- David Younger (AEMO) noted that AEMO are currently looking at the latest round of submissions to get a full picture of the completeness of the volume data and will be working with the AER around any missing data.
- Katharina Benzler (DEECA) asked whether the reserves data being provided to AEMO impact on the volumes that are going into the forecasts.
- David Younger (AEMO) answered that it continues to be a period of transition and part of that is gaining confidence in the data that AEMO receives.

### 3 AEMC update – Harrison Gibbs, AEMC

Harrison Gibbs (AEMC) spoke to the following:

- The AEMC's final determination on gas compensation and dispute resolution frameworks
  - Final determination and rule published on 7 March 2024 which establishes a new framework for the assessment of compensation claims, separate to the dispute resolution arrangements.
  - The final determination makes the following changes:
    - Limits costs that are eligible for compensation to direct costs
    - Insert principles into the National Gas Rules to guide AEMO's cost recovery methodology for compensation claims under Part 27.
    - Inserts a new rule to support appropriate behaviour in response to an AEMO direction.
    - Increase the minimum threshold for Part 27 claims to \$50,000 and not allow for different entities to join claims.
  - Includes consequential changes to the DWGM and STTM rules however does not change the existing dispute resolution provisions.
  - New compensation framework will come into effect on 31 July 2024.

Questions were received as follows:

- Chris Murphy (Telstra) clarified whether joint claims referred to not being able to aggregate claims to reach the \$50,000 threshold or people not being able to join claims.

[The AEMC's final determination does not support allowing different entities to join claims to meet the minimum threshold to claim.](#)

- Melissa Perrow (Brickworks) asked whether there will be a review of the AEMO procedures now that the first east coast gas direction has been issued and that there may be some potential unintended consequences that would warrant a review – specifically if large gas users are directed off and could be expected to pay direction costs under certain events.
- Chris Murphy (Telstra) highlighted support for Melissa's point and noted that the post intervention reports should cover how well the AEMO procedures delivered what was expected to be delivered, which could help feed into future procedures consultations.

AEMO notes that this is the first time that we have exercised our east coast gas system direction power so there will be lessons learned from this experience. AEMO will be publishing a post intervention report in accordance with rule 698 of the NGR which will provide more information around the direction as well as some of the lessons learned.

Harrison Gibbs (AEMC) spoke to the following:

- The review into the arrangements for failed retailers' electricity and gas contracts
  - The AEMC are expecting to publish the draft report for this review early next year.
  - The review focuses on whether changes are needed to the regulatory frameworks to minimise the risks and costs associated with retailer failures
  - A directions paper published in May this year outlined the potential changes to clarify the circumstances under which a direction can be issued, extend the length of time a direction can apply for, broaden the scope of contracts that can be directed and improve the negotiation process between directed parties.
- Chris Murphy (Telstra) noted that the concept of transferring the benefits of the contract makes sense and asked how the burdens of the transfer will be dealt with and whether separating the benefits from the burdens would be an AER responsibility.
  - Harrison Gibbs (AEMC) answered that enforcement is an AER job and noted that the requirement is for the benefits of the contract to be made available to the designated RoLR and the benefit would have to be passed down to the consumers.

## 4 Consultation and Implementation Update – Luke Stevens, AEMO

Luke Stevens (AEMO) provided a summary of relevant gas consultations including the east coast gas reforms, the National Energy Laws Amendment (Other Gases) Bill 2022, the Hydrogen rule change and DWGM Distribution connected facilities, the Hydrogen rule change for STTM, Retail Market Procedures (NSW/ACT, QLD, SA), GBB, GSOO, and the AEMO Procedure consultation to account for the new compensation and dispute resolution framework.

Libby Chen (AEMO) provided an update on the GSOO Procedure amendments consultation for the hydrogen and other gases rule change.

Luke Stevens (AEMO) provided an overview of the expected dates for consultation on the DWGM, STTM and East Coast Gas System Procedures to reflect the AEMC's final determination on the compensation and dispute resolution framework.

No questions were received for this item.

## 5 Other Business

### 5a. 2024 GSOO webinar

Libby Chen (AEMO) noted that the 2024 Gas Statement of Opportunities (GSOO) and the Victorian Gas Planning Report (VGPR) had been released that day and that there would be a GSOO webinar.

A question was received as follows:

- Jennifer Brownie (QUEN) asked whether the GSOO will segregate gas powered generation into natural gas or hydrogen ready GPG given it may have implications for pipelines supplying the GPG.

AEMO notes the following:

- Where hydrogen is injected directly into the natural gas network, it must be blended in small quantities such that the gas quality specification is maintained. As such, no separation of GPG use by hydrogen vs natural gas is required, rather it is critical that the GPG unit can use the gas blend.
- In future, a dedicated hydrogen supply to GPG may be built. This would be treated separately to the natural gas supply as it would have to be delivered independently.

#### 5b. Gas Market Parameter Review – multi-market cap trigger

Libby Chen (AEMO) spoke to the following:

- A lack of overwhelming support for the multi-market cap trigger as well as the potential for Stage 2 Reliability and Supply Adequacy reforms (including a forward looking gas PASA) to address the market inefficiencies identified in winter 2022.
- Potential to consider this issue again at the next gas market parameter review which will be triggered by the AEMC's reliability panel review expected in April 2026.

No questions were received for this item.

#### 5c. DWGM – April 2024 amendment to User Guide to MIBB Reports

Luke Stevens (AEMO) noted that participant feedback from the December GWCF was that the data in INT126 was not used by any participants in their demand forecasts. An update on the consultation was provided.

#### 5d. DWGM – Distribution UAFG benchmark changes

Luke Stevens (AEMO) noted that the ESC changed the benchmark period from a calendar year basis to a financial year basis however AEMO considers that the existing Distribution UAFG Procedures are fit for purpose and do not require a change. Participants will first see the impact of this change in June 2024.

#### 5e. DWGM – MCE replacement

David Younger (AEMO) noted that AEMO will be hosting a meeting to discuss the DWGM Market Clearing Engine refresh with DWGM participants, likely before the next GWCF meeting.

Questions were received as follows:

- Chris Murphy (Telstra) noted that there has been significant work across the whole industry on rebuilding the foundations for the AEMO systems and processes and asked whether this work will be informed by that.
  - David Younger (AEMO) noted that this would be a separate piece of work and has been on AEMO's radar for a number of years.
- Hugh Ridgway (Alinta Energy) asked if AEMO expects there to be any changes to the scheduling outcomes and whether there will be any improvements in the way it handles the operating schedule and assesses constraints.
  - David Younger (AEMO) answered that for 99% of cases, there will be no change to scheduling outcomes. David noted there is one functional change that AEMO is making by adding a special version of the existing Net Flow Transportation Constraint. This will be discussed in the meeting.

#### 5f. STTM – Planned database migration

David Younger (AEMO) spoke to the following:

- AEMO will be moving STTM systems to new servers to improve reliability and reduce support costs.
- AEMO is undertaking testing to minimise risks with this IT change and will be running production servers in parallel for a month prior to cut-over for a seamless transition.
- Internal UAT will conclude in March and pre-production testing will run for 2 weeks. Parallel production environment operation will occur from start of April, through to cut-over which is expected to occur in mid-May.
- There will be no change to system functionality for market participants and there is no need to make any updates to systems.

A question was received as follows:

- Sean Jennings (Red and Lumo Energy) asked if the market clearing engine and STTM IT system refresh changes were considered in the current budget.
- David Younger (AEMO) noted that that was correct.

#### 5g. Submitting tickets to AEMO Support Hub

David Younger (AEMO) spoke to the following:

- The importance of effective communication with AEMO;
- How to contact AEMO Support Hub;
- Information that should be included in an enquiry for Support Hub; and
- The prioritisation of communicating to Support Hub – calling Support Hub first before sending an email if the issue is urgent.

Robbie Flood (AEMO) noted that if a market participant has an issue that had to be dealt with on the weekend, a call to Support Hub would be absolutely necessary given an email may not be picked up until the next business day.

A question was received as follows:

- Jamie Coombs (SEAGas) asked whether AEMO has a preference around submitting enquiries or issues via email, via the Support Hub form, or a phone call.

[AEMO's preference would be for market participants to submit enquiries or issues via the Support Hub form and to follow up with a call if the issue is urgent.](#)

#### 5h. Other items (ALL)

The GWCF accepted the December 2023 meeting notes. No actions were received prior to Meeting 42. Luke Stevens (AEMO) noted the next GWCF meeting dates.

#### Summary of action items (Luke Stevens (AEMO))

Luke Stevens (AEMO) noted the following action/questions which are included in the summary table below. There are no other open action items for the GWCF.

**Table 1 Action items for AEMO:**

Item	Topic	Action required	Responsible	By
42.5a	GSOO gas powered generation	Luke Stevens (AEMO) to follow up with GSOO team on whether the GSOO will segregate gas powered generation in natural gas or hydrogen ready GPG.	Luke Stevens (AEMO)	Addressed in Secretariat Notes above in section 5a.
42.5g	AEMO's Support Hub	Luke Stevens (AEMO) to follow up question on priority order of communicating issues to AEMO.	Luke Stevens (AEMO)	Addressed in Secretariat Notes above in section 5g.

There are currently no action items for participants.

## 6 Attendees:

Name	Organisation	Name	Organisation
Adam Watson	AEMO	Lina Choi	Cleanco
Allan McDougall	Gas Trading Australia	Lincon Hasan	AEMO
Andrew Zancanaro	Jemena	Lindsay Williamson-Hanna	CQ Energy
Anne McTernan	Arrow Energy	Lucas, Kate	APA
Belanger, Clotilde	Origin Energy	Luke Stevens	AEMO
Ben Harvie	AGL	Marcus Godfrey	SEAGas
Ben Lewis	Westside Corporation	Mason, Rebecca	APA
Bernadette Velarde	AEMO	Matthew Clemow	AEMO
Brad Gee	Jemena	Matthew George	PWC
Chotima Micallef	Lochard	Matthew Legg	Simec Energy
Claudia Prider	AEMO	Melissa Perrow	Brickworks
Cody Lin	EEBG	Melly Tan	AEMO
Collins, Rachel	Origin Energy	Middleton, Ryan (Ryan)	Santos
Craig Norton	RM Hedge	Murphy, Chris	Telstra
Czechowski, Courtney	Origin Energy	Myra Horomidis	AEMO
Damien Kennedy	AGL	Nielsen, Miles	APA
Daniel Evans	Hansen Technologies	Nipun Saxena	AEMO
David Habib	Cooper Energy	Nitin Parwal	Beach Energy
Eades, Nicholas	Origin Energy	Paul Bresloff-Barry	Agora Retail
Espoire Matabishi	AEMO	Przemek Grobelski	Beach Energy
Eve Phyu	AEMO	Puneet Joshi	AEMO
Flora Malekpour Shahraki	AEMO	Rachael Lim	AEMO
Gaurav Arora	Beach Energy	Ridgway, Hugh	Alinta Energy
Godfrey, Andrew	Alinta Energy	Robbie Flood	AEMO
Hans Becker	CQ Energy	Sarah Kok	petrochina
Harrison Gibbs	AEMC	Saul Milner	Simec Energy
Herbert, Tamara (Tamara)	Santos	Scott, Joanna L SDA-STQ/5	Shell Energy
Hitesh Sampat	AEMO	Sean Jennings - Red and Lumo Energy (Guest)	Red and Lumo Energy
Irlam, Lawrence	Energy Australia	Shounan Chen	Jemena
James Harding	Jemena	Stock, Patrick R	Viva Energy
James x Golden (DEECA)	DELWP	Tang, Tony SDA-STX/Q/B	Shell Energy
Jamie Coombs	SEAGas	Tim Benjamin (DEECA)	DELWP
Jennifer Brownie (Guest)	Queensland Electricity Users Network	Tom Baker	AER
Jess Fraser	Jemena	Wendy Zhang	AEMO
John Smith	NexifRatch	William Baskerville	AEMO
Juan Rios	E&C Consultants	Williams, Steve	Origin Energy
Katharina F Benzler (DEECA)	DELWP	Wormald, Peter SEOPS-DRN/A	Shell Energy

Name	Organisation	Name	Organisation
Kieran O'Leary	AGL	Yingyi Wang	RM Hedge
Leo Xue	RM Hedge	Young, Scott	APA
Libby Chen	AEMO	Zach McGlinn	AEMO

No apologies were received ahead of the meeting.