

Gas Market Leaders Group

Meeting Synopsis

22 June 2006

The fourth meeting of the Gas Market Leaders Group (GMLG) was held in Melbourne on 22 June 2006.

The Group finalised its report on a “National Gas Market Development Plan”, which is to be conveyed to the Ministerial Council on Energy (MCE) by the target deadline of 30 June. The Plan recommends proceeding with:

- establishment of a Bulletin Board (BB) covering all major gas production fields, major demand centres and transmission pipeline systems;
- detailed design of a Short-Term Trading Market (STTM) for all States (except Victoria, which already has a gas spot market);
- formation of a national Gas Market Operator to manage both the wholesale and retail gas markets throughout Australia; administer the BB and, if progressed, the STTM; provide advice to the National Gas Emergency Response Advisory Committee (NGERAC); and produce an annual national gas supply/demand statement. The Market Operator would assume the gas retail market functions of GMC and REMCo and the gas functions of VENCORP;
- joint funding of the initiatives by industry and government (methodology in Section 9 of the Plan); and
- interim continuation of the GMLG until the Gas Market Operator is established, to ensure the recommendations are progressed.

The Report is expected to be posted on the MCE website within the next two weeks.

This was the final meeting of the GMLG as it has now completed its task. Any future meetings are subject to MCE SCO approval of the recommendations, and the GMLG’s offer to co-ordinate implementation of the Plan till formation of a Gas Market Operator.