

Gas Market Leaders Group

Bulletin Board Rules and Law Consultation Forums

Melbourne Mon 11 Feb 2008

Adelaide Tue 12 Feb 2008

Sydney Thu 14 Feb 2008

Brisbane Fri 15 Feb 2008

Perth Wed 20 Feb 2008

Agenda

- Background GMLG / BBWG rep
- BB System & Map Demo John Savage
- MCE Legislation timeline Commonwealth rep

- BB Project timeline John Savage
- BB Rules John Savage
- BB Enabling Legislation Commonwealth rep

MCE Gas Market Reform

- MCE agreed in to accelerate the development of a national natural gas market - Apr 04
- Principles for Gas Market Development - Dec 04
- Allen Consulting Report - Jun 05
 - options for national gas market development
- Gas Market Leaders Group established -Nov 05
- National Gas Law & Rules Draft Exposure - Nov 06

Gas Market Leaders Group (GMLG)

- Established to develop a wholesale gas market development plan
- Independent Chair, broad Industry Representation
- National Gas Market Development Plan released June 2006. Key recommendations progressed:
 - Bulletin Board to be established
 - Endorsed Short Term Trading Market for implementation 2010
 - Establishment of National Gas Market Operator
 - now to be within AEMO

BB Objectives

- To facilitate trade (gas, capacity), through the provision of system and market information to all interested parties
- To facilitate market responses to forced or planned plant outages, changed system conditions and supply constraints
- To support NGERAC in management of major gas supply emergencies

BB Funding

- Governments are funding BB implementation \$500k+
- Participants meet own costs for meeting BB obligations and access to BB
- BB operating costs estimates to be modest
 - ~ \$200k p.a. provided administration remains simple
 - on a volume basis assuming 600 PJ p.a. for S.E Aust
 - ~ 0.03 cents/GJ
 - ~\$3000 per 10,000TJ,
 - < 0.01%

Bulletin Board System

John Savage
Project Manager
Bulletin Board

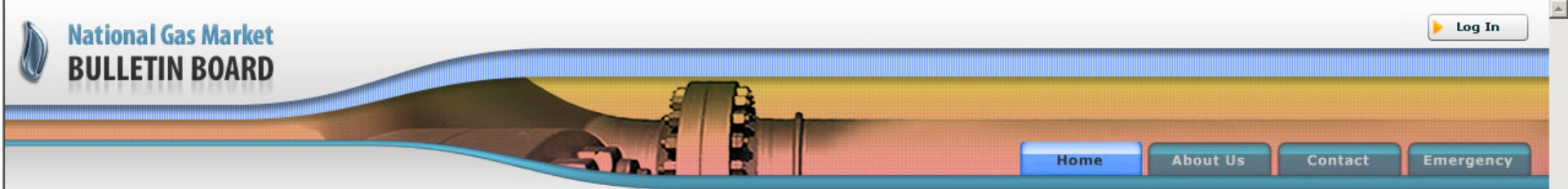
BB Homepage

- 'www.gasbb.com.au' reserved, website not up yet
- Standard menu, reports menu
- Log-in for registered users
 - to load data
 - to access emergency page
- “Click-wrap” terms and conditions for those who do not log-in
- Zoom-in pipelines map to display current gas day information

BB Homepage

Following slides show:

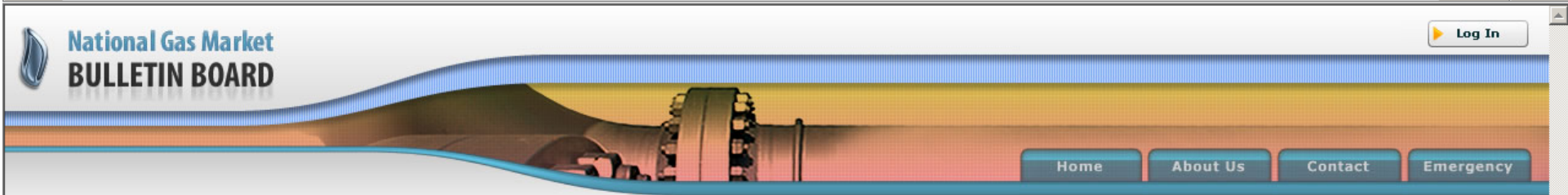
- Home page
- BB log-in
- BB web-upload for those providing data one file at a time
- BB expanded reports menu
- BB FTP option – can be adapted to automated data provision for facility operators who provide multiple files at a time



- ▶ Supply-Demand Outlook **Home**
- ▶ Actual Flow Data
- ▶ Standing Data
- ▶ User Contacts
- ▶ Notices
- ▶ Archive

Select Region here: or Map below for Current Capacities and Daily Nominations:





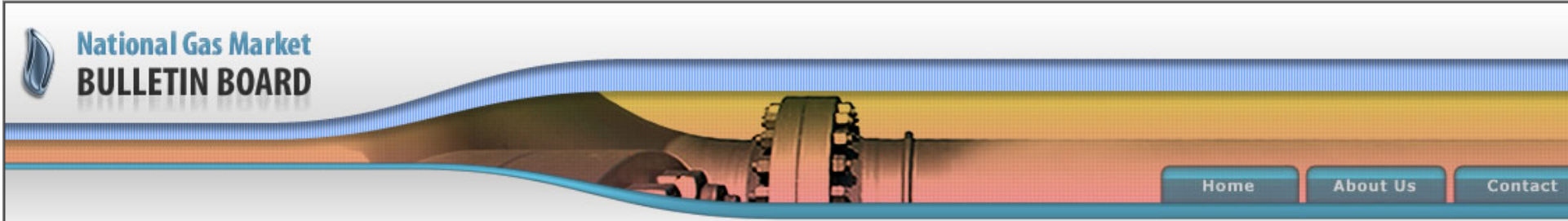
- ▶ Supply-Demand Outlook
- ▶ Actual Flow Data
- ▶ Standing Data
- ▶ User Contacts
- ▶ Notices
- ▶ Archive

Home > Login

Log In

User Name:

Password:



- ▶ Supply-Demand Outlook
- ▶ Actual Flow Data
- ▶ Standing Data
- ▶ User Contacts
- ▼ Secured Area
 - ▶ Emergency
 - ▶ Add Emergency
 - ▶ **Upload Transaction File**
 - ▶ Transaction Log
 - ▶ Change Password
- ▶ Notices
- ▶ Archive

Home > Secured Area > Upload Transaction File

Upload Transaction File

Choose file

Look in: unittest

5_LINEPACKADEQUACY_20080102145000.csv	13_CAPACITYOFFER_20080101000001.csv
13_ACTUALFLOW_20080101000001.csv	13_CAPACITYOFFER_20080101000002.csv
13_ACTUALFLOW_20080101000002.csv	13_CAPACITYOFFER_20080101000003.csv
13_ACTUALFLOW_20080101000003.csv	13_CAPACITYOFFER_20080101000004.csv
13_ACTUALFLOW_20080101000004.csv	13_CAPACITYOFFER_20080101000005.csv
13_ACTUALFLOW_20080101000005.csv	13_CAPACITYOFFER_20080101000006.csv
13_ACTUALFLOW_20080101000006.csv	13_CAPACITYOFFER_20080101000007.csv
13_ACTUALFLOW_20080101000007.csv	13_CAPACITYOFFER_20080101000008.csv
13_CAPACITYOFFER_20080101000001.csv	13_CAPACITYOFFER_20080101000002.csv
13_CAPACITYOFFER_20080101000002.csv	13_CAPACITYOFFER_20080101000003.csv
13_CAPACITYOFFER_20080101000003.csv	13_CAPACITYOFFER_20080101000004.csv
13_CAPACITYOFFER_20080101000004.csv	13_CAPACITYOFFER_20080101000005.csv
13_CAPACITYOFFER_20080101000005.csv	13_CAPACITYOFFER_20080101000006.csv
13_CAPACITYOFFER_20080101000006.csv	13_CAPACITYOFFER_20080101000007.csv
13_CAPACITYOFFER_20080101000007.csv	13_CAPACITYOFFER_20080101000008.csv
13_CAPACITYOUTLOOK_20080101000001.csv	13_CAPACITYOUTLOOK_20080101000002.csv
13_CAPACITYOUTLOOK_20080101000002.csv	13_CAPACITYOUTLOOK_20080101000003.csv
13_CAPACITYOUTLOOK_20080101000003.csv	13_CAPACITYOUTLOOK_20080101000004.csv
13_CAPACITYOUTLOOK_20080101000004.csv	13_CAPACITYOUTLOOK_20080101000005.csv
13_CAPACITYOUTLOOK_20080101000005.csv	13_CAPACITYOUTLOOK_20080101000006.csv
13_CAPACITYOUTLOOK_20080101000006.csv	13_CAPACITYOUTLOOK_20080101000007.csv
13_CAPACITYOUTLOOK_20080101000007.csv	13_CAPACITYOUTLOOK_20080101000008.csv

13_CAPACITYOUTLOOK_20080101000006.csv
Type: Microsoft Office Excel Comma Separated Values File
Size: 123 bytes
Date Modified: 20/12/2007 9:50 AM



Supply-Demand Outlook

Delivery Nominations

- S.E.Aust.
- N.Qld.
- W.A.
- N.T.

- 3 Day Capacity Outlook
- Linepack Capacity Adequacy
- Supply Capacity Offers

Actual Flow Data

- Actual Flows 7 Days
- Actual Flows Previous Month

Standing Data

- Standing Capacities
- Standing Demand Forecasts
- Plants
- Hubs and Regions

User Contacts

- Registered Users
- Company Details

Home > Secured Area > Upload Transaction File

Upload Transaction File

Browse...

Upload

File '13_ACTUALFLOW_20080101000002.csv' has been uploaded.

FTP

```
C:\WINDOWS\system32\cmd.exe - ftp testsvr
```

```
Microsoft Windows XP [Version 5.1.2600]  
(C) Copyright 1985-2001 Microsoft Corp.
```

```
M:\>ftp testsvr
```

```
Connected to TESTSUR.
```

```
220 Microsoft FTP Service
```

```
User (TESTSUR:(none)): vendev\tly
```

```
331 Password required for vendev\tly.
```

```
Password:
```

```
230 User vendev\tly logged in.
```

```
ftp> cd vencorp
```

```
250 CWD command successful.
```

```
ftp> cd upload
```

```
250 CWD command successful.
```

```
ftp> put 13_CAPACITYOUTLOOK_20080101000015.csv
```

Provision of Data to BB

- Basic Participant system
 - compile data into standard CSV file(s)
 - Web Upload or FTP (login protected)
 - processed automatically by BB
 - used for 'regular' data from operators such as pipeline or production/storage data
- Email
 - back-up if above system not available
 - standard CSV file(s) as above
 - processed manually by *BB operator* (admin cost)
 - used for occasional data - those not using web upload or FTP eg shippers - contact info, supply/capacity offers

Provision of Data to BB

- Hourly polling for new BB data input files
 - system checks for new inputs each hour and processes them to provide response in useful timeframe
 - More frequent polling if required eg. Emergencies
- BB User System “Build-Pack”
 - Available from MCE/GMLG website (or Richard Hill)
 - BB system details, BB reports, Interfacing with the BB
 - BB pipeline/facility operators need this to prepare
 - BB system contact: Richard.Hill@vencorp.vic.gov.au
ph (03) 8664 6634

BB Reports

Standard reports viewable on BB or downloaded as CSV file; current and archived:

- Pipelines and Production/Storage Facilities
- Production & Demand Zones
- Plant/Pipeline Capacities
- Linepack Capacity Adequacy
- Capacity Outlook 3-day
- Forecast Pipeline Flows
 - firm & forecast nominations by zone

BB Reports - cont..d

- Actual Flows
 - Production/Storage, Pipelines by Zone
- Supply/Capacity Offers
- Emergency Status (Public)
- Emergency Use (Restricted)
- Registered BB Participants
- Company Details/Contacts

BB Pipeline Map Demo

- Zoom-in pipelines map display current gas day information:
 - Pipelines
 - Pipeline capacity
 - Delivery nominations (injections in Vic)
 - LCA Flags (Green, Amber, Red pipelines)

MCE Legislation & Bulletin Board Project Timelines

Lindsay Gamble DRET
/ Peter Nicholson AGS

BB Project Timeline

- BB Rules Finalised Mar 08
- BB Procedures Consultation Mar 08

BB System

- Build-Pack Consultation Nov 07
- System Built Mar 08
- User Acceptance Testing Mar/Apr 08
- Industry Testing May 08
- Go Live 1 Jul 08

Bulletin Board Rules

John Savage

Project Manager Bulletin Board

BB Rules

- Division 1 - Interpretation and Application
- Division 2 - Obligations on Bulletin Board Operator
- Division 3 - Registration
- Division 4 - Bulletin Board Procedures
- Division 5 - Obligations on BB facility operators
- Division 6 - Projections of gas demand
- Division 7 - Emergency Information
- Division 8 - Access to the Bulletin Board
- Division 9 - Cost recovery by the BB Operator
- Division 10 - Cost recovery by Pipeline Operators
- Division 11 - GST

BB Explanatory note

Published with draft Rules

- Part A Explains rules in context, Issues
- Part B Law provisions
- Part C Competition Law Issues – Legal advice
- Appendices
 1. Draft BB Pipelines, Production/Storage Facilities
 2. Draft BB Zones
 3. BB Data Requirements Tables

Division 1 Interpretation & Commencement

1. Definitions & Interpretations
2. Purpose of BB
3. Notification of dates of commencement
 - Staged enactment of Divs 1& 2, Div 3, then Divs 4-12.
 - Dates to be published in S.A Govt Gazette and on BB operators website
4. BB Rules not in effect in W.A. & N.T.
5. Publication of *BB Procedures*

Division 2 Bulletin Board Operator

6. *BB Operator* to maintain and operate BB in accordance with *BB procedures*
7. *BB Operator* to publish BB info accordance with *BB procedures*

Division 3 Registration

8(1) The following persons must register within 10 business days of Div 3 commencing:

- Operators for each *BB pipeline*
- Operators for each (connected) *BB production or BB storage facility*
- *BB Shippers*
- Initial list of *BB Facilities* will be in the Schedule to Rules

8(2) New operators must register as soon as practicable

- Eg QNS starts, new CSM Facility, expanded facility >20TJ/d

Division 3 Registration

See Expl Note App 1a, 1b, 1c for draft BB facility lists and zones)

Initial BB pipelines

- EGP, MSP, MAP, SEA Gas, Vic PTS, Roma to Gladstone & Coast, SWQP (Ballera to Roma), Carpentaria, Roma to Brisbane, Tasmanian GP
- Moranbah to Townsville not included

8(2) Operators for new BB facilities must register as soon as practicable

- Eg QNS, new CSM Facility, Facility expansion >20TJ/d

Division 3 Registration

8(3) Eligible BB participants can register any time:

- a *gas retailer a large end user* or a *gas-fired generator* who is not a *BB shipper*;
- an operator of a *BB facility* or a *shipper* on *BB pipeline* who has not yet registered under 8(1) or 8(2)
- a member of *NGERAC*;
- a Minister, regulator or Government department from a *participating jurisdiction*, excluding a statutory corporation, entity or authority that participates on a commercial basis in the wholesale gas market;
- the *AER, AEMC or ERA (W.A.)*

Division 3 Registration

9. Application for registration in form specified in *BB procedures*
10. Exemption Criteria for Pipelines
 - *nameplate rating* < 20TJ/d
 - does not transport gas between zones eg laterals, dedicated lines, gathering/feeder lines etc
- 11,12. Exemption Criteria for Production or Storage facilities
 - *nameplate rating* < 20TJ/d **
 - Does not supply BB pipeline (directly or indirectly)
 - Storage facility is solely used as part of production facility

** Change: If aggreg capacity of an operators' Production Facilities in a zone > 20TJ/d, BBO may refuse exemption. BB may request *nameplate cap.* for small (< 20TJ/d) individual facilities. Eg CSM in Bowen-Surat

Division 4 BB Procedures

17. *All BB participants must comply with BB procedures including the BB Operator*

18. *BB procedures to cover matters that the Rules contemplate such as*

- Registration, Exemptions, Forms, Fees,
- Provision of information – what, how, when
- User ‘Build Pack’

19-21. *Formal process for ‘material’ and ‘non-material’ amendments to the BB procedures*

The initial BB Procedures are currently being developed.

- consultation Mar 08

Division 5 Information Obligations

22. Obligations on facility operators to provide supply-demand** information according to *BB procedures*.

** All quantities are in TJ or TJ/d

38. Where appropriate, provision is made for free text (comments) within the BB data input file
eg to explain a change to capacity

Division 5 Information Obligations

23-25. *Production facility operators* to provide

- *Nameplate rating (capacity)*
 - Max capacity under normal operating conditions
 - Annually or if/when longer term material changes occur
 - Should reflect any longer term field performance trends
- **3-day capacity outlook**
 - Coming (or current if updating) *gasday, day+1, day+2*
 - Normally ~ 6pm for next 3 days
 - Default = previous day
 - Should reflect any shorter term field performance issues
- *Actual daily production*
 - one day in arrears or as soon as practicable
 - operational data (not settlements quality)

Division 5 Information Obligations

26-28. *Storage Providers* to provide

- Same as *Production Facility Operators* and in addition
 - *Refill nameplate capacity*
 - *Holding (or Storage) Capacity* (omitted in draft Rules)
- *actual daily production* is taken as the aggregate of injections less aggregate withdrawals to/from *BB pipelines*

Division 5 Information Obligations

29-33. Pipeline operators to provide

- *Nameplate rating (capacity)*
 - Max capacity under normal operating conditions
 - Update annually or if/when a longer term change occurs
- **3-day capacity outlook**
 - Coming (or current if updating) *gasday, day+1, day+2*
 - Normally ~ 6pm for next 3-days
 - Default value = previous day
- **3-day linepack/capacity adequacy indicators**
 - *Green, Amber, Red Flags defined in BB procedures*
 - Default value = previous day
 - Remains unchanged unless updated

Division 5 Information Obligations

32-33. *Pipeline operators to provide*

- *Aggregate delivery nominations by zone (Vic inj)*
 - Zones specified in *BB procedures* for each *BB pipeline*
 - ‘firm’ noms for coming gas day
- *Aggregate forward nominations by zone (Vic inj)*
 - Specified in *BB procedures* for each *BB pipeline*
 - No more than seven days (depends on contracts)
- *Actual aggregate deliveries by zone (Vic inj)*
 - One day in arrears
 - Operational metering quality only

34. *All BB facility operators must provide*

- time at which gas day starts eg 6:00 AM CST

Division 5 Information Obligations

3-day outlook - *linepack/capacity adequacy indicators*

Green: Business as usual

Amber: Voluntary (interruptible) load shedding likely/happening
(Vic: LNG scheduled to support min pressures)

Red: Involuntary (firm) load shedding likely/happening
(Vic: LNG at high, non-firm rate, involuntary load shedding likely/happening)

Division 5 Information Obligations

35-36. Voluntary posting of Buy/Sell Offers for supply or pipeline capacity

- Capacity ‘invitation to treat’ from *BB shippers* or *BB pipeline operators*
- Supply ‘invitation to treat’ from *BB participants* – sale or purchase
- Optional data includes applicable dates, quantity, price, description, zone, open/closed status, contact details

Division 5 Information Obligations

37. *All BB facility Operators, BB Shippers and registered producers must provide contact information as required by BB Procedures*
- Provides for multiple entries for different functions or multiple *BB facilities*
 - Any other gas industry person may provide contact details for posting *on BB*

Division 6 Demand Projections

39. *BB Operator* to consult, collect and publish peak day demand
- By zone/jurisdiction
 - Summer and Winter
 - (Could use last year's BB actuals as starting point)

Division 7 Emergency Use

40-43. Use of BB Emergency page

- activated or deactivated by NGERAC or Jurisdiction
- use is not mandatory
- free text entry, use specified in NGERAC emergency procedures
- provision made for more frequent polling and posting of updates, status reports by Jurisdiction
- access restricted - to avoid unnecessary public /media confusion; information subject to change, possibly unreliable
- emergency use indicator appears on normal BB

Division 8 Access to BB

44. Public access by Internet with click-wrap 'terms of use' agreement on entry
45. Access to archived information from *BB Operator* if not available on BB. *BB Op* may charge.
46. Access to Emergency Page restricted to *BB registered participants*

Division 9 Cost Recovery by BBO

47-54. Ongoing operational costs will be funded by *BB operator* with costs recovered through fees.

- Several options considered
- Criteria: who are the beneficiaries?, taxation?, efficiency, fairness, minimising barriers to entry, operators costs of meeting BB obligations, implementation costs, cost pass-through, keeping BBO admin costs low
- Several fee models considered eg Fixed/Variable
- Detailed considerations are in Explanatory note pp13-15.

55-56. Op costs will also cover *BB Pipeline operator* costs for '*aggregation and information services*'

Division 9 Cost Recovery by BBO

- The *fee paying users* will be *BB shippers*
- Variable cost model based on delivered GJ
- *Invoice periods* to be 12 months (1st ends 1 Jul-09)
- *BB Operator* to estimate costs adjusted for any reconciliation amount for the previous period
- Shippers pay % share of above costs
$$\text{Shipper's \%} = \frac{\text{shipper's delivered GJ}}{\text{total GJ deliveries}}$$

on BB pipelines in (previous) invoice period
- Annual shipper ‘true-ups’ based on actual BB costs and actual GJ deliveries

BB Enabling Legislation

Lindsay Gamble DRET

Peter Nicholas AGS

What's in the Law

- The BB Operator
- Obligation to provide information
- Immunities
- Protection of information
- Empowerment of the BB Rules

Obligation to provide information

- The Law empowers the BB Operator to collect and publish *information in relation to natural gas services* on the bulletin board

(s179, 180 and 184)

- The Law creates a legal obligation for certain classes of person to provide information to the BB Operator in accordance with the Rules.
 - This will be civil penalty; and
 - Must not knowingly provide false or misleading information.

Immunities

- The law protects both the BBO and persons providing information to the BBO from civil monetary liability.
 - Unless they act negligently or in bad faith
 - Any liability arising from negligence is also capped by regulation as in electricity

(ss182 and 187)

Protection of information

- The BBO and its employees and contractors are prohibited from using information given to them except for the purposes of administering the BB
 - Limited exceptions (e.g. consent)

(s188 and 189)

Empowerment of the BB Rules

- The BB rules are empowered by:
 - an expanded general rule making provision in s73(1)(a);
 - References to Rules in Part 6 (eg s 183); and
 - Specific heads of power in Schedule 1
- These provisions were designed to support the BBWG's rules

Submissions

Written submissions invited:

- BB Law:
 - Wednesday 20 February to
MCEMarketReform@ret.gov.au
- BB Rules:
 - Friday 29 February 2008 to
john.savage@vencorp.vic.gov.au

The End

Facilities and Zone tables follow.

Feedback is sought on these lists
especially for :

Queensland CSM processing
facilities and operators

BB Demand Zone	Code
Victorian Principal Transmission System	VIC
Tasmanian Gas Pipeline	TGP
Eastern Gas Pipeline	EGP
Moomba to Adelaide Pipeline System	MAP
Moomba to Sydney Pipeline system	MSP
SEA Gas	SEAG
Adelaide	ADEL
Australian Capital Territory	ACT
Sydney	SYD
Roma to Brisbane Pipeline	RBP
Queensland Gas Pipeline	QGP
South West Queensland Pipeline	SWQP
Carpentaria Pipeline	CP

BB Production Zone	Code
Gippsland/Bass Basins	GB
Otway Basin	OTW
Cooper Basin	COOP
Eromanga Basin	ERO
Roma (Bowen-Surat)	BOWS
Sydney Basin	SYB

State	Production Facility	Operator
Qld	Moura	Anglo Coal
Qld	Mungi	Anglo Coal
Qld	Daandine	Arrow Energy
Qld	Dundee (proposed)	Arrow Energy
Qld	Kogan North	Arrow Energy
Qld	Tipton West	Arrow Energy
Qld	Silver Springs	Mosaic
Qld	Denison Trough	OriginEnergy
Qld	Kincora	OriginEnergy
Qld	Moura – Origin	OriginEnergy
Qld	Newstead	OriginEnergy
Qld	Peat	OriginEnergy
Qld	Spring Gully	OriginEnergy
Qld	Talinga	OriginEnergy
Qld	Argyle Kenya (proposed)	QGC
Qld	Berwyndale South	QGC
Qld	Ballera	Santos
Qld	Churchie	Santos
Qld	Fairview	Santos
Qld	Roma/Wallumbilla	Santos
Qld	Scotia	Santos

Operator	Fields	Plants	Connected to
Origin	Spring Gully	Spring Gully	Queensland Gas Pipeline near Wallumbilla
		Strathblane	
	Peat	Peat	Roma Brisbane Pipeline
Santos	Fairview	Fairview	Queensland Gas Pipeline and also via Santos pipeline to Wallumbilla
	Scotia	Scotia (next to Peat)	Roma Brisbane Pipeline
QGC	Berwyndale South	Berwyndale South	Roma Brisbane Pipeline. Pipeline also proposed to Wallumbilla.
	Argyle	Linked to Berwyndale South	
Arrow	Moranbah	Moranbah	Townsville
	Kogan North	Kogan North (Operated by APA)	Roma Brisbane Pipeline
	Tipton West	Tipton West	Roma Brisbane Pipeline
	Daandine		Daandine Power Station
AGL	Camden	Camden	Sydney system