

14 November 2014

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Dear Mr Pierce

Rule Change request – proposed decommissioning of emergency information page from the Gas Bulletin Board

Please find attached the Australian Energy Market Operator's (AEMO) proposal to modify Part 18 of the National Gas Rules, to remove the requirement to include the existing emergency information page on the Natural Gas Services Bulletin Board (GBB).

In its place, AEMO proposes to include a static emergency information page on the GBB with links to relevant procedures and information to prepare users about correct emergency processes. AEMO intends to include a requirement for this static page in the GBB Procedures.

The page, in its current form, was established at the inception of the GBB to assist the National Gas Emergency Response Advisory Committee (NGERAC) in managing gas market incidents.

A rule change to decommission the emergency information page would give effect to NGERAC's decision of 22 October 2013 to decommission the existing page, on the basis:

- NGERAC has developed a coordinated and streamlined Interruption to Supply Process that does not use the GBB emergency page;
- Maintaining the GBB page, in parallel with the Interruption to Supply Process, creates additional risks in the event of an emergency; and
- Implementing the required functionality into the redeveloped GBB is expected to cost up to \$180,000.

Decommissioning of this page has been included as part of redevelopment of the GBB, which AEMO has undertaken at the request of the Council of Australian Governments' Energy Council. In parallel, AEMO has requested a 'no action' letter from the Australian Energy Regulator, given AEMO will be non-compliant from 11 December 2014 when the new GBB commences operation.

A description and drafting of the proposed Rule and a statement of how the proposed Rule contributes to the achievement of the National Gas Objective (NGO) is provided at Attachment A.

For further details, please do not hesitate to contact Neale Scott, Senior Stakeholder Relations Adviser, on (03) 9609 8336.

Yours sincerely



Mike Cleary
Chief Operating Officer

Attachments:

A: Rule Change Proposal

Attachment A: Rule Change Proposal – Emergency Information Page

This Rule Change Proposal is structured as follows:

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1 Summary

This rule change proposal has two limbs:

- proposed modification of Part 18 of the National Gas Rules to remove the requirement to include the existing emergency information page on the Natural Gas Services Bulletin Board (GBB); and
- in its place, the inclusion of a static page on the GBB with links to relevant procedures and information to prepare users about correct emergency processes.

A rule change to decommission the emergency information page would give effect to the joint government and industry decision of 22 October 2013, through the National Gas Emergency Response Advisory Council (NGERAC), to decommission the existing page.

Decommissioning of this page has been included as part of redevelopment of the GBB, which AEMO has undertaken at the request of the Council of Australian Government Energy Council (the Council). On 13 March 2014, the Council requested AEMO redevelop the GBB to improve its look and feel and ability to provide relevant information to the industry by December 2014. In AEMO's June 2014 Scoping Report to the Council, AEMO recommended rebuilding the GBB website without the emergency information page as part of redevelopment, on the basis:

- NGERAC has developed a more coordinated and streamlined Interruption to Supply Process that no longer uses the GBB emergency page;
- maintaining the GBB page, in parallel with the Interruption to Supply Process creates additional risks in the event of an emergency; and
- implementing the required functionality into the redeveloped GBB is expected to cost up to \$180,000.

Council officials and gas industry representatives have supported AEMO's recommendation not to include the existing page on the new GBB.

2 Relevant Background

2.1 Current Regulatory Framework

The NGR (division 7 of part 18) requires AEMO to maintain a section of the GBB for the publication of emergency information. This rule was derived from the GMLG's design requirement that the GBB has a facility to support the work of NGERAC and jurisdictions in the event of major gas emergencies.

2.2 The Natural Gas Services Bulletin Board

The GBB was established in 2008 by the Council (the then Ministerial Council on Energy). The GBB is a single gas information website covering all major gas production fields, major demand centres and natural gas transmission pipeline systems, including the interconnected systems of

South Australia, Victoria, Tasmania, New South Wales, the Australian Capital Territory and Queensland. AEMO is the GBB IT system developer and GBB operator.

The GBB was also developed with an additional functional requirement to support the work of the National Gas Emergency Response Advisory Committee (NGERAC), by maintaining an emergency information page on which authorised users (including NGERAC members) can publish secure, emergency information in the event of an incident.

Such information, which is not public and can only be viewed by authorised users, includes:

- advice from relevant organisations about the situation;
- information on the impact of the incident;
- estimated resolution time; and
- any challenges encountered.

2.2.1 The role of the GBB emergency information page

The page was intended to support the work of NGERAC, as a communications platform for industry and jurisdictions. Following activation, users with publishing rights are able to upload information to the webpage. Information provided by authorised users would then be compiled into an emergency report for viewing by all authorised GBB contacts during the incident. This document would also be hosted on the emergency information page. NGERAC or a jurisdiction would also be able to provide AEMO with an authorised public statement for publication on the GBB.

During an emergency, AEMO can activate and deactivate the emergency information page on direction from the NGERAC chair, his or her delegate, or a registered authorised jurisdictional representative.

While the emergency information page has not been activated in a real incident since the GBB's inception, AEMO has conducted tests of the page in 2011 and 2013 with NGERAC and industry. The purpose of the tests was to assess the ability of the page to support the successful management of an incident, and to provide emergency information page users an opportunity to familiarise themselves with the facility.

2.3 NGERAC's decision to decommission the emergency information page

At its October 2013 meeting, NGERAC members agreed that newer NGERAC Interruption to Supply Process adequately meet the purposes of the GBB emergency information page, and such a page is no longer needed to support the work of NGERAC. The following recommendation was made at the October meeting:

'AEMO and industry consider decommissioning the NGMBB emergency page as it does not add any additional value or information during an incident. The information uploaded on this facility during an incident would already be captured by an existing emergency management process or communication channels such as the Energy Emergency Communications Protocol, or control room-to-control room communications.'

NGERAC members endorsed this recommendation, with meeting actions placed on AEMO to commence the rule-change process and seek a letter of no action from the AER on the page's decommissioning.

Retaining an essentially unused emergency management page, the functions of which are duplicated by an alternative industry-supported processes, creates significant unnecessary cost and places added complexity and risk on NGERAC to simultaneously manage an emergency using two different emergency information processes.

2.4 The National Gas Emergency Response Advisory Committee's Interruption to Supply Process

NGERAC was formed in 2005 to advise the Council (the then MCE) and facilitate communication between Council jurisdictions in the event of a multi-jurisdictional incident. Its membership comprises representatives of government jurisdictions and all sectors of the gas industry, including users, and AEMO. The Commonwealth Department of Industry chairs NGERAC, with secretariat support from AEMO.

NGERAC processes and communication protocols have evolved since the GBB's establishment in 2008. The Interruption to Supply Process (see Appendix B) was established to facilitate communication and coordination between jurisdictions during an incident. The Process uses SMS, emails and industry teleconferences as the primary form of communication during an incident. This direct form of communication has removed the practical need for a live webpage on the GBB.

The Interruption to Supply Process:

- outlines the emergency escalation process in relation to a multi-jurisdictional gas emergency;
- outlines NGERAC's communication process during a multi-jurisdictional gas emergency;
- defines NGERAC processes for advice to relevant jurisdictional Ministers during a major natural gas supply shortage; and
- defines the principles to be applied to determine the allocation of available gas supplies between jurisdictions following Ministerial enactment of jurisdictional emergency powers.

NGERAC's processes do not duplicate or replace jurisdictional and industry gas emergency management practices. Jurisdictions and industry retain the responsibility for managing and resolving an incident.

How the communication process works during an incident

Under the existing communications protocol in the Interruption to Supply Process, jurisdictions are independently responsible for ensuring they have adequate notification procedures in place in the event of an incident in their jurisdiction (including notification of the Jurisdictional Contact Officer (JCO)).

When an incident occurs, industry will notify the relevant JCO of the incident. This notification would include:

- the nature of the event;
- its location in the gas system;

- the time the event occurred;
- the likely effect on the quantity of natural gas available; and
- the estimated time to restore normal supplies.

The JCO then makes an assessment of the level of the incident. Levels are defined as:

- Level 1 - Possible to supply all gas demand but limited gas reserves available.
- Level 2 – Supplies inadequate to meet demand and material load shedding is required (even if load shedding is contained within a jurisdiction).
- Level 3 – The incident requires load shedding, curtailment and/or a multi-jurisdictional response.

If the incident is determined to be a level 3 incident then an NGERAC teleconference would be convened. The teleconference would cover the following:

- situation update;
- considerations of industry/jurisdictional actions;
- community impact; and
- advice to Ministers.

Following the conference, an NGERAC Emergency Information Summary and Supply-Demand Outlook Template are filled out (see Appendix B). These forms are issued to all NGERAC members via email to help with decision-making during the incident.

At the same time, it is assumed that once a level 3 incident is identified the emergency information page on the GBB would be activated. The Emergency Information Summary and Supply-Demand outlook template would both be published to the emergency information page. Once activated, any user with publishing rights could upload any further information to the GBB, noting this page is secure and uploaded information can only be viewed by other authorised users.

3 Statement of issues

3.1 Issue 1: complexity and risk in the emergency management process

NGERAC and AEMO consider the need to manage the existing GBB emergency information page in parallel with the Interruption to Supply Process creates additional complexity and risk in the emergency management process, for the following reasons:

- managing the page during an incident would create an additional burden, including the management of user accounts and live management of failed logins;
- information needs to be verified before distribution. Industry provision of situation updates indirectly via a website is less efficient and potentially riskier than providing direct updates to the JCO. It would require JCO and industry members to both log on to the website and refresh the website throughout the incident to look for updates. Sending information directly via email to the JCO is more efficient and likely to be more effective in an incident where having relevant information is time critical.

- as a communications platform, a website is an indirect and passive form of communication, requiring all recipients of information to be logged in throughout the incident and to frequently refresh the page to ensure only the most recent information is displayed. It requires publishing parties to be logged in and to frequently publish updates to the website.

In particular, as the information page is not a real-time source of information, there is further risk that information on the page will be outdated and potentially inaccurate by the time it is read by another party. As a result of the indirect nature of the emergency page and the availability of information from other sources, the page is unlikely to be able to provide adequate real-time information and should not be relied on in the event of an emergency. Direct communication through teleconference, the JCO notification process, and control-to-control communication is likely to be more effective, less risky and, therefore, likely to be more reliable during an incident.

Issue 2: multiple sources of information during an incident

Information published to the emergency page is visible to all authorised users; any user with publishing rights is able to upload information without prior review. This creates potential for conflicting or inaccurate information. As an alternate communication channel, there is potential for messages on the emergency page to be in conflict with messages from the JCO or NGERAC.

In the event of an incident, is it preferable that all information from industry is channelled through to a single source (the JCO) and, following assessment, is relayed to the wider group by the JCO and/or NGERAC chair.

3.2 Issue 3: cost of including an emergency management page on redeveloped GBB

AEMO has been directed by the Council to redevelop the GBB. As part of redevelopment, AEMO is rebuilding the website and its underlying infrastructure to meet the requirements of industry and the Council.

AEMO estimates a cost of up to \$180,000 to build the no-longer fit-for-purpose emergency information page into the redeveloped website. This cost includes costs associated with:

- designing the new emergency information page;
- developing a secure environment for authorised users to publish and read information in the event of an incident;
- designing other parts of the GBB to be compliant with rules requirements (such as having emergency notifications available on the homepage);
- developing IT systems to ensure the GBB has a similar uptime and availability to other AEMO's market systems to ensure it is operational in an emergency; and
- additional user acceptance testing, security testing and industry testing.

The NGR requires all GBB costs to be recovered directly from GBB shippers. Building it on the redeveloped GBB would impose an unnecessary cost on gas shippers, which would be passed through to consumers.

4 Rule-change proposal

Proposed solution

There are three parts to the proposed solution:

- 1) AEMO proposes that division 7 of part 18 of the NGR be deleted, removing the requirement for AEMO to maintain a section of the GBB for the publication of emergency information. AEMO also proposes that other references to the emergency page in the NGR be removed.
- 2) AEMO proposes to include a requirement to AEMO to maintain a static emergency information page in the GBB Procedures. AEMO will continue to work with other NGERAC members to develop this static emergency information page;
- 3) AEMO and other NGERAC members will continuously improve the Interruption to Supply Process and other NGERAC processes to ensure the industry maintains a robust emergency management framework.

AEMO has attached the proposed drafting at Appendix A.

4.1 Removal of current page

As NGERAC has indicated that a dynamic emergency page on the GBB is now of limited value, AEMO proposes that the requirement to maintain a section of the GBB to support the work of NGERAC is no longer necessary. AEMO proposes:

- that division 7 of part 18 of the NGR be deleted.
- that all other references to the emergency page are removed from the NGR.

AEMO proposes to retain the current emergency page until 11 December 2014 when the existing GBB will be replaced by a redeveloped interface. NGERAC will still have the ability to activate the emergency page until this date.

4.2 Replacement with a static page

AEMO and the NGERAC Chair agreed to implement a new static emergency information and material page on the redeveloped GBB. AEMO intends to include a requirement for a static emergency information page in the GBB Procedures.

The purpose of the static emergency information page is to have a dedicated page available to industry participants, government and members of the public for the purpose of hosting documentation, information and other relevant resources on emergency management procedures and protocols. Currently, relevant emergency management protocols and procedures are spread

across multiple websites and sources. AEMO believes a single repository of emergency information will be a considerable improvement on the status quo.

The intention of the page is to be an informative resource; the page is not intended to be used to provide specific information or updates in the event of an incident.

It is envisaged that the page will:

- include links to or copies of relevant emergency management procedures and protocols;
- provide guidance on where to go in the event of an incident, and AEMO's contact information;
- be publicly and permanently available; and
- be static; information on the page will not change in the event of an incident.

AEMO has commenced engagement with NGERAC members and any other interested parties to determine exactly what and how information should be presented on this new page. As this is a static information page, AEMO does not believe that this new page will significantly add to the redevelopment or operational costs of the GBB.

4.3 Further enhancing NGERAC emergency management processes

To ensure there is a robust emergency management framework, AEMO and NGERAC members will continue to collaborate to further enhance emergency management processes and their documentation. NGERAC members have identified some areas that could be improved, including:

- improving awareness of confidentiality of information provided under the Interruption to Supply Process; and
- formalising the NGERAC teleconference process through enhanced documentation.

4.4 Consultation

AEMO has consulted on proposed decommissioning of the page through two channels:

- NGERAC, on 22 October 2013 (Minutes at Appendix D). All members who responded supported AEMO's recommendation to submit a rule change proposal to remove the emergency information page. The Minutes of this meeting are attached. AEMO has received a letter of support for this Rule Change Proposal from the Department of Industry in its capacity as the NGERAC Chair (see Appendix C).
- the Gas Bulletin Board Reference Group on 6 May 2014, and through its June Scoping Report to the Council. Reference Group members indicated their support for removal of the page. AEMO has since consulted with members of the GBBRG on the proposed contents of the static page.

5 Proposed Rule

5.1 Proposed Rule Change

The Rule Change Proposal seeks to remove the NGR requirement (in part 18) for AEMO to maintain an emergency information section on the GBB. AEMO proposes to remove:

- Division 7;
- The definition of emergency information page;
- The definition of emergency status report;
- The definition of authorised representative for the purpose of activating, deactivating or providing information to the emergency information page;
- Rule 187 – As secure access arrangements to the emergency information page will no longer be required if that page does not exist.

AEMO proposes to include in the GBB Procedures a requirement for AEMO to have a static page, for the purposes of hosting emergency management processes and protocols.

5.2 Draft of Proposed Rule

A draft of the proposed rule has been included in Appendix A.

6 How the proposed Rule contributes to the National Gas Objective

When considering a rule change proposal, the AEMC applies the rule-making test set out in the NGL, which requires it to assess whether the proposed Rule will, or is likely to, contribute to the NGO. Section 23 of the NGL states the national gas objective (NGO) is:

... to promote efficient investment in, and efficient operation and use of, natural gas services for the long term interests of consumers of natural gas with respect to price, quality, safety, reliability and security of supply of natural gas.

AEMO considers the proposed rule is likely to contribute to the NGO for the following reasons.

6.1 Price impact on consumers

The proposed changes will impact price to consumers by removing costly duplication of emergency management functionality and eliminating the need to incur an estimated \$180,000 in set-up costs. The GBB is funded by gas shippers, many of whom are direct consumers of natural gas. Indirect consumers (retailers) would ultimately pass this cost on to consumers.

6.2 Safety, reliability and security of supply

By having a single communication channel in the event of a multi-jurisdictional incident, the risk of conflicting information undermining emergency management processes is reduced. This should assist NGERAC and industry in effectively resolving an incident.

6.3 Transparency

Providing a single, consolidated source for emergency management procedures, protocols and manuals hosted on a static page on the GBB, is expected to improve transparency and enhance awareness for industry, jurisdictions and the public. AEMO notes that such a facility does not currently exist for the gas industry and expects that it would be an improvement on the status quo.

7 Expected benefits of the proposed Rule Change

7.1 Removal of emergency information page

- As mentioned above, AEMO estimates that \$180,000 will be saved in development costs, made up of:
 - savings to IT infrastructure required for additional redundancy;
 - savings in development of a new page and secure system; and
 - savings in integrating emergency information functionality with other parts of the GBB.

7.2 Static Emergency Information Page Costs

The cost of implementing the static emergency information page is estimated to be minimal, while operating costs associated with this page are expected to be negligible.

8 Transition to a static page

To communicate the transition from the live emergency information page to the static page, AEMO intends to present the proposed contents of the static page for review and discussion at the next NGERAC meeting on 18 November 2014.

AEMO will also communicate the contents of the static page to the GBBRG.

In parallel, AEMO will submit a letter to the Australian Energy Regulator requesting a 'no action' to ensure AEMO is not in breach of its part 18 Rule obligations while awaiting the outcome of the rule change proposal.

9 List of appendices

Appendix A: proposed draft rule-change

Appendix B: Interruption to Supply Process

Appendix C: Letter from NGERAC Chair

Appendix D: NGERAC Minutes, 22 October 2013

10 Glossary

Term or Abbreviation	Explanation
AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
DOI	Department of Industry
JCO	Jurisdictional Contact Officer
NGERAC	National Gas Emergency Response Advisory Committee
GBB	Gas Bulletin Board
The Council	The Council of Australian Governments' Energy Council
NGL	National Gas Law
NGO	National Gas Objective
NGR	National Gas Rules

Part 18 Natural Gas Services Bulletin Board**Division 1 Interpretation and application****141 Interpretation**

- (1) In this Part:

[...]

authorised representative ~~means a person duly authorised by a Minister of a participating jurisdiction to provide information to AEMO for publication on the emergency information page or to request AEMO to activate or deactivate the emergency information page under rule 181.~~ **[Deleted]**

[...]

emergency information page ~~means the emergency information section of the Bulletin Board maintained by AEMO under Division 7.~~ **[Deleted]**

emergency status report ~~means a statement on a gas supply emergency authorised by an authorised representative.~~ **[Deleted]**

[...]

Division 7 Emergency information**181 Emergency information page**

- (1) ~~AEMO must maintain a section of the Bulletin Board for the publication of emergency information, being information of a kind that is:~~
- (a) ~~specified in the BB Procedures; and~~
 - (b) ~~provided to AEMO by an authorised representative, or by a BB participant, for the purpose of publishing it on that section.~~
- (2) ~~A Minister of a participating jurisdiction may provide AEMO with a list of the person or persons who are authorised representatives.~~

182 NGERAC or a Jurisdiction may request activation or deactivation of emergency information page

- (1) ~~The Chair of NGERAC or an authorised representative may at any time request AEMO to:~~
- (a) ~~activate the emergency information page on the Bulletin Board for the purpose of assisting NGERAC or the relevant participating jurisdiction in the management of a gas supply emergency; or~~
 - (b) ~~deactivate the emergency information page where it has previously been activated at that person's request.~~
- (2) ~~As soon as practicable after receiving a request under subrule (1), AEMO must activate or deactivate (as the case may be) the emergency information page.~~

~~183~~ — ~~BB emergency use indicator~~

~~At the same time as AEMO activates or deactivates the emergency information page under rule 182(2), it must indicate on the Bulletin Board, in the manner specified in the BB Procedures, that the emergency information page has been activated or deactivated (as the case may be).~~

~~184~~ — ~~Jurisdiction may make public statements on an emergency~~

- ~~(1) An authorised representative may at any time request AEMO to:~~
- ~~(a) publish on the public section of the Bulletin Board an emergency status report; or~~
 - ~~(b) amend or remove an emergency status report previously published on the public section of the Bulletin Board at that representative's request.~~
- ~~(2) As soon as practicable after receiving a request under subrule (1), AEMO must publish, amend or remove the emergency status report in accordance with the request.~~

~~[Deleted]~~

~~[...]~~

Division 8 Access to the Bulletin Board

~~[...]~~

~~187~~ — ~~Access to emergency information page~~

- ~~(1) Only BB participants may access the emergency information page and AEMO must ensure that the emergency information page is password protected.~~
- ~~(2) Any person who obtains, directly or indirectly, access to information from the emergency information page must not disclose that information other than for the purposes of managing or responding to a gas supply emergency or as otherwise required by a law.~~

~~[Deleted]~~

~~[...]~~

NATIONAL GAS RESPONSE ADVISORY COMMITTEE (NGERAC)

INTERRUPTION TO SUPPLY PROCESS

PREPARED BY: AEMO on behalf of NGERAC

DOCUMENT NO: Document ID

VERSION NO: 4

STATUS: DRAFT

Version Control

DECEMBER 2009	V3	SANDRA MCLAREN AEMO	DECEMBER 2009
JULY 2012	V4	SHONAL DESSMANN AEMO	JULY 2012

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1. INTRODUCTION

The purpose of this document is to provide guidance to National Gas Emergency Response Advisory Committee (NGERAC) members in dealing with a multi-jurisdictional natural gas supply shortage. Specifically this document:

- Outlines the emergency escalation process in relation to a multi-jurisdictional gas emergency;
- Outlines NGERAC's communication process during a multi-jurisdictional gas emergency;
- Defines NGERAC processes for advice to relevant jurisdictional Ministers during a major natural gas supply shortage;
- Defines the principles to be used to determine the allocation of available gas supplies between jurisdictions following a Minister's enactment of jurisdictional emergency powers; and
- Defines the methods to be used by NGERAC for gathering and disseminating emergency-related information e.g. Supply-Demand information and Situation Reports.

This manual is developed in keeping with the rules and principles contained in the Memorandum of Understanding - *National Gas Emergency Response Protocol*.

This manual does not duplicate or replace jurisdiction and industry gas emergency manuals. Instead it should complement intra-jurisdictional arrangements to facilitate communication and coordination between jurisdictions¹.

1.1 Review

This document will be reviewed following the activation of this process as well as following the conduct of simulation exercises.

¹ Jurisdictions and industry will use reasonable endeavours to carry out NGERAC procedures. If a time conflict arises between a 'local' manual and this NGERAC procedure, the 'local' manual should prevail.

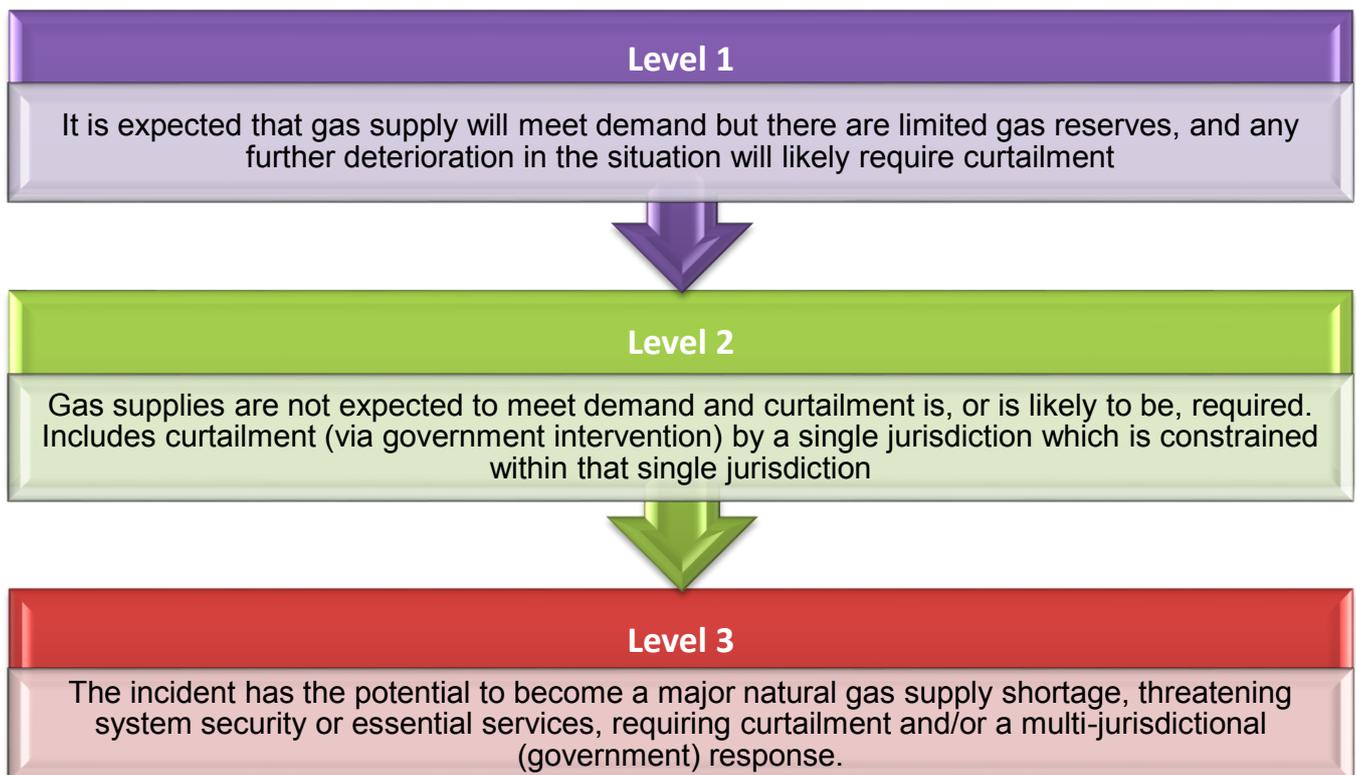
2. EMERGENCY PROCESS

Most incidents will be managed successfully by the market without escalating to a level that requires intervention by government through the use of either natural gas specific rationing powers or broader emergency management powers. In these instances, a natural gas supply disruption event will be managed by each jurisdiction in accordance with its own emergency arrangements.

2.1 Advisable Incident

A gas incident is defined as something that occurs which materially affects, or has the potential to have a material effect on the production, transportation or supply of natural gas to meet projected demand requirements and maintain system security. Where an incident gives rise to an actual or potential shortfall in gas supplies to more than one jurisdiction or requires a multi-jurisdictional response, it is known as an **advisable incident**.

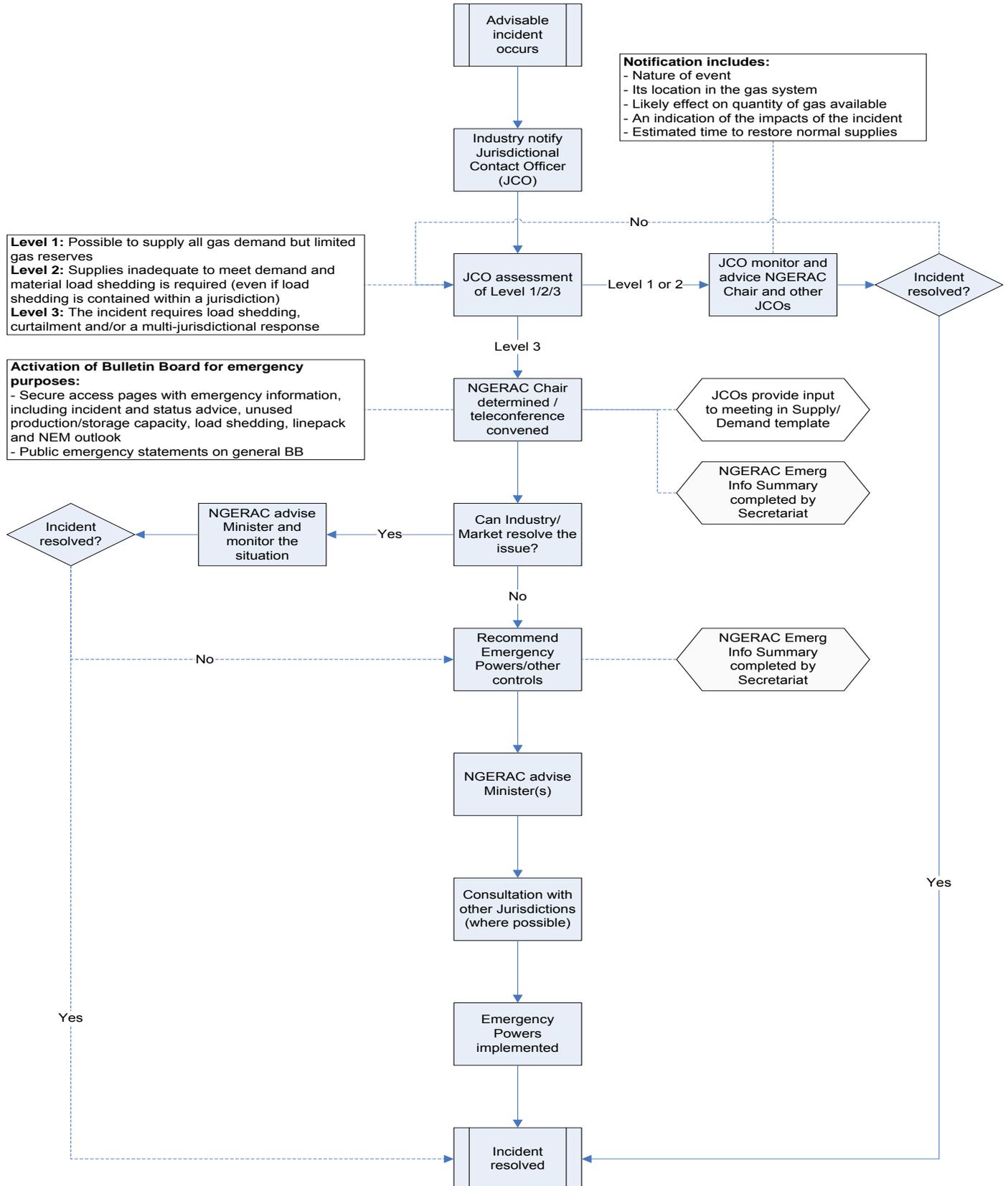
Advisable incidents are categorised in accordance with the following levels:



2.2 NGERAC emergency process

If emergency powers are required to be enacted the process outlined in Figure 1 below is to be applied.

FIGURE 1. NGERAC EMERGENCY PROCESS



3. COMMUNICATION

Communication with stakeholders during a major natural gas supply shortage is imperative.

3.1 Notification of Advisable Incidents

Jurisdictions will be independently responsible for ensuring that they have in place adequate notification procedures in the event of an incident in their jurisdiction (including notification of the Jurisdictional Contact Officer (JCO)).

The JCO in the jurisdiction where an advisable incident has occurred shall as soon as practicable notify all relevant JCOs or their alternate contacts. The notifications shall include:

- Nature of the event;
- Its location in the gas system;
- Time the event occurred;
- Likely effect on the quantity of natural gas available; and
- The estimated time to restore normal supplies.

3.2 Public statements

While it is not NGERAC's role to make public statements, NGERAC or jurisdictions may use the Bulletin Board (BB) to post public statements on the emergency pages of the BB if directed by Ministers to do so.

3.3 Teleconference meeting and Chair

In the event of a major natural gas supply shortage:

- NGERAC will be convened (most likely by teleconference) only when market solutions appear not to work. Dial in details will be provided by Department of Resources, Energy and Tourism (DRET) and can be found on the Standard Agenda template (Attachment 1); and
- The NGERAC chair will be passed to the jurisdiction where the incident occurred or, if agreed to be more practical or appropriate, the DRET will chair.

3.4 Bulletin Board (BB)

The BB will assist the work of NGERAC by collating and disseminating much, but not all of the relevant information centrally, and by providing updates as things evolve. Use of the BB will assist the market and NGERAC to manage an emergency situation and enable jurisdictions and others to follow developments.

It can be activated by contacting AEMO on the following 24h operations telephone numbers as per the operating and update procedure, National Gas Market Bulletin Board – Emergency Information pages document.

0439 202 469

Standard Meeting Agenda

AGENDA

MEETING: Enter Meeting name here
DATE:
TIME: Enter here
LOCATION: Enter here
TELECONFERENCE Dial: 1800 735 510
DETAILS: Host Code: 78 54 05 98
 Guest Code: 96 29 43 48

ATTENDEES:

NAME	COMPANY / DEPARTMENT

APOLOGIES:

NAME	COMPANY / DEPARTMENT

1. Purpose, objectives & deliverables today (Chairman)
2. Situation Update (Supply-Demand Data Template for impacted jurisdictions)
3. Consideration of industry/jurisdictional actions
4. Community Impact
4. Advice to Ministers (NGERAC Emergency Information Summary)
5. Actions arising from meeting
6. Next meeting/Time

NGERAC Emergency Information Summary

	UPDATE NUMBER	
	DATE	TIME
1	Description of Emergency incident	
2	Injuries/Risks to Personnel or Public	
3	Potential impact on industry (high level)	
4	Community Impact (Customers off supply, restoration times etc)	
5	Actions taken by Industry/Jurisdictions to date	
6	Current Status (Supply-Demand Outlook, timeframes, key assumptions)	
7	Recommended Actions under NGER Protocol i.e. Gas Sharing requiring agreements by Ministers and residual load shedding/curtailment level	
8	Restoration of supply recovery plan (incl. contingency plan if restoration does not proceed to plan)	
9	Key Points for Jurisdictional Media Statements	
9	Other - specify	

At the end of every emergency meeting, this NGERAC Emergency Information Summary template will be filled out and updated to reflect the revised supply/demand situation. This template can be used as an information source for the briefing of relevant jurisdictional Ministers.

Supply-Demand Outlook Template

The Supply/Demand Outlook template is to be used by JCOs to provide details of an advisable incident. This information is intended to provide a jurisdictional perspective on supply/demand.

To the extent that the necessary information is available or can be obtained, each JCO will fill out (in consultation with industry where appropriate) a **Supply/Demand Outlook** template prior to NGERAC meeting during a major natural gas supply shortage. When filling this out, jurisdictions should use the Excel template provided separately.

Having this basic information upfront will assist NGERAC to focus on addressing key issues and assist in making decisions in response to the situation. JCOs should bring these to the NGERAC meeting or preferably issue them in advance by e-mail. These sheets will be updated on an appropriate and agreed basis. If there is insufficient information available to fully complete the template, JCOs should complete as much as practicable prior to any NGERAC meeting.

The emergency related information on the BB will complement the Supply/Demand Outlook/Outcomes template and may also be used to help complete the details provided in the template.

Note: *The information provided within the Supply/Demand Outlook template is not to be posted on the Bulletin Board.*

Blank S-D Outlook Template for use by all Jurdictions¹

Jurisdiction:		Officer:				
Summary of incident and potential jurisdictional impact				Date:	Time	
Supply-Demand outlook		Units are TJ		Gas day dates		
Systems:		01-Jan	02-Jan	03-Jan	04-Jan	05-Jan
Pipeline Injections						
Unconstrained demand Gas Fired Gen (if avail ²)						
Unconstrained demand Industry & Res						
Pipeline 1 BoD Linepack Linepack use (-) or build (+)			0	0	0	0
Pipeline 2. BoD Linepack Linepack use (-) or build (+)			0	0	0	0
Pipeline 3. Linepack Linepack use (-) or build (+)			0	0	0	0
S-D Balance with linepack changes		0	0	0	0	0
Load shedding Gas Fired Gen (if avail ²) (+)						
Load shedding Industry & Residential (+)						
S-D Balance with load shedding (should = 0)		0	0	0	0	0
Planning Assumptions						
Additional gas, Gas sharing, Linepack use						
Load Shedding/Curtailment , timing, locale, type, yields						
Impact on NEM						
Supply Restoration Plan						
Other						

Foot note

1. Jurisdictions will take the lead in filling this information with input from industry. NGERAC recognises that complete information may not be available and estimates and/or working assumptions will be required. This information should be filled out on the excel template provided separately.
2. If separate Gas Fire Generation (GFG) information not available or cannot be estimated, then combined Industry & Residential & GFG load will have to suffice

Hypothetical Examples for NSW/ACT

Jurisdiction:		NSW/ACT	Officer	AA		
Summary of incident and potential jurisdictional impact			Date:	27-Dec-07	Time	12:00 PM
Moomba explosion 12pm 2-Jun-07. 100% supply loss expected for several days						
Supply-Demand outlook Units are TJ			Gas day dates			
Systems:	MSP and EGP	02-Jun	03-Jun	04-Jun	05-Jun	06-Jun
Pipeline Injections	Longford	180	220	220	220	220
	Orbost	20	20	20	20	20
	Moomba	50	0	0	0	0
	Interconnect	0	0	0	0	0
Unconstrained demand Gas Fired Gen (if avail ¹ .)		50	50	50	50	50
Unconstrained demand Industry & Res		350	350	350	350	350
Pipeline 1 BoD Linepack	MSP	1450	1350	1300	1250	1250
Linepack use (-) or build (+)		-100	-50	-50	0	0
Pipeline 2. BoD Linepack	EGP	700	650	600	600	600
Linepack use (-) or build (+)		-50	-50	0	0	0
Pipeline 3. Linepack	N.A	0	0	0	0	0
Linepack use (-) or build (+)						
S-D Balance with linepack changes		0	-60	-110	-160	-160
Load shedding Gas Fired Gen (if avail) (+)		0	50	50	50	50
Load shedding Industry & Residential (+)		0	10	60	110	110
S-D Balance with load shedding (should = 0)		0	0	0	0	0
Planning Assumptions						
Additional gas, Gas sharing, Linepack use						
40TJ/d from 3 Jun from Esso						
Load Shedding/Curtailment , timing, locale, type, yields						
40TJ/d from 3 Jun from Esso. EGP linepack reduced to 600TJ to enable maximum flows. Level 6 restrictions to networks.						
Impact on NEM						
minimal - price only						
Supply Restoration Plan						
Moomba ramp up from 6am 9 Jun						
Other						

**Australian Government****Department of Industry**

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Dear Mr Tirpcou

As the Chair of the National Gas Emergency Response Advisory Committee (NGERAC), I wish to provide the Committee's support to the Australian Energy Market Operator's (AEMO) proposal to decommission the National Gas Market Bulletin Board's (NGMBB) Emergency Pages.

As you may be aware, AEMO briefed NGERAC on 22 October 2013 on the outcomes of the NGMBB Emergency Pages Exercise, held on 31 July 2013. NGERAC was asked for their comments on the main recommendation of the Exercise: that 'AEMO and industry consider decommissioning the NGMBB emergency pages as it does not add any additional value or information during an incident'.

NGERAC endorsed the recommendation at the October 2013 meeting. However, NGERAC noted that the availability of reliable information during an emergency is vital to responding effectively. As such NGERAC further advised AEMO that work should be undertaken to further map the current communication channels by which information is received during an incident before commencing the rule change process and requesting a 'letter of no action' from the Australian Energy Regulator.

To ensure that NGERAC can obtain relevant information to inform its emergency advice, NGERAC, with AEMO, will undertake ongoing improvements to its processes in addition to the mapping of communication channels. This includes ongoing improvements to the key operational document used by NGERAC members and the intention to formalise NGERAC's interaction with industry's emergency responders in the event of a reportable incident. These and other NGERAC arrangements will be tested as part of the Committee's annual exercise.

I also understand that as part of AEMO's current redevelopment of the NGMBB, AEMO proposes publishing static web content relating to gas emergency management policies and procedures. NGERAC believes it is important to publicly communicate that there are comprehensive gas emergency management procedures in place. Therefore, NGERAC supports publishing this type of material in a central location and values the opportunity to share our ideas with AEMO on suitable content for this purpose.

I would welcome an update on the rule change process from AEMO at the next NGERAC meeting.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Josh Cosgrave', written over a light blue horizontal line.

Josh Cosgrave
Chair - NGERAC

1 September 2014



MINUTES

MEETING: 20th National Gas Emergency Response Advisory Committee (NGERAC)
 DATE: Tuesday, 22 October 2013
 TIME: 10.30am
 LOCATION: Mantra Southbank, Brisbane

ATTENDEES:

NAME	COMPANY / DEPARTMENT
Josh Cosgrave	Department of Industry and Chair of NGERAC
Akasia So	Department of Industry
Michael Nagajek	Department of Industry
Mark Miller	AEMO
Megan Bracksley	AEMO
Graham Manson	AEMO
Shonal Dessmann	AEMO
Matthew Clemow	AEMO
Bob Boeston	Jemena, representing gas distribution owners
Simon Gramp	SA Department for Transport, Energy and Infrastructure
George Foley	AGL, ERAA representing retailers
Rod Johannessen	APA Group, representing gas transmission owners
Hannah Heath	Origin Energy, ERAA representing retailers
Kumar Thambar	QLD, Department of Energy and Water Supply

DIAL IN:

NAME	COMPANY / DEPARTMENT
David Headberry	Major Energy Users Inc., representing energy users
Megan Ward	ACT Environment and Sustainable Development Directorate
Ben Ferguson	VIC Department of Sustainability, Development, Business and Innovation
Tim Astley	TAS Department of Infrastructure Energy and Resources
Tam Pham	BP, EUAA representing gas users
John Deere	AEMO

Welcome/apologies

Cherry Harrop (AEMO), Ralph Grimes (NSW Department of Trade and Investment, Regional Infrastructure and Services), Keith Robertson (Origin Energy), Jon Sibley (ACT, Environment and Sustainable Development Directorate) and John Waddick (Exxon Mobil).

The chair, J Cosgrave, welcomed members to the 20th NGERAC meeting. The chair noted changes to the NGERAC membership for Exxon Mobil, John Waddick will take over from Simon Dare.

1. Chair's Update

The Chair updated members on the following:

With the change in Government a number of departmental changes have resulted with the Department of Resources, Energy and Tourism being abolished with the functions picked-up in the new Department of Industry:

- Glenys Beauchamp PSM is the Department of Industry's new Secretary supported by four deputy secretaries
- In terms of the remit of the new department, it includes:
 - Most of the former Resources, Energy, and Tourism department
 - Most of the former Industry, Innovation, Climate Change, Science, Research and Tertiary Education department
 - Anti-dumping will transfer across from Customs
 - Science and Research will remain
 - Adult migrant education will transfer from the former Department of Immigration and Citizenship

The Hon Ian MacFarlane MP is the new Minister for Industry and is supported by the Hon Bob Baldwin MP as his Parliamentary Secretary.

The Coalition's policy on resources and energy is available at <http://www.liberal.org.au/our-policies>. A key element of the policy is the development of an Energy White Paper by September 2014. The White Paper is aimed to ensure industry and consumers can have certainty and confidence in government policy.

While it is still very early days for its development, Minister Macfarlane does have firm views on what the Energy White Paper should cover.

As stated in his speech to the Energy Users Association of Australia Annual Conference on 17 October 2013, he believes the focus should be on those economy-wide reforms relevant to the energy sector, including reducing cost pressures, streamlining regulation and improving workforce development.

The East Coast Gas Supply Strategy, due in early 2014, will also inform the development of the Energy White Paper.

The Government has also committed to release an Eastern Australian Domestic Gas Market Study by the end of the year. The point of contact in the department on this issue is Dr Chris Locke on 02 6243 7512.

- The objective of the Study is to produce a comprehensive report on Australia's gas markets, the state of play and barriers to domestic gas supply, focusing on eastern Australia.
- The study seeks to identify market trends over the period 2013-2023, with a particular emphasis on the period of 2015-2020.
- A range of potential policy responses to mitigate any identified constraints and options to improve market dynamics and responses to emerging price signals have already been suggested by stakeholders and are being explored.
- This work is being undertaken by the Department of Industry and the Bureau of Resources and Energy Economics.

2. Agenda

No additional items were added to the agenda.

3. Minutes

The minutes from the 19th NGERAC meeting were accepted without change.

4. Status of NGERAC tasks

The NGERAC tasks list was reviewed and a number of items were updated and closed out. The changes are reflected in the status of NGERAC tasks document.

Items of note:

Action 21 was raised and members noted that material on or a presentation of the new gas supply hub in Queensland would be worthwhile. Pending the outcome of Action 26, members agreed that a presentation at NGERAC's Sept/Oct 2014 meeting would be preferable.

Action 26: G Foley to speak to Peter Geers, AEMO, in regards to slides that can form a brief overview for members who would like it.

Complete

5. NGERAC Exercise 'Hot Tap' and Interruption to Supply

The Chair presented on the 2013 NGERAC exercise report, and specifically the recommendations contained within the report. The members discussed the recommendations and the actions relevant for addition to the action register.

The Chair noted that planning for exercise 'Hot Tap' commenced in the third quarter of 2012 with a good, collaborative exercise produced.

Members were asked for feedback on the report; G Foley noted that his specific role in the committee is representing Energy Retailers Association of Australia (ERAA).

Action 27: Update AGL and Origin Energy committee role in the exercise report to ERAA.

Complete

Recommendation 1a: The group agreed that this recommendation is captured in agenda item 7; ie the NGMBB emergency pages will not have the capacity to proceed with this recommendation.

Recommendation 1b: NGERAC is a routine forum and working groups will be utilised where necessary. For an update on project status' members can refer to the status of NGERAC tasks list.

The Chair noted that NGERAC could look at a workshop/training session to cover off on relevant items contained in recommendation 1b, which will build knowledge and capability among members. Given the scope of the items, it may require more than one meeting/workshop to cover these as well as standing NGERAC items.

Action 28: Chair to consider a workshop or presentations on relevant items at the March 2014 meeting on items raised at recommendation 1b.

Recommendation 1c: This recommendation was noted and will be maintained for the 2014 exercise by again having an exercise planning team that consists of industry subject matter experts.

Recommendation 1d: Members agreed that this recommendation requires more work. There is uncertainty on the media speaking roles of affected jurisdictions, AEMO and the Commonwealth during a gas emergency. AEMO also questioned whether NGERAC had a 'speaking role' during an event, noting the MoU only canvasses an advisory role.

The Chair proposed a working group be established to help clarify these issues and develop an agreed approach to test at the May 2014 exercise.

Action 29: Nominations for the media management working group to be sent through to M Bracksley by Wednesday 18 December 2013.

Recommendation 2: This recommendation was noted by the group, this is currently covered via the status of NGERAC task list.

Recommendation 3: This recommendation was noted, however exercise objectives are based on what members want to explore, in conjunction with using the lessons identified from previous exercises.

Recommendation 4: This recommendation was noted by the group and will be taken on board for the next exercise working group.

Recommendation 5: This recommendation was noted by the group, and is ongoing. It is incorporated in the updating of the interruption to supply document

6. Memorandum of Understanding (MoU)

The Chair briefed members on the state of the current MoU and noted that no review had been undertaken since the Parties signed the MoU in 2005. It was also noted that the MoU would provide members an opportunity to discuss the current scope of NGERAC's responsibilities and how they align with the current and future outlook for gas markets in Australia.

K Thambar asked whether changes to the MoU are required to be signed off the by the Minister.

The Chair noted that any changes from a review would need endorsement by the Parties to the MoU (i.e. Ministers) but the review process could be managed by officials. Reporting on the review would be through the Senior Committee of Officials to SCER.

NGERAC agreed to establish a working group that would report through SCO to SCER.

The Chair proposed that a working group be established to facilitate the review, however prior to that the chair would like to ascertain what each jurisdiction would like included in the MoU. Next steps would include the drafting of terms of reference with proposed timeframes.

Action 30: Chair to email all members to consult on the scope of the MoU.

7. Bulletin Board Exercise

M Bracksley presented on the National Gas Market Bulletin Board (NGMBB) emergency pages exercise held Wednesday 31 July, 2013.

M Bracksley drew member's attention to the main recommendation within the report:

'AEMO and industry consider decommissioning the NGMBB emergency pages as it does not add any additional value or information during an incident. The information uploaded on this facility during an incident would already be captured by an existing emergency management process or communication channels such as the Energy Emergency Communications Protocol or control room to control room communications.'

Members endorsed the recommendation and agreed that the emergency pages should be decommissioned. The next step in the process is to further map the current communication channels in which information is received during an incident and then issue a letter of no action to the AER and commence the rule change process.

H Heath offered to review the rule change documentation prior to it going to the AEMC.

Action 31: AEMO to issue NGMBB emergency pages exercise report with NGERAC minutes.

Action 32: AEMO to write a letter of no action to the AER.

Action 33: AEMO to contact H Heath regarding rule change documentation.

Action 34: AEMO to commence rule change process.

8. Market Updates

Matthew Clemow provided an update on the markets to members.

Items of note included:

- The total Victorian gas demand (energy delivered), excluding gas export to NSW via Culcairn, in winter 2013 was 114.1 petajoules (PJ) which was 8.8% lower than for the same period in 2012. This consisted of:
 - a 8.6% decrease in system demand; and
 - a 22.9% decrease in gas powered generation (GPG).In addition, the total gas export to NSW in winter 2013 was 7.2 PJ, a 46% increase comparing with the same period in 2012.

- The peak gas day demand in 2013 was 1,162.9 terajoules (TJ), which was 6.5% higher than the 2012 peak gas day (1,092.1 TJ).
- Victorian gas powered generation (GPG) demand experienced its lowest gas usage for power generation for the last five years. The downward trend of DTS-connected-GPG demand for the last five years has been attributed to by the recovery in water storages, the increase in alternative electricity supplies and an increase in non-DTS connected GPG such as Mortlake.
- LNG dispatch was required twice for the purpose of peak shaving gas this winter on the 21 June and 24 June. These two days were the two largest demand days for the year and coincided with the Yallourn Power Station outage which contributed to a large quantity of GPG consumption.
- In terms of market outcomes, the weighted average market price this winter was \$4.2543 per gigajoule which is 11.2% lower compared to the same period in 2012 but 23.9% higher than the same period in 2011. The main contributing factor to the lower price from 2012 was the return of injections from Bass Gas, which was offline during winter 2012 due to plant maintenance resulting in no gas supplied for the entire winter period.

9. Analytical Services

J Deere provided an update on the status of the sanitised Contingency Planning Report (CPR) project.

J Deere advised the group that the contract was signed Monday 21 October and work is scheduled to commence Wednesday 30 October. The project is due to be finalised by 31 January 2014, however this is dependent on pipeline owners and whether they want to proceed with the project. If the pipeline owners do not want to continue, the costs incurred up until that point will be absorbed by AEMO.

R Johannessen asked who the audience of the sanitised report is. J Cosgrave responded that it was for NGERAC members to take and share within their organisations. The report will have limited distribution and will not be on AEMO's website.

R Johannessen's concern that once you sanitise something it can become less meaningful and can also become open for interruption was noted by J Deere. J Deere said the information that would be removed consisted of numerical information included in attachments and appendices and details on line pack and capacity. The sanitised version of the CPR would be scaled back to more of a qualitative report.

In relation to the current Contingency Planning Report (CPR), G Foley mentioned the wording of the opening caveat was unclear and may need to be reviewed. J Deere

took the comment on board and said that it would be considered in the next review of the CPR.

Action 35: J Deere to consider, as part of the next CPR review, rewording the opening caveat.

10. NEMEMF Update

M Miller provided an update on both the previous NEMEMF meeting and the 2013 NEM exercises.

M Miller noted that a workshop was held the morning of the May 2013 meeting and involved presentations from Victoria Police on terrorism and investigation, CERT Australia on cyber security issues and concluded with a presentation on the roles and responsibilities of the Responsible Officer (RO), Jurisdictional System Security Coordinator (JSSC) and Jurisdictional Designated Officer (JDO) and how they fit within the rules.

Within the meeting itself, NEMEMF members reviewed the past summer period and discussed the demand reduction calculator project.

Again, like previous years both a Northern and Southern exercise was held, however the exercises this year were desktop-based which saw participants discussing issues in the same location. The scenarios for both exercises were based around cyber threat issues.

Action 36: Chair to send through CERT documentation on cyber threats to members.

11. Other Business

H Heath posed the question to the jurisdictional representatives of what their expectations of industry representatives at NGERAC are so they can be better prepared and make the industry roles on NGERAC more meaningful. H Heath noted that it was an item for members to consider off line.

Action 37: Members to consider what they see the role of the industry representatives are and report back at the May 2014 meeting.

12. Next meeting and close

The next meeting will be held on Tuesday 18 March 2014 in Adelaide. Invites have been issued by S Dessmann and more details will be provided closer to the date.

The meeting was closed at 2.30pm market time.