

Outcome of the Gas Supply Shortfall Event – 19 July 2022

AEMO Gas Supply Shortfall Outcome Notification – 19 July 2022

AEMO has determined that this gas supply shortfall trigger event will apply from 19 July 2022 to 30 September 2022, unless the event is resolved earlier. AEMO will continue to monitor gas supply throughout this period for NEM gas powered generators in south eastern Australia.

The Gas Supply Guarantee is required, due to:

- High gas demand expected for the 19 July 2022 to 30 September 2022 period
- Impacted regions: New South Wales, Victoria, South Australia and Tasmania
- NEM gas generation demand has significantly increased gas demand in south eastern Australia over the last few months. For comparison:
 - NSW gas generation (year to date) in 2022 is 15 PJ versus 5 PJ in 2021; and
 - VIC gas generation (year to date) in 2022 is 14 PJ versus 7 PJ in 2021.
- Increased gas generation demand is depleting Iona storage inventory at an unsustainable rate. Iona storage is critical to maintaining gas supplies on peak gas demand days in south-east Australia. Iona withdrawals must be reduced to a sustainable rate to last the winter period.
- NEM gas powered generators have advised AEMO they cannot obtain sufficient gas supply to meet gas-powered generation demand and are needing to generate using diesel to fuel their gas generation.
- An average of an additional (approx.) 100 TJ/d of gas flows to the southern states during the period (essentially seeking to maximising flows from Wallumbilla on the SWQP pipeline to the southern states).
- LNG producers have indicated that gas can be purchased from them either via bilateral contract or from the Wallumbilla Gas Supply Hub.

AEMO will provide further updates to the market as required during this period via additional Gas Supply Shortfall notifications.