

AEMO's Contingency Gas Determination

AEMO advises all Trading Participants (Participants) that a Contingency Gas event has been triggered for the Short Term Trading Market (STTM) Sydney hub for gas day 24 November 2016.

AEMO determines that 0 TJ of Contingency Gas is required.

AEMO has followed the Contingency Gas process as required by the National Gas Rules in making this determination.

On 24 November 2016:

- 12:14 AEST – Notification of Contingency Gas Trigger Event
 - Jemena Eastern Gas Pipeline (EGP) notified AEMO of a Contingency Gas trigger event under Rule 440(1)(c).
- 13:30 AEST – Assessment Conference #1 with STTM Facility Operators, STTM distributor and Esso Australia.
 - Jemena Eastern Gas Pipelines (EGP), advised the conference that the EGP was currently depleting linepack by 3 TJ/hr, which at current rates will breach Horsley Park gate station pressure at approximately midnight (00:00 AEST) on 25 November 2016.
 - Esso advised that Longford Gas Plant 3 was experiencing compressor issues; and current expected total daily rate of 600 TJ. Expected daily rate into EGP is 310-320 TJ/d, subject to Participant nominations.
 - APA advised that the Moomba to Sydney pipeline (MSP) currently had total nominations of 44 TJ to the hub (8 TJ above the ex-ante schedule quantity of 36TJ), and total daily capacity of 298 TJ/d.
 - AGL advised that Rosalind Park was on track for delivery, and Newcastle Gas Storage (NGS) facility was liquefying natural gas as per ex-ante schedule, however, liquefaction ceased 20 mins prior to the Assessment Conference. If required NGS could inject 20-30TJ for the remaining gas day.
 - Jemena Gas Networks (JGN) advised they are experiencing increased inlet pressure from EGP. This may cause JGN to rely on other facilities for remaining gas day flows.
- 14:30 AEST – Industry Conference with STTM Participants
 - AEMO provided a summary of the current situation where EGP is currently depleting linepack and may breach pressures by midnight (00:00 AEST) on 25 November 2016 due to reduced supply from Longford.
 - Esso advised they were currently ramping up offshore production and may ramp up to 50 TJ/hr; and would advise Participants of available quantities by 15:30 AEST.
 - APA advised that the MSP will accept renominations, and as a pressure control pipeline will flow to maintain pressure in the distribution network.
 - Jemena noted that the event is an upstream issue, and would republish Participant schedules if renominations are received.

24 November 2016 17:30 AEST

- Participants indicated that would renominate approximately 30-50 TJ from the EGP to other STTM Facilities.
- AEMO would hold a second Assessment Conference at 16:30 AEST to review whether sufficient renominations were received.
- 16:30 AEST – Assessment Conference #2 with STTM Facility Operators, STTM distributors and Esso Australia.
 - AEMO summarised the previous conferences whereby 30-50 TJ of renominations were required.
 - Jemena advised that EGP received a decrease of 63TJ in renominations from the STTM hub and upstream demand, and would reduce flows immediately.
 - Esso advised Longford was ramping up and is now delivering at a rate of 18TJ/hr to EGP. Esso indicated they would resume a total plant capacity of 930 TJ/d for future gas days.
 - APA advised that MSP received an increase of 20 TJ in renominations, and that the pipeline was currently pressured out. AEMO noted that the MSP will be able to make up flows once EGP had reduced their flowrate into the distribution network inline with the renominations.
 - AGL advised that NGS had reduced its demand from the hub by 6 TJ.
 - The Assessment Conference concluded that the renominations were sufficient to alleviate the issue for gas day 24 November 2016, and future gas days.

AEMO has determined, based on information provided at the 16:30 AEST Assessment Conference that Contingency Gas is not required for gas day 24 November 2016 as per Rule 444(1)(a).

AEMO will continue to monitor the event, and will provide updates to the market as required. With the increased Longford flowrate it is not anticipated that Contingency Gas will be required in future gas days for this event as per Rule 444(1)(b).