

MEMORANDUM

TO: GTAC Stakeholders
FROM: First Gas
DATE: 24 July 2018
RE: Block 1 Outputs – 2 AEMO Guidelines for Gas Quality Excursions

During GTAC Workshop 1 on 10 July, some stakeholders queried how other issues in relation to gas quality fit with the discussion on the core terms of interconnection. In particular, there was reference to the Australian Energy Market Operator (AEMO) Gas Quality Guidelines (the AEMO Guidelines).

The AEMO Guidelines provide general information about gas quality and how the relevant parties will respond to short-term gas quality excursions outside the standard gas quality specifications.

First Gas was asked to report back to stakeholders as to whether we would progress a workstream in relation to the AEMO Guidelines.

We believe that there is merit in progressing a workstream to determine (among other things):

- (a) if a document analogous to the AEMO Guidelines should be developed for the New Zealand context;
- (b) what supplementary issues relating to “gas quality” may also need to be examined and resolved (e.g. testing methodologies and monitoring frequencies) to successfully introduce a New Zealand equivalent to the AEMO Guidelines; and
- (c) how any new arrangements could be implemented at an operational level.

First Gas would be happy to coordinate this work.

The GIC’s Gas Quality – June 2017 update paper reviewed previous gas quality work to assess whether there were any outstanding issues still requiring attention. Although the paper identified some outstanding matters, it concluded that time should be allowed for the new First Gas access arrangements to take shape before revisiting these matters.

First Gas supports this view. We appreciate that carrying out the GTAC workplan for the remainder of 2018 and its commencement in 2019 will be time and resource intensive for all industry stakeholders (including First Gas and the GIC). Therefore, First Gas proposes that this work-stream commence at an appropriate time during 2019. We would be happy to meet with GIC representatives at any stage though to discuss and prepare for this proposed workstream.

The latest version of the AEMO Guidelines are attached as Appendix 1 of this memorandum.

Appendix 1 –AEMO Gas Quality Guidelines – Version 10 (September 2017)

[provided as separate .pdf file]