Gas Market Report

AUSTRALIAN ENERGY REGULATOR

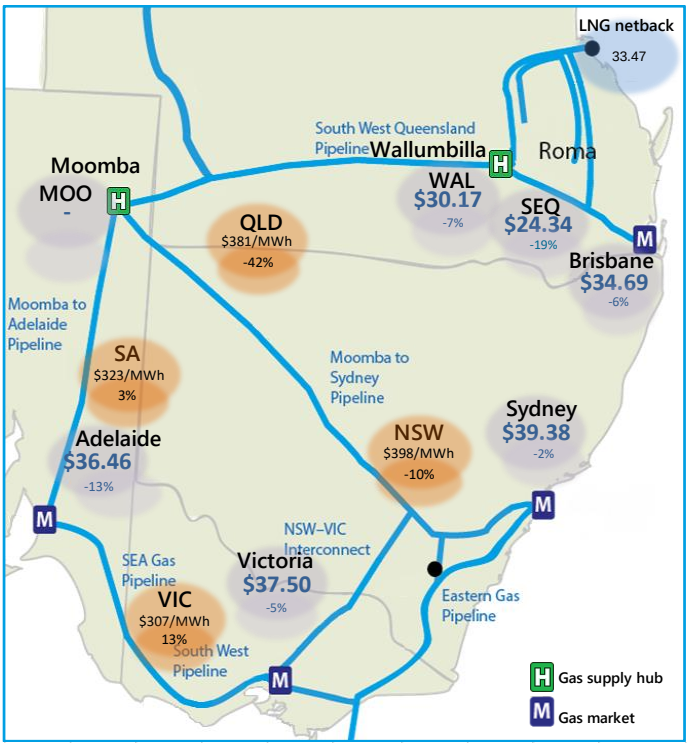
12 – 18 June 2022

Weekly Summary

The Administered Price Cap (APC) continued to cap prices at $40/GJ in the Victorian market. The APC in the Sydney market was removed at the end of gas day 14 June.

Downstream wholesale gas market prices (marked M on the map below) decreased in all four markets (percentage change from previous week shown on map). At the Wallumbilla upstream supply production hubs (marked H), the average price decreased at the WAL trading point and more significantly at the SEQ trading point. The map also includes National Electricity Market (NEM) prices to compare price trends across electricity and gas markets.

Map: Gas Market Prices, LNG netback price ($/GJ)*, NEM prices ($/MWh)**



*The LNG netback price is the 14 June 2022 assessment for the front month forward LNG netback price assessed: https://www.accc.gov.au/regulated-infrastructure/energy/gas-inquiry-2017-2025/lng-netback-price-series

** NEM prices reflect the Administered Price Caps (limiting prices to $300/MWh) from 15 to 24th June

Domestic spot prices continued to be greater than the LNG spot netback price ($33.47/GJ) this week.

Gas powered generation (GPG) increased this week with gas usage averaging above 700 TJ per day for the first time since June 2021, despite a 50 TJ per day fall in usage in Queensland where NEM prices fell substantially. This 2022 record level was a result of large increases in NSW and Victoria where NEM prices increased. LNG export pipeline flows were

lower this week (see figure 5.1). This decrease aligns with a planned outage (until 24 July) at the QCLNG facility[1] where up to a full LNG train was shut down from 16 June.

The >$7/GJ variation between D-2 and D-1 price threshold outlined in the STTM Significant Price Variation Guideline was exceeded on 7 occasions this week, all in the Sydney hub. The AER will investigate and publish a significant price variation report on the events. However, additional information on the Significant Price Variation breaches is set out in the significant price variation analysis below.

Long term statistics and explanatory material

The AER has published an explanatory note to assist with interpreting the data presented in its weekly gas market reports. The AER also publish a range of longer term statistics on the performance of the gas sector including gas prices, production, pipeline flows and consumer demand.

Market overview

Figure 1 sets out the average daily prices ($/GJ) for the current week, and demand levels, compared to historical averages. Regions shown include the Victorian Declared Wholesale Market **(or Victorian Gas Market - VGM)** and for the Sydney **(SYD)**, Adelaide **(ADL)** and Brisbane **(BRI)** Short Term Trading Market hubs **(STTM)**.

Figure 1: Average daily prices and demand – all markets ($/GJ, TJ)[2]

	Victoria		Sydney		Adelaide		Brisbane	
	Price	Demand	Price	Demand	Price	Demand	Price	Demand
12 Jun - 18 Jun 2022	37.50	936	39.38	348	36.46	73	34.69	88
% change from previous week	-5	-2	-2	4	-13	-8	-6	-4
21-22 financial YTD	13.77	548	14.16	254	14.72	55	14.29	85
% change from previous financial YTD	149	-1	136	0	133	-4	132	-20

Figure 2 sets out price and demand information for the voluntary Wallumbilla, South East Queensland and Moomba Gas Supply Hubs **(GSH)**.

[1] Australian Energy Market Operator (AEMO), LNG Maintenance Notice, June 2022.

[2] Average daily quantities are displayed for each region. The weighted average daily imbalance price applies for Victoria.

Figure 2: Average prices and total quantity – Gas Supply Hubs ($/GJ, TJ)[3]

	Moomba		South East Queensland		Wallumbilla	
	Price	Quantity	Price	Quantity	Price	Quantity
12 Jun – 18 Jun 2022	-	-	24.34	362	30.17	1026
% change from previous week	-	-	-19	13	-7	141
21-22 financial YTD	8.62	282	15.84	5215	14.33	20953
% change from previous financial YTD	184	-17	164	-14	146	37

Figure 3 illustrates the daily prices in each gas market, as defined in figures 1 and 2.

Figure 3: Daily gas market prices ($/GJ)

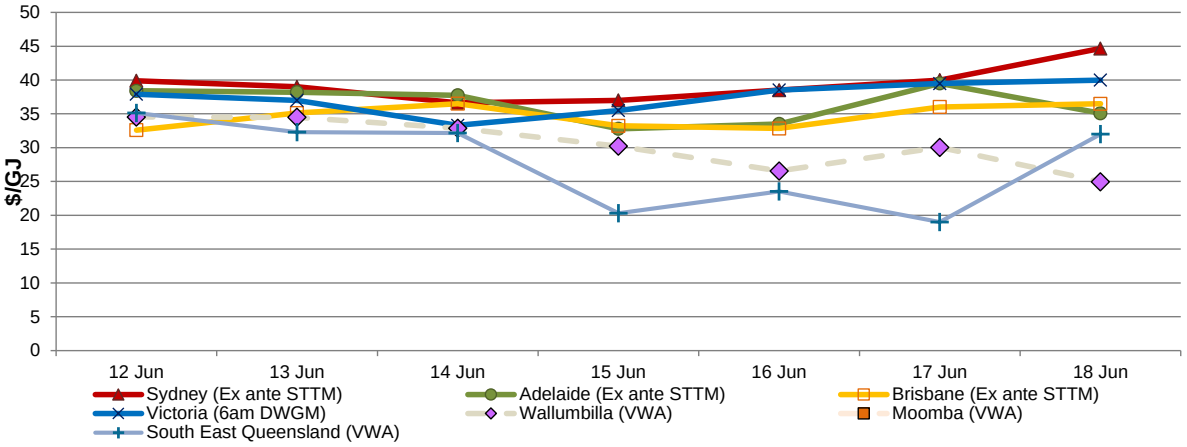


Figure 4 compares average ancillary market payments (for the VGM) and balancing gas service payments (STTM) against historical averages.

Figure 4: Average daily ancillary payments ($000)

	Victoria Ancillary Payments*	Sydney MOS	Adelaide MOS	Brisbane MOS
12 Jun - 18 Jun 2022	-	58.73	12.55	0.67
% change from previous week	-	4	20	24
21-22 financial YTD		22.87	8.93	0.91
% change from previous financial YTD		16	15	-75

* Ancillary payments reflect the compensation costs for any additional injections offered at a price higher than the market price.
Note: only positive ancillary payments, reflecting system constraints will be shown here.

More detailed analysis on the VGM is provided in section 1.

[3] The prices shown for the GSH in Moomba, South East Queensland and Wallumbilla are volume weighted average (VWA) prices for all products traded across the period. The total quantity contributing to the weighted price is displayed for these GSH. Reported values for Moomba are the aggregate of trades on the Moomba to Adelaide Pipeline (MAP) and the Moomba to Sydney Pipeline (MSP). Historic trades for RBP and SWQP are grouped under WAL, (including in-pipe trades on the RBP).

Figure 5 shows the quantity and volume weighted prices of products traded in the Gas Supply Hub locations at Moomba, South East Queensland and Wallumbilla.

Figure 5: Gas Supply Hub products total traded for the current week ($/GJ, TJ)[4]

	Moomba		South East Queensland		Wallumbilla*	
	VWA price	Quantity	VWA price	Quantity	VWA price	Quantity
Balance of day	-	-	31.23	42.0	31.23	98.0
Daily	-	-	22.27	161.0	30.80	744.5
Day ahead	-	-	33.42	31.0	31.17	121.5
Weekly	-	-	30.00	35.0	-	-
Monthly	-	-	19.67	93.0	19.00	62.0
Total	**-**	**-**	**24.34**	**362.0**	**30.17**	**1026.0**

* includes non-netted (off-market) trades.

Figure 6 shows Bulletin Board pipeline flows for the three LNG export pipeline facilities and the production output at related production facilities in the Roma region.

Figure 6: Average daily LNG export pipeline and production flows (TJ)*

	APLNG	GLNG	QCLNG	Total
Production	1536	938	1595	4068
Export Pipeline Flows	1587	953	819	3359
% change from previous week (pipeline flows)	9	5	-24	-3
21-22 financial YTD flows	1487	1052	1343	3882

* Production quantities represent flows from facilities operated by APLNG, Santos and QGC. Gas from individual facilities may also supply the domestic market, other LNG projects or storage facilities.

[4] Further information about new product trading locations in Victoria (Culcairn) and Sydney (Wilton) is available in section 6. Gas Supply Hub).

Detailed market analysis

Table 1: Key events this week

Date	Event	Market Affected	Description
12-18 June	Administered Price Cap (APC) continues (Cumulative Price Threshold (CPT) exceeded) High Shadow prices	Victoria	Multiple schedules of high shadow prices leading to cumulative price threshold continuing to be exceeded through week
14 June	APC removed, High D-2 prices finish	Sydney	APC ends at the conclusion of gas day 14 June as do the D-2 prices above $100/GJ
16 June	Threat to System Security	Victoria	4.51 pm {Critical}; ended at 5.27 am on 17 June
12,13,15,18 June	High MOS payments	Sydney	MOS service payments exceeding $50,000 – high decrease MOS on MSP

In addition, on 15th June the **National Electricity Market** was suspended by AEMO until 24th June.

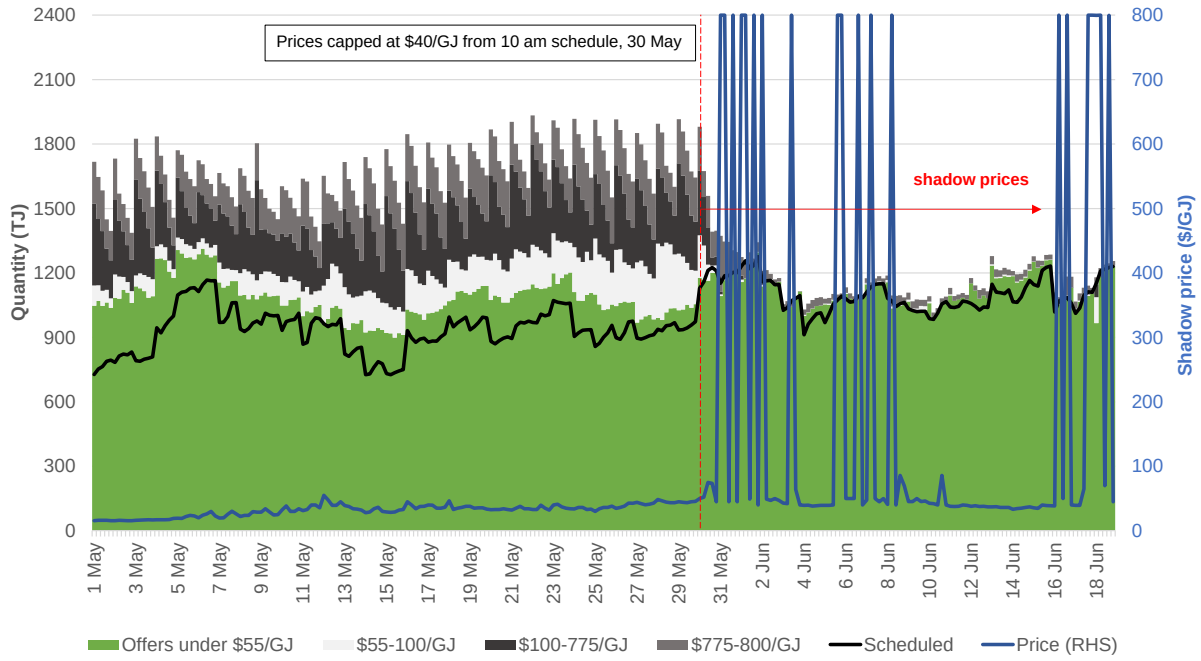
Victorian Administered Price Cap continues – Multiple high shadow Prices

The price in the Victorian market continued to be capped at $40/GJ this week as a result of high cumulative prices leading to the application of an Administered Price Cap **(APC).**

When an administered price cap is in place for the DWGM and STTM, a scheduled price continues to be calculated based on participant's offers and bids. The scheduled price, also known as the shadow price, reveals the price where the market would have cleared but for the price cap. Shadow prices are used in the calculation of the 7-day cumulative price. For example, for a price cap to be lifted in the DWGM, the shadow price would have to be less than $40/GJ over a 7-day period.

There were seven shadow prices in the Victorian market near to $800/GJ through the week, resulting in the cumulative price being $5,169/GJ at the end of the week (18 June). This cumulative price is more than three times higher than the threshold of $1,440/GJ, below which the APC would be removed. Similar to previous weeks, offers at key injection points such as Iona were reduced in total volume while for volumes offered in, quantities offered at $100-775/GJ were significantly lower while the APC was in place.

Figure 7: Victorian total offers (TJ, LHS) and shadow pricing ($/GJ, RHS)



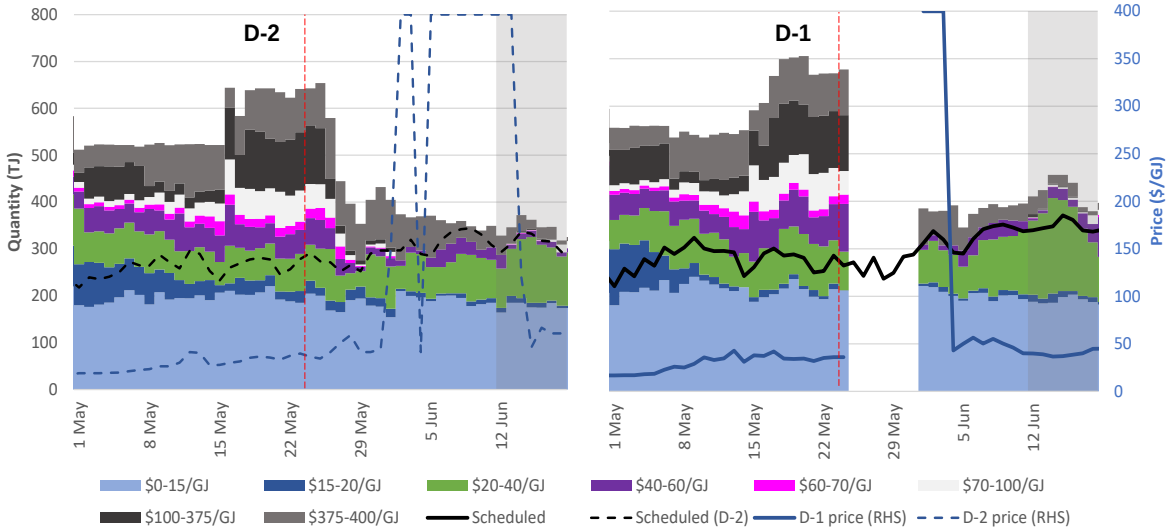
Victorian Threat to System Security on 16 June

AEMO issued a notice of a Threat to System Security (TTSS) in the Declared Transmission System (DTS) on 16 June due to insufficient offer volumes to meet forecast demand from the 6 pm schedule. This was due to an unplanned offshore outage at the Longford gas plant which led to a reduction in injections from Longford into the DTS. AEMO requested a market response to alleviate the TTSS and remove the need for AEMO to intervene. Market participants were asked to re-evaluate their bids and offers with the intention that participants would offer higher quantities or reduce demand for gas in the Victorian market. The TTSS ended in the early morning of 17 June after AEMO observed a recovery in injections at Longford and a return to normal operations.

Sydney Administered Price Cap (APC) ended on 14 June (along with high D-2 prices)

As a result of the last shadow prices at $400/GJ occurring on 6 June and no subsequent prices above $57/GJ, the APC ended on 14 June with cumulative prices falling back below the $440/GJ threshold over the past seven days. The market returned to prices being set by offers and bid pricing, with prices ranging between $37/GJ and $45/GJ. At the same time as the APC ended, high provisional D-2 prices stopped as shown in figure 8.

Figure 8: Sydney D-2 and D-1 supply offers (TJ, LHS) and prices ($/GJ, RHS)[5]



Note: The current week, 12 – 18 June, is highlighted by the shaded bars. D-2 supply offers are shown on the left, with D-1 offers shown on the right. Ex ante (D-1) prices on the RHS axis over the administered price period (1 to 14 June) are non-capped shadow prices. Over the period of market administered settlement state (24 - 30 May) adjacent to the red line there was no ex ante pricing, rather prices were set in the market (prices not shown).

Following the removal of the APC, participants commenced offering more gas at $20-40/GJ in both provisional schedules and ex ante schedules (the green price band), resulting in prices falling back below $60/GJ in all schedules.

Sydney – High MOS payments

On 12, 13, 15 and 18 June in the Sydney market, the daily MOS[6] service payments were $98,250, $64,624, $59,455 and $67,907 respectively. The decrease MOS requirement on the MSP was driven by over forecast demand inside the hub (totalling 73.8 TJ across the four days).

[5] Due to the administered pricing state implemented as a result of a major Retailer of Last Resort (RoLR) event being declared for the Sydney hub (following the suspension of Weston Energy from the STTM), ex ante schedules were not run for the 25-31 May gas days. Scheduled quantities on these days were determined ex post, based on participant supply nominations to facility operators, with ex ante and ex post prices set using a rolling 30-day average from 27 May.

[6] MOS is an ancillary service providing balancing gas on a pipeline where there is a difference between scheduled/nominated supply/demand and actual delivered gas quantities.

Significant Price Variation analysis

This week, the AER significant price variation reporting thresholds were triggered in the Sydney short term trading market (STTM). The Significant Price Variations listed below are generally caused by participants rebidding between schedules to buy or sell, or unexpected movements in supply and demand forecasts. Specifically, the D-1 price in the Sydney STTM deviated from the D-2 forecast price by more than $7/GJ on a total of 7 occasions.

Table 2 provides a summary of the breaches. The schedule price variation is the difference between the D-1 shadow price and the D-2 provisional price.

Table 2: Significant price variation threshold breaches – variation >$7/GJ between D-2 and D-1 price

Gas day	Market	D-2 provisional price ($/GJ)	D-1 ex ante price ($/GJ)	Schedule price variation ($/GJ)	Threshold breach description
12-June	Sydney*	400	39.89	360.11	Supply offer bid
13-June	Sydney*	400	39	361	Supply offer bid
14-June	Sydney*	120	36.62	83.38	Supply offer bid
15-June	Sydney	45.20	37	8.20	Supply offer bid
16-June	Sydney	66	38.51	27.49	Supply offer bid
17-June	Sydney	60	40	20	Supply offer bid
18-June	Sydney	60	44.66	15.34	Supply offer bid

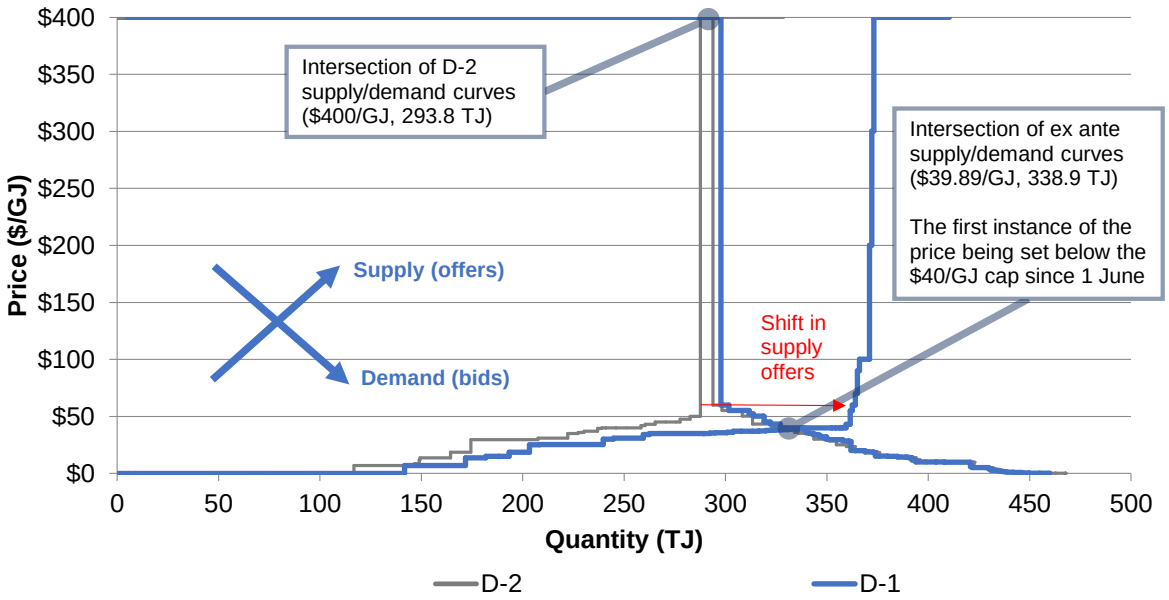
*APC in place.

For each breach, more detailed analysis is provided below. The AER will investigate and publish a further report on these events in or before September 2022. Our analysis below identifies drivers of these significant price variation events as a complement to this further reporting.

Significant price variation (SPV) analysis - Sydney

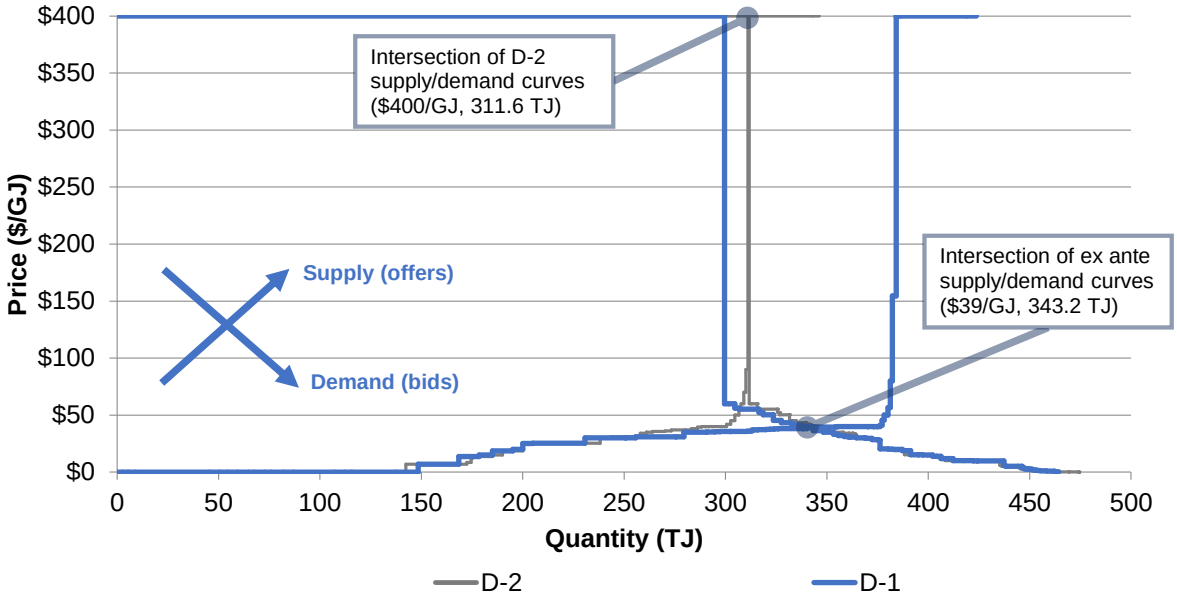
Spot market price volatility continued in Sydney this week, triggering the AER significant price variation reporting thresholds on 7 occasions. In contrast to the ex ante prices rising from D-2 forecasts as was the trend over late May, ex ante prices in Sydney since the APC was applied from 1 June, have been downward shifts from D-2 schedules. D-2 prices were set very high at $400/GJ from 5 – 13 June however D-2 pricing settled to around $60/GJ from 14 June. Following the APC removal from 15 June, differences to ex ante prices were smaller, in the range of $20/GJ.

Figure 9: Sydney provisional and ex ante bid and offer curves (12 June)



On 12 June in Sydney, rebidding added over 100 TJ of gas supply priced up to the cap into the ex ante schedule, leaving around 20 TJ of surplus supply below $40/GJ despite a 7 TJ increase in uncontrollable (price taker) demand. This was the first instance of the price being set at an uncapped level since the Sydney market transitioned into a different administered price category from 1 June.[7]

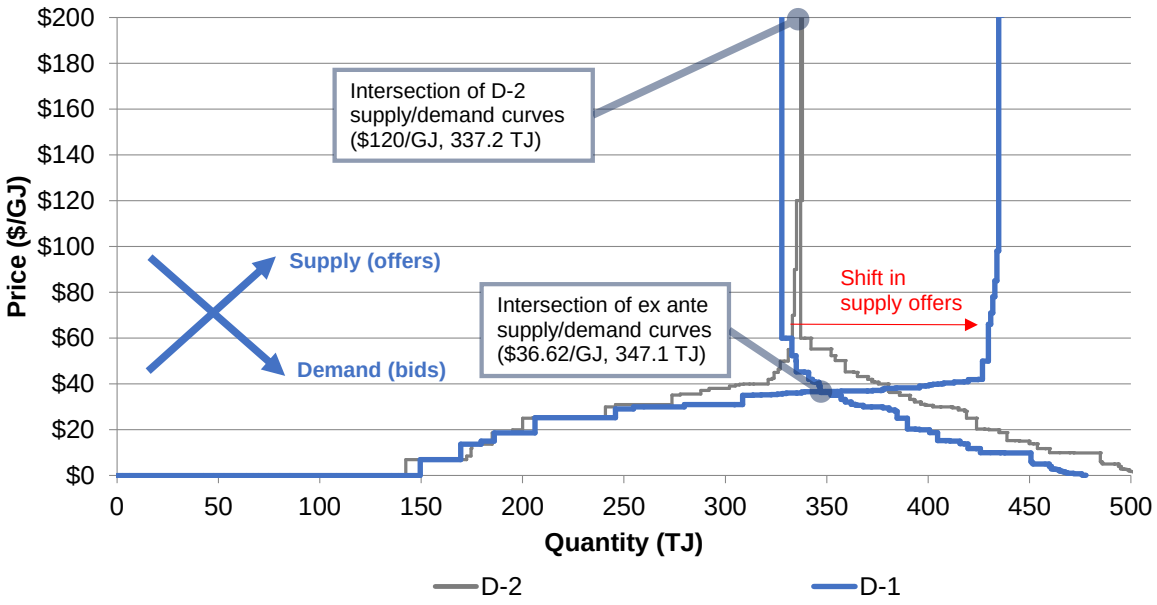
Figure 10: Sydney provisional and ex ante bid and offer curves (13 June)



On 12 June in Sydney, D-2 prices were very close to being set below the price cap, with less than half a TJ separating the equilibrium point (see Figure 12) of sub-$100/GJ bids and offers. Rebidding shifted over 74 TJ of supply below $40/GJ, while price taker demand also reduced by 12 TJ. This set the ex ante price under the $40/GJ administered price cap.

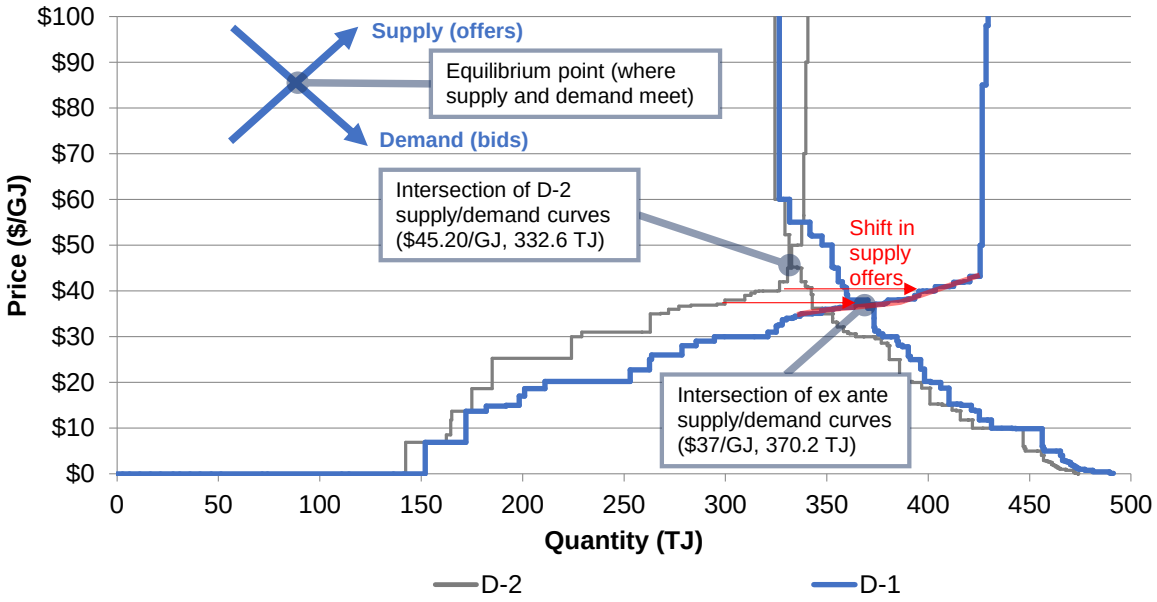
[7] The Retailer of Last Resort (RoLR) is a mechanism to transfer customers of suspended market participants (see 22-28 May weekly). From 1 June, the Sydney major RoLR classification was downgraded to a minor RoLR. This changed the administered price state to using the available ex ante offers (capped at $40/GJ).

Figure 11: Sydney provisional and ex ante bid and offer curves (14 June)



On 14 June in Sydney, D-2 offers moved closer to the ex ante equilibrium point (see next figure) between supply and demand offers (the point where they intersect to set the market price). Rebidding shifted over 85 TJ of supply below $40/GJ, while demand decreased by close to 30 TJ.[8]

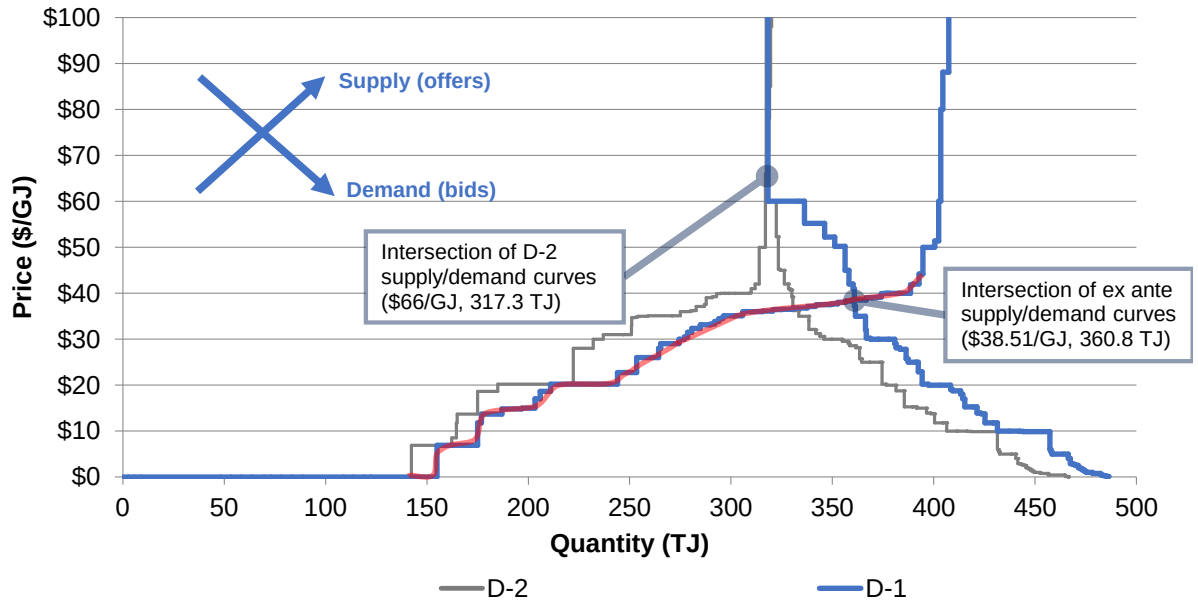
Figure 12: Sydney provisional and ex ante bid and offer curves (15 June)



On 15 June in Sydney, over 100 TJ of additional ex ante supply offered below $45/GJ (mainly from $35-45/GJ, highlighted above) reduced the price range of potential ex ante prices below $40/GJ by a significant amount. Rebidding of controllable demand increased bids priced around $40-60/GJ by 15.2 TJ (the prices participants are willing to pay for gas), alongside 2.3 TJ of additional uncontrollable (price taker) demand. Despite the higher demand (driven by higher priced bids), ex ante prices reduced by $8.20/GJ between the D-2 provisional ($45.20/GJ) and ex ante ($37/GJ) schedules.

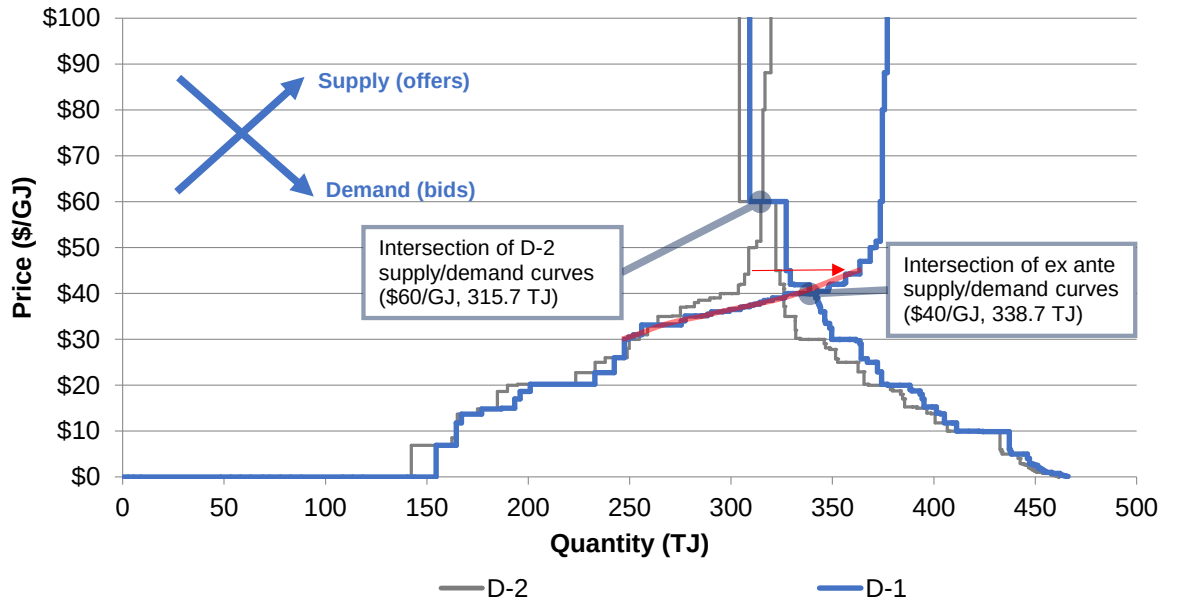
[8] The demand decrease was partially driven by a reduction in uncontrollable (price taker) demand (9.3 TJ), while rebidding removed 19.8 TJ of controllable demand priced between $40-60/GJ from the bid stack.

Figure 13: Sydney provisional and ex ante bid and offer curves (16 June)



On 16 June in Sydney, while the balance between D-2 and ex ante prices was much tighter (raising the provisional price above $60/GJ), and despite an additional 30 TJ of controllable demand[9], an additional 79.7 TJ of supply added to the ex ante schedule at prices below $40/GJ (largely at $35-40/GJ) significantly reduced potential price outcomes above $45/GJ in the ex ante schedule.

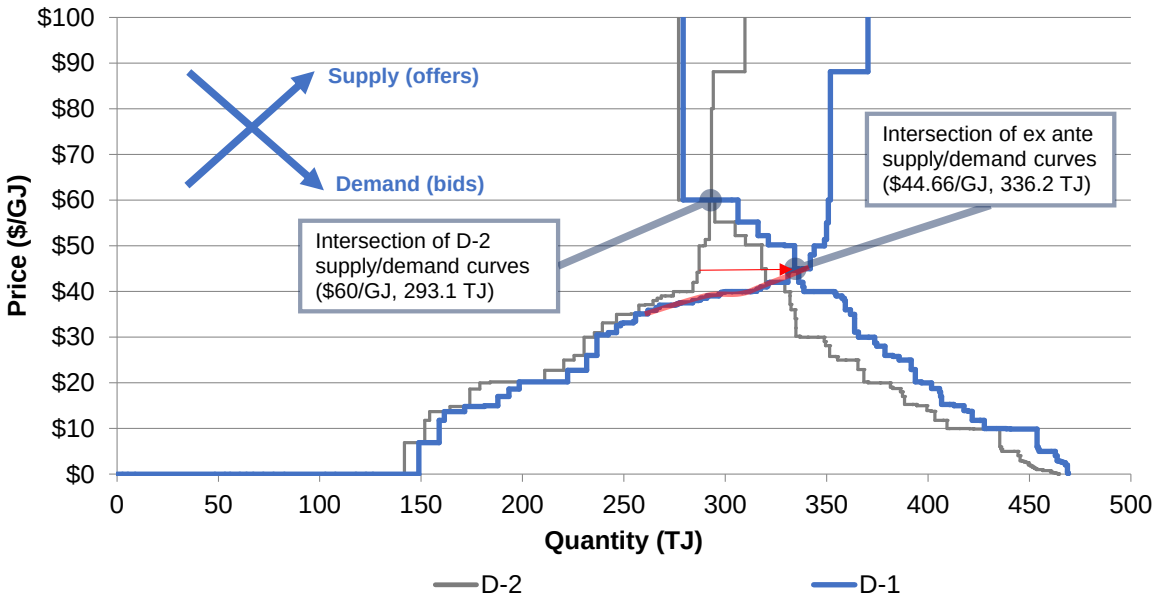
Figure 14: Sydney provisional and ex ante bid and offer curves (17 June)



On 17 June in Sydney, uncontrollable (price taker) demand was up 5.1 TJ, with a subdued increase to controllable withdrawals priced from $40-80/GJ of 7.5 TJ in the ex ante schedule (compared to the previous gas day). Rebidding of supply between $0-30/GJ moved similar amounts of capacity from $20-30/GJ to below $20/GJ, while supply priced from $30-45/GJ increased by 55 TJ. This reduced the ex ante price ($40/GJ) by $20/GJ.

[9] Largely driven by Visy Paper increasing their inclination to pay for supply at $60/GJ from 2 TJ to 15 TJ, and Snowy Hydro adding 20 TJ of bids at prices in the $50.22-55.22/GJ price range into the ex ante schedule.

Figure 15: Sydney provisional and ex ante bid and offer curves (18 June)



On 18 June in Sydney, controllable (price taker) demand priced at $40-60/GJ increased by 22 TJ in the ex ante schedule, counteracted by additional supply rebids offering capacity bellow $45/GJ (largely around $35-45/GJ). This resulted in the ex ante price ($44.66/GJ) falling $15.34/GJ below the D-2 provisional forecast price. However, higher demand would have increased the ex ante price towards $50/GJ, with minimal supply available below $88/GJ beyond that price.

1. Victorian Declared Wholesale Market

In the Victorian gas market, gas is priced five times daily at 6 am, 10 am, 2 pm, 6 pm and 10 pm. The imbalance weighted price on a gas day tends towards the 6 am price[10] which is the schedule at which most gas is traded.

The main drivers[11] of price are demand forecasts and bids to inject or withdraw gas from the market. Figures 1.1 to 1.4 below show the daily prices, demand forecasts[12], and injection/withdrawal bids for each of the five pricing schedules. Figure 1.5 provides information on which system injection points were used to deliver gas, in turn indicating the location and relative quantity of gas injection bids cleared through the market.

Ancillary payments for gas injected above the market price are shown above in figure 4.

Figure 1.1: Prices by schedule ($/GJ)

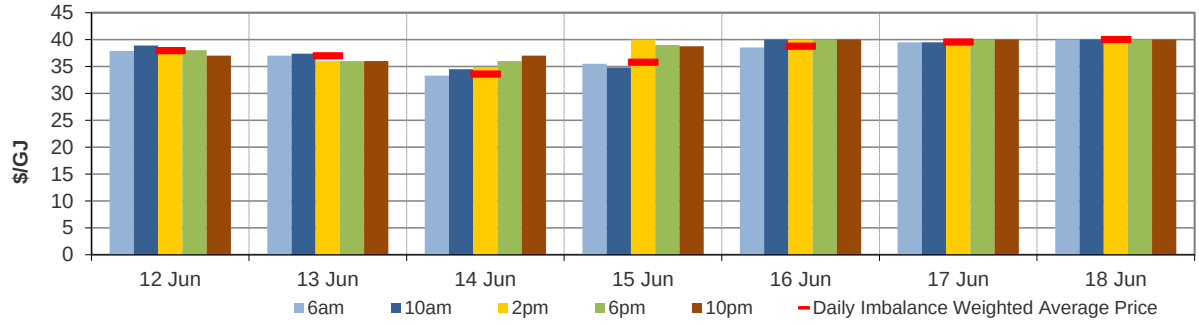
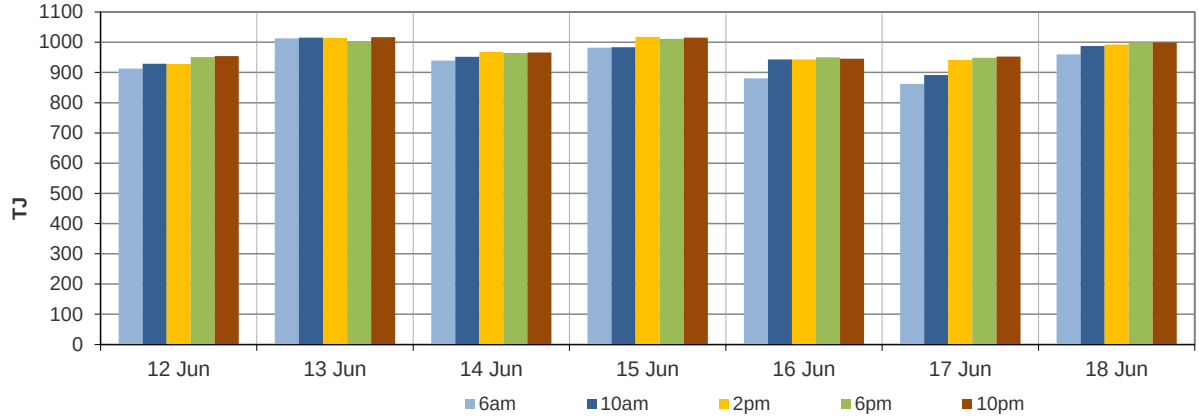


Figure 1.2: Demand forecasts (TJ)



[10] Prices for subsequent schedules are applied only to the differences in scheduled quantities (imbalances) to calculate the weighted price. The 6 am price applies to the entire scheduled quantity in the initial schedule.

[11] The price might also be affected by transmission or production (contractual) constraints limiting how much gas can be delivered from a locale or System Injection Point (SIP) from time to time.

[12] These are Market Participants' aggregate demand forecasts adjusted for any override as applied by AEMO from time to time. These forecasts must be scheduled and cannot respond to price like withdrawal bids.

Figure 1.3: Injection bids by price bands (TJ)

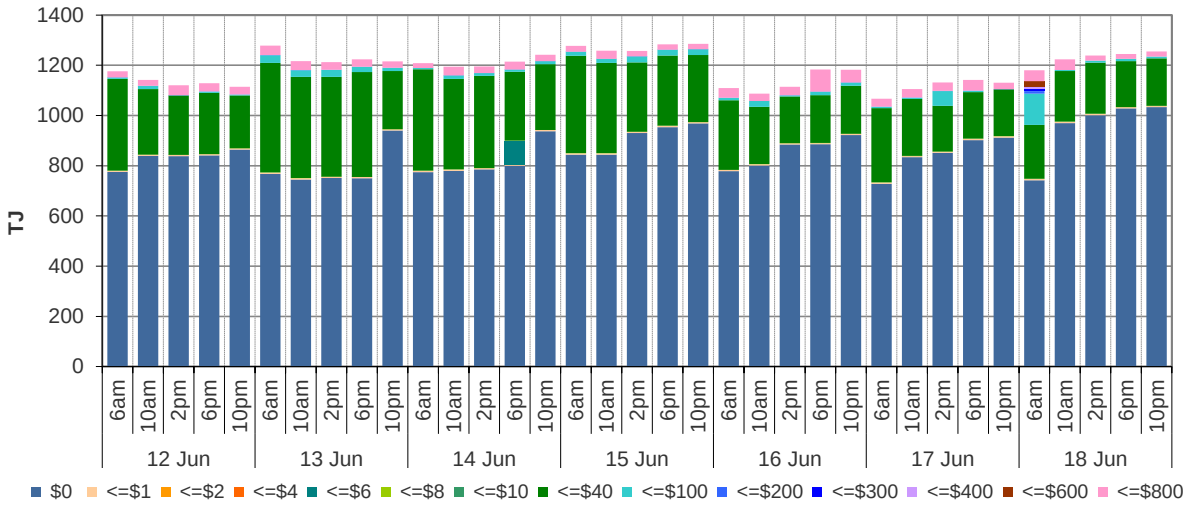


Figure 1.4: Withdrawal bids by price bands (TJ)

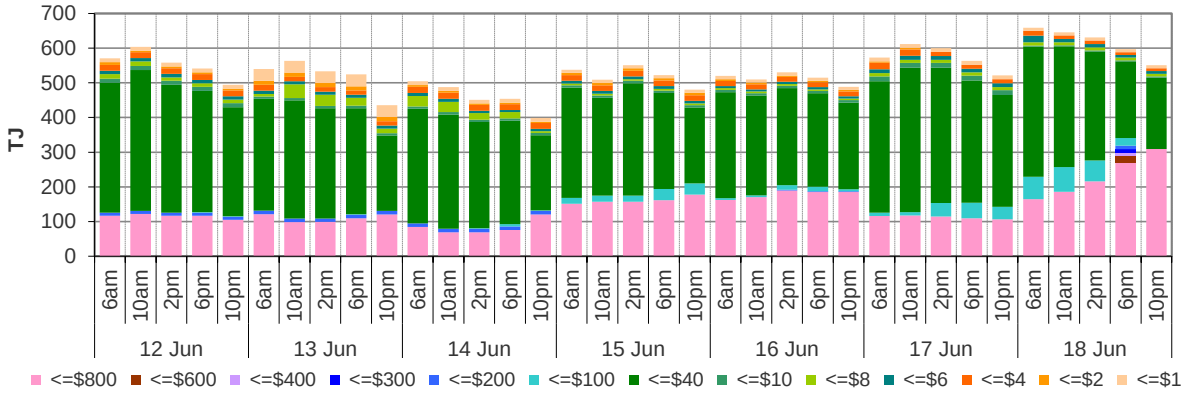
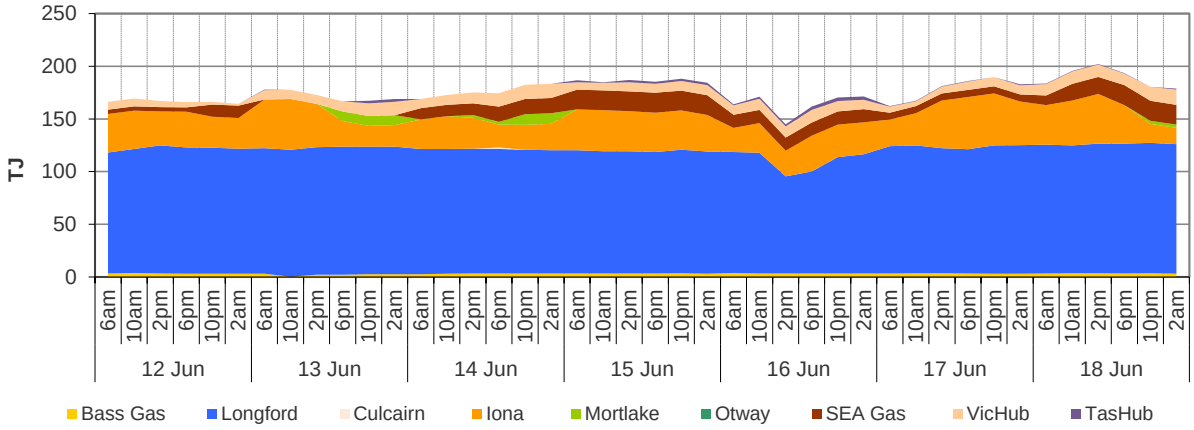


Figure 1.5: Metered Injections by System Injection Point (TJ)

Note that in figure 1.5, the last 8-hour schedule from 10 pm has been separated into two 4-hour blocks to provide a consistent comparison with earlier scheduled injection volumes.



2. Sydney STTM

In each STTM hub, a daily gas price is calculated before the gas day (the ex ante price) and after the gas day (the ex post price). The main drivers of these prices are participant demand forecasts and offers to inject or bids to withdraw gas traded at the hub.[13] Divergences in ex ante and ex post prices for a gas day may occur due to differences in scheduled (forecast) and allocated (actual) quantities. Pipeline acronyms are defined in the user guide.

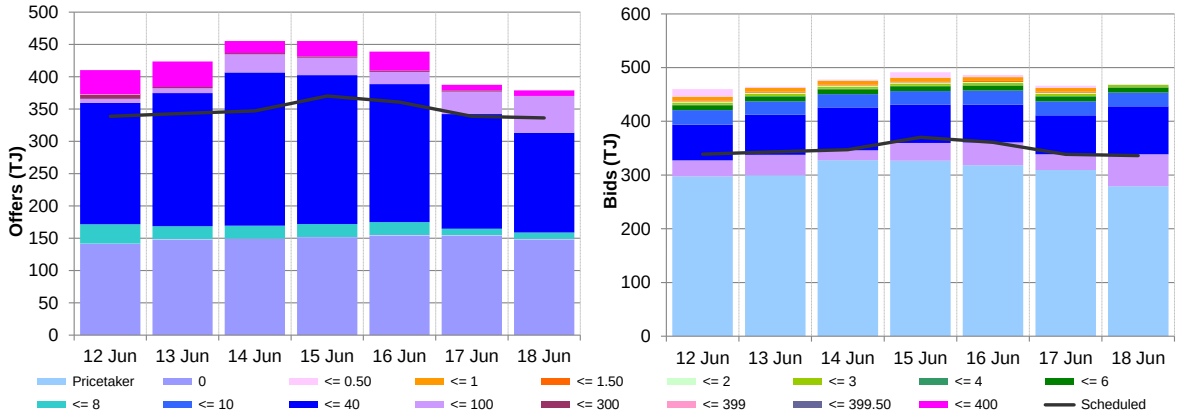
Market Operator Service balancing gas (MOS) payments arise because the amount of gas nominated on pipelines for delivery on a gas day will either exceed or fall short, by some amount, of the amount of gas consumed in the hub. In such circumstances, MOS payments are made to participants for providing a service to park gas on a pipeline or to loan gas from a pipeline to the hub.[14]

Figures 2.1 and 2.2 show daily prices, demand, offers and bids. Figures 2.3 and 2.4 show gas scheduled and allocated on pipelines to supply the hub, indicating the location and relative quantity of gas offers across pipelines and also the amount of MOS allocated for each pipeline.

Figure 2.1: SYD STTM daily ex ante and ex post prices and quantities

	Sun	Mon	Tue	Wed	Thu	Fri	Sat
Ex ante price ($/GJ)	39.89	39.00	36.62	37.00	38.51	40.00	44.66
Ex ante quantity (TJ)	339	343	347	370	361	339	336
Ex post price ($/GJ)	37.62	38.00	36.91	37.10	40.00	41.90	44.66
Ex post quantity (TJ)	319	334	371	377	380	353	335

Figure 2.2: SYD daily hub offers and bids in price bands ($/GJ)



[13] The main driver of the amount of gas scheduled on a gas day is the 'price-taker' bid, which is forecast hub demand that cannot respond to price and which must be delivered, regardless of the price.

[14] MOS service payments involve a payment for a MOS increase service when the actual quantity delivered exceeds final gas nominations for delivery to a hub, and a payment for a MOS decrease service when the actual quantity delivered is less than final nominations. As well as a MOS 'service' payment, as shown in figure 2.4, MOS providers are paid for or pay for the quantity of MOS sold into the market or bought from the market (MOS 'commodity' payments/charges).

Figure 2.3: SYD net scheduled and allocated gas hub supply (excluding MOS)

Figure 2.3 shows the daily scheduled and allocated quantities sorted by facility for Sydney this week. For a more detailed description of this figure, please refer to the user guide.

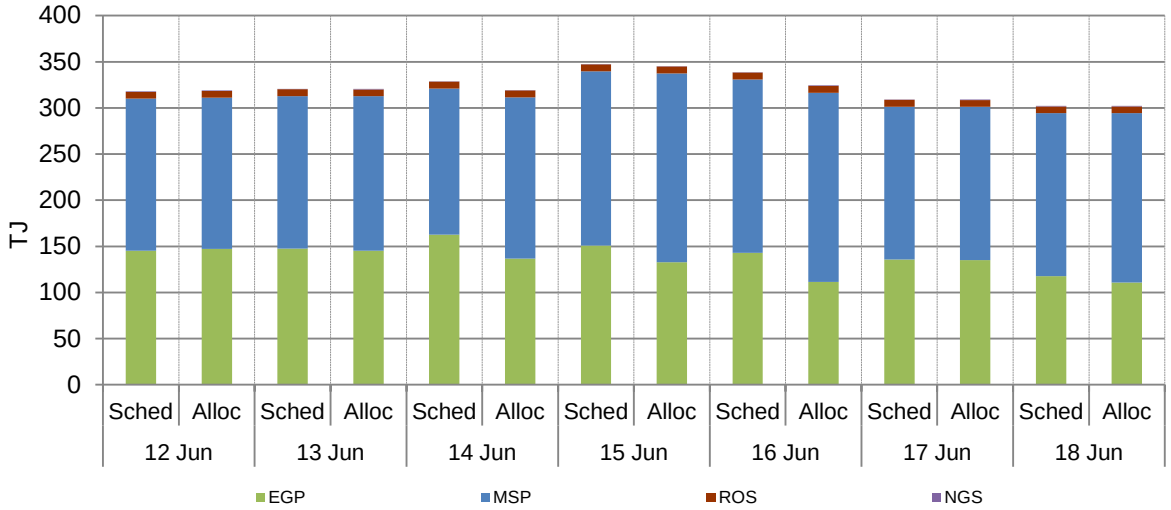
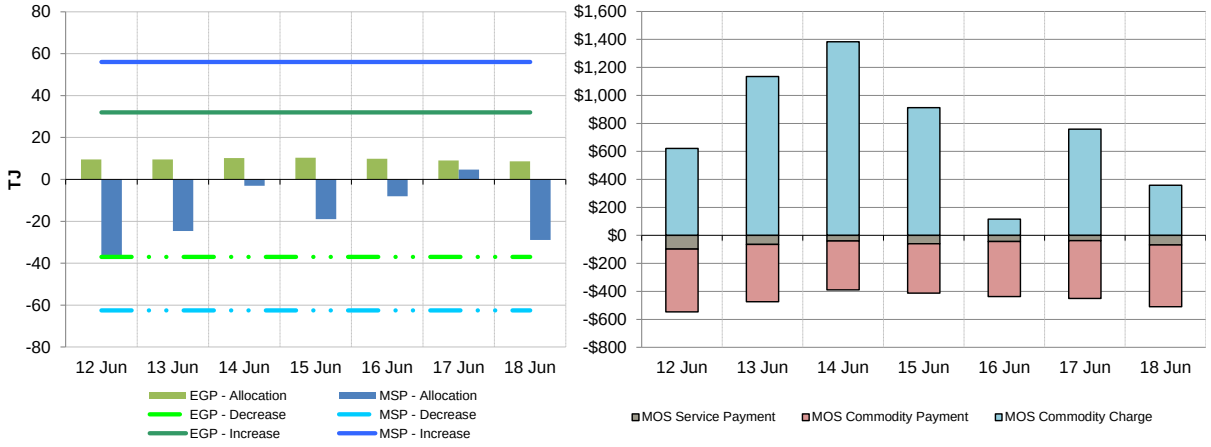


Figure 2.4: SYD MOS allocations (TJ), service payments and commodity payments/charges ($000)[15]



[15] The commodity cost of MOS illustrated on the right of the figure represents the commodity quantity at the D+2 ex ante price. Commodity payments and charges for a given gas day relate to quantities traded two days earlier. That is, the commodity cost for services provided on Sunday will appear in the chart for Tuesday, when the D+2 price is set. In contrast, service payments are shown alongside the day they occurred.

3. Adelaide STTM

The Adelaide STTM hub functions in the same way as the Sydney STTM hub. The same data that was presented for the Sydney hub is presented for the Adelaide hub in the figures below.

Figure 3.1: ADL STTM daily ex ante and ex post prices and quantities

	Sun	Mon	Tue	Wed	Thu	Fri	Sat
Ex ante price ($/GJ)	38.40	38.20	37.74	32.80	33.50	39.50	35.09
Ex ante quantity (TJ)	71	76	79	73	75	73	61
Ex post price ($/GJ)	36.50	36.80	36.80	32.80	34.50	36.00	34.44
Ex post quantity (TJ)	60	71	74	70	79	68	59

Figure 3.2: ADL daily hub offers and bids in price bands ($/GJ)

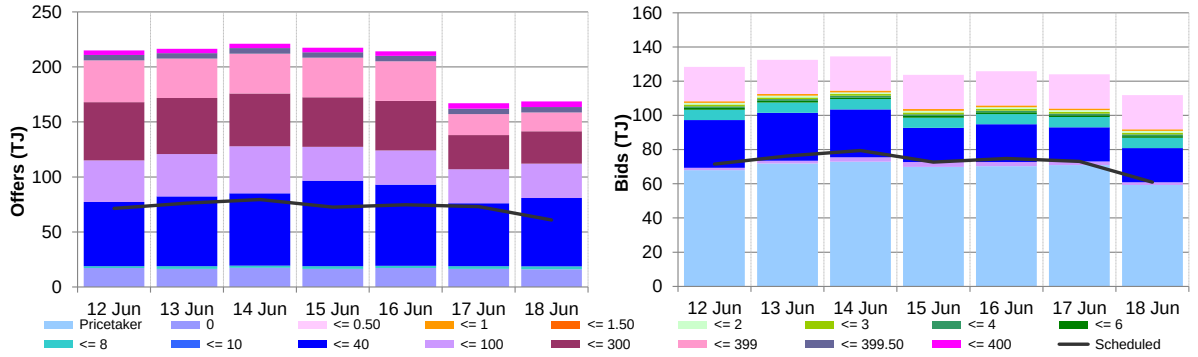


Figure 3.3: ADL net scheduled and allocated gas hub supply (excluding MOS)

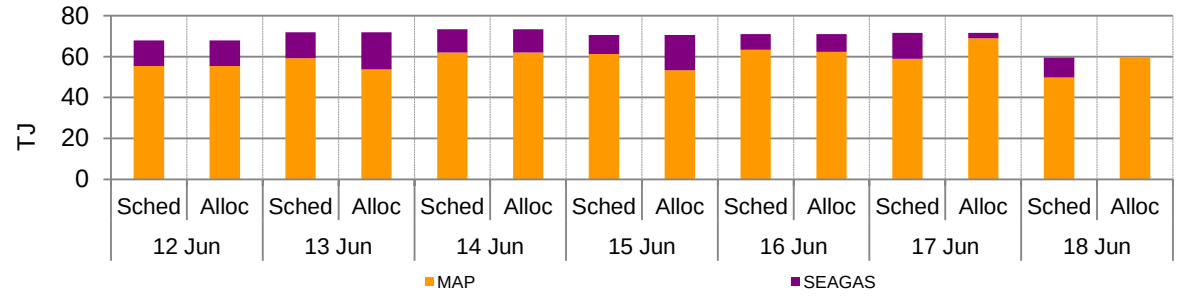
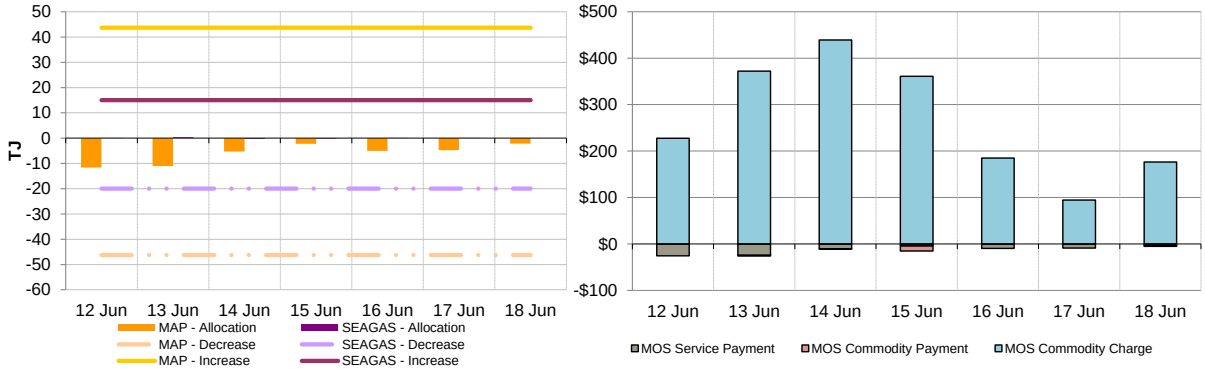


Figure 3.4: ADL MOS allocations (TJ), service payments and commodity payments/charges ($000)



4. Brisbane STTM

The Brisbane STTM hub functions in the same way as the Sydney STTM hub. The same data that was presented for the Sydney hub is presented for the Brisbane hub in the figures below.

Figure 4.1: BRI STTM daily ex ante and ex post prices and quantities

	Sun	Mon	Tue	Wed	Thu	Fri	Sat
Ex ante price ($/GJ)	32.60	35.12	36.51	33.24	32.84	36.01	36.49
Ex ante quantity (TJ)	83	92	93	89	90	89	79
Ex post price ($/GJ)	30.90	35.12	35.54	33.24	32.70	35.34	36.49
Ex post quantity (TJ)	81	90	92	89	89	87	79

Figure 4.2: BRI daily hub offers bids in price bands ($/GJ)

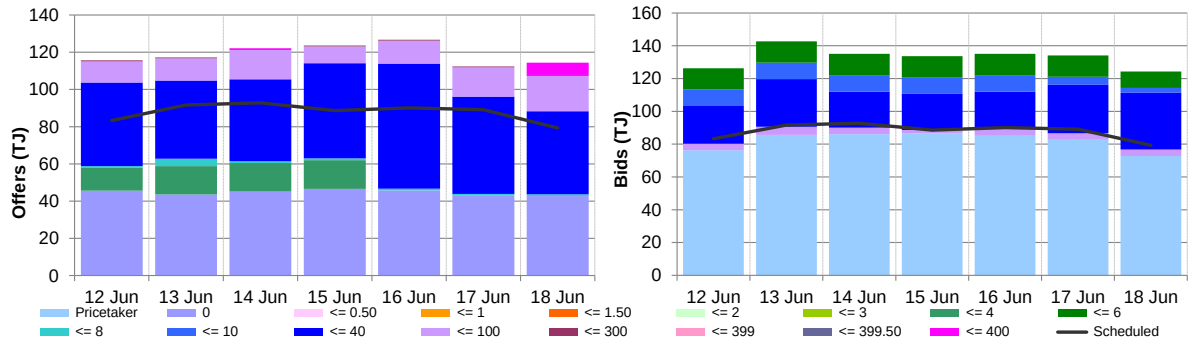


Figure 4.3: BRI net scheduled and allocated gas hub supply (excluding MOS)

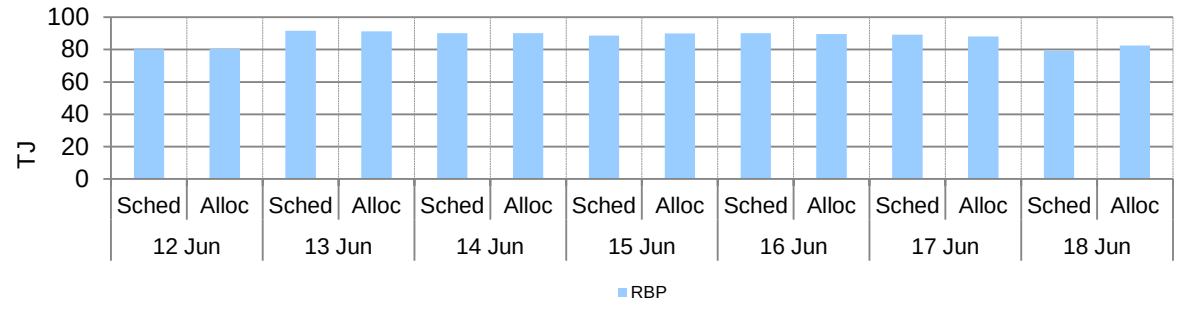
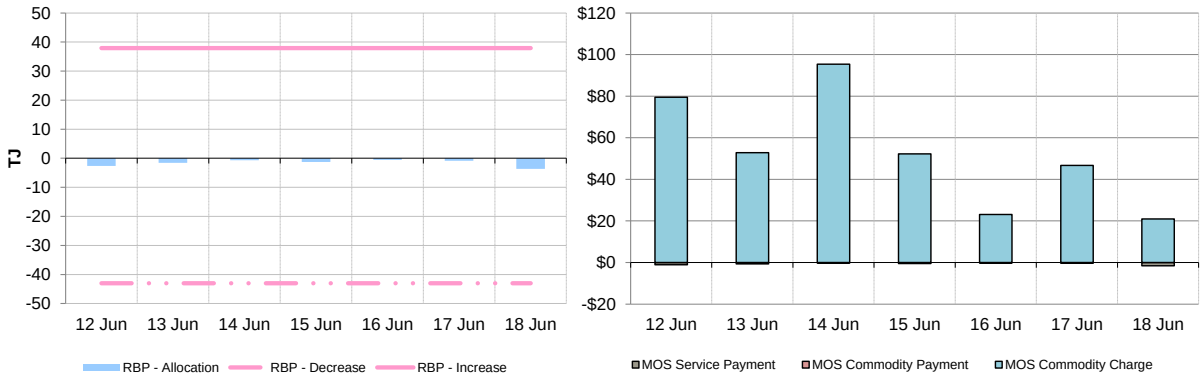


Figure 4.4: BRI MOS allocations (TJ), service payments and commodity payments/charges ($000)



5. National Gas Bulletin Board

Figure 5.1 shows average daily actual flows for the current week[16] from the Bulletin Board (changes from the previous week's average are shown in brackets). Average daily prices[17] are provided for gas markets and gas supply hubs. Average daily quantities are provided for gas powered generation for each region.

Figure 5.1: Gas market data ($/GJ, TJ/day); Bulletin Board flows (TJ/day)[18]

Totals	Current Week	Change (TJ)
Domestic gas flows	2268	(+191)
Export gas flows	3359	(-91)
Gas production	5514	(-60)
GPG gas usage	756	(+228)
Pipelines		
Queensland		
Gladstone		
APLNG	1587	(+129)
GLNG	953	(+44)
QGP	143	(+9)
WGP	819	(-265)
Mt Isa		
CGP	58	(-2)
Brisbane		
RBP	107	(+6)
South West		
SWQP	32	(-8)
Wallumbilla		
BWP	176	(+1)
CRWP	-89	(-27)
DDP	92	(+33)
QGP (WAL)	47	(+7)
RBP (WAL)	-133	(0)
SWQP (WAL)	273	(+28)
New South Wales		
MSP	352	(+99)
EGP	294	(+7)
Victoria		
LMP	786	(-2)
SWP	270	(+79)
South Australia		
MAP	193	(-10)
SEAGas	40	(+10)
Tasmania		
TGP	25	(-1)

Storage (held volume)		
Moomba LDB	12363	(-43)
Iona UGS	16176	(-1315)
LNG Storage Dandenong	271	(-5)
Silver Springs	16325	(0)
Roma UGS	26920	(-229)

16 **Domestic gas flows** are calculated as the total of: **SA** = MAP + SEAGAS; **VIC** = SWP + LMP + (flows towards Victoria on the 'NSW-VIC interconnect'); **NSW/ACT** = EGP + MSP; **TAS** = TGP; **QLD (Brisbane)** = RBP; **QLD (Mt Isa)** = CGP; and **QLD (Gladstone)** = QGP.
Export gas flows are calculated as the total of: the APLNG pipeline; the GLNG pipeline; and the Wallumbilla to Gladstone pipeline.
GPG volumes may include gas usage that does not show up on Bulletin Board pipeline flows.

17 GSH supply is the average daily volume of gas 'traded', while price is a volume weighted average. Optional hub services (for compression and redirection) are shown separately from commodity trades.

18 Net flows are shown for Bulletin Board facilities, as outlined in the user guide.

6. Gas Supply Hub

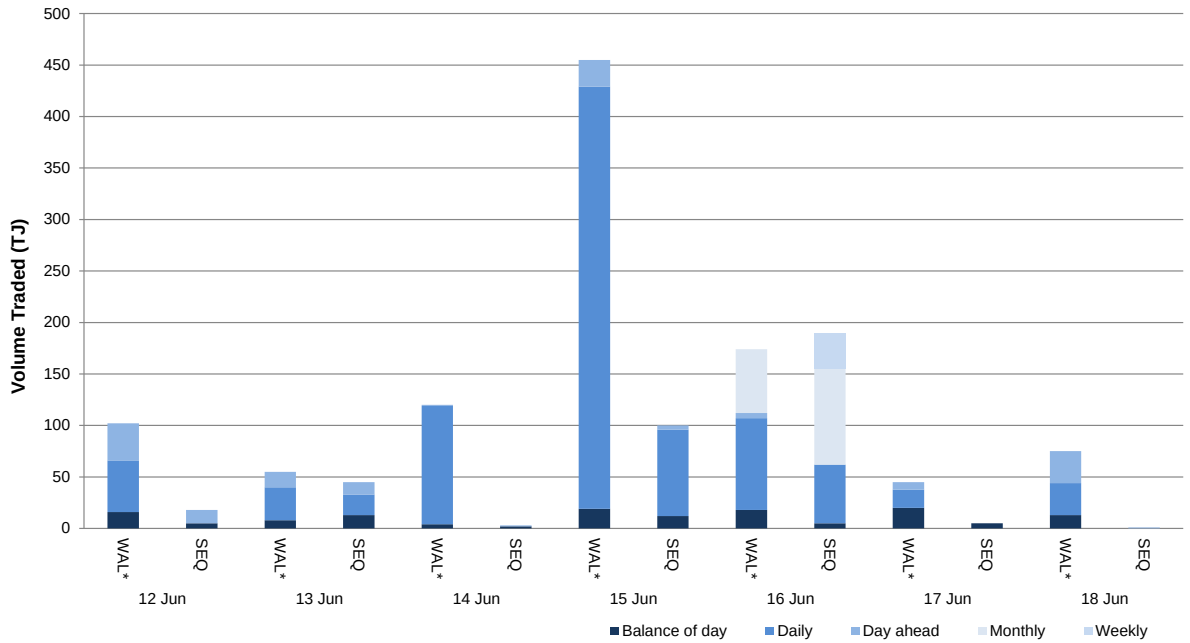
The gas supply hub was established at Wallumbilla in March 2014 to facilitate the voluntary trading of gas between participants, with products listed for sale and purchase at delivery points on three major connecting pipelines. There are separate products for each trading location and delivery period (daily, day-ahead, balance-of-day, weekly and monthly products).[19]

The Moomba hub commenced operation from June 2016 to further facilitate trading on the **MAP** and **MSP**, with trading between the two hubs on the SWQP via a spread product (representing the price differential between the hubs). From October 2016, the addition of a Wallumbilla Compression Product was introduced to facilitate the supply hub's transition from three different trading locations into one. From March 2017, Wallumbilla transitioned into an optional hub services model, replacing the three trading locations (QGP, SWQP and RBP) with a single product at Wallumbilla **(WAL)** and an in-pipe RBP trading location at South East Queensland **(SEQ)**. On 28 January 2021, trading locations at Wilton (Sydney) and Culcairn (Victoria) were introduced.

This week there were 100 trades for 1388 TJ of gas at a volume weighted price of $28.65/GJ. These consisted of 70 trades at WAL (1026 TJ at $30.17/GJ) and 30 trades at SEQ (362 TJ at $24.34/GJ). There were 9 spread trade this week between SEQ and WAL.

Figure 6.1 shows the quantity of gas traded by product type for each trading day on pipeline trading locations in the Wallumbilla and Moomba Gas Supply Hubs.[20]

Figure 6.1: GSH traded quantities



19 Additional information on trading locations and available products is detailed in the user guide.

20 Non-netted (off-market) trades, allowing the selection of specific delivery point at a trading location, are included with other Wallumbilla trades (WAL*). Non-netted trades at Moomba are shown separately (MOO) from MAP and MSP.

7. Day Ahead Auction

The DAA is a centralised auction platform providing the release of contracted but un-nominated transportation capacity on designated pipelines and compression facilities across eastern Australia. The auction enables transportation facility users to procure residual capacity on a day-ahead basis after nomination cut-off, with a zero reserve price and compressor fuel provided.

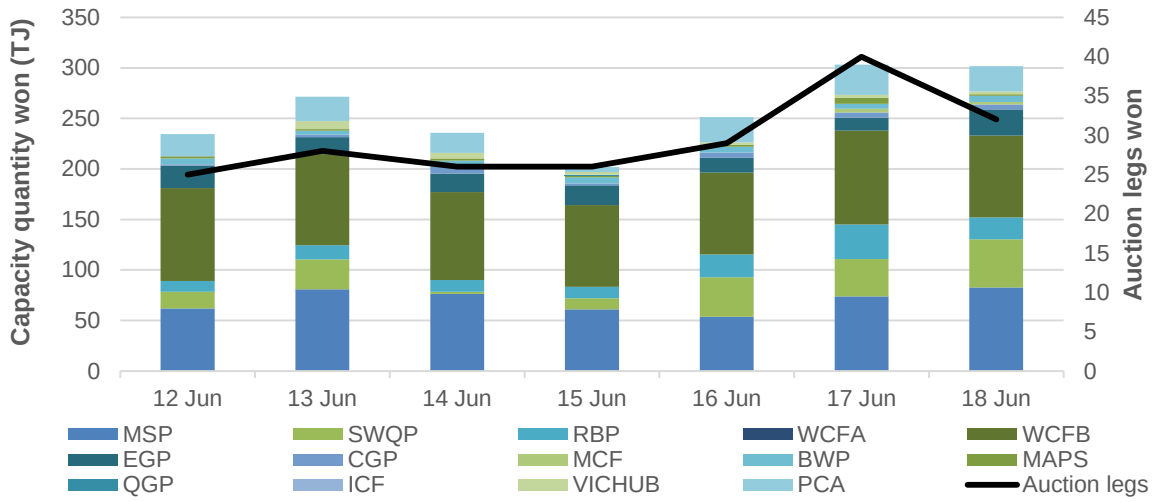
Participants may bid in to the DAA in order to procure the following services:

- park services;
- forward haul pipeline services with products offered in both directions on bi-directional pipelines;
- interruptible backhaul services; and
- stand-alone compression services.

This week, 17 participants took part in the DAA, winning 1799 TJ of capacity across 12 different facilities.

Figure 7.1 shows the quantities of gas and auction legs won through the DAA by gas date, with gas deliverable up to the level of capacity procured. Auction legs reflect each individual facility transaction.[21]

Figure 7.1: DAA traded quantities (TJ) and auction legs won



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[21] Additional information is available in the user guide to the AER gas weekly report.