Gas Market Report

AUSTRALIAN ENERGY REGULATOR

5 – 11 June 2022

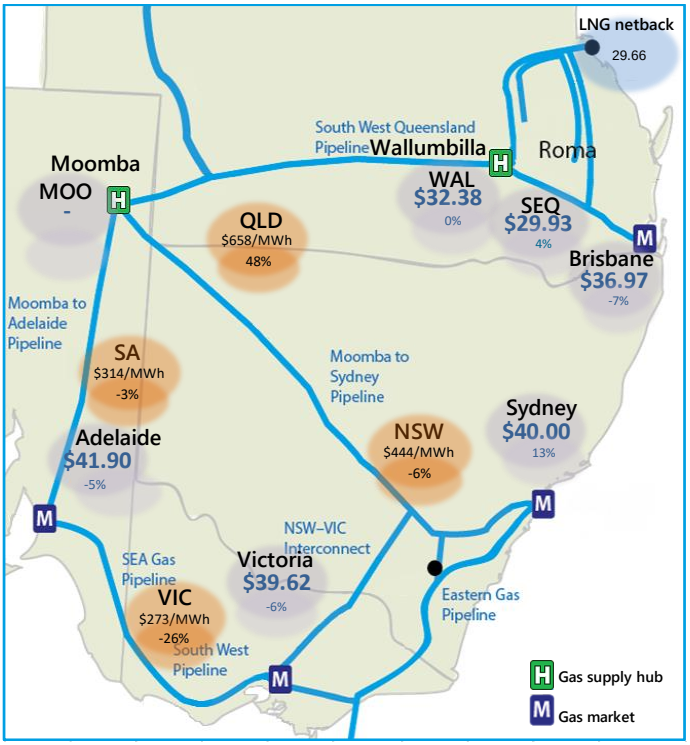
Weekly Summary

The Administered Price Cap (APC) continued to cap prices at $40/GJ at the Sydney and Victorian market. The APC at Brisbane, however, was removed this week on 7 June.

Downstream wholesale gas market prices (marked M on the map below) increased in the Sydney market however decreased in the Adelaide, Victoria and Brisbane markets (percentage change from previous week shown on map).

At the Wallumbilla upstream supply hubs (marked H), the average price increased 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 30 May 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

Domestic spot prices exceeded LNG spot netback prices this week.

Trading in the Wallumbilla gas supply hub was concentrated around short term products at SEQ (230 TJ) and WAL (275 TJ) this week. There were also longer-term deliveries at SEQ

(60 TJ) and WAL (150 TJ) for delivery over July and August, including strip[1] deliveries over late July and a 31 TJ monthly trade for delivery over August at SEQ (see section 6).

For the second week in a row, average daily gas usage by GPGs exceeded 500 TJ per day having averaged less than 400 TJ per day over the last 2 weeks of May. Decreased usage in Victoria was offset by increased usage by Queensland (consistent with the high price in the Queensland region shown on the map) and New South Wales, with overall gas usage 17 TJ per day higher than the previous week.

LNG export pipeline flows were higher this week (see figure 5.1).

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
05 Jun - 11 Jun 2022	39.62	952	40.00	333	41.90	79	36.97	91
% change from previous week	-6	-6	13	12	-5	10	-7	7
21-22 financial YTD	13.29	540	13.65	252	14.28	54	13.88	85
% change from previous financial YTD	143	-1	132	0	130	-4	130	-20

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

[1] Daily products chained together across multiple delivery days.

[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
05 Jun - 11 Jun 2022	-	-	29.93	321	32.38	425
% change from previous week	-	-	4	-39	0	-43
21-22 financial YTD	8.62	282	15.21	4853	13.51	19927
% change from previous financial YTD	184	-17	159	-18	134	31

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

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

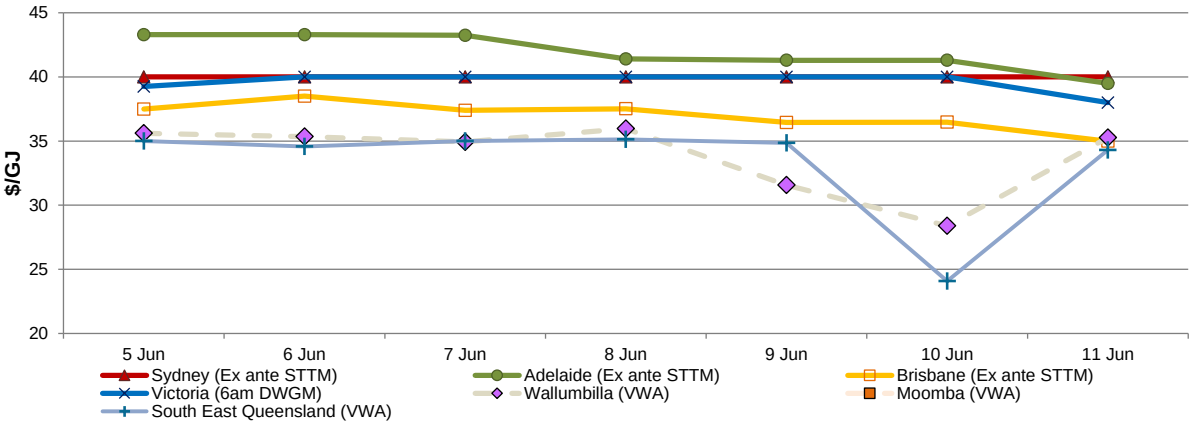


Figure 4 compares average ancillary market payments (for the VGM) and balancing gas service payments (STTM) against historical averages.

Figure 4: Average daily ancillary payments ($000)

	Victoria Ancillary Payments*	Sydney MOS	Adelaide MOS	Brisbane MOS
05 Jun - 11 Jun 2022	-	56.71	10.44	0.54
% change from previous week	-	43	104	-34
21-22 financial YTD		22.15	8.86	0.91
% change from previous financial YTD		13	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	-	-	34.92	59.0	35.49	140.0
Daily	-	-	27.61	160.0	29.67	214.0
Day ahead	-	-	34.93	71.0	34.41	71.0
Weekly	-	-	-	-	-	-
Monthly	-	-	21.00	31.0	-	-
Total	**-**	**-**	**29.93**	**321.0**	**32.38**	**425.0**

* 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	1523	930	1676	4128
Export Pipeline Flows	1458	908	1084	3450
% change from previous week (pipeline flows)	17	-8	-8	1
21-22 financial YTD flows	1485	1054	1354	3893

* 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

Events across the week			
5-11 June	Administered Price Cap (APC) continues High Shadow prices	Victoria	Multiple schedules of high shadow prices leading to cumulative price threshold (CPT) continuing to be exceeded through week
7 June	APC removed	Brisbane	Minor RoLR event ends
5-11 June	High Provisional D-2 Price	Sydney	All D-2 prices at price cap - $400/GJ
6 June	High Shadow Price	Sydney	Ex Post price $400/GJ
7 June	Administered Price Cap (APC removed)	Sydney	Minor RoLR event ends
8 June	APC applied (cumulative price threshold exceeded)	Sydney	Category for which APC applied in Sydney switched over 7,8 June from RoLR reason to CPT exceeded reason.
7-8 June	Counteracting MOS	Sydney	High MOS payments in Sydney

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 APCs are in place, 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.

This cumulative price at the end of the week (11 June) of $5,415/GJ was much higher than the threshold of $1,440/GJ. Similar to last week, offers into the DWGM at key injection points such as Iona were reduced in total volume. There were five $800/GJ shadow prices in the Victorian market through the week.

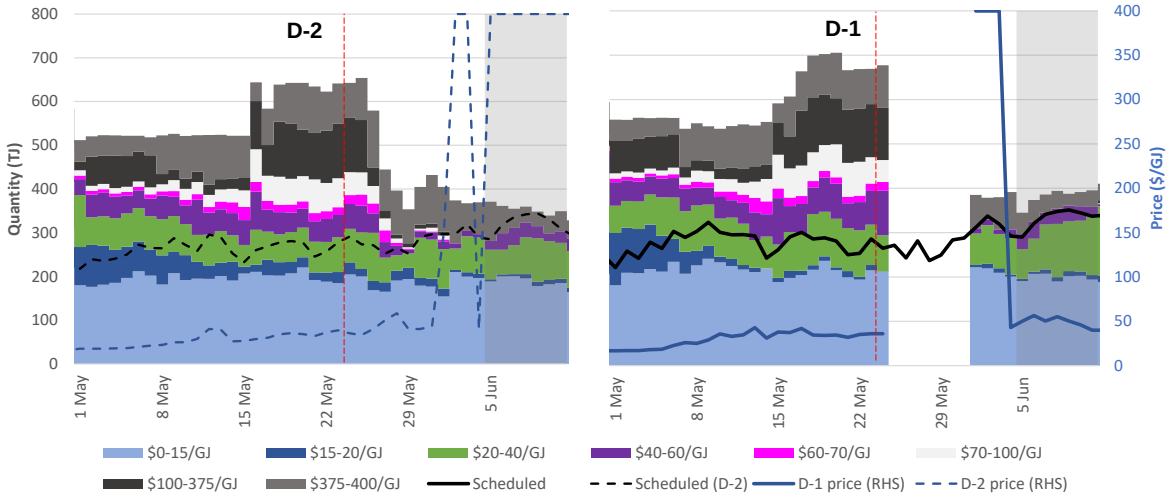
Brisbane STTM Administered Price Cap (APC) ended 7 June

The APC in Brisbane was put in place following a minor RoLR event happening on 24 May and ended this week. Unlike the Sydney market, the cumulative price in Brisbane was only $270/GJ on 7 June compared to the threshold of $440/GJ. Therefore, normal pricing based on offers and bids commenced from 8 June without price caps.

Sydney – High D-2 and Ex ante shadow prices (above price cap)

Figure 7 illustrates the significant drop in offers after 24 May when market participants reduced volumes of ex offers into the Sydney market following the implementation of the administered scheduling state. D-2 offers continued to notably decline through the week (close to 350 TJ with around 50 TJ of volumes offered near or at the price cap), with ex ante offer volumes significantly higher (closer to 400 TJ). Demand increased over this week to be between 340 - 350 TJ most of the week having only exceeded 320 TJ on one day in the previous week.

Figure 7: Sydney D-2 and D-1 supply offers (TJ, LHS) and prices ($/GJ, RHS)[5]



Note: The current week, 5 – 11 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).

As result of the low D-2 offers relative to demand, the D-2 provisional price was set at $400/GJ across the week (5 - 11 period shaded on both charts), whereas the ex ante price was capped at ($40/GJ) due to the APC. This difference triggered the AER's Significant Price Variation threshold (see below) by creating a $360/GJ difference.

Two key issues which industry highlighted related to this period and changed market behaviour were Uncertainty and Pricing incentives

Uncertainty

Numerous retailers have indicated that there was a general sense of uncertainty and nervousness in offering gas into the market. There was uncertainty in relation to the outlook of gas prices as well as the possibility of further RoLR events that would further impact their business.

Most market participants offered gas into the Sydney market to cover their position however were reluctant to offer gas beyond their own requirements to cover for other participants' demand. Participants expressed their desire to retain the gas they had to supply their own customer load and gas powered generation requirements.

[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.

However, most participants were still willing to offer small volumes of gas into the market in the event of Contingency Gas being called upon by AEMO[6]. Hence, many priced their offers as high as possible (as seen with the $400/GJ shadow prices from 1-3 June) to avoid gas being scheduled if there was no need for contingency gas.

Pricing incentives

Participants also noted that the difference in price setting during the administered states meant that there was an incentive to buy gas from the Sydney market rather than to supply. For example:

- During the period 25 – 31 May, prices were set in the Sydney market between $27.49/GJ to $29.71/GJ, significantly lower than prices in the other downstream markets which ranged $30.74/GJ to $48.72/GJ. From 31 May to 15 June, prices were capped at $40/GJ in both the Victorian and Sydney market removing price cap difference between those two markets.
- Additionally, there were times when GPG's appeared incentivised to purchase gas and generate electricity, especially during the morning and evening electricity peaks. For example, on 6 June, the NEM prices were consistently around $450/MWh during the evening peak and up to $600/MWh (5 pm to 8 pm). Even at a purchase price of $40/GJ, gas peaking stations would likely be earning a positive "spark spread" (price received from the power is higher than the price of the fuel).

Sydney Administered Price Cap (APC) extended (high shadow price on 6 June)

While the APC state based on a minor RoLR event classification ceased after 7 June, the market remained in an APC state due to a breach of the CTP of $440/GJ. The cumulative price on 7 June was $1,411/GJ, reducing to $704/GJ by 11 June. This is the first time the Sydney STTM has ever operated with an APC in place due to a CPT breach.

High Counteracting MOS payments on 7 and 8 June

On 7 and 8 June in the Sydney STTM, the daily MOS[7] service payments were $61,482 and $64,616 respectively, driven by counteracting MOS[8] on the EGP and MSP. This week, increase MOS on the EGP was likely due to higher industrial demand in that area of the Sydney hub while decrease MOS on the MSP was driven by a lower hub demand near its connection point. This is in comparison to the recent stand-alone high increase MOS requirements on the MSP during the administered scheduling state period in May (see 29 May – 4 June 2022 Weekly).

[6] Contingency gas means a quantity of natural gas by which supply to or withdrawal from a hub by a trading participant is increased or decreased to address a contingency gas requirement. Contingency gas is called upon by AEMO to meet operational requirements associated with actual or forecast adverse operating conditions at a hub, where that operational requirement is unlikely to be met through normal operation of the STTM.

[7] 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.

[8] Counteracting MOS occurs when increase and decrease MOS allocation quantities offset each other on different pipelines. In this instance, increase MOS on the Eastern Gas Pipeline (EGP) was counteracted by decrease MOS allocations on the Moomba to Sydney Pipeline (MSP).

Significant Price Variation analysis

This week, the AER significant price variation reporting thresholds were triggered in the Sydney short term trading market (STTM). Table 2 provides a summary of the breaches.

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 STTMs deviated from the D-2 forecast price by more than $7/GJ on a total of 7 occasions.

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.

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)	D-1 Shadow price	Threshold breach description
5-Jun	Sydney	400	40	50	Change in Supply offers between D-2 and D-1
6-Jun	Sydney	400	40	56.56	
7-Jun	Sydney	400	40	50.22	
8-Jun	Sydney	400	40	55.22	
9-Jun	Sydney	400	40	50.22	
10-Jun	Sydney	400	40	46	
11-Jun	Sydney	400	40	40	

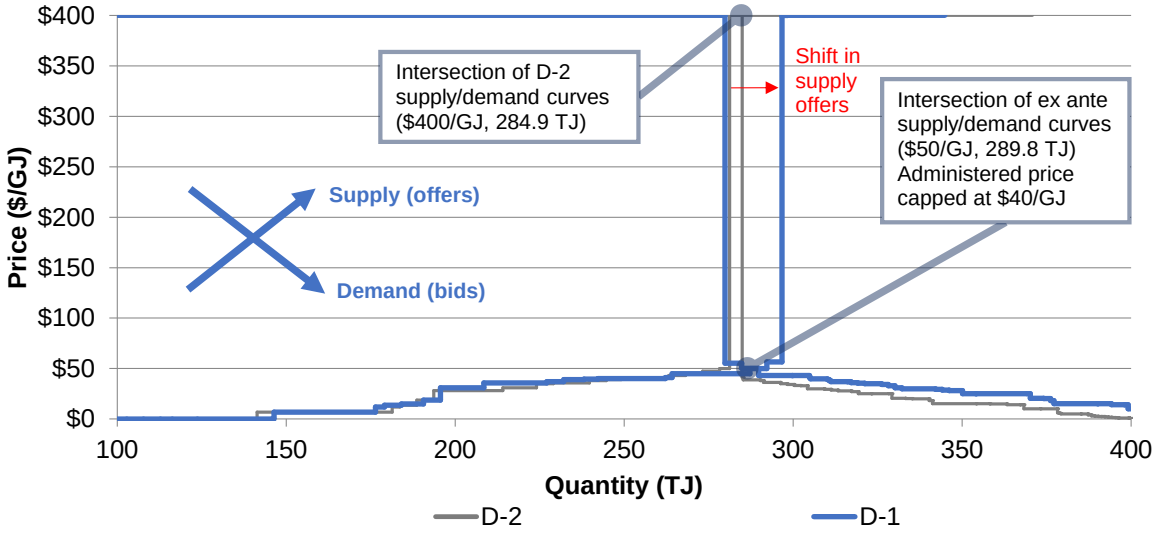
Increased offers to supply for D-1 (Ex ante) leads to large price variations

In contrast to the rising ex ante price trends over May, ex ante prices in Sydney since the Administered price Cap (APC) was applied on June 1 have predominantly been downward shifts from high provisional forecast prices. During this week an APC applied on all days, D-2 prices were set at $400/GJ, but subsequently, the ex ante price was set at the APC of $40/GJ. Absent the price cap, as a result of more offers submitted into cheaper price bands between the D-2 and ex ante schedules ex ante prices, or shadow prices[9], would have all been less than $60/GJ. Notably:

- On 6 June in Sydney, rebidding increased supply offered below $40/GJ by 25 TJ
- On 7 June in Sydney, rebidding increased supply offered below $40/GJ by 46 TJ
- On 8 June in Sydney, rebidding increased supply offered below $35/GJ by 41 TJ
- On 9 June in Sydney, rebidding increased supply offered below $55/GJ by 48 TJ
- On 10 June in Sydney, rebidding increased supply offered below $40/GJ by 46 TJ
- On 11 June in Sydney, rebidding increased supply offered below $40/GJ by 62 TJ

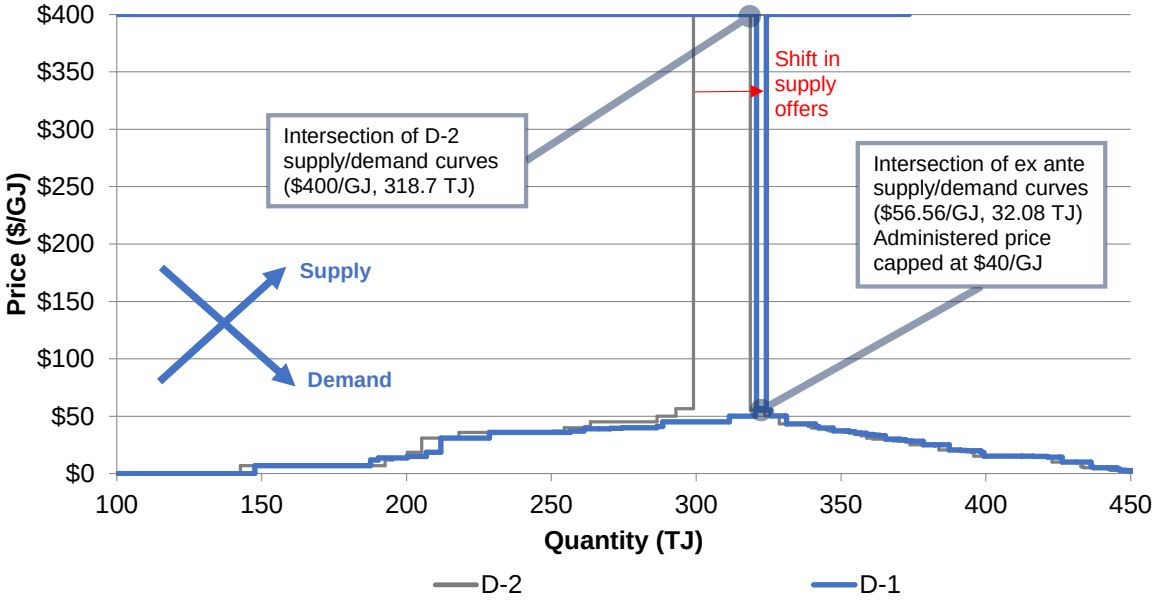
[9] Prices that would have been set in the ex ante schedule in the event administered pricing had not been applied.

Figure 8: Sydney provisional and ex ante bid and offer curves (5 June)



On 5 June in Sydney, the addition of cheaper supply was the main driver of the lower shadow price. While gas offers below $35/GJ decreased by 20.6 TJ, offers in the $35-45/GJ price range increased by 34.6 TJ.[10] The demand forecast also reduced slightly (4.1 TJ).

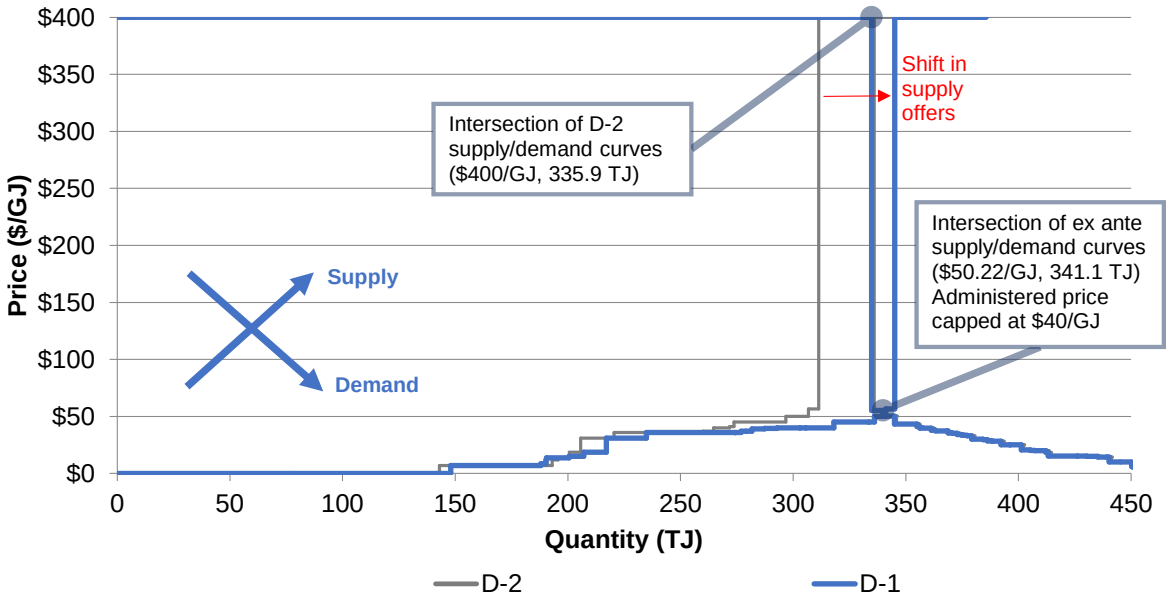
Figure 9: Sydney provisional and ex ante bid and offer curves (6 June)



On 6 June in Sydney, rebidding increased supply offered below $40/GJ by 25 TJ. The shift in supply reduced the shadow price to a significantly lower level than the market price cap, by a very narrow margin. The additional capacity was offered by exporter/producer and industrial participants.

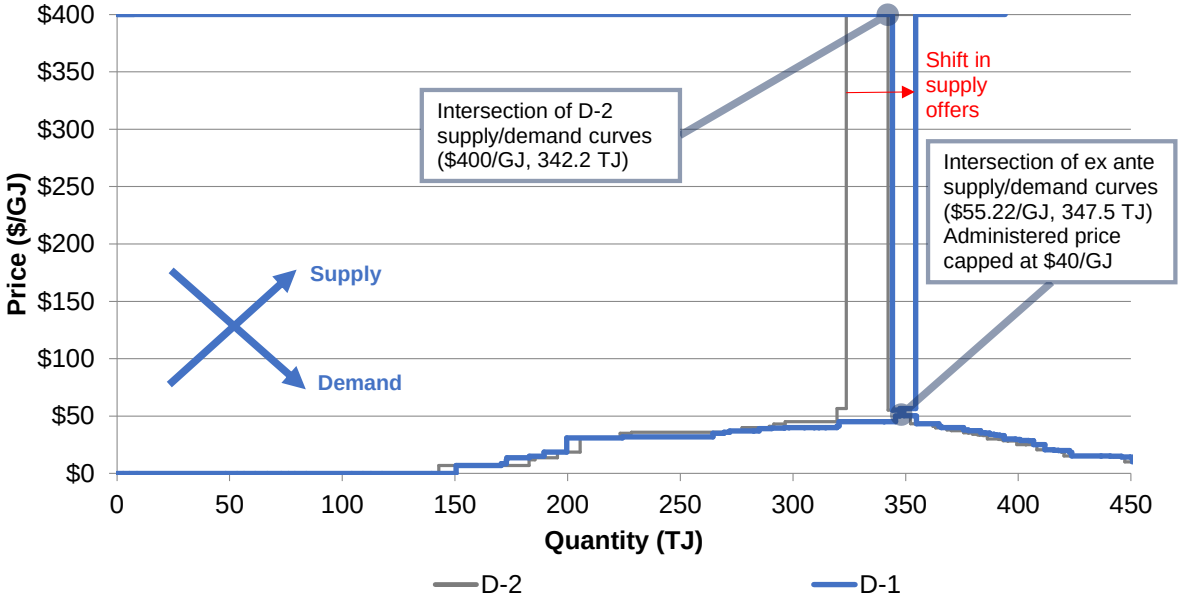
[10] Offers from GPG gentailers shifted capacity, largely from prices closer to the cap, while additional capacity was provided in the ex ante schedule by industrial participants. GPG gentailers refers to participants with electricity generation assets and retail market portfolios.

Figure 10: Sydney provisional and ex ante bid and offer curves (7 June)



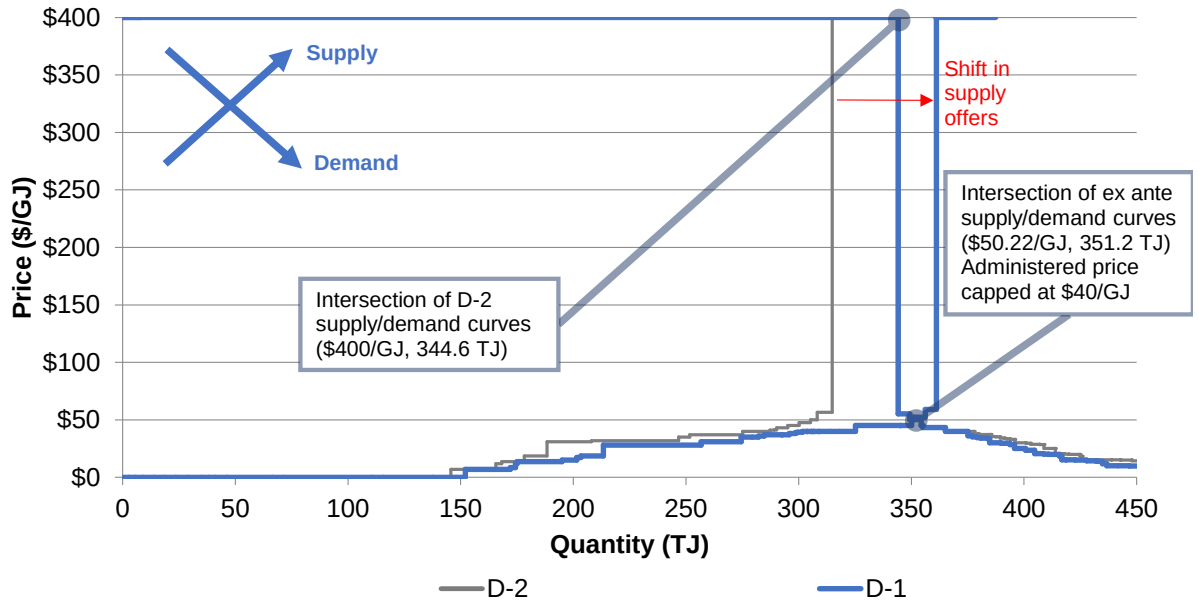
On 7 June in Sydney, rebidding increased supply offered below $40/GJ by 46 TJ. The additional capacity was offered by GPG gentailer, exporter/producer and industrial participants.

Figure 11: Sydney provisional and ex ante bid and offer curves (8 June)



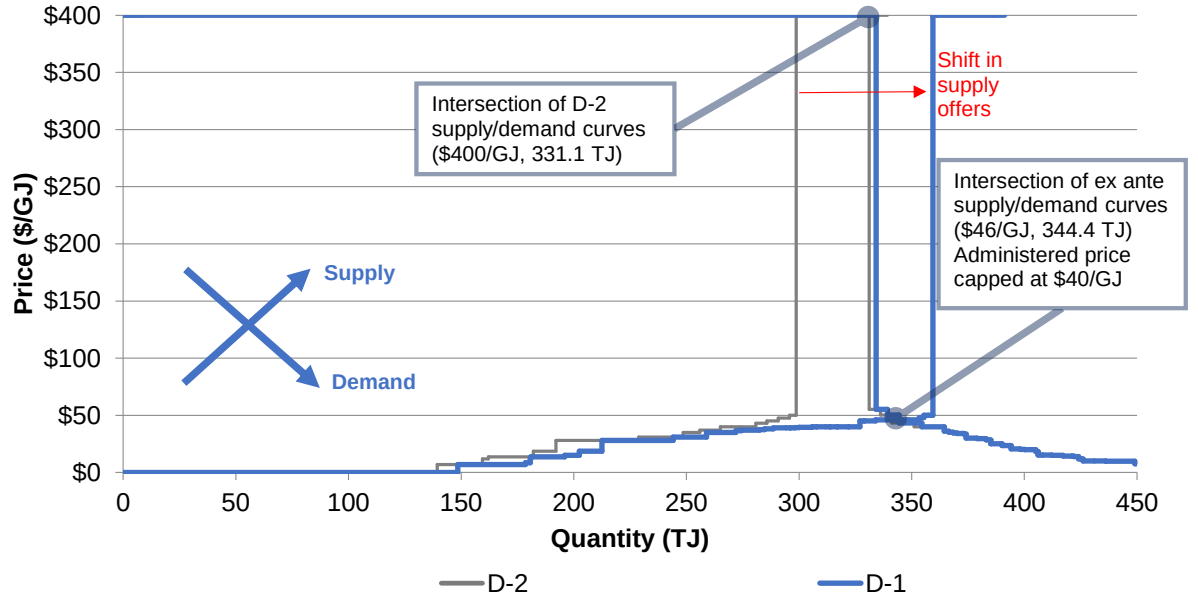
On 8 June in Sydney, rebidding increased supply offered below $35/GJ by 41 TJ. The additional capacity was offered mainly by GPG gentailers (30 TJ), and by exporter/producers (11 TJ).

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



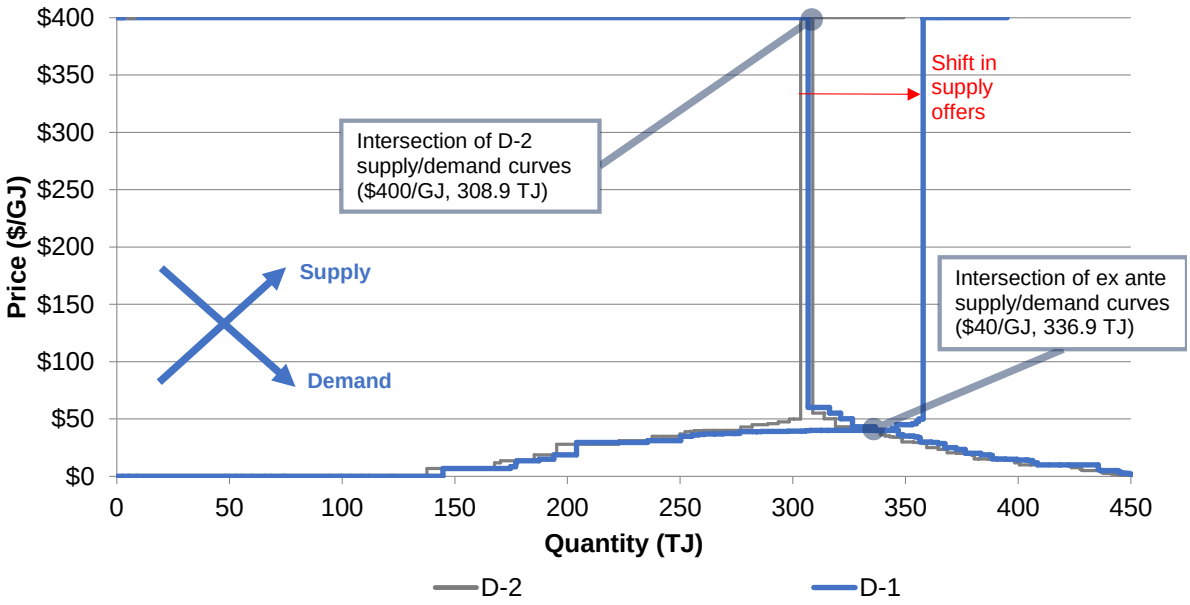
On 9 June in Sydney, rebidding increased supply offered below $55/GJ by 48 TJ. The additional capacity was offered mainly by GPG gentailers and exporter/producers (41 TJ), with smaller quantities offered by traders and industrial participants (7 TJ).

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



On 10 June in Sydney, rebidding increased supply offered below $40/GJ by 46 TJ. The additional capacity was offered mainly by exporter/producers (28 TJ), with GPG gentailers (9 TJ), traders (6 TJ) and industrial participants (4 TJ) also contributing.

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



On 11 June in Sydney, rebidding increased supply offered below $40/GJ by 62 TJ. The additional capacity was offered mainly by GPG gentailers and by exporter/producers (52 TJ), with a smaller quantity offered by industrial participants (12 TJ).

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[11] which is the schedule at which most gas is traded.

The main drivers[12] 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[13], 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)

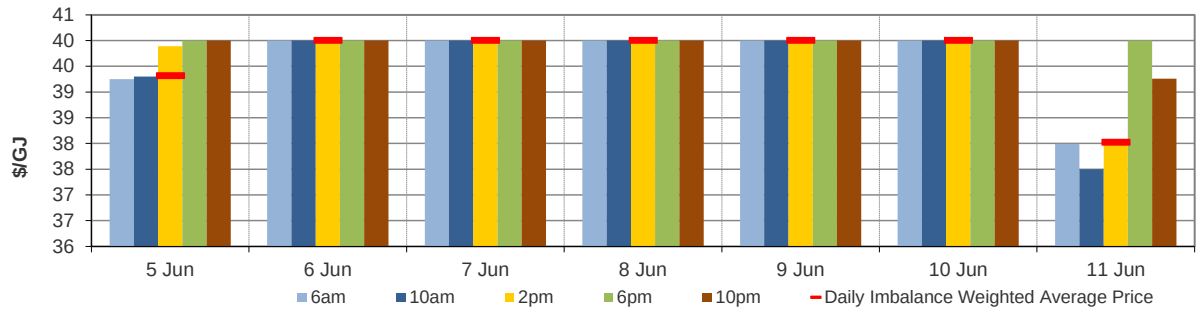
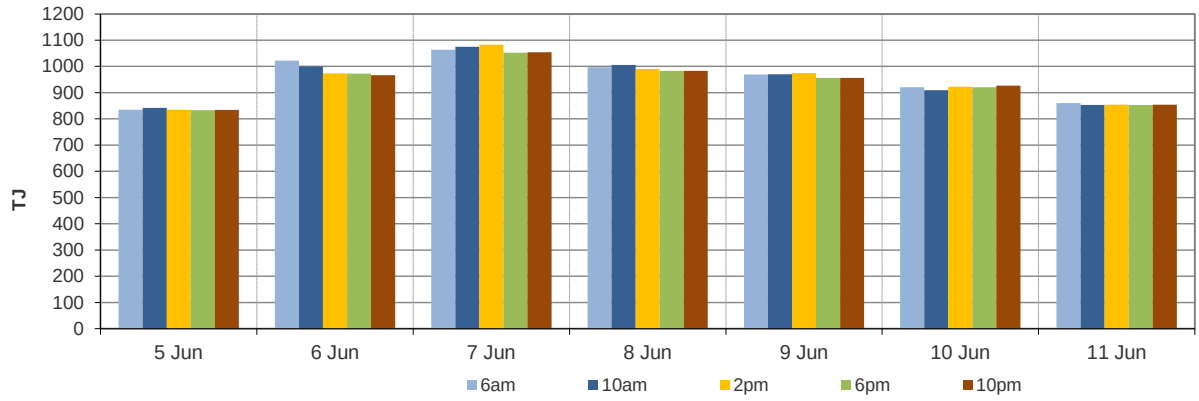


Figure 1.2: Demand forecasts (TJ)



[11] 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.

[12] 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.

[13] 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)

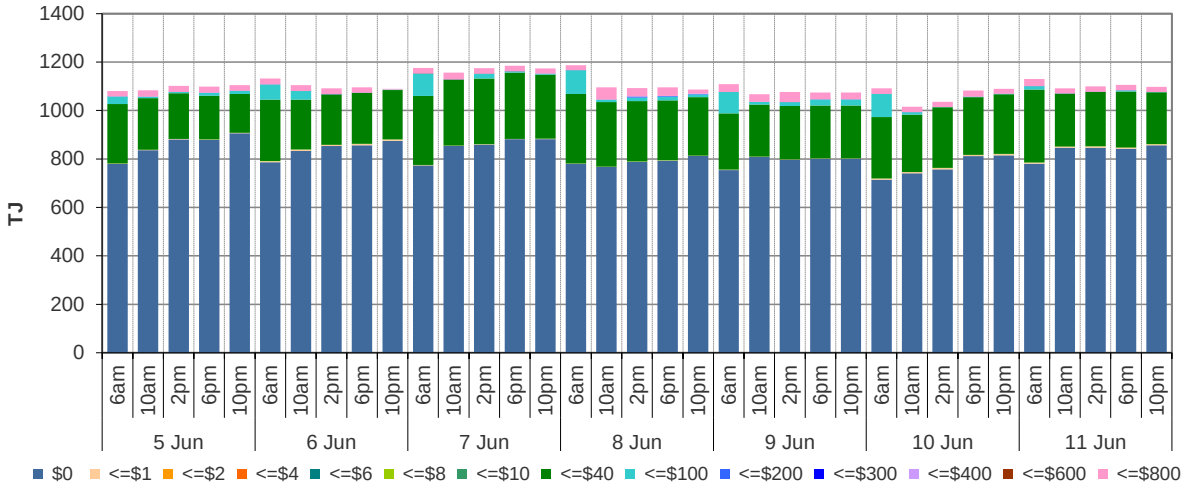


Figure 1.4: Withdrawal bids by price bands (TJ)

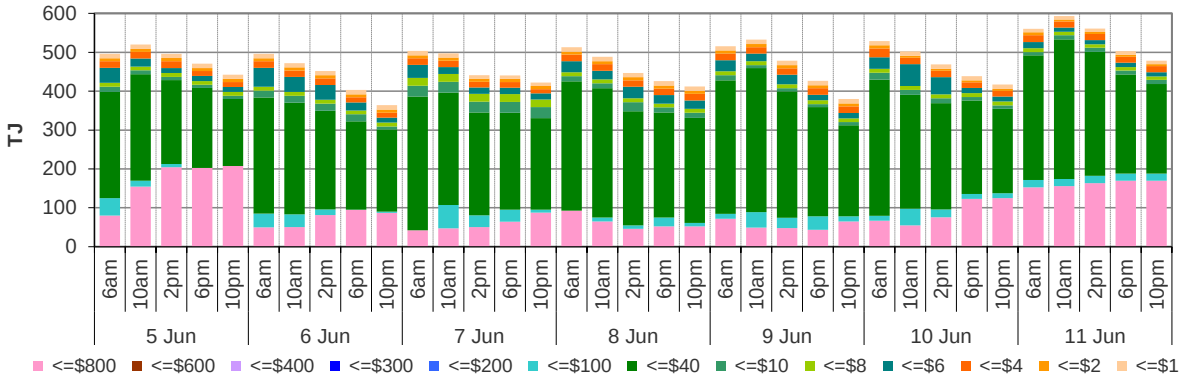
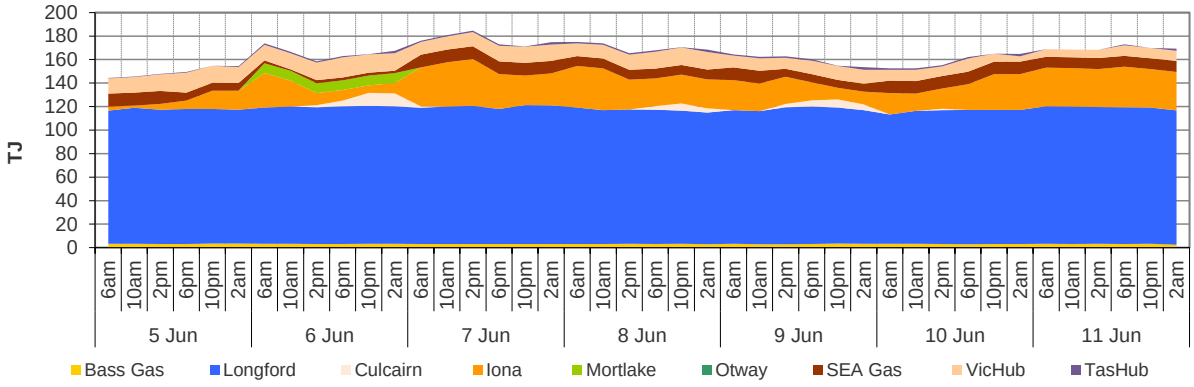


Figure 1.5: Metered Injections by System Injection Point (TJ)



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.[14] 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.

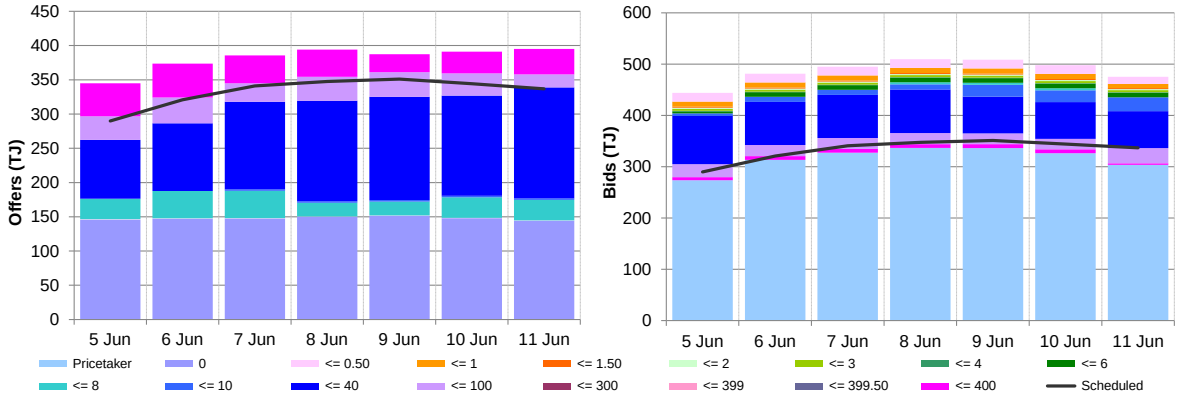
Market Operator Service balancing gas (MOS) payments arise because the amount of gas nominated on pipelines for delivery on a gas day will either exceed or fall short, by some amount, of the amount of gas consumed in the hub. In such circumstances, MOS payments are made to participants for providing a service to park gas on a pipeline or to loan gas from a pipeline to the hub.[15]

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 ($/GJ)	40.00	40.00	40.00	40.00	40.00	40.00	40.00
Ex ante quantity (TJ)	290	321	341	348	351	344	337
Ex post price ($/GJ)	40.00	40.00	40.00	40.00	40.00	40.00	40.00
Ex post quantity (TJ)	305	335	337	352	352	343	332

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



[14] 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.

[15] 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.

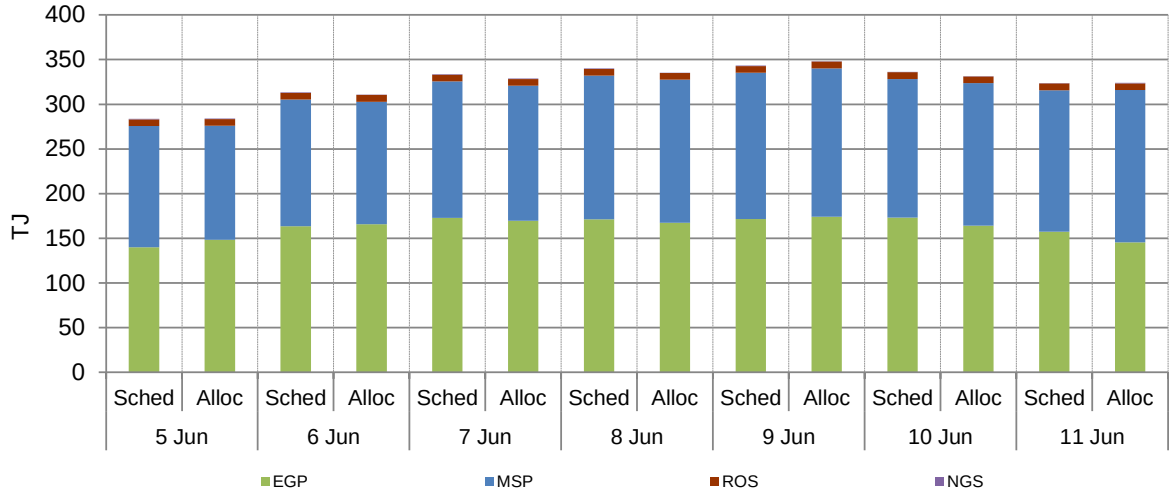
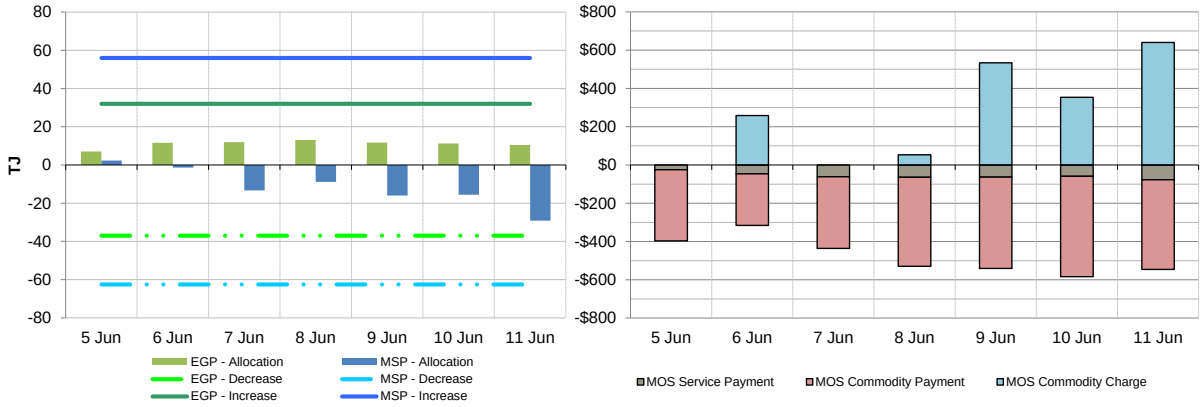


Figure 2.4: SYD MOS allocations (TJ), service payments and commodity payments/charges ($000)[16]



[16] 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 ($/GJ)	43.29	43.29	43.24	41.40	41.29	41.29	39.49
Ex ante quantity (TJ)	75	84	81	86	82	77	71
Ex post price ($/GJ)	41.89	41.40	41.29	39.90	39.74	39.74	38.54
Ex post quantity (TJ)	72	77	78	80	76	71	62

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

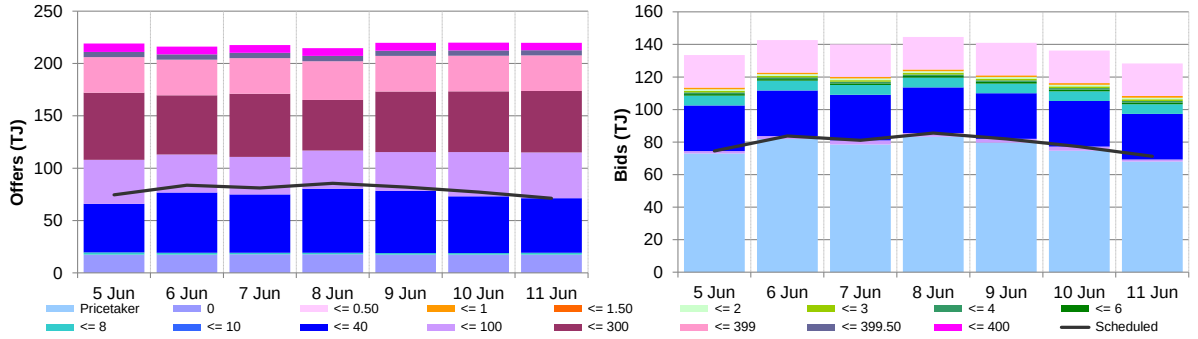


Figure 3.3: ADL net scheduled and allocated gas hub supply (excluding MOS)

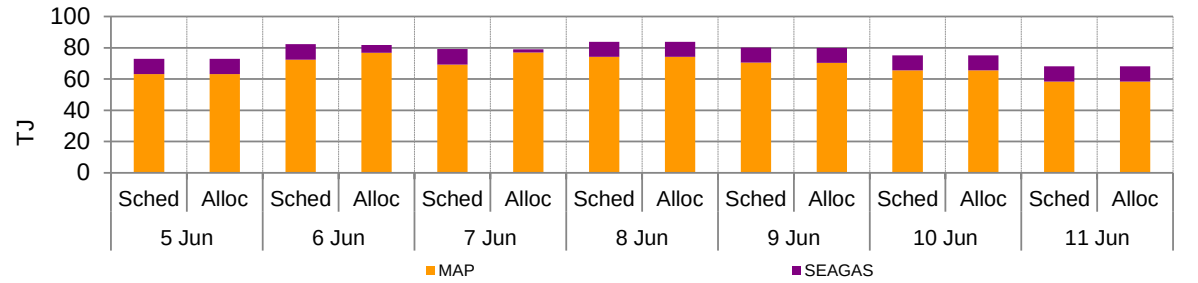
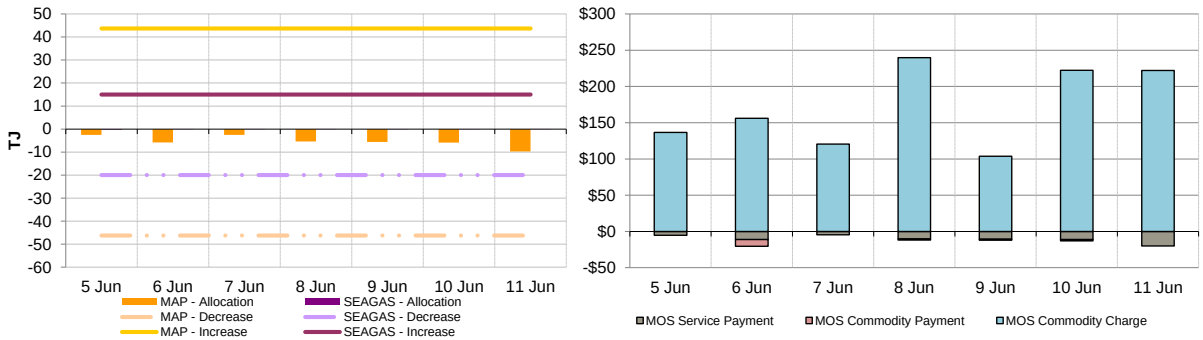


Figure 3.4: ADL MOS allocations (TJ), service payments and commodity payments/charges ($000)



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 ($/GJ)	37.49	38.50	37.39	37.51	36.45	36.47	34.99
Ex ante quantity (TJ)	82	95	95	96	97	93	81
Ex post price ($/GJ)	36.90	38.50	37.39	37.47	36.34	36.47	34.99
Ex post quantity (TJ)	78	95	94	94	95	93	79

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

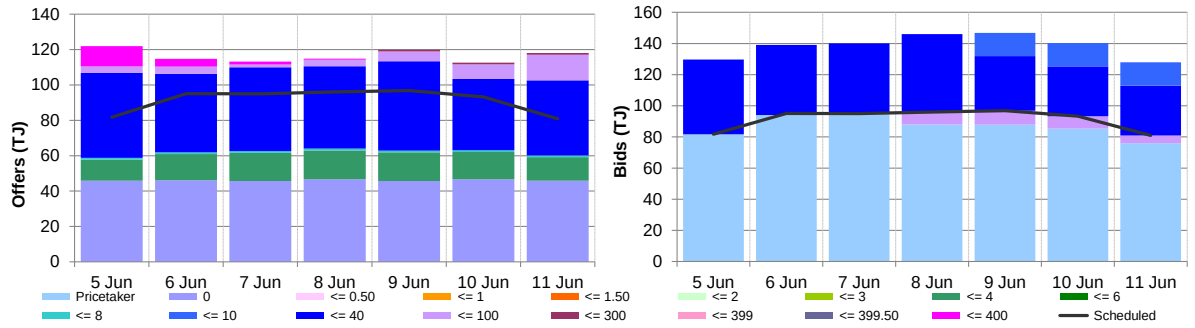


Figure 4.3: BRI net scheduled and allocated gas hub supply (excluding MOS)

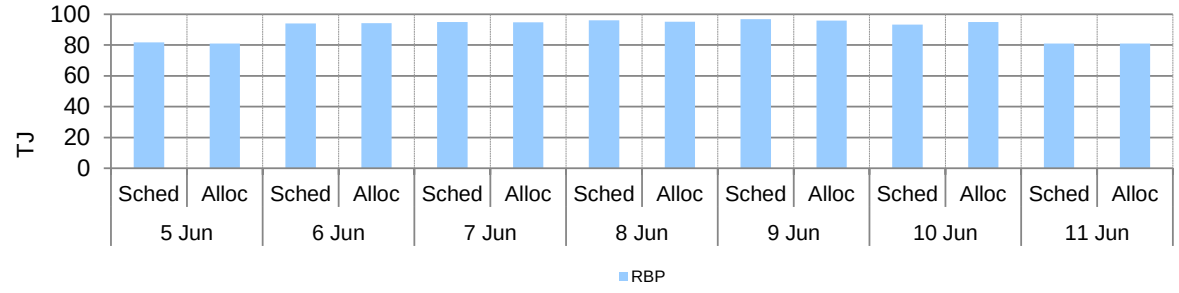
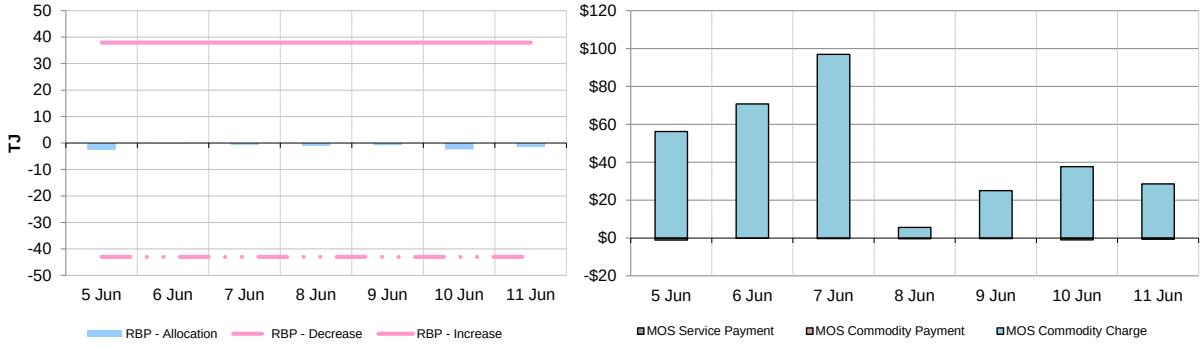


Figure 4.4: BRI MOS allocations (TJ), service payments and commodity payments/charges ($000)



5. National Gas Bulletin Board

Figure 5.1 shows average daily actual flows for the current week[17] from the Bulletin Board (changes from the previous week's average are shown in brackets). Average daily prices[18] 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)[19]

Totals	Current Week	Change (TJ)
Domestic gas flows	2077	(+8)
Export gas flows	3450	(+43)
Gas production	5574	(+155)
GPG gas usage	529	(+17)
Pipelines		
Queensland		
Gladstone		
APLNG	1458	(+214)
GLNG	908	(-78)
QGP	134	(-5)
WGP	1084	(-93)
Mt Isa		
CGP	59	(+3)
Brisbane		
RBP	100	(+8)
South West		
SWQP	39	(-13)
Wallumbilla		
BWP	175	(+9)
CRWP	-63	(-24)
DDP	59	(+12)
QGP (WAL)	40	(-4)
RBP (WAL)	-133	(-52)
SWQP (WAL)	245	(+28)
New South Wales		
MSP	253	(+32)
EGP	288	(-2)
Victoria		
LMP	788	(+8)
SWP	191	(-52)
South Australia		
MAP	203	(+38)
SEAGas	30	(-6)
Tasmania		
TGP	26	(-5)

Storage (held volume)		
Moomba LDB	12405	(-22)
Iona UGS	17734	(-973)
LNG Storage Dandenong	276	(-25)
Silver Springs	16325	(+0)
Roma UGS	27150	(-245)

17 **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.

18 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.

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

6. Gas Supply Hub

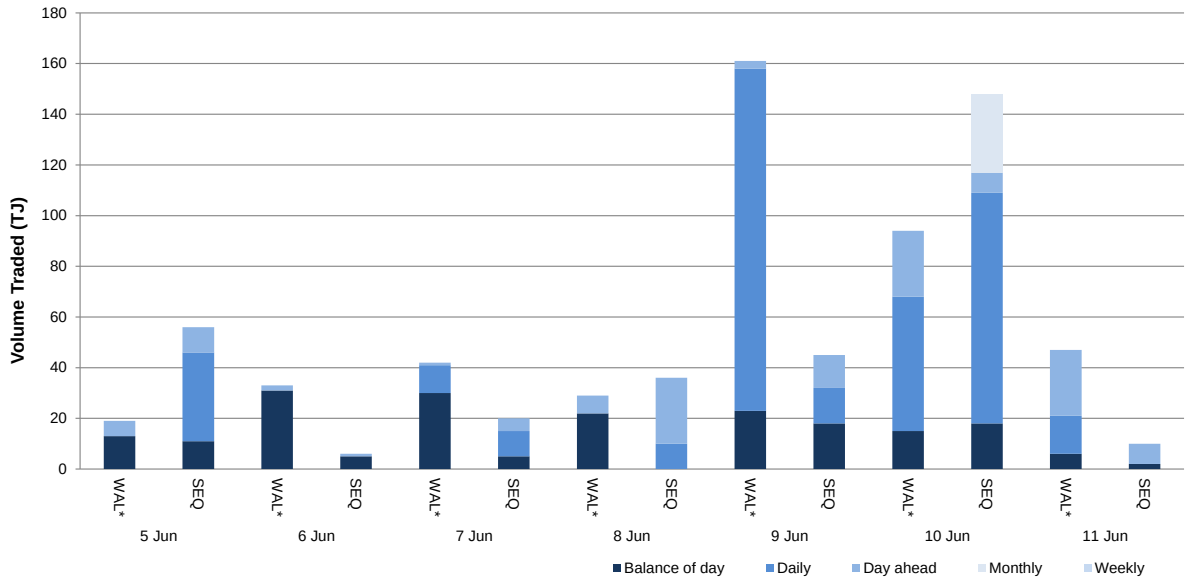
The gas supply hub was established at Wallumbilla in March 2014 to facilitate the voluntary trading of gas between participants, with products listed for sale and purchase at delivery points on three major connecting pipelines. There are separate products for each trading location and delivery period (daily, day-ahead, balance-of-day, weekly and monthly products).[20]

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 110 trades for 746 TJ of gas at a volume weighted price of $31.33/GJ. These consisted of 61 trades at WAL (425 TJ at $32.38/GJ) and 49 trades at SEQ (321 TJ at $29.93/GJ). There were 6 spread trades 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.[21]

Figure 6.1: GSH traded quantities



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

21 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.

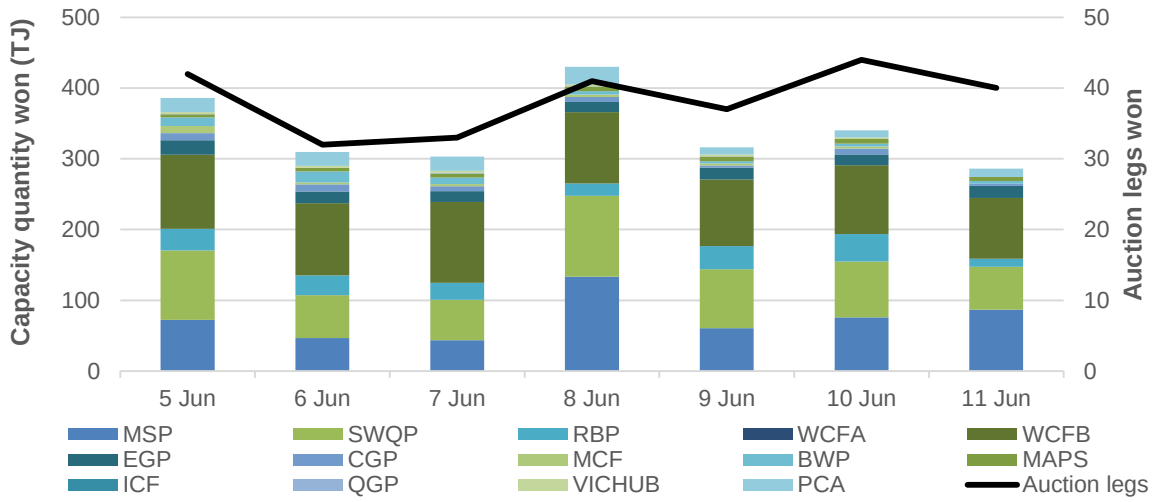
Participants may bid in to the DAA in order to procure the following services:

- 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 2,371 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.[22]

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



Australian Energy Regulator
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[22] Additional information is available in the user guide to the AER gas weekly report.