

STTM EVENT – DELAYED CAPACITY SUBMISSION – BRISBANE – 15 OCTOBER 2013

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Glossary

Terms or Abbreviations	Explanation
AEMO	Australian Energy Market Operator
AEST	Australian Eastern Standard Time
D, D+n, D-n	An action performed on, n gas days after, or n gas days before gas day D with respect to gas day D. The term D-1 refers to actions taken on the preceding gas day before gas day D with respect to gas day D. For example, the ex ante market price calculated on D-1 is for gas day D.
NGR or rule	National Gas Rules
MOS	Market Operator Service
RBP	Roma to Brisbane Pipeline
STTM	Short Term Trading Market

1 Summary

On gas day 14 October 2013, APT Petroleum Pipelines (APA Group) did not submit its D-1 facility hub capacity for gas day 15 October 2013 by the 11:00 AEST cut-off time for the Brisbane hub. In accordance with the National Gas Rules (NGR) and STTM Procedures, the window for the submission of the RBP data was extended to 12:30 AEST. APA Group successfully submitted the facility hub capacity by the extended cut-off time. This hub capacity was used as an input into the ex ante market price and schedule for gas day 15 October 2013 for the Brisbane hub.

There were no market impacts resulting from the event.

APA Group advised that the late submission was due to the time it took to manually submit the facility hub capacity which was required as a result of a failure of their automated systems. APA Group also advised that it has begun a number of process and system changes in response to the event. These are planned to be completed by end of December 2013. Staff refreshers on STTM regulatory obligations have already been completed.

The procedures for data validation, substitution and price setting operated in accordance with the rules.

2 Background

2.1 Event reporting requirements

Section 7.6 of the STTM Procedures requires AEMO to publish a report¹ if:

- data submitted to AEMO by an STTM facility operator under rules 414 or 419 of the NGR fails validation, and this leads to confirmation or substitution of data; or
- an STTM facility operator fails to provide data under rule 414 and 419 and this leads to the substitution of data.

AEMO must publish the report within 30 business days of the conclusion of the event.

2.2 Facility hub capacity and the ex ante market

On each gas day, STTM facility operators provide AEMO with daily estimates of the capacity that its STTM facility has available to deliver gas to the hub on the following three gas days. The D-1 facility hub capacity refers to the capacity estimate for gas day D that is submitted on the preceding gas day.

The daily hub capacity of the STTM facility limits the quantity of gas that AEMO can schedule for delivery to the hub from that facility on a gas day. Because of the potential effect on the resulting ex ante market price and schedule, AEMO systems validate the capacity data submitted by the facility operators. If the capacity data submitted by the facility operator breaches the validation thresholds, or no data has been submitted by the required D-1 cut-off time (11:00 AEST for the Brisbane hub), then the submission window is extended for a maximum of 1.5 hours to allow the facility operator time to either confirm that the submitted data is valid or submit new data.

If hub capacity data is not submitted by the extended cut-off time, the provisional hub capacity information submitted on previous days for the relevant gas day will be substituted. For example, if a capacity estimate for a gas day D is not submitted on D-1, then the capacity submitted on D-2 for gas day D is used. If the D-2 is not available, then D-3 is used. If the latter is not available then the default hub capacity (registered with AEMO) is used to generate the ex ante market price and schedule. In this case, a data quality flag will show that the data was unconfirmed.

¹ Under clause 7.6 of the STTM Procedures, the report must include: a description of the event; AEMO's assessment of the actions taken by STTM facility operators and AEMO in relation to the event; AEMO's assessment of the effect of the event on the operation of the STTM; and any other matter than AEMO considers relevant.

3 Description of the event

On gas day 14 October 2013, APA Group did not submit the facility hub capacity for gas day 15 October 2013 by the 11:00 AEST cut-off time. Subsequently, AEMO systems notified APA Group and the market that the facility hub capacity had not been submitted.

An extended window was opened for APA Group to submit the facility hub capacity by 12:30 AEST. APA Group successfully submitted the facility hub capacity by that time. This hub capacity was used as an input into the ex ante market price and schedule for gas day 15 October 2013 for the Brisbane hub.

4 APA Group's comments

APA Group has advised AEMO as below.

“Details of incident for 15 October where the RBP FHC file was published by APA just after the first cut-off time of 11AM as follows:

- APA IT systems are programmed to automatically generate the capacity file (FHC) for RBP at 8:10am each day, however for Gas Day 15 this process failed to trigger. This is the first instance of such an issue with the generation of this file since STTM commenced at the Brisbane Hub.
- APA also has manual processes in place to generate and verify all STTM files, however on this day the missing submission was not detected in time to be corrected before the 11am cut-off, upon detection a file was manually generated and submitted. This file was received slightly after the 1st cut-off time (approx. 25 seconds past 11am and well before the 2nd cut off time of 12:30pm). A contributing factor to this was the unplanned absence of one staff member that increased the workload on back-up staffing resources, delaying identification of the issue and the initiation of the manual process.

APA has undertaken an investigation of the event, including a detailed investigation of IT system logs and processes. This investigation has found that:

- the system appeared to trigger but failed to create file output; and
- the file creation job did not register a failed schedule attempt.

APA has attempted to replicate the fault under a number of operating conditions. These processes have not uncovered the root cause of the fault, and the fault has not been able to be replicated.

APA has initiated the following processes and system changes in response to this event:

1. Implementation of a new alert process under separate system monitoring software to alert responsible staff via email every 10 minutes after a file is scheduled to be produced and has failed.
2. Implementation of a system change to run certain processes separately to speed up completion times and to give more time for manual monitoring checks.
3. Developing business processes incorporating key times for manual verification of all Market Operator files prior to submission deadlines.
4. Ensuring all relevant staff are reminded of the STTM reporting obligations and that the Rule requirement is to submit FHC data by the cut off time.

Item 4 has been completed and items 1-3 are planned to be implemented by end December 2013.”

5 AEMO's assessment of the actions taken

APA Group did not submit the D-1 facility hub capacity by the cut-off time (11:00 AEST for Brisbane) in accordance with rule 414(1) but was able to successfully submit the facility hub

capacity by the extended window (12:30 AEST for Brisbane) in accordance with section 7.1.3B of the STTM Procedures. As advised by APA Group, the late submission was due to the time it took to manually submit the facility hub capacity which was required as a result of a failure of their automated systems. AEMO system logs indicate that the facility hub capacity was submitted at 11:00:25 AEST.

AEMO market systems operated correctly. The ex ante market price and schedule were produced before 14:30 AEST for the Brisbane hub using the hub capacity data submitted by APA Group before the 12:30 AEST cut-off time.

Market reports of missing data operated correctly. Under Section 7.1.3A of the STTM Procedures, AEMO must notify a facility operator of missing data. This was undertaken by SMS/e-mail messages to the facility operator contacts that are registered in the AEMO systems if no data is received by 11:00 AEST.

Under section 7.1.4 of the STTM Procedures, AEMO must make the capacity information available to trading participants at the relevant hub. AEMO generated market information reports and notified the trading participants by SMS/e-mail. This was performed as follows:

- Report INT653 – Ex Ante Pipeline Data report which was published just after 11:00 AEST showed the facility hub capacity the market would use for the APA Group facility for the upcoming gas day. The same report published at 14.30 AEST showed the facility hub capacity for APA Group used to determine the ex ante market price and schedule.

SMS/e-mail messages were sent to 24-hour contacts that are registered in AEMO systems for the affected hub advising them that APA Group had failed to submit a hub capacity at 11:00 AEST.

6 Market Impacts

There were no financial or operational impacts.

While APA Group did not submit the facility hub capacity by the 11:00 AEST cut-off time, the capacity delivered to AEMO before the extended cut-off time of 12:30 AEST did not breach validation thresholds, and was used in the ex-ante scheduling process. As a consequence, the calculation of the ex-ante market price and schedule was not affected by the late submission.

AEMO has not been advised by any participants that they were affected by the event.

The facility hub capacity is published in the INT653 Ex Ante Pipeline Data report. The ex-ante market price and schedule are published in the INT651 Ex-ante Market Price and INT652 Ex Ante Schedule Quantity reports.

The public reports are available from the AEMO website at:
http://www.aemo.com.au/data_gas/sttm_data.html.

7 Conclusion

There were no market impacts resulting from the event.

From APA Group's advice, it has begun a number of process and system changes in response to the event. These are planned to be completed by end of December 2013. Staff refreshers on STTM regulatory obligations have already been completed.

The procedures for data validation, substitution and price setting operated in accordance with the rules.