

STTM EVENT – DELAYED ALLOCATION SUBMISSION – ADELAIDE – 21 DECEMBER 2013

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Glossary

Terms or Abbreviations	Explanation
AEMO	Australian Energy Market Operator
AEST	Australian Eastern Standard Time
IMT	Information Management and Technology
MAP	Moomba to Adelaide Pipeline
MIS	Market Information System
MOS	Market operator services
MSD	MOS step allocation data (daily file). Note MSD files are only submitted for pipelines.
NGR	National Gas Rules
PAD	Facility Allocation data (daily file). Note PAD files are submitted for all facilities.
RTO	Real Time Operations
STTM	Short Term Trading Market
SWEX	STTM WebExchanger
SWEXIE	SWEX Interface Engine

1 Summary

On 21 December 2013, Epic Energy was unable to successfully submit STTM facility allocations (for the Moomba to Adelaide Pipeline) for gas day 20 December 2013 by the 11:00 AEST cut-off time. In accordance with the NGR and STTM Procedures, a provisional ex post imbalance price was published at 11:00 AEST, the data submission window was extended to 15:00 AEST and the calculation of the ex post imbalance price was delayed to 16:00 AEST.

Epic Energy successfully submitted its allocation notice before the extended cut-off time of 15:00 AEST. This allocation notice was used as an input into the calculation of the ex post imbalance price for the Adelaide hub. Both the provisional ex post imbalance price and the 'delayed' ex post imbalance were the same at \$4.9800/GJ.

There was no market impact.

Epic Energy has advised that it has updated its procedure for validating contact registration to ensure new contracts are active in AEMO market systems.

2 Background

2.1 Event reporting requirements

This report has been prepared under Section 7.6 of the STTM Procedures to assess the actions taken by STTM facility operators and AEMO in relation to the event and the effect of the event on the operation of the STTM.

2.2 Allocation data and ex post imbalance price

By 11:00 AEST on each gas day at Adelaide, the allocation agent for the relevant STTM facility is required to submit the STTM facility allocation for the previous gas day. For any STTM pipeline, the daily STTM facility allocation notice¹ consists of two files, a facility allocation file and a market operator service (MOS) step allocation file (also known as the PAD and MSD files respectively).

The STTM facility allocations provide AEMO with the delivered quantity of gas for the relevant gas day. The STTM facility allocations are used as an input into the calculation of the ex post imbalance price for the gas day in question. The ex post imbalance price is one of the prices used to determine a trading participant's deviation payment or charge.

If the STTM facility allocations are not submitted by 11:00 AEST, then AEMO systems trigger a warning and an extended period is automatically made available for the allocation agent to deliver the STTM facility allocations for the relevant facility by 15:00 AEST.

If the STTM facility allocations are not submitted by the 15:00 AEST extended window, AEMO will use default allocations for the relevant facility to calculate the ex post imbalance price.

3 Description of event

At 09:10 AEST on 21 December 2013, Epic Energy began submitting its allocation notice for the Moomba to Adelaide Pipeline for gas day 20 December 2013. Both PAD and MSD files were rejected.

Epic Energy was able to successfully submit a valid PAD file (which did not breach warning thresholds) at 10:15 AEST and a valid MSD file at 11:57 AEST.

At the 11:00 AEST cut-off time for the Adelaide hub, the STTM systems checked for a matching pair of PAD and MSD files. As there was no valid MSD submission the STTM systems defaulted the facility allocation for the MAP and triggered the delayed ex post price process. A provisional ex post imbalance price of \$4.9800/GJ was determined.

¹ Refer to Appendix A for more detail on the allocation notice and related validations.

Epic Energy successfully submitted MSD file at 11:57 AEST before the extended cut-off time of 15:00 AEST. The completed allocation notice was used as an input into the calculation of the ex post imbalance price for the Adelaide hub.

4 Epic Energy's comments in relation to the data submission

Epic Energy has advised AEMO as follows.

“Epic Energy South Australia Pty Ltd (EESA) operates the Moomba to Adelaide Pipeline System (MAPS), and is a Market Participant of the Short Term Trading Market (STTM). EESA operates a Customer Reporting System (termed CRS) that is used to facilitate processing of its daily reporting to the market.

As is required of Market Participants, EESA undertakes a daily verification process for data submitted to AEMO to allow for resubmission of data before the prescribed cut off times. Whilst undertaking this verification process on 21 December 2013, EESA operators identified that AEMO had rejected our PAD file.

AEMO advised EESA via their automated process at 9:22 AEST that both the Pipeline Allocation data (PAD) and MOS Step Allocation data (MSD) files had been rejected.

On this particular day, the PAD submission was the first since the activation of a new arrangement by one of the STTM Shippers.

The Shipper had previously requested EESA to approve its entry to the STTM Allocation Agreement, which process was approved and completed by EESA and accepted in the AEMO system. The Shipper failed to create an active TRN in the AEMO system, which meant when the allocation agreement went active on 20 December 2013 and EESA submitted reports with the new RFS number, the AEMO system did not have an active RFS number in the system.

Follow up enquiries with the Shipper revealed that they had subsequently decided not to proceed with the new arrangement, and as a result not completed the registration with AEMO. The Shipper had not advised EESA of this and as a result EESA had not been able to revert CRS to the original acceptable configuration.

EESA reconfigured CRS and resubmitted the MSD file at 11:57 AEST.

Contributing Factors to Occurrence:

1. An STTM Shipper did not advise EESA of an intention not to proceed with a previously advised change to a contract they had asked for and had failed to notify EESA that they had not activated their RFS;
2. EESA did not check that the contract was active in the Contracts Registration page in SWEX; and
3. Re-submission of the correct STTM file was delayed due to a confusing error message from the AEMO SWEXSWEXIE System. The error message did not accurately reflect the reason that the file had been rejected. Despite contact with AEMO IT Help Desk prior to the file submission deadline, the issue could not be resolved in time to meet the prescribed cut off time. AEMO IT Help Desk have advised EESA that the error message is under review as it is not helpful for debugging the MSD file.

Remedial Actions:

EESA's procedure for the validation of contract registration has been updated to ensure SWEX is checked to ensure any new contracts are active in the AEMO system.”

5 Assessment of the event

Epic Energy did not submit the STTM facility allocations by 11:00 AEST. This led to an extended period being made available for data submission, allowing until 15:00 AEST for allocation notice submissions. Epic Energy completed its submission of a valid facility allocation notice at 11:57 AEST as allowed under section 7.2.1B of the STTM Procedures.

A provisional ex post market imbalance price was produced just after 11:00 AEST in accordance with the rules. The STTM systems determined the delayed ex-post imbalance price just after 15:00 AEST in accordance with clause 7.2.1C of the STTM Procedures

AEMO notes Epic Energy's comment about a confusing error message related to its initial MSD submission which contributed to the delay in submitting valid allocation files as it was not helpful in debugging the invalid MSD file. AEMO has raised a defect notice for which a fix will be considered for prioritisation and deployment in an upcoming gas release. Also in discussions with Epic Energy they advised that they have made staff aware of the confusing error message.

Market reporting operated as expected.

- MIS Report INT 675 - Default Allocation Notice Report for the MAP was published just after 11:00 AEST because a valid STTM facility allocation notice had not been received by the 11:00 AEST cut-off time.
- MIS Report INT 657 - Ex Post Market Data Report which is published just after 11:00 AEST showed the provisional ex-post price as \$4.9800/GJ. The same report published just after 15:00 AEST showed the 'delayed' ex-post price as \$4.9800/GJ
- MIS Report INT 689 - Ex Post Allocation Quantity Report which is published just after 11:00 AEST showed the default allocation data used in the provisional ex post schedule. The same report published just after 15:00 AEST showed the actual allocation data used for the ex-post imbalance price.

No SMS/email messages were sent to the market at 11:00 AEST to advise of a provisional ex post imbalance price because these messages² are only sent if a PAD file submitted has breached a high or low warning threshold, or is missing. SMS/email messages are not sent if only the MSD file is missing.

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

6 Market Impacts

As a consequence of the STTM facility allocations not being submitted by 11:00 AEST, a provisional ex post imbalance price of \$4.9800/GJ was produced using a default allocation for the MAP. A delayed ex post imbalance price of \$4.9800/GJ was produced by 16:00 AEST for the Adelaide hub using the allocation notice submitted by Epic Energy.

On this occasion, there was no difference between the provisional ex post imbalance price and the delayed ex post imbalance price, noting that the market long quantity changed from 1,871 GJ to 2,181 GJ. As there was no difference between the provisional and delayed ex post prices the cumulative price calculated after each price was determined was the same.

Prudential monitoring outcomes were unaffected since the provisional ex post imbalance price was used to determine trading participants' exposure was the same as the 'delayed' ex post imbalance price.

7 Conclusion

There were no market impacts resulting from the event.

Based on Epic Energy's comments above, it has updated its procedure for validating contact registration to ensure new contracts are active in AEMO market systems to mitigate re-occurrences.

AEMO processes for data validation, substitution and price setting fully operated as intended under the rules, without material impact on market outcomes.

² These messages only relate to the PAD file and were implemented as part of the gas release on 16 June 2011. The intent of those changes was to provide STTM facility operators with an ability to rectify possible data errors or confirm that flagged data is correct before that data is used in the STTM scheduling and price setting process.

APPENDIX A: Facility Allocation data and the ex post imbalance price

By 4.5 hours after the start of each gas day, the allocation agent for the relevant STTM facility is required to submit the STTM facility allocation for the previous gas day. The gas day starts at 6:30am at the Sydney and Adelaide hubs, and 8:00am for the Brisbane hub.

The STTM facility allocations provide AEMO with the final delivered quantity of gas for the relevant gas day. The STTM facility allocations are used as an input into the calculation of the ex post imbalance price for the gas day in question. The ex post imbalance price is one of the prices used to determine a trading participant's deviation payment or charge.

If the STTM facility allocations are not submitted by 4.5 hours after the start of the gas day, an extended period is made available for the allocation agent to deliver the STTM facility allocations for the relevant facility by 8.5 hours after the start of the gas day.

If the STTM facility allocations are not submitted by 8.5 hours after the start of the gas day, AEMO will use default allocations for the relevant facility to generate the ex post imbalance price by 9.5 hours after the start of the gas day.

For any STTM pipeline, the daily STTM facility allocation notice consists of two files, a facility allocation file and a market operator service (MOS) step allocation file (also known³ as the PAD and MSD files respectively). For each STTM facility allocation notice, the PAD file is required to be submitted before the MSD file and the two files are typically submitted a few minutes apart by the pipeline operators. Validations by the AEMO STTM systems are performed as follows:

- *Individual PAD and MSD validations*—validations are performed individually on the facility allocations (PAD) and MOS step allocation file (MSD) for each pipeline facility at the time the pipeline operator submits each file;
- *The PAD/MSD matching check*—a validation is run to check that the total MOS quantities (excluding overrun MOS) in both the facility allocation file and MOS step allocation file for each pipeline match. This is run at the time the MOS step allocation file is submitted. The MSD submission is rejected if it fails this test.
- *The PAD/MSD cut-off check*—in case the PAD and MSD sequence⁴ is not followed, the STTM system also performs a daily check, at the D+1⁵ allocation submission cut-off time, that there is a valid matching pair of facility allocations and MOS step allocation files for each STTM pipeline. Accordingly, this is required to be run at 11:00am for the Sydney and Adelaide hubs and 12:30pm for the Brisbane hub. In the absence of a matching pair of valid allocation files, default allocations for the relevant STTM pipeline are applied and used as an input into the calculation of the provisional or ex post imbalance price.

As far as the NGR and STTM Procedures are concerned these two files are treated as one allocation notice and neither can be considered to be validly submitted without the other.

³ Refer to STTM participant build pack and STTM participant build pack business validations addendum at <http://www.aemo.com.au/Gas/Policies-and-Procedures/Short-Term-Trading-Markets/Rules-Procedures-and-Interface-Protocol>

⁴ For example, a second PAD file could be submitted which doesn't match the first MSD file.

⁵ D+1 refers to the day after the respective gas day D.