

STTM EVENT REPORT: GAS DAY 11 MAY 2012 – SYDNEY HUB

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Glossary

Terms or Abbreviations	Explanation
AEMO	Australian Energy Market Operator
AEST	Australian Eastern Standard Time
AGL	AGL Upstream Investments
NGR	National Gas Rules
Rosalind Park (Camden)	AGL's Rosalind Park (Camden) Production Facility
STTM	Short Term Trading Market
S-WEX	STTM Web-exchanger
S-WEXIE	STTM Web-exchanger Interface Engine

1 Summary

On 10 May 2012, AGL Upstream Investment (AGL) failed to submit the STTM hub capacity for the Rosalind Park Production facility (Rosalind Park) by the 9.30am cut-off time for the STTM Sydney hub.

In accordance with the National Gas Rules (NGR) and STTM Procedures, AEMO extended the submission window for AGL to 11:00 am. AGL successfully submitted its STTM facility hub capacity by the extended cut-off time. This STTM hub capacity was used as an input into the Sydney hub ex ante market price and schedule for gas day 11 May 2012.

There were no adverse market impacts as a result of the provision of the facility hub capacity after 9.30 am but before the 11.00 am cut-off time.

This report reviews these events.

Please note that all times in this report are expressed in Australian Eastern Standard Time (AEST).

2 Background

2.1 Event reporting requirements

Section 7.6 of the STTM Procedures requires AEMO to publish a report if an STTM facility operator fails to provide data by the time specified in rule 414 which has led to substituted data being used by the market.

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;
- the effect of the event on the operation of the STTM; and
- any other matter that AEMO considers relevant.

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

STTM facility operators provide AEMO with daily estimates of the capacity that their STTM facility has available to deliver gas to the hub on the following three gas days. The hub capacity of the STTM facility limits the quantity of gas the STTM will schedule for delivery to the hub from that facility on a gas day.

Because the facility hub capacity can have an effect on the resulting ex ante schedule, AEMO validates data submitted daily by the facility operators. If the data submitted by the facility operator breaches the validation thresholds or no data is submitted by three hours after the start of each gas day on D-1 (i.e. 9:30 am for the Adelaide and Sydney hubs and 11:00 am for Brisbane hub), then the submission window will be extended for a maximum of 1.5 hours to allow the facility operator time to either submit the data, confirm that the submitted data is valid, or submit new data.

If the facility operator fails to submit hub capacity data by the required time (which in the case of the ex-ante schedule, can be extended), the provisional hub capacity information submitted on previous days for the relevant gas day will be used. If no data is available, then the registered default capacity of the STTM facility is used to generate the market schedule and provisional schedule.

2.3 AEMO Messaging Process

Facility operators' files submitted to AEMO systems generate messages indicating their status (acknowledgements or error codes) – these files can be submitted using the S-WEX web portal to manually upload files to the S-WEXIE gateway, or directly to the S-WEXIE gateway for automated uploads. Validations are performed at the S-WEXIE gateway and messages are generated at that time.

If a file is manually submitted using the S-WEX CSV file upload functionality then the initial message sent (by S-WEX) only indicates that the file has been successfully submitted to AEMO systems but does not indicate its validation status, since this is performed at the S-WEXIE gateway (ie. validation of the file structure or the contents of the file). The status of any uploaded file can be viewed via S-WEX¹ after it has been validated by AEMO systems by selecting the option to display file submissions (status). This displays the same message acknowledgments as would be seen via the S-WEXIE gateway which are described below.

AEMO market systems undertake a two stage acknowledgement and validation of files submitted to the market systems via the S-WEXIE gateway.

The first acknowledgement and validation is a message acknowledgement, known as an MCK. This acknowledgement advises that a file has been received. The MCK can have a status of '*accepted*', indicating that the format of the file (name, rows etc) is valid, or '*rejected*', indicating that the file format is incorrect.

If the file is accepted, the STTM systems then undertake a validation of the contents of the file. This is called a transaction acknowledgement and is known as an ACK. The ACK can have a status of '*accepted*', indicating that the capacity is within expected parameters (eg. greater than zero, not greater than max), or '*rejected*', indicating there is a problem with the submitted capacity.

If a valid facility hub capacity is successfully received (and stored) by the market systems, a facility operator would receive a MCK with the status '*accepted*', and an ACK with the status '*accepted*', indicating that the message was received and correctly formatted and that the contents were within expected parameters.

3 Description of events

On 10 May 2012 AGL did not submit a facility hub capacity file for the Rosalind Park facility by the 09:30 am cut-off time for gas day 11 May 2012.

At 09:47 am, the AEMO systems received the AGL facility hub capacity file for Rosalind Park, for gas day 11 May 2012. This information was submitted before the 11:00 am extended window and was used by the STTM ex-ante scheduling process for the Sydney hub.

4 AGL comments

4.1 Background

AGL advised that the facility hub capacity for Rosalind Park (also known as Camden) is produced by the facility operations staff in Sydney and provided to the Melbourne office, generally between 06:30am and 08.30am each day.

The duty trader in the Melbourne office checks the data as part of the business process to confirm the information after it has been automatically loaded into AGL's STTM nomination system. After it is confirmed the information is transferred to another AGL system which automatically uploads the relevant files to the AEMO market systems.

¹ Prior to the IT release deployed in April 2012, these acknowledgements and error codes had to be downloaded via the S-WEXIE gateway and opened for a participant to determine the status of the uploaded file. The change deployed in April provides a means of viewing these messages via the S-WEX portal.

4.2 Details of Event

At 8:50 am on 10 May 2012, the AGL duty trader identified that the AGL nomination system was not operational. Attempts were made to contact the AGL IT service provider, but these were not successful at this time.

At 9:05 am the AGL traders initiated the manual process to submit the capacity information to AEMO. This involved updating the previous day's submission and re-naming the file for it to be uploaded to the AEMO market systems.

The renamed file was submitted to the STTM market systems. At 9:09 the duty trader received a message acknowledgement from the AEMO systems which indicated that a file had been received but was not aware that the status of the acknowledgement to determine if it was accepted or rejected could be manually checked. AGL did not receive a transaction acknowledgement at this time to indicate that the contents of the submitted file had been accepted into the STTM market systems.

The duty trader believed the lack of transaction acknowledgement was associated with the failure of the AGL nomination system, and did not check the STTM Web-exchanger for the status of the message acknowledgement².

As of 9:20 am, the AGL nomination system was still not operational, and no transaction acknowledgement had been received, so the AGL traders accessed the AEMO web exchanger to directly upload the facility capacity file. Again, the traders received the message acknowledgement, and at this time believed that the information had been successfully submitted to the STTM Market Systems.

This file, which was previously created, was incorrectly formatted and the AGL traders were not aware they could manually check the validation messages available via SWEX. No transaction acknowledgements were generated as the file had been rejected by the market systems due to being incorrectly formatted.

At 9:32 am, AEMO issued an STTM Alert advising that the capacity for Rosalind Park had not been submitted to the STTM systems. Trading participants, including the AGL traders, received the STTM Alert.

At 09:40 am, the AGL Nomination system was restored to normal service. At this time the AGL duty trader prepared and submitted the Rosalind Park capacity information to the AEMO systems using the standard procedure.

The AEMO market systems acknowledged the receipt of the file for the hub capacity and confirmed its validity at 9:47am.

This capacity information was used by the AEMO market systems in the scheduling of the gas day 11 May 2012.

After the systems were restored and a review conducted by AGL staff, it became apparent that the hub capacity file that was manually created was incorrectly named and the file did not pass the AEMO market systems validations.

4.3 AGL Actions

AGL has advised that following this event the following actions are being undertaken:

- AGL Duty Traders will check the operational status of the interface systems by 8.30am each day;
- AGL Back up processes will be more precise in regards to the file requirements and naming protocols for manually created files. This will include further information on manually

² It should be noted that this functionality has only been available from 17 April 2012.

reviewing the STTM validation messages which are available via the SWEX, following a recent upgrade to the AEMO market systems interfaces;

- Further processes will be put in place with AGL's IT service provider for systems management, including more comprehensive systems alarms when key systems are not available; and
- AGL will conduct a full Post Incident Review to determine the issues associated with this event and implement appropriate controls.

5 AEMO's assessment of the actions taken

AGL did not submit the facility hub capacity by the 09:30am cut-off time for the Sydney hub in accordance with rule 414(1) on 10 May 2012 for gas day 11 May 2012. However, AGL was able to submit hub capacity information soon after 09:30am and before the extended cut-off window of 11:00am for Sydney hub.

Market reports of missing data operated as expected. Under Section 7.1.3A of the STTM Procedures, AEMO must notify a facility operator of missing data under rule 414(2A). This was undertaken by SMS/e-mail messages to the facility operator contacts that are registered in the AEMO systems.

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

- Report INT653 – Ex Ante Pipeline Data report which is published just after 09:30am showed the facility hub capacity the market would use for Rosalind Park facility for the upcoming gas day, which was the D-2 capacity. This report was updated again at 11:00am and showed the hub capacity submitted by AGL at 9:47 am for gas day 11 May 2012.
- SMS/e-mail messages were sent to 24-hour contacts that are registered in AEMO systems for the affected hub.

AEMO systems operated as expected. The ex-ante market price and schedules for gas day 11 May 2012 were produced before 1:00pm for the Sydney hub using the AGL submitted hub capacity data for the Rosalind Park facility together with the hub capacity data for the Moomba to Sydney Pipeline and Eastern Gas Pipeline.

6 Market Impacts

While AGL did not submit the facility hub capacities for Rosalind Park by the 09:30am cut-off time, the information was delivered to AEMO before the extended cut-off time of 11:00am, did not breach warning 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 late submission of the facility hub capacity for the Rosalind Park facility.

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

These reports are available from the AEMO website at:

http://www.aemo.com.au/data_gas/sttm_data.html.