

Notice of apparent breach of WA Retail Market Procedures clauses 178, 181 and 197 by Alinta Sales Pty Ltd for gas day 05/09/2017

Overview:

High Swing Service volume was detected for gas day 05/09/2017. AEMO has investigated this matter and found that Alinta Sales Pty Ltd (“Alinta”) put in a Users’ Pipeline Nomination Amount (“UPNA”) on the Parmelia Pipeline (P) for the South Metro sub-network (1107) of -4.8MJ but its Users Allocation Instruction (“UAI”) was 9.6TJ. This contributed to the Swing Service Spike of 9.56TJ on 1107 for gas day 05/09/2017.

These inputs have resulted in a Swing Service Spike on 1107 and appears to be a breach of clauses 178, 181 and 197 of the Retail Market Procedures WA (the “Procedures”) by Alinta.

Clauses 178, 181 and 197 of the Procedures read as follows:

178. User to procure injections which match user’s likely swing service repayment quantities and user’s required withdrawals

A user must ensure that for each *sub-network* for each *gas day* it procures:

- (a) the *repayment* into the *sub-network* of the *user’s swing service repayment quantities* for the *sub-network* for the *gas day*; and
- (b) the *injection* into the *sub-network* of an amount of gas equal to its good faith estimate as a *reasonable and prudent person* of its likely *user’s required withdrawals* for the *sub-network* for the *gas day*.

181. User to minimise its contribution to swing service

A user must endeavour to minimise the extent to which it, and its related shippers or swing service providers (as applicable), contribute to the causation of swing service.

197. User’s pipeline nomination amount

- (1) For each *user* for each *gate point* for each *gas day*, a “**user’s pipeline nomination amount**” is the sum of:
 - (a) the *user’s amounts* of its *related shipper’s nominations* for the *gate point* for the *gas day* (summed across all *related shippers* for the *gate point*) calculated under clause 196 of Chapter 5 of Retail Market Procedures; and
 - (b) the *user’s swing service repayment quantities* for the *gate point* for the *gas day* as notified by AEMO under Retail Market Procedures clauses 300(4) or 300D(1)(b) (whichever is applicable).
- (2) For each gas day for each gate point, at least 18 hours before the start of the gas day, a user must notify AEMO of the user’s pipeline nomination amount for the gate point.

Impact:

Alinta’s action appears to have contributed to the Swing Service Spike on 1107 of 9.56TJ for gas day 05/09/2017.

Resolution:

Alinta advised AEMO that the Swing Service Spike on 1107 for gas day 05/09/2017 was caused by a series of system issues. An issue identified with the automatic process was raised

internally and is now resolved. Additional checks in the automated nominations process have now been included to ensure the correct nomination files for a gas day are submitted.

Proposed Further Actions:

No further actions have been identified.

Invitation for submissions:

Before determining whether any further action is required, AEMO invites written submissions from participants as to:

- the effect that this incident has on their operations, and
- their view with regard to the determination, if any, AEMO should make under clause 329 of the Procedures in respect of the apparent breaches of the Retail Market Procedures.

Submissions are requested by no later than 5:00pm (AEST) **Monday 23 October 2017**. Submissions should be sent by e-mail to rmo@aemo.com.au.

Alternatively, submissions can be sent by post to AEMO at:

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AEMO
GPO Box 2008
Melbourne VIC 3001

If you have any questions regarding this matter, please contact Carol Poon on (03) 9609 8509.

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