
Declared Wholesale Gas Market – Intervention Report

April 2021

Notice of threat to system security

A report into the notice of threat to system security for gas days 15-19 March 2021

IMPORTANT NOTICE

Purpose

AEMO has prepared this report pursuant to rule 351 of the National Gas Rules, using information available as at 30 March 2021, unless otherwise specified.

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1. Introduction

On Friday 12 March 2021, AEMO notified the market of a threat to system security in the Victorian Declared Wholesale Gas Market (DWGM) for gas days 15-19 March 2021, due to a planned outage of the Brooklyn Compressor Station (BCS). To ensure sufficient supply to the Western Transmission System and the Geelong Withdrawal Zone and to meet Gas-fired Power Generation (GPG), a combination of linepack in the South West Pipeline (SWP) and net physical injections from Iona Close Proximity Point (CPP) is required during an outage at BCS.

If pressures within the DWGM were forecast to fall below minimum operating limits, AEMO would schedule out-of-merit-order injections to maintain system security. During this event, no out-of-merit-order injections were required and there was no impact on the market.

Rule 351 of the National Gas Rules (NGR) requires that AEMO investigate and prepare a report following an event which is or may be a threat to system security. Rule 351 also requires that AEMO assess and advise on:

- the adequacy of the provisions of the NGR relevant to the event or events
- the appropriateness of actions taken by AEMO in relation to the event or events
- the costs incurred by AEMO and Registered participants as a consequence of responding to the event or events.

This report is published in accordance with rule 351(2) of the NGR. All times used in this report are AEST.

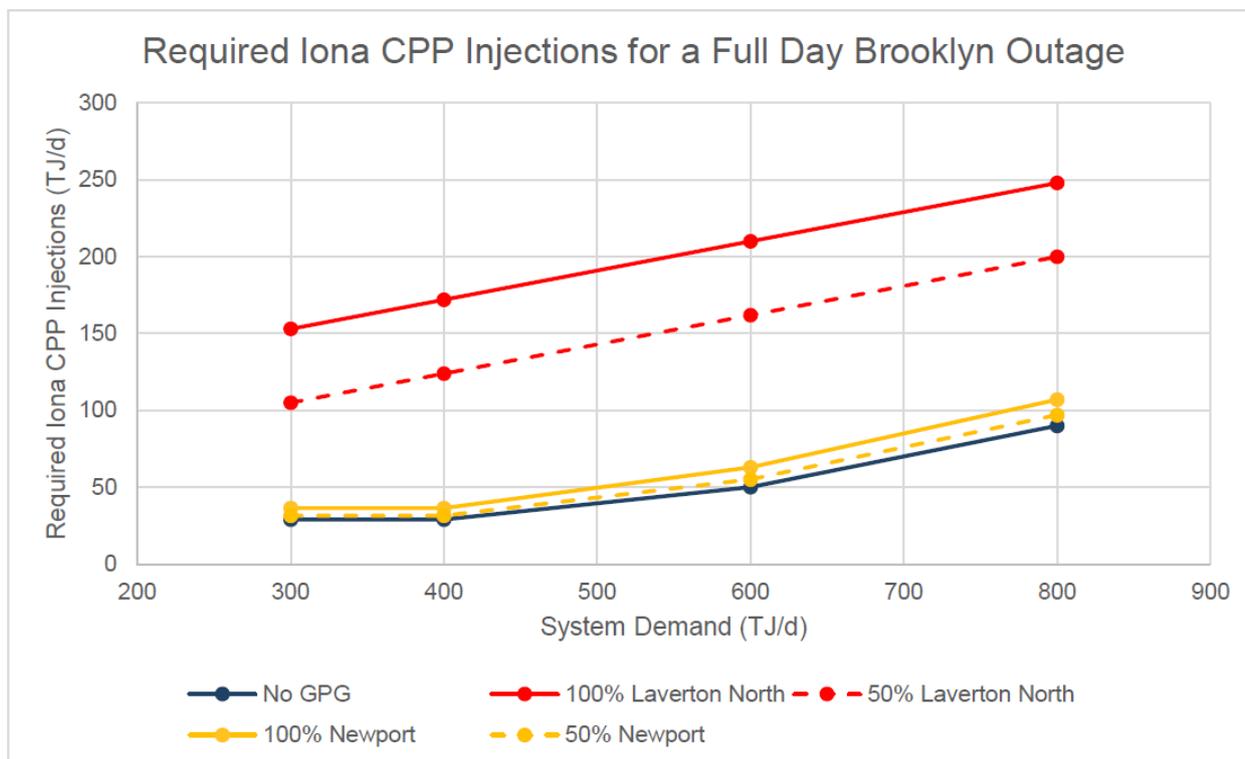
2. Event Summary

On gas days 15-19 March 2021, APA Group (APA) undertook planned maintenance work at the BCS which limited the flow of gas on the SWP. On 12 March 2021, AEMO issued a System Wide Notice (SWN) to the market which outlined that APA was undertaking a full outage of the BCS from 6.00 hrs 15 March 2021 to 18.00 hrs 19 March 21, and that constraints could be required at Iona CPP. These constraints would:

- Reduce controllable withdrawals at Iona CPP; and
- If controllable withdrawals had been reduced to zero GJ, and net injections were required, AEMO would increase controllable injections at Iona CPP.

AEMO applied constraints prior to the outage commencing, constraining the Iona CPP withdrawal meters to zero from 22.00 hrs to 6.00 hrs on gas day 14 March 2021. No further constraints were required as result of the BCS outage. On each of the days during the outage the total system demand, including GPG, ranged from 260 TJ to 345 TJ. Figure 1 shows that approximately 30 TJ of net Iona CPP daily injections were required each gas day during the outage to meet system demand and because sufficient Iona CPP injections were scheduled no intervention was required.

Figure 1 Minimum Iona CPP daily net injections required to meet system demand on the SWP



At 17.40 hrs on 19 March 2021 AEMO notified the market that the threat to system security had ended, without any intervention.

A chronology of events is included in appendix A1.

3. Assessment of event

This event was a result of APA planned annual maintenance which shut down the BCS. This could cause a supply and demand imbalance due to insufficient net injections at Iona CPP.

The market was notified of a threat to system security due to a potential supply and demand imbalance and AEMO called for a market response in accordance with NGR 342.

3.1 Adequacy of Part 19 of the NGR

In respect to this event, AEMO has assessed the application and adequacy of the NGR, with a primary focus on the following provisions:

- NGR 326 Maintenance Approval
- NGR 341 Notice of threat to system security
- NGR 351 Intervention Reports

3.1.1 Maintenance Approval

The NGR 326(1) requires AEMO to coordinate maintenance schedules to ensure that system security is not threatened. AEMO and service providers under NGR 326(4) are required to cooperate when there is proposed maintenance activities to minimise any potential threat to system security.

For this event, AEMO had approved the planned maintenance for 15-19 March 2021 which is typically a lower demand period in the DWGM. AEMO convened an industry teleconference on 10 March 2021 to ensure participants were aware of the potential impacts of the BCS outage.

3.1.2 Notice of threat to system security

NGR 341 requires that if AEMO believes there is a potential threat to system security, it must notify registered participants, without delay, the details of that threat to system security.

AEMO notified the market of the threat to system security at 10.54 hrs on 12 March 2021, and provided subsequent notifications indicating the potential for constraints to be applied at Iona CPP. AEMO also notified the market regarding:

- minimum net injections at Iona CPP had been achieved
- constraints had been applied to Iona CPP
- the return to service of BCS and the end to the threat to system security.

If AEMO reasonably considers that a threat to system security is unlikely to subside without intervention (NGR 343), AEMO must intervene in the market by taking any measures it believes are reasonable and necessary to overcome the threat to system security.

In this event, the issue was maintaining system security for the SWP. Other than constraints leading up to the outage, AEMO did not apply constraints to Iona CPP during the BCS outage.

3.1.3 Intervention Report Timing

NGR 351 places an obligation on AEMO to publish a report within 10 business days after a threat to system security event. AEMO has adopted the following approach to reporting on these events, wherever possible:

- Investigate and publish a report based on immediately available data within 10 business days of the relevant event.
- Where not all information necessary to complete the required assessment is available, that report will be flagged as preliminary, with a final report to be published once the additional information is received and analysed.

For the purposes of this report, AEMO believes it has all necessary information and does not intend to publish a subsequent report.

3.2 Appropriateness of actions taken by AEMO

AEMO's objectives during this event were to:

- Operate in accordance with the NGR and the Wholesale Market Procedures
- Limit the risk of involuntary curtailment to customers including any GPG
- Alleviate the threat to system security and return the DWGM to normal operating conditions.

In this event, AEMO took all reasonable steps to coordinate the maintenance activities with the service provider, assess the forecasts and notify the market accordingly. APA returned BCS to full service and AEMO notified the market on 19 March 2021 at 17.40 hrs that the threat was ended.

3.3 Costs of intervention

AEMO did not schedule any out-of-merit-order Iona injections in response to the notice of a threat to system security issued for gas days 15-19 March 2021. As a result, there was no market impact.

4. Conclusion

AEMO notified the market of a threat to system security in the Victorian DWGM for gas days 15-19 March 2021 due to planned outage of BCS. No constraints were applied, or any out-of-merit-order Iona injections scheduled for the duration of the BCS outage.

Rule 351 of the National Gas Rules (NGR) requires that AEMO investigate and prepare a report following an event which is or may be a threat to system security.

AEMO has assessed the application and adequacy of associated NGR provisions and finds that these provisions were applied correctly.

Please direct any feedback or questions regarding this report to GasMarket.Monitoring@aemo.com.au.

A1. Chronology

Date/Time (AEST)	Event/Action	Details
18 February 2021	APA contact AEMO	APA provided AEMO with a finalised schedule for the BCS outage occurring from 6.00 hrs on 15 March 2021 until 18.00 hrs on 19 March 2021.
10 March 2021 14.30 -15.00 hrs	Industry conference	AEMO convened an industry teleconference to discuss the potential impacts of the BCS outage.
12 March 2021 11.55 hrs	Market notice	AEMO notified the market indicating a full BCS outage scheduled 15-19 March 2021. Participants were advised that SWP net injections may be required to maintain system security. This market notice also called for a market response to alleviate the threat to system security.
19 March 2021 17.40 hrs	BCS outage	AEMO notified the market indicating that APA returned BCS to service.
19 March 2021 17.40 hrs	Market notice	AEMO notified the market that the threat to system security for BCS outage between 15-19 March 2021 had ended.