



AEMO GAS RETAIL MARKET COMPLIANCE QUARTERLY REPORT GAS RETAIL MARKET PROCEDURES

PREPARED BY: AEMO

Introduction

ROLE OF AEMO

For New South Wales (NSW), Australian Capital Territory (ACT), South Australia (SA), Victoria (VIC) and Queensland (QLD) gas retail markets, section 91MB(3) of the National Gas Law (NGL) requires that, if AEMO has reasonable grounds to suspect a breach of the Retail Market Procedures (Procedures), it must, after making such inquiries and investigations as it considers appropriate, make a decision as to whether the breach is a material breach. AEMO must publish that decision and its reasons. AEMO is required to assess the materiality of breaches of the Procedures and if it determines that the breach is material may direct a person suspected of a breach to take remedial action. AEMO is not required to undertake this assessment for breaches of the NGL and National Gas Rules (NGR).

For Western Australia (WA) gas retail market, Chapter 6 of the WA Retail Market Procedures deals with Compliance and Interpretation and places a number of obligations on AEMO. AEMO's role under Chapter 6 of the WA Retail Market Procedures includes:

- To create a Compliance Panel and support that panel¹.
- To make determinations on whether to refer Procedure compliance and interpretation matters to the Compliance Panel.

The Compliance Panel makes all decisions under Chapter 6, except that it may delegate authority to AEMO to make determinations on whether a Procedure breach is material².

PURPOSE

This report includes immaterial breaches identified in the last quarter, i.e. between September and November 2020. Breaches that have a material impact on market participants, the market as a whole, or end use customers are reported separately.

For WA gas retail market, any breaches that are referred to the Economic Regulation Authority (ERA) or have material impact on any other market participants, the market as a whole, or end use customers are reported separately and are included as a line item in this report for completeness.

VERSION CONTROL

Version	Release date	Changes
1.0	09 December 2020	Initial version

¹ The Compliance Panel has established the "WA Gas Retail Market Compliance Panel Guidelines" to set out its governance and administrative arrangements, as required by clause 338 of the Procedures. The WA Gas Retail Market Compliance Panel Guidelines are available on the AEMO website (www.aemo.com.au), and should be read in conjunction with the WA Gas Retail Market Compliance Guidelines.

² Clause 343(3) of the WA Retail Market Procedures.

QUARTERLY REPORT – IMMATERIAL BREACHES

Date of breach	Market	AEMO/Market participant	Procedures and clause	Summary	Impact
29 and 30 October 2020	WA	Alinta Sales Pty Ltd (Alinta Energy)	181 of the WA RMP	<p><u>Description</u></p> <p>High swing service volumes were detected for gas days 29 and 30 October 2020 on the South Metro (1107) sub-networks. AEMO investigated this matter and found that Alinta Energy’s user’s pipeline nomination amount (UPNA) was higher than the calculated user’s estimated total withdrawals (UETW) for the Parmelia pipeline for gas days 29 and 30 October. This contributed to the swing service volume of 2.6 TJ for gas day 29 October and 3 TJ for gas day 30 October for 1107.</p> <p>This is a breach of clause 181 of the WA RMP relating to a user minimising its contribution to swing service.</p> <p><u>Cause</u></p> <p>This incident was caused by a fluctuation in a large commercial and industrial (C&I) customer’s demand relative to forecast.</p> <p><u>Actions</u></p> <p>Alinta Energy has put steps in place to minimise the impact of the factor mentioned above and the contribution to swing service going forward. This change has taken effect from Monday 09 November 2020.</p>	<p>Immaterial</p> <p>On 12 November 2020, AEMO requested participants to provide their feedback on this breach by 26 November.</p> <p>AEMO received feedback from Origin and AGL confirming no impact and comment.</p> <p>After having regard to the other matters in clause 329(1) of the WA RMP, AEMO has determined that the breach was not material and resolved. AEMO to take no further action in relation to this matter.</p>
25 November 2020	NSW- ACT	AEMO	8.4.1(a) of the NSW- ACT RMP	<p><u>Description</u></p> <p>On 25 November 2020, 36 NSW- ACT forecasting data reports (ERFTForecastingDataRpt) were delivered late by 3 hours and 45 minutes.</p>	<p>Immaterial</p> <p>AEMO’s non-compliance with clause 8.4.1(a) of the NSW- ACT RMP on 25 November 2020 had no material impact on any</p>

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				<p>This caused a non-compliance with the NSW-ACT RMP relating to the timely provision of forecasting information to the users.</p> <p><u>Cause</u></p> <p>The NSW-ACT forecasting data reports were delivered late due to an excessively large net section load (NSL) value for the network section NSWCULCAIRN which was too big to be loaded into the database.</p> <p><u>Actions</u></p> <p>On 25 Nov 2020, AEMO manually replaced the excessively large NSL value for the NSWCULCAIRN network section with an estimated NSL value and restarted the NSL forecast calculation process. The reports were delivered to the users at 11.49AM (AEST).</p> <p>AEMO will investigate the cause of the excessively large NSL value for the NSWCULCAIRN network section.</p>	<p>other market participants, the market as a whole, or end use customers.</p> <p>AEMO has not received any incidents nor complaints due to this incident.</p>