



---

# 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, decide 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 several obligations on AEMO. AEMO's role under Chapter 6 of the WA Retail Market Procedures includes:

- To create a Compliance Panel and support that panel<sup>1</sup>.
- 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 material<sup>2</sup>.

## PURPOSE

This report includes immaterial breaches identified in the last quarter, i.e. between December 2022 and February 2023. 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	21 March 2023	Initial version

<sup>1</sup> 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](http://www.aemo.com.au)), and should be read in conjunction with the WA Gas Retail Market Compliance Guidelines.

<sup>2</sup> 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
January 2015 till present	SA	Australian Gas Networks Limited (AGN) (SA)	3.3.2 of SA RMP	<p><u>Description</u></p> <p>To cater for the extension of the Nuriootpa sub-network to the town of Tanunda, work was required to expand the capacity of the Nuriootpa gate station which is part of Epic Energy’s Moomba Adelaide transmission pipeline system.</p> <p>In 2015 the work was established and included the installation of a dedicated meter for the Tanunda flows.</p> <p>It was understood by AGN (SA) that this meter was situated downstream of the main Nuriootpa custody transfer meter, and that the gas flows to Tanunda would be included in the gate point meter data recorded at Nuriootpa custody transfer meter.</p> <p>A recent review of Epic Energy’s schematics of gate station configuration for Nuriootpa’s sub-network revealed that the above understanding was incorrect. The flows to Tanunda have instead been metered separately by Epic Energy, upstream of the Nuriootpa custody transfer meter.</p> <p>This resulted in a non-compliance with the SA RMP relating to the provision of aggregated gate point metering data across all physical gate points associated with the sub-network to AEMO.</p> <p>AGN (SA) self-reported the compliance concern and provided a walkthrough of the circumstances leading to the discovery of the breach to AEMO.</p> <p><u>Cause</u></p> <p>Please see above description.</p>	<p>Immaterial</p> <p>AGN (SA)’s non-compliance with clause 3.3.2 of the SA RMP since January 2015 had no material impact on any other market participants, the market as a whole, or end use customers.</p>

Date of breach	Market	AEMO/Market participant	Procedures and clause	Summary	Impact
				<p><u>Actions</u></p> <p>AGN (SA) has performed the following actions:</p> <ul style="list-style-type: none"> <li>• Contacted the impacted parties (the users and the two shippers) informing them of the discovery. Engagement with the parties have been positive and no concerns have been raised.</li> <li>• Provided missing historical data to AEMO.</li> <li>• Improved the systems and processes which facilitates the delivery of daily Tanunda meter data from Epic Energy to be consolidated into the daily Nuriootpa gate point metering data report sent to AEMO.</li> <li>• Reviewed South Australian, Victorian, New South Wales and Queensland assets and distribution network to check whether there are any other gate stations with similar configuration and compliance risk. No exceptions have been identified.</li> <li>• Corrected Nuriootpa / Tanunda gate station schematics to accurately reflect as constructed.</li> </ul> <p>AGN (SA) will reconcile and settle the understated UAFG with the two impacted shippers as part of the next available wash-up process.</p>	
11 December 2022	SA	AEMO	8.4.4(d), 8.4.5(c) and 8.4.7 of SA RMP	<p><u>Description</u></p> <p>On 11 December 2022, the following SA market reports were delivered late to the participants by between 10 and 15 minutes:</p> <ul style="list-style-type: none"> <li>• HDD reports – SA RMP clause 8.4.4(d)</li> </ul>	<p>Immaterial</p> <p>AEMO's non-compliance with clause 8.4.4(d), 8.4.5(c) and 8.4.7 of the SA RMP on 11 December had no material</p>

Date of breach	Market	AEMO/Market participant	Procedures and clause	Summary	Impact
				<ul style="list-style-type: none"> <li>• UPF reports – SA RMP clause 8.4.4(d)</li> <li>• NPF reports – SA RMP clause 8.4.5(c)</li> <li>• PPF reports – SA RMP clause 8.4.7</li> </ul> <p>This caused a non-compliance with the SA RMP relating to the timely provision of data to the market participants.</p> <p><u>Cause</u></p> <p>On 11 December 10.01AM AEST, AEMO received an alarm indicating that the SA CSV and the webMethods gateway were down. Upon investigation, AEMO identified that the database server was in a hang state. AEMO shutdown the SA CSV and webMethods gateway applications and restarted the database server. Normal operations resumed after the restart of the database server.</p> <p>Following the incident on 11 December, AEMO investigations have identified that there was a connectivity issue between the application and the database. This could be related to remote desktop protocol (RDP) sessions on the database servers consuming necessary system resources and impacting the performance of the database servers.</p> <p><u>Actions</u></p> <p>On 11 December 10.30AM, AEMO restarted the database server. Normal operations resumed and market reports were delivered to the participants after the restart of the database server.</p> <p>AEMO created session limits for the three market database servers preventing any unused sessions on the database servers consuming resources.</p>	<p>impact on any other market participants, the market as a whole, or end use customers.</p>

Date of breach	Market	AEMO/Market participant	Procedures and clause	Summary	Impact
10 January 2023	QLD	AEMO	6.10.2(a) of QLD RMP	<p><u>Description</u></p> <p>On 10 January 2023, the provision of the network allocation daily (NAD) file for gas day 9 January for the QLD gas retail market to the STTM system was delayed by 1 hour and 19 minutes.</p> <p>This caused a non-compliance with the QLD RMP relating to the timely provision of the NAD file to the STTM system.</p> <p><u>Cause</u></p> <p>On 10 January, the DSA (distribution system allocation) job crashed with the monthly preliminary BMP (basic meter profiling) run as the BMP and DSA jobs were run almost at the same time.</p> <p><u>Actions</u></p> <p>On 10 January, AEMO re-ran the BMP job and re-triggered the DSA job. The NAD file was generated successfully at 11.49AM (AEST).</p> <p>AEMO Gas Settlements team was reminded not to run BMP job around 10AM to avoid adding any extra load to the database.</p>	<p>Immaterial</p> <p>AEMO’s non-compliance with clause 6.10.2(a) of the QLD RMP on 10 January had no material impact on any other market participants, the market as a whole, or end use customers.</p> <p>There was no impact on the STTM daily prudential calculations and processing as the NAD file was delivered prior to the processing of the STTM daily prudential.</p>
21 and 22 January 2023	WA	Perth Energy	181, 188(1) and 197(1) of WA RMP	<p><u>Description</u></p> <p>High swing service volumes were detected for gas days 21 and 22 January 2023 at the South Metro (1107) sub-network. AEMO investigated this matter and found that the high swing service volumes were due to Perth Energy’s user allocation instruction (UAI) and user pipeline nomination amount (UPNA) at 1107 for gas days 21 and 22 January being overstated. This contributed to the swing service of 1.5 TJ and 7.5 TJ on 1107 for gas days 21 and 22 January respectively, which exceeded the tolerance band.</p>	<p>Immaterial</p> <p>On 10 February 2023, AEMO requested participants to provide their feedback on this breach by 24 February.</p> <p>AEMO received feedback from AGL confirming no impact.</p> <p>Kleenheat advised there were some minor operations and</p>

Date of breach	Market	AEMO/Market participant	Procedures and clause	Summary	Impact
				<p>This is a breach of clause 181 of WA RMP relating to user obligations to minimise its contribution to swing service, and clauses 188(1) and 197(1) of WA RMP relating to UAI and UPNA respectively.</p> <p><u>Cause</u></p> <p>Perth Energy's nomination exceeded its delivered quantity for 1107 for gas days 21 and 22 January.</p> <p><u>Actions</u></p> <p>To mitigate risk of this occurring in the future, Perth Energy will undertake a range of activities including changing its approach to the nomination process and updates to systems to avoid the occurrence again.</p>	<p>financial impact. Kleenheat does not have any further comments regarding the implementation of clause 329 of the WA RMP (determination by AEMO of materiality of breach) and recognises that system or operational errors of the like may occur occasionally with any market participants.</p> <p>Synergy advised no material financial or operational impact on Synergy.</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>
12 February 2023	WA	AEMO	269(1)(a) of WA RMP	<p><u>Description</u></p> <p>On 12 February 2023, 17 user's procurement request status (OMP-STATUS) (first check) reports in the WA gas retail market were delivered late to the participants by approximately 1 hour and 1 minute.</p> <p>This is a breach of clause 269(1)(a) of WA RMP relating to timely provision of user's procurement status report.</p>	<p>Immaterial</p> <p>On 17 February 2023, AEMO requested participants to provide their feedback on this breach by 3 March 2023.</p>

Date of breach	Market	AEMO/Market participant	Procedures and clause	Summary	Impact
				<p><u>Cause</u></p> <p>On 12 February, the workflow communication application had encountered an incident that prevented it from processing messages from the workflow, which resulted in late delivery of market reports to participants.</p> <p><u>Actions</u></p> <p>On 12 February 6.55PM (AEDT), AEMO initiated a restart of the application services. Market reports were delivered to market participants at 7.00PM.</p> <p>AEMO will move the virtual server onto a different datastore which will enable a different channel between the application server and the database. AEMO is investigating the addition of alerts or logs to gather more information when the incident occurs.</p>	<p>AEMO received feedback from AGL and Perth Energy confirming no impact.</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>