



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 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 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	13 December 2023	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
10 October 2022 to 10 September 2023	SA	AEMO	6.8.2(a)(ii) of SA RMP	<p><u>Description</u></p> <p>During an investigation of a query raised by a participant in September 2023, AEMO identified an incorrect configuration in SA gas retail market system (GRMS) resulting in the earliest transfer date being calculated as three business days before the proposed transfer date rather than four business days.</p> <p>This is a breach of clause 6.8.2(a)(ii) of the SA RMP. Clause 6.8.2(a)(ii) specifies that if actual meter reading is received for a pending in-situ transfer for a basic meter up to four business days before the proposed transfer date, the transfer takes effect as from the transfer time. This change was effective 10 October 2022.</p> <p><u>Cause</u></p> <p>Incorrect configuration in SA GRMS resulting in the earliest transfer date being calculated as three business days before the proposed transfer date rather than four business days. The proposed transfer date was counted as day one.</p> <p><u>Actions</u></p> <p>On 11 September 2023, AEMO updated the incorrect configuration in SA GRMS.</p>	<p>Immaterial</p> <p>AEMO’s non-compliance with clause 6.8.2(a)(ii) of the SA RMP between 10 October 2022 and 10 September 2023 had no material impact on any other market participants, the market as a whole, or end use customers.</p> <p>Pending in-situ transfers which actual meter readings received on the fourth business day before the proposed transfer date could not be completed. In most cases, actual meter readings were received less than four business days before the proposed transfer date.</p> <p>AEMO has not received any queries relating to this matter until the recent query raised by a participant in September 2023.</p>

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23 October 2023	NSW- ACT	AEMO	8.11.9 of NSW-ACT RMP	<p><u>Description</u></p> <p>On 23 October 2023, the provision of the network allocation daily (NAD) file for gas day 22 October to the STTM system was delayed by 3 hours and 11 minutes.</p> <p>This caused a non-compliance with the NSW-ACT RMP relating to the timely provision of the NAD file to the STTM system.</p> <p><u>Cause</u></p> <p>In the calculation of the Apportion Factor (AF), duplicate records were found in the AF output table for a number of MIRNs. This caused the calculation to fail as the system could not re-create the primary key on the AF output table.</p> <p>Upon investigation, it was found that the last batch of MIRNs was being processed twice due to the AF calculation batch size coincidentally matched the number of MIRNs in the last batch of the AF calculation.</p> <p><u>Actions</u></p> <p>On 23 October, AEMO changed the AF calculation batch size parameter and re-triggered the STTM daily calculation process. The NAD file was generated successfully at 1.41PM.</p> <p>AEMO will identify and implement a permanent fix for the issue.</p>	<p>Immaterial</p> <p>AEMO’s non-compliance with clause 8.11.9 of the NSW-ACT RMP on 23 October 2023 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>
July 2021 to 17 October 2023	WA	Alinta Sales Pty Ltd (Alinta Energy)	1197(2) of WA RMP	<p><u>Description</u></p> <p>Alinta Energy recently became aware that it has not been notifying its user’s pipeline nomination amount (UPNA) for the Parmelia Pipeline for the gate point on sub-network 1103 (Muchea).</p>	<p>Immaterial</p> <p>On 9 November 2023, AEMO requested participants to provide their feedback on this breach by 23 November.</p>

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				<p>This is a breach of clause 197(2) of WA RMP relating to user notifying AEMO of the UPNA for the gate point.</p> <p>Alinta Energy does not believe there has been any impact to the market or other participants as gas has been allocated to the sub-network based on its user's allocation instruction (UAI).</p> <p><u>Cause</u></p> <p>Alinta Energy was not aware that the UPNA for sub-network 1103 has not been provided until an investigation conducted recently.</p> <p><u>Actions</u></p> <p>Alinta Energy updated their system to rectify this issue from gas day 18 October 2023.</p>	<p>AEMO received feedback from AGL and Perth Energy confirming no impact to their operations.</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>
9 and 10 November 2023	WA	AEMO	98(d), 103(1)(d)(i) and 269(1)(b) of WA RMP	<p><u>Description</u></p> <p>On 9 and 10 November, 57 transfer pending notifications and 30 confirmation notifications were delivered late between 38 minutes and 10 hours and 58 minutes. 14 users' procurement status report (OMP-STATUS) (final check) were delivered late by 3 hours and 49 minutes.</p> <p>This is a breach of clause 98(d), 103(1)(d)(i) and 269(1)(b) of WA RMP relating to timely provision of market notifications.</p> <p><u>Cause</u></p> <p>On 9 November, the webMethods application lost connection to the webMethods database. An Oracle bug has been identified as a cause of the initial webMethods database connectivity incident. The webMethods application and database servers were restarted and webMethods functionality was restored. On restoration of the webMethods application, the Integration</p>	<p>Immaterial</p> <p>On 14 November 2023, AEMO requested participants to provide their feedback on this breach by 28 November.</p> <p>AEMO received no feedback from participants.</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>

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				<p>service was not communicating with the webMethods application, preventing transaction notifications being sent to market participants. On 10 November, AEMO restarted the Integration application. This has resolved the incident and normal operation was restored.</p> <p><u>Actions</u></p> <p>AEMO restarted the webMethods application and database servers on 9 November and restarted the Integration application on 10 November.</p> <p>AEMO has taken the following actions to prevent a recurrence of this incident:</p> <ul style="list-style-type: none"> • Applied the Oracle fix for the identified bug in the webMethods database. • Modified the procedure to require the restarting of the Integration application when the gateway database and applications are restarted. • Updated health checks to confirm that transactions are being processed successfully. 	