



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 March and May 2024. 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	18 June 2024	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
24 March 2024	WA	Agora Retail	181 of WA RMP	<p><u>Description</u></p> <p>High swing service volume was detected on the South Metro (1107) sub-network for gas day 24 March. AEMO investigated this matter and found that the high swing service volume was contributed by Agora Retail. Agora Retail’s user’s deemed withdrawal (UDW) was lower than its user’s pipeline nomination amount (UPNA). This contributed to the swing service of 3.2 TJ for gas day 24 March.</p> <p>This is a breach of clause 181 relating to user obligations to minimise its contribution to swing service.</p> <p><u>Cause</u></p> <p>Agora Retail nominated good faith estimates of demand for 1107 on the Parmelia pipeline for gas day 24 March. The customer’s plant tripped off just after the commencement of gas day 24 March and remained at zero consumption.</p> <p>The customer sent through a revised nomination at 7.20am (AWST) on 24 March indicating reduced but continued consumption above nominations, however, a subsequent forecast at 1am on 25 March indicated that there would be a significant reduction in consumption.</p> <p><u>Actions</u></p> <p>Agora Retail submitted revised UPNA and UAI (user’s allocation instruction) with significantly reduced consumption for gas day 25 as the plant consumption did not recover to normal levels over the gas day.</p>	<p>Immaterial</p> <p>On 5 April 2024, AEMO requested participants to provide their feedback on this breach by 19 April.</p> <p>AEMO received feedback from AGL confirming no issues with the breach and noted that this event was caused by customer plant failure.</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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				Agora Retail will continue to work closely with the customer to refine the forecasts.	
15 April 2024	WA	Agora Retail	181 of WA RMP	<p><u>Description</u></p> <p>High swing service volume was detected on the South Metro (1107) sub-network for gas day 15 April. AEMO investigated this matter and found that the high swing service volume was contributed by Agora Retail. Agora Retail updated its user’s pipeline nomination amount (UPNA) during the gas day but did not update its user’s allocation instruction (UAI) to reflect the revised UPNA. This contributed to 2 TJ of swing service for gas day 15 April.</p> <p>This is a breach of clause 181 relating to user obligations to minimise its contribution to swing service.</p> <p><u>Cause</u></p> <p>Agora Retail nominated good faith estimates of demand for 1107 on the Parmelia pipeline for gas day 15. Subsequently, Agora Retail received duplicate (erroneous) interval metering data for the same MIRN for gas days 14 and 15 April.</p> <p>Given the interval metering data received for gas day 14 was zero for 1107 Parmelia pipeline, Agora Retail disregarded its customer forecast in favour of the interval metering data received. Consequently, Agora Retail submitted a revised UPNA for gas day 15 April to minimise swing service contribution but failed to submit a revised UAI matching its revised UPNA.</p> <p>Agora Retail believes had the interval metering data been correct, there would be no need to revise its nomination for the</p>	<p>Immaterial</p> <p>On 24 April 2024, AEMO requested participants to provide their feedback on this breach by 8 May.</p> <p>AEMO received feedback from AGL confirming no issues with Agora’s actions. AGL noted that this event seems to be caused as much by the erroneous delivery of duplicate interval metering data and requested further information on the cause and treatment of the duplicate interval metering data.</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>gas day and Agora Retail would not be in breach as a consequence.</p> <p><u>Actions</u></p> <p>Agora Retail worked with ATCO, APA and AGIG on the interval metering data issues and remedy the problem as soon as practical.</p> <p>Agora Retail will continue to review its procedures to prevent nomination mismatch in the future.</p> <p><u>Note: Information for duplicate interval metering data for gas day 14 and 15 April</u></p> <p>ATCO issued duplicate interval metering data for MIRN 5600002191 and 5600403555, one with zero consumption and one with actual consumption.</p> <p>This issue relates to three MIRNs (5600002191, 5600403555 and 5601406959) in the South Metro sub-network which has two heating value zones.</p> <p>ATCO corrected heating value zone allocation of MIRN 5601406959 and updated hourly heating value for heating value zone Munster 11072. The combination of these factors generated duplicate interval metering data in ATCO's interval meter verification system (IMVS) for MIRN 5600002191 and 5600403555. The duplicate interval metering data was passed into ATCO's network management information system (NMIS) simultaneously where the system inadvertently deleted the actual consumption read and processed the zero interval metering data to the market.</p>	

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				<p>ATCO conducted a reconciliation of consumption values between IMVS and NMIS. On 18 April, AEMO received corrected interval metering data for MIRN 5600002191 and 5600403555 from ATCO. On 19 April, user's withdrawals were re-calculated using the corrected data received, and allocation and reconciliation were revised based on the updated user's withdrawals (as per normal process).</p> <p>ATCO is reviewing IMVS system design and data processes to highlight improvements. Additionally, ATCO is implementing a regular review of new interval meters and MIRN allocations in heating value zone 11072.</p>	
26 and 27 April 2024	WA	Agora Retail	181 of WA RMP	<p><u>Description</u></p> <p>High swing service volumes were detected on the South Metro (1107) sub-network for gas day 26 and 27 April. AEMO investigated this matter and found that the high swing service volumes were mainly contributed by Agora Retail. Agora Retail user's deemed withdrawal (UDW) was lower than its user's pipeline nomination amount (UPNA) for gas day 26 and 27 April. This contributed to 1.79 TJ and 2.18 TJ of swing service for gas day 26 and 27 April respectively.</p> <p>This is a breach of clause 181 relating to user obligations to minimise its contribution to swing service.</p> <p><u>Cause</u></p> <p>Agora Retail nominated good faith estimates of demand for 1107 on the Parmelia pipeline for gas day 26 and 27 April.</p> <p>A customer's plant tripped off at about 3pm (AWST) on gas day 26 April before recovering. The customer's plant tripped again at</p>	<p>Immaterial</p> <p>On 7 May 2024, AEMO requested participants to provide their feedback on this breach by 21 May.</p> <p>AEMO received feedback from AGL confirming no issues with the event.</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>3am and remained at zero consumption for the remaining of gas day 26 April and the whole of gas day 27 April.</p> <p>The customer sent through a forecast at 10.18am on gas day 26 (indicating consumption in line with nominations), however, a subsequent forecast received at 11.46am on 27 April indicated that consumption would reduce to zero for the remaining of gas day 27 April. Consumption subsequently recovered at 8am on gas day 28 April.</p> <p>Agora Retail’s duty trader failed to review the revised forecast and consequently did not adjust its UPNA and user’s allocation instruction (UAI) for gas day 26 and 27 April in line with reduced consumption.</p> <p><u>Actions</u></p> <p>Agora Retail will conduct additional training with the duty traders to make sure they are clear on the need to minimise swing service.</p>	
8 May 2024	WA	Agora Retail	181 and 184 of WA RMP	<p><u>Description</u></p> <p>High swing service volume was detected on the South Metro (1107) sub-network for gas day 8 May. AEMO investigated this matter and found that the high swing service volume was contributed by Agora Retail. Agora Retail’s user’s allocation instruction (UAI) and swing service repayment quantity (SRQ) did not match its user’s pipeline nomination amount (UPNA). This contributed to 1.5 TJ of swing service for gas day 8 May.</p> <p>This is a breach of clause 181 relating to user obligations to minimise its contribution to swing service and clause 184 relating to renominations and notifying AEMO of revised UPNA and UAI.</p>	<p>Immaterial</p> <p>On 22 May 2024, AEMO requested participants to provide their feedback on this breach by 5 June.</p> <p>AEMO did not receive feedback from participants regarding this breach.</p> <p>After having regard to the other matters in clause 329(1) of the</p>

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				<p><u>Cause</u></p> <p>Agora Retail nominated good faith estimate of demand for 1107 on the Parmelia pipeline for gas day 8 May.</p> <p>During the gas day, Agora Retail received a forecast from its customer suggested the plant may have tripped off at 3pm (AWST) on the day. Agora Retail’s duty trader reduced its nomination in line with the forecast to minimise its contribution to swing service. Agora Retail’s system generated and submitted a revised UAI but failed to generate or submit an adjusted UPNA.</p> <p><u>Actions</u></p> <p>Agora Retail is exploring changes to its systems to make file submissions more visible.</p> <p>Agora Retail will continue to monitor the system for any further signs of failure.</p>	<p>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>