

**COMPLIANCE ISSUES FOR DECISION**

**DATE:** 05 Aug 2016  
**RESPONSIBILITY:** Chief Executive Officer

**COMPLIANCE ISSUES SUMMARY TABLE:**

Breach	Description	Recommendation
<p><b>Apparent breach of Rules 197 of the Retail Market Rules by Various Users (Secondary Swing Service Issue) over extended period of time</b></p>	<p>Secondary Swing Service Spikes were occurring two days after previous Swing Service spikes that had occurred in the North Metro and South-Metro sub-networks. REMCo has investigated this matter and found that this was caused in varying degrees depending on the nomination of repayment of the Swing Service Repayment Quantities (SRQs) by the following Users:</p> <ul style="list-style-type: none"> <li>• Alinta Sales Pty Ltd (“Alinta”)</li> <li>• APT Facility Management Pty Ltd (“APTFM”)</li> <li>• Kleenheat Gas Pty Ltd (“Kleenheat”)</li> <li>• Perth Energy Pty Ltd (“Perth Energy”)</li> <li>• Electricity Generation and Retail Corporation (trading as “Synergy”).</li> </ul> <p>Nomination Repayments from these participants resulted in a Secondary Swing Service issue on North Metro Sub Network, and was a breach of Rule 197 of the Retail Market Rules.</p>	<p>Submissions were called for, and the submission window closed on 02/08/16.</p> <p>No submissions were received. This indicates that market participants were not materially impacted as a result of the Rule breach.</p> <p>Therefore, REMCo exercises its discretion under Rule 329(1)(c) to take no further action in this matter.</p>

**COMPLIANCE ISSUES:**

**1. Rule breaches reported by REMCo:**

**a. Apparent breach of Rule 197 of the Retail Market Rules by Various Users (Secondary Swing Service Issue) over extended period of time.**

Description See the description above.

Action taken All users are to ensure that their UPNAs and SRQs are properly nominated on all days, for both the North Metro and South Metro sub-networks, for both the DBNGP and Parmelia Pipeline.

REMCo conducted a Swing Service Training program in July/August 2016, which was attended by Alinta, Kleenheat, Perth Energy, and Synergy.

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REMCo will review the nomination behaviour of Alinta, APTFM, Kleenheat, Perth Energy and Synergy in about 6 month after the training program (i.e. in February or March 2016).

All Users are to take the necessary steps to ensure their compliance with Rule 197.

Impact REMCo determined that Alinta Energy, APTFM, Kleenheat, Perth Energy, and Synergy all have breached Rule 197 of the Retail Market Rules to varying degrees.

No submissions were received from participants in response to the request for submissions. Therefore, REMCo determines that the breaches of Rule 197 by Alinta, APTFM, Kleenheat, Perth Energy and Synergy were not material.

Decision REMCo exercises its discretion under Rule 329(1)(c) to take no further action in relation to this matter.