



AUSTRALIAN
ENERGY
REGULATOR

AER MONITORING OF THE CAPACITY TRADING REFORMS

AER RECORD KEEPING GUIDELINE

AUCTION QUANTITY LIMITS

aer.gov.au

1. DAY-AHEAD AUCTION MONITORING

Gas Rule 663

- The AER is responsible for monitoring and enforcing compliance with the rules for the Day-Ahead Auction. This includes monitoring (under rule 663) the use of auction facilities for nominations or renominations that are false, misleading or likely to mislead.

Gas Rule 666

- Gas shippers must keep contemporaneous records in relation to material renominations.
- These records must include reasons for making a renomination.
- The records must be made available to the AER on request.

Renomination record keeping

Requests under rule 666

- The AER issued several record requests to gas shippers in late 2019. We detected some instances of missing records, in one case leading to infringement penalties (\$160 000) paid by EnergyAustralia.
- We are currently assessing records from a second round of AER requests and will conduct a third round of requests in the first half of 2021.
- We've identified through recent requests a variety of matters to follow up:
 - missing or non contemporaneous records
 - user errors (along with service classification questions)
- Based on all information we've received over the almost 2 years of DAA operation, the AER intends to review its Record Keeping Guideline in 2021. The current version is here:

<https://www.aer.gov.au/wholesale-markets/market-guidelines-reviews/day-ahead-auction-record-keeping-guideline>

2. AUCTION QUANTITY LIMIT SUBMISSIONS

Gas Rule 653

- Auction facility operators are required to submit AQLs in accordance with rule 653 and AEMO's Capacity Transfer and Auction Procedures. This includes submitting AQL data to AEMO by the 4:30pm deadline on the day before the gas day.
- AEMO has reported a number of late AQL submissions since market-start, including some instances of facility suspensions from the Auction. A summary is available on the AER website:
<https://www.aer.gov.au/wholesale-markets/wholesale-statistics/day-ahead-auction-auction-delays>
- As Auction use grows, the AER is seeking to promote reduced incidence of late AQL submissions. We are considering compliance options, including publication of late AQL submissions by participant.