

AEMO COMPLIANCE QUARTERLY REPORT: GAS RETAIL MARKET PROCEDURES

PREPARED BY: Markets
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Introduction

Role of AEMO

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, it must, after making such inquiries and investigations as it considers appropriate, make a decision 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).

Purpose

This report includes immaterial breaches identified in the last quarter, i.e. between June and August 2018. Breaches that have a material impact on market participants, the market as a whole, or end use customers are reported separately.

Quarterly Report – Immaterial Breaches

Date and time of breach	Market	AEMO/Market participant	Procedures and clause	Summary	Impact
Since July 2009	NSW-ACT Gas Retail Market	AEMO	Clause 8.8.8(b)(i) of the NSW-ACT Retail Market Procedures (RMP)	<p><u>Description</u> Clause 8.8.8(b)(i) of the NSW-ACT RMP requires AEMO to carry out the calculation described in clause 8.8.8(a), i.e. calculate the amount of divergence between the aggregate of cumulative imbalances and the change in the linepack position for the no operational balancing arrangement (OBA) network sections, at six-monthly intervals.</p> <p>It is noted that AEMO has not ever carried out the calculation described in clause 8.8.8(b)(i) of the NSW-ACT RMP since the first issue of the NSW-ACT RMP in July 2009.</p> <p>This caused a non-compliance with the NSW-ACT RMP relating to calculate the divergent cumulative imbalance at six-monthly intervals.</p> <p><u>Cause</u> AEMO has not ever carried out the calculation described in clause 8.8.8(b)(i) of the NSW-ACT RMP since the first issue of the NSW-ACT RMP in July 2009.</p> <p><u>Actions</u> AEMO started monitoring the divergent cumulative imbalance on a monthly basis from June 2018.</p> <p>AEMO has worked closely with Jemena to investigate this matter. Jemena has reviewed the data for the gas days with larger divergence and submitted revised data to AEMO for some of the gas days. AEMO recalculated the cumulative imbalances to reflect all the revised data provided by Jemena.</p>	<p>Immaterial AEMO's non-compliance with clause 8.8.8(b)(i) of the NSW-ACT RMP had no material impact on any other market participants, the market as a whole, or end use customers.</p> <p>AEMO performed an analysis on the divergent cumulative imbalance for the ACT Canberra network. As at 31/05/2018, the divergence between the linepack position and the aggregate cumulative imbalance was about 4.8TJ. As per clause 8.8.8(c) and 8.8.8(d), an acceptable divergence amount is less than 10TJ.</p> <p>AEMO did not receive any queries nor incidents raised by participants due to this breach.</p>
Between	NSW-ACT	Weston	Clause 8.6.1(b) of	<u>Description</u>	Immaterial

01/01/2018 and 25/03/2018	Gas Retail Market	Energy	the NSW-ACT RMP	<p>Weston Energy did not nominate gas to the Network Operator (i.e. Jemena) into the ACT Canberra network between 01/01/2018 and 25/03/2018.</p> <p>This is a breach of clause 8.6.1(b) of the NSW-ACT RMP. Clause 8.6.1(b) outlines the requirement of a User to provide information to the Network Operator for each network receipt point at which the User intends to receive gas by 4pm two days prior to the nomination day.</p> <p><u>Cause</u> Weston Energy was aware of the requirement to nominate gas to Jemena. However, due to miscommunication/misunderstanding between Weston Energy and Jemena, Weston Energy assumed that the nomination made to the Pipeline Operator (i.e. APA) would be transferred through to Jemena.</p> <p><u>Actions</u> Jemena’s Commercial Team has liaised with Weston Energy and Weston Energy has been nominating gas to Jemena since 26/03/2018.</p> <p>AEMO and Jemena had a meeting with the Users in the ACT Canberra network and discussed the proposed approach of the adjustment to rectify incorrect imbalances allocated to the Users due to this incident. AEMO and Jemena have liaised with the impacted participants for the adjustment.</p>	<p>Weston Energy’s non-compliance with clause 8.6.1(b) of the NSW-ACT RMP had no material impact on any other market participants, the market as a whole, or end use customers.</p> <p>The impact on market operations was immaterial as sufficient gas was brought to the market or supplied to the customers. AEMO and Jemena have liaised with the impacted participants to adjust their daily imbalances to rectify incorrect imbalances allocated to them due to this incident.</p> <p>AEMO did not receive any queries nor incidents raised by participants due to this breach.</p>
Between 24/03/2018 and 03/08/2018	VIC and QLD Gas Retail Market	AEMO	Clause 4.2.1(a)-(b), 4.6.1, 4.7.1 and 4.8.1(b)-(c) of the VIC and QLD RMP	<p><u>Description</u> During a standard check of gas meter data in August 2018, AEMO discovered a total of 113 gas meters were not included in the AEMO’s Meter Register database.</p> <p>This incident occurred on 24/03/2018, was identified on 31/07/2018 and resolved on 04/08/2018. AEMO investigated and identified the cause and extent of the incident:</p>	<p>Immaterial</p> <p>AEMO’s non-compliance with clause 4.2.1(a)-(b), 4.6.1, 4.7.1 and 4.8.1(b)-(c) of the VIC and QLD RMP had no material impact on any other market participants, the market as a whole, or end use customers.</p> <p>The incorrect allocation of gas</p>

				<ul style="list-style-type: none"> Gas metering data was allocated incorrectly during this period to the default retailer rather than the relevant financially responsible retailers for the affected meters. The allocation of gas metering data was resolved before the revision settlement statement was issued for the billing period. Subsequent transfers of 4 gas meters between retailers did not have the gas transfer notifications sent to the correct parties. Notifications were sent to the host retailers of the gas meters, rather than the financially responsible retailers. <p>This incident is a breach of:</p> <ul style="list-style-type: none"> VIC and QLD RMP clause 4.2.1(a)-(b) relating to communication of gas meter transfers; VIC and QLD clause 4.6.1 and 4.7.1 relating to registration of gas meters following completion of transfers in AEMO’s Meter Register; and VIC and QLD RMP clause 4.8.1(b)-(c) relating to notification after registration in AEMO’s Meter Register following transfers. <p><u>Cause</u> In March, AEMO’s Declared Wholesale Gas Market database was migrated to a new database platform. The population of a database table was disrupted on the first day following the migration. The affected database table is used in the validation process for updates to AEMO’s Meter Register database. As a consequence, the update of AEMO’s Meter Register failed the validation process for a set of gas meters on the day following the database migration and the gas meters were not included in the AEMO’s Meter Register database. A total of 113 gas meters were affected.</p> <p><u>Actions</u></p>	<p>meter data was corrected before the revision settlement statement for the billing period.</p> <p>The transfer notifications sent to the incorrect retailers for the 4 gas meters did not contain sensitive information – identity of the new financially responsible retailer, identity of the distributor and the transfer date.</p> <p>AEMO did not receive any queries nor incidents raised by participants due to this breach.</p>
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Between 09/06/2018 and 12/06/2018	QLD Gas Retail Market	AEMO	Clause 6.10.2(a) of the QLD RMP	<p><u>Description</u> Between 09/06/2018 and 12/06/2018, the provision of the NAD files for the QLD Gas Retail Market to the STTM system were delayed. The NAD files for gas days 08/06/2018 to 11/06/2018 were delivered on 12/06/2018 at 4.15pm AEST.</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> The late NAD files was due to a missing configuration in the system – the UAFG rate flag mapping to cover the NSW withdrawal zone of the QLD Gas Retail Market was missing. This stopped the creation of a new logical meter for a participant in the QLD Gas Retail Market and caused the DSA (distribution system allocation) job¹ to fail.</p> <p><u>Actions</u> On 12/06/2018, AEMO added a new UAFG mapping flag to cover the NSW withdrawal zone of the QLD Gas Retail Market in the system. AEMO then triggered the creation of the logical meter and ran the DSA job for gas days 08/06/2018 to 11/06/2018.</p>	<p>Immaterial AEMO's non-compliance with clause 6.10.2(a) of the QLD RMP between 09/06/2018 and 12/06/2018 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 AEMO is not required to run STTM daily prudential on non-business days (including weekends).</p>
23/06/2018	QLD Gas Retail	AEMO	Clause 6.10.2(a) of the QLD RMP	<p><u>Description</u> On 23/06/2018, the provision of the NAD file for the</p>	Immaterial AEMO's non-compliance with

¹ The DSA job is responsible to determine the User's STTM distribution system allocations.

	Market			<p>QLD Gas Retail Market for gas day 22/06/2018 to the STTM system was delayed by 20 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> The late NAD file was due to the creation of a logical meter for a newly registered participant with an effective date earlier than their go-live date in the QLD Gas Retail Market. This resulted in a process flow discrepancy as the dates were mismatched in different systems and caused the DSA job to fail.</p> <p><u>Actions</u> On 23/06/2018, AEMO retriggered the daily job to synchronise the data in the different systems and re-ran the DSA job.</p> <p>AEMO has configured additional steps to the MIRN sync workflow to ensure that details of the meters are synchronised between different systems.</p>	<p>clause 6.10.2(a) of the QLD RMP on 23/06/2018 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 AEMO is not required to run STTM daily prudential on non-business days (including weekends).</p>
27/06/2018	QLD Gas Retail Market	AEMO	Clause 6.10.2(a) of the QLD RMP	<p><u>Description</u> On 27/06/2018, the provision of the NAD file for the QLD Gas Retail Market for gas day 26/06/2018 to the STTM system was delayed by 1 hour and 15 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> The late NAD file was due to a workflow trigger being stopped causing the DSA job to fail as the required data was not transferred to the required database. The issue with the workflow trigger was related to the server running out of memory.</p> <p><u>Actions</u></p>	<p>Immaterial AEMO's non-compliance with clause 6.10.2(a) of the QLD RMP on 27/06/2018 had no material impact on any other market participants, the market as a whole, or end use customers.</p> <p>The network allocation data was available before the daily prudential run. There was no impact on the STTM daily prudential calculations and processing.</p>

				<p>On 27/06/2018, AEMO retriggered the workflow job and re-ran the DSA job.</p> <p>AEMO has investigated and addressed the memory leak issue.</p>	
Between 01/07/2018 and 04/07/2018	VIC and QLD Gas Retail Market	AEMO	<p>Clause 1.2.4 and 4.2.1 of the VIC RMP, clause 1.3.3 and 4.2.1 of the QLD RMP</p>	<p><u>Description</u> Between 01/07/2018 and 04/07/2018, 8500 medium priority transaction acknowledgments were delayed by up to 3 days for the VIC and QLD Gas Retail markets.</p> <p>On 03/07/2018, AEMO received enquiries raised by a number of participants relating to delayed transaction acknowledgements. AEMO investigated and identified the root cause of the issue.</p> <p>This is a breach of clause 1.2.4 of the VIC RMP and clause 1.3.3 of the QLD RMP. Clause 1.2.4 of the VIC RMP and 1.3.3 of the QLD RMP references the Gas Interface Protocol and section 2.5 of the "Participant Build Pack 3 FRC B2B System Specifications" specifies that all medium priority transactions shall be acknowledged within 270 minutes.</p> <p>This is also a breach of clause 4.2.1 of the QLD RMP and VIC RMP, which requires AEMO to deliver notice of the transfer request by midnight on the first business day following the day on which the transfer request was delivered.</p> <p><u>Cause</u> This incident was caused by a system connection issue post a planned Gas business-to-business (B2B) Hub site transfer performed on 01/07/2018.</p> <p><u>Actions</u> On 04/07/2018, AEMO resolved the system connection issue and the backlog of acknowledgement messages was cleared.</p>	<p>Immaterial AEMO's non-compliance with clause 1.2.4 and 4.2.1 of the VIC RMP, and clause 1.3.3 and 4.2.1 of the QLD RMP between 01/07/2018 and 04/07/2018 had no material impact on any other market participants, the market as a whole, or end use customers.</p> <p>The backlog of acknowledgement messages was cleared on 04/07/2018. There was some operational impact for the participants mainly due to the processing of the backlog and resubmission of transactions.</p>

				<p>AEMO has set up a new health check for the system to monitor and report the connection messages. AEMO has also updated the Gas FRC site transfer procedures to include steps for checking system connection and transactions are being acknowledged post Gas Hub site transfer.</p> <p>AEMO has identified the following further actions:</p> <ul style="list-style-type: none"> • Set up a process to check build-up of messages and set up SMS alerts for the responsible team when there is a backlog of transactions. • Set up a daily Hub resubmission service for the Gas FRC Hub. • Update procedures for support and escalation process. 	
09/07/2018	QLD Gas Retail Market	AEMO	Clause 6.10.2(a) of the QLD RMP	<p><u>Description</u> On 09/07/2018, the provision of the NAD file for the QLD Gas Retail Market for gas day 08/07/2018 to the STTM system was delayed by 24 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> The late NAD file was due to a connection timeout to the required database and caused the DSA job to fail.</p> <p><u>Actions</u> On 09/07/2018, AEMO re-ran the DSA job.</p> <p>AEMO investigated and updated the settings used for the database server connection.</p>	<p>Immaterial AEMO's non-compliance with clause 6.10.2(a) of the QLD RMP on 09/07/2018 had no material impact on any other market participants, the market as a whole, or end use customers.</p> <p>The network allocation data was available before the daily prudential run. There was no impact on the STTM daily prudential calculations and processing.</p>
17/07/2018	VIC and QLD Gas Retail Market	AEMO	Clause 1.2.4 of the VIC RMP and clause 1.3.3 of the QLD RMP	<p><u>Description</u> On 17/07/2018, 250 medium priority transaction acknowledgments were delayed by up to 3 hours and 40 minutes for the VIC and QLD Gas Retail markets.</p>	<p>Immaterial AEMO's non-compliance with clause 1.2.4 of the VIC RMP and clause 1.3.3 of the QLD RMP on 17/07/2018 had no material impact on any other market participants,</p>

				<p>This is a breach of clause 1.2.4 of the VIC RMP and clause 1.3.3 of the QLD RMP. Clause 1.2.4 of the VIC RMP and 1.3.3 of the QLD RMP references the Gas Interface Protocol and section 2.5 of the "Participant Build Pack 3 FRC B2B System Specifications" specifies that all medium priority transactions shall be acknowledged within 270 minutes.</p> <p><u>Cause</u> This incident was caused by a scheduled daily task failed to start which is responsible to start the business application. The root cause of the failure of the restart is still under investigation.</p> <p><u>Actions</u> On 17/07/2018, AEMO manually restarted the scheduled job which then started the business application. The transactions were processed within 24 hours.</p> <p>AEMO has identified the following further actions:</p> <ul style="list-style-type: none"> • Investigate why the scheduled job did not start automatically. • Investigate if an alert was sent out regarding the failure of starting the scheduled daily job and what actions are taken when the alert is received. 	<p>the market as a whole, or end use customers.</p> <p>The transactions were processed within 24 hours.</p>
23/08/2018	QLD Gas Retail Market	AEMO	<p>Clause 2.6.1(d), 5.5.2 and 6.3.2(a) of the QLD RMP</p>	<p><u>Description</u> On 23/08/2018, AEMO did not publish the Users' daily consumed energy for all interval meters, Users' daily aggregated consumption and the daily heating values for gas day 22/08/2018.</p> <p>This caused a non-compliance with the QLD RMP relating to the timely publication of the daily consumption data and the daily heating values.</p> <p><u>Cause</u> This incident occurred as the QLD daily balancing job was not run on 23/08/2018. The QLD daily</p>	<p>Immaterial AEMO's non-compliance with clause 2.6.1(d), 5.5.2 and 6.3.2(a) of the QLD RMP on 23/07/2018 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 data generated by the QLD daily balancing job is</p>

			<p>balancing job triggers the publication of the reports containing the daily consumed energy data, the daily aggregated consumption data and the daily heating values.</p> <p><u>Actions</u> AEMO ran the QLD daily balancing job and the data was published on 24/08/2018.</p> <p>AEMO will re-confirm and formalise the existing process to check daily prudential tasks completed by the required timeframe.</p>	<p>not used in the STTM daily prudential run.</p>
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