



AEMO GAS RETAIL MARKET COMPLIANCE QUARTERLY REPORT GAS RETAIL MARKET PROCEDURES

PREPARED BY: AEMO

Introduction

ROLE OF AEMO

For NSW-ACT, SA, VIC and 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, 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).

For WA Gas Retail market, Chapter 6 of the WA Retail Market Procedures deals with Compliance and Interpretation and places a number of 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; and
- 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 December 2018 and February 2019. 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	22/03/2019	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
21/12/2018	VIC Gas Retail Market	AEMO	Clause 2.8.4(a) of the VIC RMP	<p><u>Description</u></p> <p>Effective Degree Day (EDD) for gas day 19/12/2018 was not published on the market information bulletin board (MIBB) by midnight on the first business day following the day to which the EDD relates (i.e. 20/12/2018) as per clause 2.8.4(a) of the VIC RMP.</p> <p>This caused a non-compliance with the VIC RMP relating to the timely publication of EDD on the MIBB.</p> <p><u>Cause</u></p> <p>On 19/12/2018, the 3:00am Moorabbin wind information from the Bureau of Metrology (BOM) was not received. Due to the missing wind information, the system could not determine the EDD for gas day 19/12/2018. No notification was sent out alerting AEMO support staff of the issue until 10:02am AEST on 21/12/2018 due to a misconfiguration of the monitoring tool. As a result, the EDD was not published by the required timeframe specified in the VIC RMP. EDD for gas day 19/12/2018 was published on 21/12/2018 at 12:04pm AEST.</p> <p><u>Actions</u></p>	<p>Immaterial</p> <p>AEMO’s non-compliance with clause 2.8.4(a) of the VIC RMP on 21/12/2018 had no material impact on any other market participants, the market as a whole, or end use customers.</p> <p>Distributor must use the latest available EDDs published by AEMO under clause 2.8.4(a) of the VIC RMP. Where the EDD for a reading period for a day is not available, the Distributor must use the EDD for the previous day.</p>

Date of breach	Market	AEMO/Market participant	Procedures and clause	Summary	Impact
				<p>On 21/12/2018, approximate wind value for gas day 19/12/2018 was calculated based on values provided from the nearest weather station and entered in the system. The misconfiguration of the monitoring tool was updated and verified.</p>	
19/01/2019	NSW-ACT Gas Retail Market	AEMO	Clause 8.11.9 of the NSW-ACT RMP	<p><u>Description</u></p> <p>On 19/01/2019, the provision of the network allocation daily (NAD) file for gas day 18/01/2019 for the NSW-ACT Gas Retail market to the STTM system was delayed by 12 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>The late NAD file was caused by the services running on the server being interrupted. The interruption caused the transaction services to stop. It is believed that the current set up and timing of the scheduled monthly server backup interrupted the services running on the server.</p> <p><u>Actions</u></p> <p>On 19/01/2019, AEMO restarted the system services. The daily calculation workflow kicked off at 10.20am AEST. The NAD file was delivered to the STTM system at 11.12am AEST.</p>	<p>Immaterial</p> <p>AEMO's non-compliance with clause 8.11.9 of the NSW-ACT RMP on 19/01/2019 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>

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				<p>AEMO implemented an additional alarm when the daily calculation workflow does not start by 8.35am AEST. This alarm should provide sufficient time for AEMO to restart the necessary application services and enable the processes to execute and generate the NAD file by 11am AEST.</p> <p>AEMO has split the monthly backup into two backup runs. AEMO will continue to monitor the monthly backup and the impact on the performance of the system.</p>	
14/02/2019	QLD	AEMO	Clause 6.10.2(a) of the QLD RMP	<p><u>Description</u></p> <p>On 14/02/2019, the provision of the NAD file for gas day 13/02/2019 for the QLD Gas Retail market to the STTM system was delayed by 1 hour and 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></p> <p>The late NAD file was caused by an error during the execution of a system import process, following the release of a new version for an AEMO internal gas application in February 2019. The import process is used for the delivery of gas data in different processes and is used in the generation of the NAD file.</p>	<p>Immaterial</p> <p>AEMO's non-compliance with clause 6.10.2(a) of the QLD RMP on 14/02/2019 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>

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				<p>The error occurred due to delivery of data between different database servers with different treatment of undefined parameters. The new version of the AEMO internal gas application was released with an old version of the import process that did not include a patch to accommodate the different handling of undefined parameters.</p> <p><u>Actions</u></p> <p>On 14/02/2019, AEMO ran the import process manually to generate and deliver the QLD NAD file to the STTM system at 1.50pm AEST. An expedited change was raised to restore the patch to the import process.</p> <p>AEMO will create a handover document for external vendors and new developers to adhere to, which would outline AEMO IT source code control approaches and provide references for appropriate system processes. AEMO will review the scope of system testing and user acceptance testing in the future to ensure background processes and end-to-end processes are tested.</p>	
22/02/2019	QLD	AEMO	Clause 6.10.2(a) of the QLD RMP	<p><u>Description</u></p> <p>On 22/02/2019, the provision of the NAD file for gas day 21/02/2019 for the QLD Gas Retail market to the STTM system was delayed by 2 hours and 16 minutes.</p>	<p>Immaterial</p> <p>AEMO's non-compliance with clause 6.10.2(a) of the QLD RMP on 22/02/2019 had no material impact on any other</p>

Date of breach	Market	AEMO/Market participant	Procedures and clause	Summary	Impact
				<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></p> <p>The late NAD file was caused by the distribution system allocation (DSA) job failed to poll for new extracts from the basic meter profiler (BMP) due to a database connection timeout on the scheduling service application. This disrupted the system and stopped the DSA job polling for the extracts properly. The extracts contain the data required for the DSA job to generate the NAD file.</p> <p><u>Actions</u></p> <p>On 22/02/2019, AEMO restarted the scheduler service and the pending jobs were detected and processed. The DSA job generated and delivered the NAD file to the STTM system at 2.46pm AEST.</p> <p>AEMO will update internal IT support documentation to capture this scenario and the action required when such alarm is received in the morning.</p>	<p>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>