



Retail Energy Market Company

Apparent breach of Rule 197 and 178 of the Retail Market Rules by Alinta Energy on gas day 26/05/2016

Overview:

High Swing Service volumes were detected on gas day 26/05/16. REMCo has investigated this matters and found that Alinta Energy has put in a users' pipeline nomination amount ("UPNA") on the Parmelia Pipeline for the North-Metro sub-network (1106) of -2.2TJ, but its users' allocation instruction ("UAI") was 2TJ.

Alinta Energy's nominations have resulted in a Swing Service spike on 1106, and appear to be a breach of Rules 197 and 178 of the Retail Market Rules (the "Rules") by Alinta Energy. Rules 197 and 178 read as follows:

197. User's pipeline nomination amount

- (1) For each *user* for each *gate point* for each *gas day*, a "**user's pipeline nomination amount**" is the sum of:
 - (a) the *user's amounts* of its *related shipper's nominations* for the *gate point* for the *gas day* (summed across all *related shippers* for the *gate point*) calculated under rule 196; and
 - (b) the *user's swing service repayment quantities* for the *gate point* for the *gas day* as notified by REMCo under rule 300(4) or rule 300D(1)(b) (whichever is applicable).

178. User to procure injections which match user's likely swing service repayment quantities and user's required withdrawals

A *user* must ensure that for each *sub-network* for each *gas day* it procures:

- (a) the *repayment* into the *sub-network* of the *user's swing service repayment quantities* for the *sub-network* for the *gas day*; and
- (b) the *injection* into the *sub-network* of an amount of gas equal to its good faith estimate as a *reasonable and prudent person* of its likely *user's required withdrawals* for the *sub-network* for the *gas day*.

Impact:

Alinta Energy's nomination appears to have resulted in a 3.1TJ Swing Service spike on 1106.

Resolution:

Alinta Energy has picked up and corrected an error in its automated processes for 1106P. This error was not previously apparent, as Alinta Energy's nominations for 1106P were previously zero.

Proposed Further Actions:

No further action is proposed.

Invitation for submissions:

Before determining whether any further action is required, REMCo invites written submissions from participants as to:

- the effect that this incident has on their operations, and
- their view with regard to the determination, if any, REMCo should make under Rule 329 in respect of the apparent Rule breaches.

Submissions are requested by no later than 5pm (AEST) **Thursday 30th, June 2016**. Submissions should be sent by e-mail to remco_administration@aemo.com.au.

Alternatively, submissions can be sent by post to REMCo at:

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If you have any questions regarding this matter, please contact Carol Poon on (03) 9609 8509.

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