



Retail Energy Market Company

Apparent breach of Rules 286, 288(1), 287(1), 299(1), 300(1), 300(2)(a) of the Retail Market Rules by REMCo on gas day 11/06/2016

Overview:

The GRMS failed to successfully execute 'like day' substitution for Alinta Energy on Muchea (1103) for gas day 11/06/16. This caused the Gas Retail Market System ("GRMS") to stop calculations and delayed the delivery of a number of reports for gas day 11/06/16 on 12/06/16 by 1 hour and 54 minutes. This appears to be a breach of Rules 286, 288(1), 287(1), 299(1), 300(1), 300(2)(a) by REMCo.

Rules 286, 288(1), 287(1), 299(1), 300(1), 300(2)(a) of the Retail Market Rules are as follow:

286. REMCo to publish bid stack

For each gate point, REMCo must make available the bid stack to users and swing service providers within 5 hours after the end of the gas day, setting out for each bid the volume and price of the bid but not the identity of the swing service provider who lodged the bid.

287. Determine marginal clearing price for total amount of swing service to be procured through applicable bid-stack

- (1) For each gate point for each gas day, within 5 hours after the end of the gas day, REMCo must determine in accordance with rule 287(2), and publish to users and swing service providers, the marginal clearing price for the total amount of swing service to be procured through the applicable bid stack ("MCP(TSS(BS))"), which is expressed in cents, up to three decimal places, per megajoule.

288. Determine marginal clearing price for adjusted non-user-specific amounts of swing service

- (1) For each gate point for each gas day, within 5 hours after the end of the gas day, REMCo must determine in accordance with rule 288(2), and publish to users and swing service providers, the marginal clearing price for the total of all adjusted non-user-specific amounts of swing service ("MCP(ANUSA)"), which is expressed in cents, up to three decimal places, per megajoule.

299. Calculation of swing service repayment quantities

- (1) REMCo must, by 5 hours after the end of gas day D determine under rule 299(2), and notify the user and the swing service provider and the swing service provider of last resort of, the swing service repayment quantity ("SRQ") for each swing service provider and swing service provider of last resort that must repay swing service on gas day D+2 on the user's behalf.

300. Notification of swing service data

- (1) For each gas day for each gate point, REMCo must within 5 hours after the end of the gas day notify the pipeline operator, users and their related shippers and the network operator of the swing service for the gate point calculated under rule 256.

- (2) For each user for each gas day for each gate point, REMCo must within 5 hours after the end of the gas day notify the user of:
 - (a) the user's total (pre-procurement) swing service (USS) for the gate point for the gas day calculated under rule 262;

Cause:

A GRMS configuration parameter for Alinta (ALS) on Muchea (1103) was missing resulting in like day substitution failing causing gas day calculations to fail on 12/06/16.

Impact:

The delivery of the below market reports for gas day 11/06/16 were delayed by 1 hour and 54 minutes:

- BID-PUB reports;
- MCP-TANUSA reports;
- MCP-TSS reports;
- SRQ reports;
- SS reports; and
- USS reports.

Resolution:

The configuration parameter has been added in the GRMS for Alinta (ALS) on Muchea (1103) and the incident has been resolved.

Proposed Further Actions:

There are no further actions required.

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 regards 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) **Friday 12th August, 2016**. Submissions should be sent by e-mail to remco_administration@aemo.com.au.

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

Chin Chan
Retail Energy Market Company Limited
C/- AEMO
GPO Box 2008
Melbourne
VIC 3001

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

Chin Chan

Group Manager – Market Management

Australian Energy Market Operator

(Acting as Agent for the Retail Energy Market Company Limited)

Phone: (03) 9609 8345

Email: chin.chan@aemo.com.au