

# AEMO COMPLIANCE QUARTERLY REPORT: GAS RETAIL MARKET PROCEDURES

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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 September 2016 and November 2016. 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
08/09/2016 11:01:00	NSW and ACT Gas Retail Market	AEMO	Clause 8.11.9 of the NSW and ACT Retail Market Procedures	<p><u>Description</u> NSW-ACT Network Allocation Daily (NAD) file for gas day 07 September 2016 was delivered 1 minute late on 08 September 2016.</p> <p><u>Cause</u> An increase in the processing time during the daily calculations caused the completion of the daily calculations to be extended beyond 11am.</p> <p><u>Actions</u> AEMO has implemented a change to the database to optimise the queries used for the daily calculations process. AEMO has also ensured that, at the time of running the daily calculations, only the data required for the daily calculations is in the database to avoid long processing times.</p>	Immaterial AEMO's non-compliance with clause 8.11.9 of the Procedures on 08/09/2016 had no material impact on any other market participants, the market as a whole, or end use customers as the data was available before the daily prudential run. There was no impact on the STTM daily prudential calculations and processing.
12/09/2016 11:03:00	NSW and ACT Gas Retail Market	AEMO	Clause 8.11.9 of the NSW and ACT Retail Market Procedures	<p><u>Description</u> NSW-ACT NAD file for gas day 11 September 2016 was delivered 3 minutes late on 12 September 2016.</p> <p><u>Cause</u> Processing of the Interval Meter Reading Data (INTMR) file was incorrectly identified as not having completed successfully resulting in the daily calculations not being started as soon as practical. Extended processing time resulted in the delivery of the NAD file 3 minutes late.</p> <p><u>Actions</u> AEMO has started additional monitoring processes for checking data from the Network Operator to ensure the daily calculations can be started as soon as practical.</p>	Immaterial AEMO's non-compliance with clause 8.11.9 of the Procedures on 12/09/2016 had no material impact on any other market participants, the market as a whole, or end use customers as the data was available before the daily prudential run. There was no impact on the STTM daily prudential calculations and processing.

28/09/2016	NSW and ACT Gas Retail Market	AEMO	Clause 1.3.2 of the NSW and ACT Retail Market Procedures	<p><u>Description</u> 14,404 medium priority transactions had acknowledgement times greater than 4.5 hours.</p> <p><u>Cause</u> A misconfiguration in the Trading Networks clustering settings at the FRC Hub after the internal disaster recovery test performed on Tuesday 27/09/2016.</p> <p><u>Actions</u> AEMO has revised its health checks after an internal disaster recovery test to confirm that all transactions are being sent and acknowledged correctly.</p>	<p>Immaterial</p> <p>AEMO's non-compliance with clause 1.3.2 of the Procedures on 28/09/2016 had no material impact on any other market participants, the market as a whole, or end use customers.</p> <p>AEMO requested participants to provide their feedback on the impact of this incident. AEMO received feedback from two participants. Based on the feedback received, AEMO determined that the breach to be immaterial.</p>
11/10/2016	NSW and ACT Gas Retail Market	AEMO	Clause 1.3.2 of the NSW and ACT Retail Market Procedures	<p><u>Description</u> Approximately 10,700 medium priority transactions from AEMO had acknowledgement times greater than 4.5 hours.</p> <p><u>Cause</u> AEMO investigated the delay in the delivery of acknowledgement failures in Gas Retail Market Business System and noted that the connection pool setting was too low.</p> <p><u>Actions</u> AEMO reviewed the Gas FRC Hub related application and database for any issues that may have affected the performance. AEMO has also increased the connection pool setting.</p>	<p>Immaterial</p> <p>AEMO's non-compliance with clause 1.3.2 of the Procedures on 11/10/2016 had no material impact on any other market participants, the market as a whole, or end use customers as the backlog of pending acknowledgments cleared by 8:00am on 11/10/2016.</p>

13/10/2016	NSW and ACT Gas Retail Market	AEMO	Clause 1.3.2 of the NSW and ACT Retail Market Procedures	<p><u>Description</u> Approximately 5,500 Medium Priority Transactions from AEMO had acknowledgement times greater than 4.5 hours.</p> <p><u>Cause</u> AEMO investigated the delay in the delivery of acknowledgement failures in GRMBS and noted that the connection pool setting was too low.</p> <p><u>Actions</u> AEMO continued to monitor and investigate the performance in the Gas FRC Hub related application and database. AEMO has further increased the connection pool setting.</p>	<p>Immaterial AEMO's non-compliance with clause 1.3.2 of the Procedures on 13/10/2016 had no material impact on any other market participants, the market as a whole, or end use customers as the backlog of pending acknowledgments cleared by 8:00am on 13/10/2016.</p>
29/10/2016 11:30:00	NSW and ACT Gas Retail Market	AEMO	Clause 8.11.9 of the NSW and ACT Retail Market Procedures	<p><u>Description</u> NSW-ACT NAD file for gas day 28 October 2016 delivered 30 minutes late on 29 October 2016.</p> <p><u>Cause</u> Delay in running the database application process resulting in insufficient memory on the database server for the GRMBS applications to run.</p> <p><u>Actions</u> AEMO has put in place a process to ensure that the database application process does not run for more than its normal scheduled running time.</p>	<p>Immaterial AEMO's non-compliance with clause 8.11.9 of the Procedures on 29/10/2016 has had no material impact on any other market participants, the market as a whole, or end use customers as the data was available before the daily prudential run. There was no impact on the STTM daily prudential calculations and processing.</p>