

**COMPLIANCE ISSUES FOR DECISION**

**DATE:** 01 June 2016  
**RESPONSIBILITY:** Chief Executive Officer

**COMPLIANCE ISSUES SUMMARY TABLE:**

Breach	Description	Recommendation
<p><b>Apparent breach of Rules 197 and 178 of the Retail Market Rules by Perth Energy on gas day 09/05/2016 to 12/05/2016</b></p>	<p>High Swing Service volumes were detected on gas days 09/05/16 to 12/05/16. REMCo has investigated these matters and found that Perth Energy has put in:</p> <p>For gas day 09/05/2016:</p> <ul style="list-style-type: none"> <li>• a users’ pipeline nomination amount (“UPNA”) on the Parmelia Pipeline for the North-Metro sub-network (1106), but its users’ allocation instruction (“UAI”) allocated 100% to the DBNGP, causing a 337 GJ Swing Service spike on 1106; and</li> <li>• an UPNA on the Parmelia Pipeline for the South-Metro sub-network (1107), but its UAI allocated 100% on to the DBNGP, causing a 1.187 TJ Swing Service spike on 1107.</li> </ul> <p>For gas day 10/05/2016:</p> <ul style="list-style-type: none"> <li>• an UPNA on the Parmelia Pipeline for 1106, but its UAI allocated 100% to the DBNGP, causing a 350 GJ Swing Service spike on 1106; and</li> <li>• an UPNA on the Parmelia Pipeline for 1107, but its UAI allocated 100% on to the DBNGP, causing a 1.103 TJ Swing Service spike on 1107.</li> </ul> <p>For gas day 11/05/2016:</p> <ul style="list-style-type: none"> <li>• an UPNA on the Parmelia Pipeline 1106, but its UAI allocated 100% to the DBNGP, causing a 318 GJ Swing Service spike on 1106; and</li> <li>• an UPNA on the Parmelia Pipeline for 1107, but its UAI allocated 100% on to the DBNGP, causing a 1.18 TJ Swing Service spike on 1107.</li> </ul> <p>For gas day 12/05/2016:</p> <ul style="list-style-type: none"> <li>• an UPNA on the Parmelia Pipeline for 1106, its UAI allocated 100% to the DBNGP, causing a 265.8 GJ Swing Service spike on 1106; and</li> </ul>	<p>Submissions were called for, and the submission window closed on 30/05/16.</p> <p>No submissions were received. This indicates that market participants were not materially impacted as a result of the apparent Rule breach.</p> <p>Therefore, REMCo exercises its discretion under Rule 329(1)(c) to take no further action in this matter.</p>

	<ul style="list-style-type: none"> <li>• an UPNA on the Parmelia Pipeline for the 1107, but its UAI allocated 100% on to the DBNGP, causing a 1.08 TJ Swing Service spike on 1107.</li> </ul> <p>These inputs have resulted in a Swing Service spikes on 1106 and 1107, and appear to be a breach of Rules 197 and 178 of the Retail Market Rules (the "Rules") by Perth Energy.</p>	
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**COMPLIANCE ISSUES:**

**1. Rule breaches reported by REMCo:**

**a. Apparent breach of Rule 197 and 178 of the Retail Market Rules by Perth Energy on gas day 09/05/16 to 12/05/2016.**

Description	See the description above.
Action taken	There were a number of issues with nominations that resulted in delay in rectifying the problem. Perth Energy is reviewing its nominations procedures and will include checks on its UAIs to ensure the problem does not recur.
Impact	<p>Perth's nominations appear to have resulted in Swing Service spikes of:</p> <ul style="list-style-type: none"> <li>• 1.237 TJ 1106 (337 GJ on 09/05/16, 350 GJ on 10/05/16, 300GJ on 11/05/16, and 250 GJ on 12/05/16); and</li> <li>• 4.390 TJ on 1107 (1.187 TJ on 09/05/16, 1.103 TJ on 10/05/15, 1.100 TJ on 11/05/16, and 1.000 TJ on 12/05/16).</li> </ul> <p>No submissions were received from participants in response to the request for submissions. Therefore, REMCo determines that the breach of Rule 197 and 178 by Perth Energy on gas days 09/05/2016 to 12/05/2016 was not material.</p>
Decision	REMCo exercises its discretion under Rule 329(1)(c) to take no further action in relation to this matter.