

## Australian Energy Market Operator

### COMPLIANCE ISSUES FOR DECISION

**DATE:** 5 January 2017

**RESPONSIBILITY:** Group Manager Market Management

### COMPLIANCE ISSUES SUMMARY TABLE:

Breach	Description	Recommendation
<p><b>Retail Market Procedures (WA) 178, 181 and 197 by Kleenheat Gas Pty Ltd (“Kleenheat”) on gas days 21/09/16, 22/09/16, 23/09/16 and 24/09/16</b></p>	<p>High Swing Service volumes were detected for gas days 21/09/16, 22/09/16, 23/09/16 and 24/09/16. AEMO has investigated these matters and found that:</p> <p>For gas day 21/09/16:</p> <ul style="list-style-type: none"> <li>• Kleenheat put in a users’ pipeline nomination amount (“UPNA”) on the Parmelia Pipeline of 1.5TJ for the South Metro sub-network (1107P), but its user’s allocation instruction (“UAI”) for 1107P was 428GJ.</li> <li>• Kleenheat put in an UPNA on the Parmelia Pipeline of 1.5TJ for the North Metro sub-network (1106P), but its UAI for 1106P was 14GJ.</li> </ul> <p>For gas day 20/09/16:</p> <ul style="list-style-type: none"> <li>• Kleenheat did not include the Swing Service Repayment Quantity (“SRQ”) in their UPNA</li> </ul> <p>For gas day 23/09/2016:</p> <ul style="list-style-type: none"> <li>• Kleenheat put in an UPNA of 1.5TJ for 1107P, but its UAI for 1107P was 178GJ.</li> <li>• Kleenheat put in an UPNA of 1.5TJ for 1106P, but its UAI for was 239GJ.</li> </ul> <p>For gas day 24/09/2016:</p> <ul style="list-style-type: none"> <li>• Kleenheat put in an UPNA of 1.5TJ for 1106P but its UAI for 1106P was 24GJ.</li> </ul> <p>Kleenheat’s actions have contributed to Swing Service spikes on:</p> <ul style="list-style-type: none"> <li>• 1106 for gas days 21/09/16, 23/09/16 and 24/09/16; and</li> </ul>	<p>Submissions were called for, and the submission window closed on 04/01/2017.</p> <p>No submissions were received. This indicates that market participants were not materially impacted as a result of the breaches of the WA Retail Market Procedures (“Procedures”).</p> <p>Therefore, AEMO exercises its discretion under clause 329(1)(c) of the Procedures to take no further action in this matter.</p>

	<ul style="list-style-type: none"> <li>• 1107 for gas days 21/09/16, 22/09/16 and 23/09/16.</li> </ul>	
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## COMPLIANCE ISSUES:

### 1. Procedures breaches reported by AEMO:

#### **Retail Market Procedures (WA) 178, 181 and 197 by Kleenheat on gas day 21/09/2016, 22/09/2016, 23/09/2016 and 24/09/2016.**

Description	See the description above.
Action taken	At the Procedure Change Committee (“PCC”) meeting on 07/12/2016, Kleenheat proposed to review the timing for, and limitations on nomination and re-nomination under the Procedures. PCC was supportive of the proposal.
Impact	<p>Kleenheat’s actions have contributed to Swing Service spikes on:</p> <ul style="list-style-type: none"> <li>• 1106 for gas days 21/09/16, 23/09/16 and 24/09/16; and</li> <li>• 1107 for gas days 21/09/16, 22/09/16 and 23/09/16.</li> </ul> <p>No submissions were received from participants in response to the request for submissions. Therefore, AEMO determines that the breaches of clauses 178, 181 and 197 by Kleenheat on gas day 21/09/2016, 22/09/2016, 23/09/2016 and 24/09/2016 were not material.</p>
Decision	AEMO exercises its discretion under clause 329(1)(c) of the Procedures to take no further action in relation to this matter.