

Notice of apparent breach of WA Retail Market Procedures clauses 178, 181 and 197 by Alinta Energy for gas day 19/08/2017

Overview:

High Swing Service volume was detected for gas day 19/08/2017. AEMO has investigated this matter and found that Alinta Energy put in a Users' Pipeline Nomination Amount ("UPNA") on the Parmelia Pipeline (P) for the South Metro sub-network (1107) of 8.35TJ but its revised Users Allocation Instruction ("UAI") allocated 100% on 1107D (the Dampier Bunbury Pipeline) while the UPNA on 1107P was unchanged. This contributed to the Swing Service Spike of 5.7TJ on 1107 for gas day 19/08/2017.

These inputs have resulted in a Swing Service Spike on 1107 and appears to be a breach of the clauses 178, 181 and 197 from Chapter 5 of the Retail Market Procedures WA (the "Procedures") by Alinta Energy.

Clauses 178, 181 and 197 from Chapter 5 of the Procedures read as follows:

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*.

181. User to minimise its contribution to swing service

A user must endeavour to minimise the extent to which it, and its related shippers or swing service providers (as applicable), contribute to the causation of swing service.

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 clause 196 of Chapter 5 of Retail Market Procedures; and
 - (b) the *user's swing service repayment quantities* for the *gate point* for the *gas day* as notified by AEMO under Retail Market Procedures clauses 300(4) or 300D(1)(b) (whichever is applicable).
- (2) For each *gas day* for each *gate point*, at least 18 hours before the start of the *gas day*, a user must notify AEMO of the user's pipeline nomination amount for the *gate point*.

Impact:

Alinta Energy's action appears to have contributed to the Swing Service Spike on 1107 of 5.7TJ for gas day 19/08/2017.

Resolution:

Due to the issue on the Parmelia Pipeline for the South Metro sub-network for gas day 18/08/2017 and the likelihood of the extension of the issue to gas day 19/08/2017 (as per the clause 255 notice received on 18/08/2017 around 1.35pm (AEST)), Alinta Energy made a renomination on 1107P for gas day 19/09/2017. However, Alinta Energy's automatic process failed to create the UPNA file with the updated nomination on 1107P for gas day 19/08/2017. Alinta Energy has raised this issue internally to investigate.

Proposed Further Actions:

Alinta Energy to investigate why the automatic process failed to create the UPNA file with the update nomination on 1107P for gas day 19/08/2017 on 18/08/2017. Following this investigation, process improvements will be developed, tested and implemented by Alinta Energy to prevent the issue from reoccurring.

Invitation for submissions:

Before determining whether any further action is required, AEMO 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, AEMO should make under clause 329 of the Procedures in respect of the apparent breaches of the Retail Market Procedures.

Submissions are requested by no later than 5:00pm (AEST) **Thursday 21 September 2017**. Submissions should be sent by e-mail to rmo@aemo.com.au.

Alternatively, submissions can be sent by post to AEMO 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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