

# STTM EVENT– DELAYED ALLOCATION SUBMISSION – SYDNEY – 2 JUNE 2018

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# IMPORTANT NOTICE

## Purpose

AEMO has prepared this report pursuant to Section 7.6 of the STTM Procedures, using information available as at 27 June 2018, unless otherwise specified.

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## Glossary

Terms or Abbreviations	Explanation
AEMO	Australian Energy Market Operator
AEST	Australian Eastern Standard Time
CRN	Contract Registration Number which is a unique identifier for a Registered Facility Service generated by AEMO systems.
GSO	Gas System Operations
EGP	Eastern Gas Pipeline
MIS	Market Information System
MOS	Market operator services
MSD	MOS step allocation data (daily file). Note MSD files are only submitted for pipelines.
NGR	National Gas Rules
PAD	Facility Allocation data (daily file). Note PAD files are submitted for all facilities.
PPOST	Provisional ex-post schedule Used when not all inputs are received for the ex-post schedule and default data is used
RTO	Real Time Operations
STTM	Short Term Trading Market
SWEX	STTM WebExchanger
SWEXIE	SWEX Interface Engine
VPN	Virtual Private Network – A virtual (private) network that can be used to securely connect computers physically connected to a larger (public) network
XPOST	Ex-Post schedule

Any term with a defined meaning in Part 20 of the NGR or the STTM Procedures has the same meanings when used in this report.

All times are in AEST.

## Summary

On 3 June 2018, a provisional ex-post schedule (PPOST) was triggered for the Sydney hub leading to a delayed ex-post (XPOST) schedule for gas day 2 June 2018. The STTM facility allocations for the EGP, submitted to AEMO by Jemena, received a warning, and Jemena did not successfully acknowledge the warning for STTM facility allocations by the 11.00 am cut-off time. In accordance with the NGR and STTM Procedures, a provisional ex post imbalance price was published at 11.00 am, the data submission window was extended to 3.00 pm and calculation of the ex post imbalance price was delayed to 4.00 pm.

Jemena successfully confirmed its allocation at 11.25 am. This new pipeline allocation file was used as an input into the calculation of the delayed ex post imbalance price for the Sydney hub.

There was no market impact.

Jemena advised that it is going to review its procedures for confirming warnings received from AEMO when submitting allocation files. AEMO will review the wording of the allocation warnings.

This report has been prepared under Section 7.6 of the STTM Procedures to assess the actions taken by STTM facility operators and AEMO in relation to the event and the effect of the event on the operation of the STTM.

## Description of event

Jemena submitted a PAD file with 137 TJ forward haul (including MOS) and 20 TJ backhaul (total allocation of 157 TJ). Jemena received a warning stating:

“Facility total allocation quantity for the D+1 schedule, 137.1 TJ, is below the lower allocation warning limit (lower allocation warning limit is 138.6 TJ)”.

This warning related to the forward haul component of the PAD file only. Jemena did not provide confirmation due to confusion in the wording from the AEMO system notice. Jemena submitted a PAD file with 157 TJ of facility allocations (forward haul and backhaul) while the automated message stated there was a Facility Total Allocation Quantity of 137 TJ (forward haul only). The message did not clarify that the warning related to the forward haul component only.

The incident was due to Jemena not confirming the data from their PAD file in SWEX prior to the 11.00 am cut-off.

Jemena provided confirmation at 11.25 am of the correct forward haul and backhaul numbers. The delayed ex-post was published at 3.02 pm AEST.

## Assessment of actions taken by Jemena

After Jemena submitted the data and received the warning, the Commercial Officer on duty contacted the AEMO Support Hub and logged a ticket. After discussions with AEMO RTO, Jemena successfully submitted the data confirmation to AEMO. The data confirmation was received within 30 minutes of the 11am cut-off and well within the time required to publish the XPOST schedule. Jemena completed its submission of a valid pipeline allocation file at 11.25 am as allowed under section 7.2.1B of the STTM Procedures.

## Assessment of effect on the operation of the STTM

A provisional ex post market imbalance price was produced just after 11.00 am in accordance with the rules. The STTM systems determined the delayed ex-post imbalance price just after 3.00 pm in accordance with section 7.2.1C of the STTM Procedures.

Market reporting operated as expected.

An SMS/email message was sent to the market at 11.01 am advising a provisional ex post imbalance price had been published due to a missing PAD file.

Further investigation was undertaken into the pricing outcomes from the PPOST and XPOST schedules relative to the ex-ante price. All three prices were the same due to all quantities falling entirely within the 10,500 GJ offered at \$8.95/GJ. The PPOST imbalance amount was 2,684 GJ and the XPOST imbalance amount was 8,385 GJ.

## Market Impacts

Due to the STTM facility allocations not being accepted by 11.00 am, a provisional ex post imbalance price of \$8.95/GJ was produced using a default allocation for the EGP. A delayed ex post imbalance price of \$8.95/GJ was produced by 4.00 pm for the Sydney hub using the pipeline allocation file submitted by Jemena.

The market settlement and prudential monitoring outcomes were correctly based on the delayed price of \$8.95/GJ. In addition, there have been no reported impacts from any trading participants.

Had Jemena failed to submit the data confirmation files by the extended 3.00pm cut-off time, then there may have been an effect on market outcomes due to the incorrect allocation of MOS.

## Conclusion

There were no market impacts resulting from the event.

Based on discussions with Jemena, they will conduct additional training to ensure their Commercial Officers are familiar with their internal processes relating to confirming data when receiving a warning from SWEX.

AEMO processes for data validation, substitution and price setting fully operated as intended under the rules, without material impact on market outcomes.

## Appendix A: Facility Allocation data and the ex post imbalance price

By 4.5 hours after the start of each gas day, the allocation agent for the relevant STTM facility is required to submit the STTM facility allocation for the previous gas day. The gas day starts at 6.30am at the Sydney and Adelaide hubs, and 8.00am for the Brisbane hub.

The STTM facility allocations provide AEMO with the final delivered quantity of gas for the relevant gas day. The STTM facility allocations are used as an input into the calculation of the ex post imbalance price for the gas day in question. The ex post imbalance price is one of the prices used to determine a trading participant's deviation payment or charge.

If the STTM facility allocations are not submitted by 4.5 hours after the start of the gas day, an extended period is made available for the allocation agent to deliver the STTM facility allocations for the relevant facility by 8.5 hours after the start of the gas day.

If the STTM facility allocations are not submitted by 8.5 hours after the start of the gas day, AEMO will use default allocations for the relevant facility to generate the ex post imbalance price by 9.5 hours after the start of the gas day.

For any STTM pipeline, the daily STTM facility allocation notice consists of two files, a facility allocation file and a market operator service (MOS) step allocation file (also known as the PAD and MSD files respectively). For each STTM facility allocation notice, the PAD file is required to be submitted before the MSD file and the two files are typically submitted a few minutes apart by the pipeline operators. Validations by the AEMO STTM systems are performed as follows:

- *Individual PAD and MSD validations*—validations are performed individually on the facility allocations (PAD) and MOS step allocation file (MSD) for each pipeline facility at the time the pipeline operator submits each file;
- *The PAD/MSD matching check*—a validation is run to check that the total MOS quantities (excluding overrun MOS) in both the facility allocation file and MOS step allocation file for each pipeline match. This is run at the time the MOS step allocation file is submitted. The MSD submission is rejected if it fails this test.
- *The PAD/MSD cut-off check*—in case the PAD and MSD sequence is not followed, the STTM system also performs a daily check, at the D+1 allocation submission cut-off time, that there is a valid matching pair of facility allocations and MOS step allocation files for each STTM pipeline. Accordingly, this is required to be run at 11.00am for the Sydney and Adelaide hubs and 12.30pm for the Brisbane hub. In the absence of a matching pair of valid allocation files, default allocations for the relevant STTM pipeline are applied and used as an input into the calculation of the provisional or ex post imbalance price.

As far as the NGR and STTM Procedures are concerned these two files are treated as one allocation notice and neither can be considered to be validly submitted without the other.

## Appendix B: Chronology for 2 June 2018

Time (AEST)	Event / Action
8.09 am	Jemena submit PAD and MSD files which passed validation however were below the allocation warning threshold. Jemena receives an automated message informing them of this and advising that they need to confirm the quantity.
10.21 am	Jemena escalate with AEMO Support Hub as the PAD file contains allocations for 157 TJ whereas the automated message refers to a “Facility Total Allocation Quantity of 137 TJ”. Jemena did not want to confirm the incorrect quantity and did not identify that the quantity was referring to the forward haul only.
10.53 am	AEMO Support Hub escalate to STTM on-call support.
11.01 am	The provisional ex-post schedule (PPOST) was completed for the Sydney hub with alarms advising of pipeline allocation data with default data being used.
11.25 am	Jemena submits the confirmation.
10.53 am to 12.46 pm	On-call support runs checks in line with internal processes: <ul style="list-style-type: none"> <li>• Comparison made between messages, alarms, PAD file and validation thresholds.</li> <li>• Concluded that the PPOST was triggered by a data validation trigger and not an AEMO systems error.</li> <li>• Allow the delayed XPOST to be produced and not administer the market.</li> </ul>
3.02 pm	A delayed ex-post pricing schedule for the Sydney hub was completed.