FACTS AND CIRCUMSTANCES


2. TUASCCP2 experienced a forced outage at 07:21 hrs (period 15) on 16 February 2022. As a result, TPG decided to re-allocate the natural gas available to TUASCCP1 and conduct a fuel changeover from diesel to gas for TUASCCP1 at 10:00 hrs (period 21). Prior to the fuel changeover operation, TPG’s station staff required TUASCCP1’s load to be reduced to carry out a stability check on its fuel oil pilot pressure control valve. This was an ad-hoc check in accordance with prudent operating practices due to recent frequent fuel changeovers and possible valve issues.

3. The fuel changeover for TUASCCP1 was however not time-sensitive and could have been delayed for the stability check to be conducted. Due to a miscommunication on the terms used by TPG’s station staff and trading staff, TPG’s trading staff mistakenly thought that the matter was time-sensitive and proceeded to submit the offer variations after gate closure to revise the energy offer for TUASCCP1 for periods 19 and 20.

4. Following the incident, TPG has taken remedial action to implement a new communication protocol to prevent any miscommunication as to whether the technical situation requires the offer variations to be submitted after gate closure.
5. On 4 May 2022, the MSCP wrote to TPG informing of its prima facie breach of section 10.4.1 of Chapter 6 of the Market Rules for periods 19 and 20 on 16 February 2022 and invited TPG to submit written representations by 13 May 2022 before the MSCP issues a determination. The MSCP also requested that TPG provides specific information on the actions it will be taking to prevent future occurrences.

6. On 13 May 2022, TPG submitted its written representations to the MSCP and indicated that a hearing was not required.

7. The written representations from TPG included the events occurring that day that resulted in TPG’s submission of the offer variations after gate closure for TUASCCP1. TPG also acknowledged that the breach of gate closure took place due to inadvertent miscommunication by TPG’s station staff during a tense period of time. TPG also confirmed that it has implemented the new communication protocol to prevent any future miscommunication.

APPLICABLE MARKET RULES

8. Section 10.4.1 of Chapter 6 provides that

Notwithstanding sections 5.1.5, 5.1.6 and 5.1.7, no offer variation or revised standing offer shall be submitted by or for a market participant within 65 minutes immediately prior to the dispatch period to which the offer variation or revised standing offer applies, except:

10.4.1.1 where it is intended:

a. for a generation registered facility, to reflect its expected ramp-up and ramp-down profiles during periods following synchronisation or preceding desynchronisation; or

b. for a generation registered facility, to reflect its revised capability for the three consecutive dispatch periods immediately following a forced outage or its failure to synchronise; or

c. for an import registered facility, to reflect its revised capability for the three consecutive dispatch periods immediately following a forced outage of the interties connecting the import registered facility to the transmission system; or

d. to contribute positively to the resolution of an energy surplus situation pertaining to which the EMC has issued an advisory notice under section 9.3.1, by allowing for decreased supply of energy; or

e. to contribute positively to the resolution of energy, reserve or regulation shortfall situations pertaining to which the EMC has issued advisory notices under section 9.3.1, by allowing for increased supply of energy, reserve or regulation; or

f. to contribute positively to the resolution of energy, reserve or regulation shortfall situations in that dispatch period, where:

i. the shortfall situations were indicated in a system status advisory notice issued by the EMC in respect of a high-risk operating state or emergency operating state declared by the PSO; and
ii. at the time of submission of such offer variation or revised standing offer, the EMC has not yet withdrawn, in respect of that dispatch period, such system status advisory notice, by allowing for increased supply of energy, reserve or regulation; and

g. for a load registered facility, to reflect its revised capability during a forced outage or following a decrease in energy withdrawal under sections 9.3.3 and/or 9.3.4 of Chapter 5; and

10.4.1.2 where the price so offered, other than for additional quantities of energy, reserve or regulation, is the same as that previously offered for that dispatch period.

ENFORCEMENT

9. Based on the facts referred to above, the MSCP determined that TPG had breached section 10.4.1 of Chapter 6 of the Market Rules for periods 19 and 20 on 16 February 2022.

10. The incident was self-reported. However, the breach was due to a miscommunication within TPG and this is the fifth rule breach by TPG in the last 18 months due to human error.

11. The MSCP hereby imposes a financial penalty of $12,000 on TPG and directs TPG to pay costs fixed at $2,000.

Professor Walter Woon
Chairman, Market Surveillance and Compliance Panel