



Wholesale Electricity Market Reform Coordination Committee Terms of Reference

The Wholesale Electricity Market (WEM) arrangements in the South West Interconnected System (SWIS) are the subject of several reform processes to:

- enable efficient dispatch of energy and ancillary services, to deliver least-cost electricity to customers;
- ensure system security and reliability arrangements are able to accommodate an increasing penetration of renewable energy generators and changes to the profile of electricity consumption;
- facilitate a more responsive capacity pricing regime, delivering clear signals for the efficient entry and exit of capacity to the market; and
- ensure an effective market power mitigation regime, limiting the potential for distortion of market outcomes to the detriment of electricity consumers.

The Public Utilities Office has established a WEM reform coordination committee (the Committee) to oversee the WEM reform work program.

Appendix 1 provides an overview of governance and stakeholder engagement arrangements for the work program.

Role of the Committee

The role of the Committee is to:

- monitor progress and provide guidance on the reform work program, including the scope, timeframes, stakeholder engagement and risk management for the program;
- review and endorse the release of design proposals and draft rules for consultation;
- provide guidance to the project teams within the Public Utilities Office and the Australian Energy Market Operator (AEMO) to enable design and drafting of the new market arrangements to progress;
- ensure the co-ordination of amendments to the Wholesale Electricity Market Rules and other regulatory instruments; and
- provide necessary oversight to ensure a coordinated approach to implementation of reforms resulting from the work program.

The Committee is an advisory body only and the Minister for Energy will have the decision making responsibility on the scope and direction of policy matters pursued under the work program, informed by advice from the Public Utilities Office. The Public Utilities Office is also responsible for managing implementation of the work program.

The Committee will be provided with visibility of progress of the separate, but related, work program of the Public Utilities Office to implement a constrained access model for the Western Power network.

Membership

The composition of the Committee is outlined below:

Role	Name
Chair	Executive Director, Public Utilities Office
Members	Managing Director and Chief Executive Officer, AEMO Rule Change Panel Executive Officer Office of the Minister for Energy Representative

Meetings

The Committee meets approximately once a month. The Public Utilities Office provides secretariat services for the Committee.

The Public Utilities Office will publish a record of items discussed at each Committee meeting on the Department of Treasury website.

Stakeholder Engagement

To enable the Committee to directly engage with industry to discuss strategic matters and obtain direct feedback on the progress of the WEM reform program, a Strategic Consultative Group is proposed to be established. The Group will include representation from Synergy, Western Power and up to six other industry participants with representation from large-scale electricity generators, electricity retailers, demand side providers, large-use customers and the renewables industry.

The Public Utilities Office will invite nominations and determine the final representation on the Group. This determination will be based on the following criteria:

- Ability to contribute towards a diversity of views and industry perspectives.
- Industry experience and capability to inform strategic deliberations of the Committee as to the scope, timeframes and potential risks to successful delivery of the WEM reform program.
- Availability to attend meetings with the Committee on a regular basis.

The Strategic Consultative Group is not expected to provide input on matters of detail that are best managed through operations of the Market Advisory Committee and other working groups that will be specifically established to consider such matters.

The Strategic Consultative Group is expected to meet with the Committee on a bi-monthly basis.

Appendix 1: Governance and stakeholder engagement arrangements for the Wholesale Electricity Market reform work program

Wholesale Electricity Market Reform Work Program Governance and Stakeholder Engagement Arrangements

