



Wholesale Electricity Market Rule Change Proposal Submission

RC_2014_09

Managing Market Information

Submitted by

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Submissions on Rule Change Proposals can be sent by:

Email to: support@rcpwa.com.au

Post to: Rule Change Panel
Attn: Executive Officer
C/o Economic Regulation Authority
PO Box 8469
PERTH BC WA 6849

1. Please provide your views on the proposal, including any objections or suggested revisions.

Western Power is generally supportive of the changes proposed by the Managing Market Information Rule Change Proposal. Western Power understands that the proposed changes aim to remove some of the complexities of the current framework and increase the transparency of information available in the Wholesale Electricity Market (**WEM**).

However, Western Power is of the view that further clarification is required on the following matters before Western Power can make a holistic assessment of the proposed changes:

- The 'type of market information' and 'other type of market information' referred to under clause 10.2.1 of the proposed amending WEM Rules are undefined. As AEMO is required to determine 'each type market information' but has the option of determining 'any other type of market information', clarifying the difference between the two types of market information is essential. Without this clarification, there may be confusion as to whether a piece of market information must be assessed by AEMO.
- There does not appear to be clear boundaries on the type of information that would be considered as market information. Further clarity on what would be market information would be beneficial.

- Under clause 10.2.1 of the proposed amending WEM Rules, AEMO can revise a past determination at any time. Under clause 10.2.7 of the proposed amending WEM Rules, a person can request AEMO to revise a determination it has previously made. Western Power is uncertain as to the practical application of the above clauses. For example, in situations where market information had been determined by AEMO to be Public Information and that information was made available to the public. Should this information be re-classified by AEMO as Confidential Information, the information would have already been disclosed to the public and this makes the revised determination process redundant.
- Whilst Western Power is generally supportive of the broad guiding principles under clause 10.2.2 of the proposed amending WEM Rules, further information is required on the process that AEMO would use to determine whether a type of market information is Public Information or Confidential Information.
- Similarly, further information is required on the process that AEMO proposes to undertake when determining whether conditions should be placed on the disclosure of Confidential Information, and the types of conditions that can be placed by AEMO.

Western Power notes that it is not included in the list of persons that have access to Confidential Information under clause 10.2.3 of the proposed amending WEM Rules. To carry out its Network Operator functions under the WEM Rules and operate its transmission and distribution systems, Western Power may require access to types of market information or other types of market information that is deemed to be Confidential Information. For example, Western Power will need to understand the costs and operational impacts of network constraints to ensure that Western Power appropriately plans and delivers network augmentation. This information may be considered to be confidential market information under the new framework.

Western Power provides the feedback below on the questions raised by the Rule Change Panel (**RCP**) in its Call for Further Submissions Report.

Question 1: Whether some of the problems with the current framework are caused by the current approach of setting the confidentiality status of market related information by reference to a specific clause in the Market Rules, instead of for each category of market related information?

Western Power is of the view that for the new framework, there is no longer a need for AEMO to set the confidentiality status of market information by reference to a specific clause in the WEM Rules. The current approach unnecessarily increases the complexities of managing market related information and the likelihood of inconsistencies occurring. Western Power agrees that the consolidation of the six confidentiality classes to two categories of market information would remove some of the complexities for AEMO when assessing market related information.

Question 2: Do stakeholders consider that some of the problems identified in the Rule Change Proposal with the current framework could be addressed by introducing timeframes in the Market Rules for AEMO to:

- a) set the confidentiality status of new or amended market related information; and***
- b) regularly publish an amended confidentiality status list, and/or amend the confidentiality list whenever it sets the confidentiality status of new or amended market related information?***

Western Power is of the view that there needs to be a robust process in the assessment of market related information and the updating of the confidentiality status list. The introduction of timeframes under the WEM Rules for AEMO to set the confidentiality status of the market related information and regular publication of an amended confidentiality status list would improve the robustness of the process. The introduction of timeframes would also increase AEMO's accountability for administering the market information process. Western Power is of the view that the current framework lacks the required robustness, and notes that the current confidentiality list was last updated by AEMO on 1 July 2012.

However, Western Power is also of the view that the timeframes enforced upon AEMO must strike a balance between the need for a robust process and the amount of effort required for AEMO to carry out the process.

Question 3: Do stakeholders consider that amending the Market Procedure to document the process AEMO follows in setting and publishing the confidentiality status of market related information will address or reduce some of the perceived problems with the current framework?

Western Power is of the view that the current Market Procedure: Information Confidentiality will need to be updated. Western Power agrees that the updated Market Procedure needs to clearly set out AEMO's process in setting and publishing the confidentiality status of market related information. Western Power also agrees that, amongst other things, the Market Procedure needs to clearly set out AEMO's processes in re-evaluating past determinations under clause 10.2.7 of the proposed amending WEM Rules and setting specific conditions for to the use or disclosure of any Confidential Information under clause 10.2.11 of the proposed amending WEM Rules.

Western Power is of the view that the updated Market Procedure, following proper stakeholder consultation, would increase the transparency of AEMO's processes and assist in achieving consistent and certain outcomes.

2. Please provide an assessment whether the change will better facilitate the achievement of the Wholesale Market Objectives.

Western Power considers that the Rule Change Proposal would better facilitate the achievement of the Wholesale Market Objectives. However, as noted above, Western Power is unable to make a holistic assessment until further clarification on the above matters.

3. Please indicate if the proposed change will have any implications for your organisation (for example changes to your IT or business systems) and any costs involved in implementing these changes.

Not applicable.

4. Please indicate the time required for your organisation to implement the change, should it be accepted as proposed.

Not applicable.