This notice of extension is given under clause 2.5.12 of the WEM Rules

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| **Submitter:** | Kate Ryan  | IMO |
| **Date Submitted:** | 2 December 2014 |  |
| **Date of extension:** | 31 December 2021 |  |

In accordance with clause 2.5.10 of the WEM Rules, the Coordinator of Energy (**Coordinator**) has extended the timeframe for the publication of the Draft Rule Change Report for the Rule Change Proposal titled “Reduced Frequency of the Review of the Energy Price Limits and the Maximum Reserve Capacity Price”[[1]](#footnote-1) (RC\_2014\_05) until **5:00 PM on Friday 30 December 2022**.

Dates for subsequent steps of the rule change process have been adjusted accordingly.

Reason for the Extension

The Rule Change Panel put this Rule Change Proposal on hold as it expected the Economic Regulation Authority (**ERA**) to run its five-yearly reviews of the Energy Price Limits (**EPLs**) and Benchmark Reserve Capacity Price (**BRCP**) methodologies. However, the ERA subsequently put these reviews on hold because they overlapped with the review of the market power mitigation strategy undertaken as part of the Energy Transformation Strategy (**ETS**) work.[[2]](#footnote-2)

Responsibility for administration of the WEM Rules transferred from the Rule Change Panel to the Coordinator on 1 July 2021. As a result, the Coordinator is now responsible for progressing this Rule Change Proposal.

The market power mitigation strategy is still under review by Energy Policy WA, including the methodology and frequency for setting the EPLs,[[3]](#footnote-3) and the methodology for setting the BRCP is to be reviewed as part of the RCM review currently being undertaken by the Coordinator.[[4]](#footnote-4)

Therefore, the Coordinator has extended the timeframe for publication of the Draft Rule Change Report for RC\_2014\_05 until 30 December 2022 to allow adequate time for the above reviews to run their course.

Further details relating to the Rule Change Proposal are available at
https://www.wa.gov.au/government/document-collections/rule-change-rc201405.

Proposed Work Program

* The Coordinator presents its draft decision in a Draft Rule Change Report.
* The second submission period takes place.
* The Coordinator presents its final decision in a Final Rule Change Report.
* If the Coordinator’s decision is to approve Amending Rules that affect Protected Provisions, the Minister considers the Rule Change Proposal and makes a decision regarding the proposed Amending Rules.
* If approved, any Amending Rules commence.

Extended Timeline

The projected timeline for processing this proposal, including the extension, is:

30 Dec 2022 Draft Rule Change Report published

We are here

Commencement

TBA

2 Feb 2015

End of first submission period

2 Dec 2014

Rule Change Notice and Proposal published

24 Jan 2023

End of second submission period

22 Feb 2023

Final Rule Change Report published

22 Mar 2023

Ministerial Approval
(if required)

Timeline for this Rule Change Proposal

**Energy Policy WA**

(08) 6551 4600 | [info@energy.wa.gov.au](https://www.energy.wa.gov.au)

[www.energy.wa.gov.au](https://www.brighterenergyfuture.wa.gov.au/) | [www.brighterenergyfuture.wa.gov.au](https://www.brighterenergyfuture.wa.gov.au/)

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Additional matters or factors may be relevant to you. Where appropriate, seek professional advice.

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1. Since the submission of the Rule Change Proposal the Maximum Reserve Capacity Price has been renamed to Benchmark Reserve Capacity Price (**BRCP**). [↑](#footnote-ref-1)
2. <https://www.erawa.com.au/cproot/21237/2/NOTICE---Suspension-of-BRCPEPL-method-reviews.pdf> [↑](#footnote-ref-2)
3. <https://www.wa.gov.au/government/publications/market-power-mitigation-mechanism>. [↑](#footnote-ref-3)
4. <https://www.wa.gov.au/government/document-collections/reserve-capacity-mechanism-review-working-group> [↑](#footnote-ref-4)