



Government of Western Australia  
Energy Policy WA

# Tranche 5 WEM Amending Rules

Consultation Summary Paper

17 December 2021

Working together for a **brighter** energy future.

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WEM Amending Rules*

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# Overview

This Consultation Summary Report outlines the industry feedback received on the Exposure Draft of Tranche 5 Wholesale Electricity Market (WEM) Amending Rules and the Energy Policy WA responses to that feedback. The Tranche 5 Amending Rules were gazetted on 17 December 2021.

The Tranche-5 Amending Rules were introduced to:

- implement aspects of the WEM reforms approved by the Energy Transformation Taskforce prior to the conclusion of its work in May 2020, in particular in relation to necessary changes to the registration framework, grandfathering of the arrangements for Intermittent Loads, implementation of the Non-Co-optimised Essential System Services (NCESS) framework and market information management;
- provide for transition to the new WEM arrangements;
- clarify and correct aspects of new and amended WEM Rules made in previous tranches of Amending Rules; and
- address deficiencies in the process for determining AEMO's Allowable Revenue.

The Tranche-5 Amending Rules include the following more significant changes:

- **Transitional Provisions** for the implementation of WEM Reform related WEM Procedures.
- **Monitoring the Effectiveness of the Market** – changes to require AEMO to provide access to all information identified in the Market Surveillance Data Catalogue to the Coordinator and the Economic Regulation Authority (ERA) at the New WEM Commencement Day.
- **Determination of AEMO's Allowable Revenue** – amendments to address the shortcomings in the current rules. This includes replacing transitional rules with a specific function to support market evolution. The current rules are restrictive for the ERA, who has limited discretion in determining if individual projects are prudent, and limited review and information gathering powers. The amendments:
  - enable regulatory scrutiny by identifying projects/functions, and related costs, up front and enhance transparency over funding allocation and actual expenditures; and
  - deal with uncertainty by allowing part approvals and limited in-period 'reopeners'; and
  - promote greater regulatory certainty through guidelines to be issued and published by the ERA.
- **Registration framework** – transitional provisions to enable existing participants and facilities to be deemed as registered in a new class at the commencement of the new market; amendments to the registration requirements for Market Participants and facilities; changes to the aggregation and disaggregation process for facilities; improvements to the processes for registration, deregistration, transfer and suspension; and changes to the process for updating standing data.
- **Intermittent Loads** – amendments to grandfather the specific arrangements for existing Intermittent Loads and to clarify the participation of Intermittent Loads that connect after the new market commences.
- **NCESS Framework** – the introduction of this framework will enable AEMO, Western Power and the Coordinator of Energy to identify the need for new types of Essential System Services. Amendments to give effect to the NCESS framework include:
  - a requirement for Western Power to prepare and publish a Transmission System Plan to identify network and non-network options to meet power system security and reliability standards over a 10-year planning horizon;

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- conditions associated with system security, reliability and market costs that would trigger the NCESS procurement process;
  - a transparent process for soliciting expressions of interest to determine whether potential providers exist to meet the service needs, followed by a tender process to select the best value for money offer; and
  - dispatch and settlement rules to enable NCESS contracts to be integrated into market processes.
- **Market information** – amendments to authorise the Coordinator, as opposed to AEMO, to determine the confidentiality status of any information generated or exchanged in the operation of the WEM Rules.
  - **Reserve Capacity Obligations** – amendments to clarify how reserve capacity obligations are determined for different types of registered facilities.
  - **Reserve capacity testing** – amendments to clarify the obligations for facilities or their components depending on whether a facility is required to install sub-metering.
  - **GSI Amending Rules** – similar amendments related to the submission and determination of AEMO's allowable Revenue are made to the GSI Rules. Changes were also required for the GSI Rules to include the Coordinator Fees settlement amounts, which was inadvertently missed in the previous changes transferring the rule change function to the Coordinator.

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# Consultation

The exposure draft for Tranche-5 Amending Rules was released for public consultation on 1 November 2021. The consultation period closed on 23 November 2021.

Written public submissions were received from:

- Enelx
- AGL/Perth Energy
- Synergy
- Collgar Wind Farm
- Western Power
- Alinta Energy

There were also three stakeholder forums, through the Transformation Design and Operation Working Group, during the public consultation process, and one to one engagement with stakeholders.

The table below outlines the issues in the submissions and Energy Policy WA's responses.

Submitter	Issue	Section/ Clauses	EPWA's Response
EnelX	It may be helpful to further amend 2.29.4 to make it clear that an interruptible load that is not co-located with storage does not need to register as a scheduled or semi-scheduled facility.	2.29.4	Clause 2.29.4 has been amended to clarify its intent and address this issue: 2.29.4. Subject to clauses 2.29.4M and 2.30B.8D, a person who owns, controls or operates a Facility <u>containing an Energy Producing System</u> with a System Size that equals or exceeds 10 MW and is electrically connected to a transmission system or distribution system which forms part of the South West Interconnected System, or is electrically connected to that system, must register the Facility in a Facility Class as a Semi-Scheduled Facility or a Scheduled Facility.
EnelX	2.29.5(G) implies that a Market Participant would need to reapply for reassociation when their contract with the customer load runs up and a new contract is entered into. Given there are likely to be a number of customer loads comprising a DSP or Interruptible Load on different contract lengths expiring at different times, a Market Participant might be constantly having to re-apply to reassociate loads – a process that involves both time and cost for AEMO and the Market Participant – for no clear purpose. It would be helpful to understand the policy rationale for defining an association period.	2.29.5(G)	The rules do not allow the AEMO to change fees for load association, and if there were to be any changes to any of the applications fees in the future it would require a rule change.
AGL/Perth Energy	Should “generators and customers” include DSM and storage? Do these also need to provide data for modelling?	2.28.3A.(e)i	The following change has been made to address the issue: i. all data provided to the Network Operator that is used for the purpose of modelling in relation to the SWIS by Market Participants, other generators, customers <u>and storage providers</u> , other Network Operators and any other source; and
AGL/Perth Energy	This clause seems inconsistent with clause 2.29.57(d) which it refers back to.	2.29.5G(b)(i)	The following change has been made to address the issue: i. if the Market Participant <u>making the application owns, controls or operates the relevant Non-Dispatchable Load, the end of the Trading Day for the end date provided under clause 2.29.5B(d);</u>

Submitter	Issue	Section/ Clauses	EPWA's Response
<b>AGL/Perth Energy</b>	Should the WEM procedure also describe the process by which AEMO will assign a facility to a different facility class in this circumstance?	2.29.9C	Additional provisions included to address the issue, as follows: 2.29.9. AEMO must document in a WEM Procedure:  <u>(a) the processes AEMO will use to:</u> <u>i. determine whether a Facility should be assigned to a different Facility Class; and</u> <u>ii. assign a Facility to a different Facility Class; and</u>
<b>AGL/Perth Energy</b>	Should Western Power's analysis of tenders be reviewed by the ERA or the Coordinator? There is a potential conflict of interest here because the fall-back would be Western Power investing in new facilities.	3.11B.11(c )	At the final stage of selecting tenders, AEMO or Western Power have to demonstrate value for money when selecting between the tenders. At this stage, a comparison with energy uplift payments or network solutions is not appropriate as it dilutes the decision made early in by the Coordinator to pursue a non-network solution.  However, a clause has been included to allow Western Power and AEMO to not select a tender at all if a value for money decision cannot be made.
<b>AGL/Perth Energy</b>	This gives a very short period for public review if the draft is released only 30 days before the final report is due and this final report must include response to public comment. Maybe a public comment period of 30 days should be nominated instead, leaving the network operator to determine how much time it needs to incorporate comments.	4.5B.9	The drafting has been updated to provide that stakeholders will be given not less than 20 days to respond. Western Power will be given agency to publish a draft in advance of the final without specifying a date.
<b>AGL/Perth Energy</b>	I think that the intention is that testing be demonstrated by running over a full hour. As drafted, the implication is that a facility can pass a reserve capacity test by meeting its obligation in either of the two intervals.	4.25.2(a)(i)1 4.25.2E(b)	Changes made to clarify that tests are conducted over two consecutive intervals.
<b>Synergy</b>	Suggest the words "date determined by AEMO under 1.47.1" are replaced with "New WEM Commencement Day" in the first row for both columns of the table.		Change made to address the issue.

Submitter	Issue	Section/ Clauses	EPWA's Response
<b>Synergy</b>	Synergy queries the rationale behind requiring a Market participant to apply to AEMO to seek an assessment of the Facility Class for any equipment planned to be added or removed prior to the New WEM Commencement Day.	1.47.3	Change made to address the issue.
<b>Synergy</b>	Synergy understands from the TDWOG meeting held on the 10th November that there would be adequate consultation between AEMO and the Market Participant prior to AEMO making its final determination under clause 1.47.7A. However, the WEM Rules do not appear to indicate anywhere that AEMO should consult with the Market Participant or seek any clarifying information. Synergy suggests a new clause is added to address this concern and clause numbering is amended to allow appropriate placement. Further clause 1.47.8 which details the specifications of the WEM procedure should be expanded to include consultation and clarification.	Section 1.47	Change made to address the issue.
<b>Synergy</b>	Suggest the reference to clause 2.30B.8A is reviewed as it may not be the right clause number. Clause 2.29.4C maybe?	2.28.16	Change made to address the issue.
<b>Synergy</b>	Synergy notes Applicants may wish to issue the notice of revocation greater than 2 days in advance of the revocation taking effect. Synergy requests this clause be amended to allow for this.	2.28.16A(e)	Change made to address the issue.
<b>Synergy</b>	Synergy suggests the amendments to the definition of the term "Facility" to capture all facilities registered or not should be reversed. The term Facility is used extensively throughout the WEM Rules, (2,768 times in the 1 July companion version), and therefore may result in unintended consequences from the amendments. Additionally, the undefined term "facility" is used numerous times in other sections of the WEM Rules that are not being amended in this Tranche 5. The replacement of "Energy Producing System" with	Section 2.28, section 2.29 and Glossary (plus complete WEM Rules)	The definition of "Facility" has been revised to read: Facility: <u>Has the meaning given in clause 2.29.1AA, which can be an unregistered Facility or Registered Facility.</u> The replacement of "Energy Producing System" with "Facility" has been revised and where appropriate "Facility" has been replaced with "Facility, containing an Energy Producing System" to ensure there are no unintended outcomes.



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	"Facility" should be revised to ensure there are no unintended outcomes from the amendments.		
<b>Synergy</b>	Synergy queries whether (a) and (b) should be replaced with defined terms. Synergy notes that the clause is currently circular, with "Facilities" being used in subclause (d) and suggest the wording is revised (note proposed drafting not provided).	2.29.1AA	Not addressed. Transmission system and distribution system are "facilities" for the purposes of the WEM Rules.
<b>Synergy</b>	Suggest "Facility" is replaced with "Energy Producing System" for clarification that Loads, Distribution Systems and Transmission Systems (which are defined as Facilities under clause 2.29.1AA) are not captured under this clause.	2.29.4	Changed to replace "Facility" with "Facility containing an Energy Producing System". Please note that while the size of the Energy Producing System may be below the relevant threshold, the size of the Facility, which may contain more than one Energy Producing System, may be above the threshold.
<b>Synergy</b>	As per item 14 (clause 2.29.4), suggest the word "Facility" or "facility" is replaced with "Energy Producing System" for clarification that Loads, Distribution Systems and Transmission Systems (which are defined as Facilities under clause 2.29.1AA) are not captured under these clauses. Impacted clauses: 2.29.4, 2.29.4A, 2.29.4B, 2.29.4C, 2.29.4E, 2.29.4F, 2.29.4G, 2.29.4H, 2.29.4I, 2.29.4J, 2.29.4K and 2.29,L.	2.29.4A, 2.29.4B, 2.29.4C, 2.29.4E, 2.29.4F, 2.29.4G, 2.29.4H, 2.29.4I, 2.29.4J, 2.29.4K and 2.29,L	Changed to replace "Facility" with "Facility containing an Energy Producing System", where appropriate. Please note that while the size of the Energy Producing System may be below the relevant threshold, the size of the Facility, which may contain more than one Energy Producing System, may be above the threshold.
<b>Synergy</b>	Suggest the word "in" is added "WEM Procedure in clause 2.29.4M". Additional drafting amendments to capture suggested edits to clause 2.29.4I as raised above in item 15 – replacing "Facility" or "facility" with "Energy Producing System".	2.29.4I	Changed to replace "Facility" with "Facility containing an Energy Producing System", where appropriate. Please note that while the size of the Energy Producing System may be below the relevant threshold, the size of the Facility, which may contain more than one Energy Producing System, may be above the threshold.
<b>Synergy</b>	Synergy queries whether clause 2.31.2 needs to be amended to account for the aggregation, disaggregation and facility class reassessment forms.	2.31.2	Change made to address the issue.

Submitter	Issue	Section/ Clauses	EPWA's Response
<b>Synergy</b>	<p>Synergy considers clause 2.31.11(g) should consistently reference the disaggregation of Facilities to avoid confusion.</p> <p>The clause reference in 2.31.11(f) and 2.31.11 (g) appear to be incorrect. Suggest that 2.33.6(d) and 2.33.7(d) are used instead.</p>	2.31.11(f) and 2.31.11(g)	Change made to address the issue.
<b>Synergy</b>	<p>Suggest for subclause (j) the “and” is removed at the end of item (i), and for item (ii) the “and” is replaced with “or. For formatting consistency, the () around the subclause items (i), (ii) and (iii) should be removed.</p> <p>Suggest for subclause (k) and (l), the “or” at the end is removed.</p> <p>Suggest in subclause (l) that the “for the Facility” is reinstated given that the 2019 pricing reforms are now in place the Capacity Credit Allocations have to be done at a Facility Level.</p>	2.31.13(j), (k) and (l)	Change made to address the issue.
<b>Synergy</b>	<p>Synergy notes that clause 2.32.7B(e) does not exist and suggests the clause reference should instead be clause 2.32.7BB(e).</p> <p>Suggest at the start of the clause the “-” after “If” is removed.</p>		Change made to address the issue.
<b>Synergy</b>	<p>Synergy notes that Consequential Outages will only be rendered obsolete come the new market. Ideally, the proposed amendment to preclude ‘proposed Planned Outages’ from Standing Data AEMO notifications can commence at any time, whereas the revision to remove Consequential Outages from this obligation should only be removed beyond the New WEM Commencement Day. Synergy encourages EPWA to consider the effective date of this clause and potentially consider breaking it up into two parts.</p>	2.34.4	Not addressed. Rules currently operate as intended and it is more efficient to keep this as a single clause and commence all changes at the New Market Start Date.
<b>Synergy</b>	<p>Suggest “or an exempt person” is also included towards the end of the clause.</p>	2.34.11	Change made to address the issue.

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<b>Synergy</b>	Suggest the text “such as generation systems or Electric Storage Resources” is reinstated as it provides additional clarity.	<b>Glossary</b>	Change made to address the issue.
<b>Synergy</b>	Synergy notes that the proposed removal of clause 1.48.1 removes the locally defined terms ‘Post-Amended Rules’ and ‘Pre-Amended Rules’, however these locally defined terms are still used in clauses 1.48.2, 1.48.3 and 1.48.4. Suggest clause 1.48.1 is reinstated or alternatively clauses 1.48.2, 1.48.3 and 1.48.4 are redrafted to remove the reference to these terms.	1.48.1, 1.48.2, 1.48.3 & 1.48.4	Change made to address the issue.
<b>Synergy</b>	It is unclear whether all, or at least one requirement stipulated in clause 2.30B.8B(d) must be satisfied to determine exemption. However, as clause 2.30B.8C requires exemption to be revoked if any of the criteria in 2.30B.8B(c) is no longer satisfied, Synergy requests EPWA add an ‘; and’ at the end of clause 2.30B.8B(c) to avoid ambiguity.	2.30B.8B(c)	Change made to address the issue.
<b>Synergy</b>	Synergy would like to further understand how the Transmission System Plan (TSP), the Network Opportunities Map (NOM) and the Whole of System Plan (WOSP) sit together. <ul style="list-style-type: none"> <li>• What are the unique purposes/focuses of each publication</li> <li>• Where might they overlap</li> <li>• What is the process if there are inconsistent outcomes</li> <li>• Will there be appropriate network incentives for the Network Operator and how will they be determined/identified.</li> </ul>	Section 4B	The Transmission System Plan will require Western Power to collaborate with AEMO and the Coordinator on the assumptions and inputs and take into account any costs generated in the WEM in the planning exercise. The NOM, as currently outlined in the Access Code, requires Western Power to outline any known or emerging transmission or distribution constraints and outline any potential non-network investment options to help generate potential service providers. However, the NOM does not currently have a requirement for Western Power to take WEM costs into account. It is anticipated that over time, different planning activities for the SWIS will be combined through Project Eagle.
<b>Synergy</b>	Suggestion to add reference to the relevant clause to align with proposed clause 2.2C.1(bC).	2.1A.2(eD)	Changed to address comment.

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<b>Synergy</b>	<p>Suggest a WEM Procedure is developed to ascertain how AEMO and Western Power intend to satisfy the trigger events stipulated under clause 3.11A.2 for regulatory clarity. For instance, Synergy is interested to understand what are the 'network adequacy requirements', as well as what constitutes as an 'unreasonable level', 'significant impact' and 'significant threat'.</p> <p>Additionally:</p> <ul style="list-style-type: none"> <li>• For subclause (b) and (c) Synergy would like to understand how Project Eagle may interact with these subclauses in terms of possible amendments to the WEM Objectives;</li> <li>• For subclause (e), Synergy would like to understand what circumstances this subclause may be likely to address, and what steps are taken to check that existing mechanisms are unable to address the issue prior to the NCESS being triggered. Further, a change to the Technical Standards should be considerate of WEM impacts prior to allowing the amendments. Proposed drafting amendments have been provided for Typographical issues.</li> <li>• suggest the “.” at the start of the clause number is removed;</li> <li>• suggest “may meet” is replaced with “may assist in meeting” in (a).</li> </ul>	3.11A.2	<p>Clause 3.11A.2 has been amended further. In the NCESS framework that will apply from 1 February 2022 until new market commencement, a Network Operator's triggers are now limited to assumptions or inputs used in network planning, or modifications to PSSR Standards.</p> <p>AEMO will be able to trigger for existing or emerging PSSR issues where existing market mechanisms cannot resolve the issue, or as a result of modifications to PSSR standards. Triggers related to assessments about unreasonableness of market costs has been moved to the Coordinator. A new clause has also been added requiring the Coordinator to develop and publish a guideline in consultation with AEMO and Network Operators on the trigger events.</p> <p>AEMO and the Network Operator are required to submit analysis to the Coordinator when seeking to trigger the NCESS procurement process. When AEMO triggers the process for reasons of existing market mechanisms not being sufficient, AEMO is required to provide the analysis to the Coordinator.</p> <p>An assessment against the WEM Objectives requires a multi-faceted assessment against a number of factors, including importantly the long-term interests of the consumer. It is anticipated that a single objective that aligns with the long-term interests of the consumer will be adopted under Project Eagle, and if required, the relevant NCESS rules will be reviewed to ensure consistency.</p>
<b>Synergy</b>	<p>Suggest the subclause specifies an actual timeframe in place of “sufficient time” – i.e. “within no more than XX business days of identifying the potential NCESS requirement”.</p> <p>Further Synergy would like to understand how the situation will be managed if there isn't “sufficient time”</p>	3.11A.3(b)	<p>AEMO and Western Power have to act allowing for sufficient time so that all subsequent timeframes are able to be achieved and the service is still able to be delivered by the time it is required.</p>

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<b>Synergy</b>	Suggest that the scope of clause 3.11A.4(a) is clarified to ensure that the NCESS is only triggered if the high prices occur for an extended period, and that an NCESS cannot be triggered for each and every time that high price outcomes occur.	3.11A.4(a)	Change made to address the issue.
<b>Synergy</b>	Synergy notes that the Explanatory Note above this clause mentions advice from Technical Experts. Synergy would like clarity if the Technical Experts are in addition to AEMO and the Network Operator, if so the clause should be amended to include Technical Experts as well. Further Synergy would like to understand what arrangements are in place for the costs of Technical Experts and how these costs are to be recovered from the market.	3.11A.5	<p>Subclause (c) allows the Coordinator to "undertake any reasonable studies, analysis or assessment to support her or his decisions." This would include consulting with technical experts at his or her discretion.</p> <p>The Coordinator has broad functions under clause 2.2D that will enable cost recovery for NCESS related costs.</p>
<b>Synergy</b>	Suggest that clause 3.11A.6 is amended to also apply the timeframe to clause 3.11A.4.	3.11A.6	Change made to address the issue.
<b>Synergy</b>	Synergy would like to understand how Project Eagle might interact with subclause (f) of this clause in relation to the WEM Objectives.	3.11A.7(f)	See response provided earlier.
<b>Synergy</b>	Synergy notes that the timeframes for submissions for the EOI and RFT very tight and may limit the participation to only existing facilities. Synergy suggests that the timeframes used should be able to be amended appropriately to reflect the type and timing of service to be provided. For a NCESS process that is looking to procure for 2 years in the future, the 20 Business Days will not be long enough for potential new projects to participate. Synergy suggests that wording is amended to reflect the ability for AEMO/Network Operator to choose an appropriate timeframe. Synergy's proposed drafting amendments attempt to allow for AEMO or the Network Operator to use their discretion in determining the timeframes for submissions.	3.11B.3, 3.11B.6	The relevant clauses have been updated to enable reasonable timeframes to be determined in consultation with the Coordinator

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<b>Synergy</b>	<p>Synergy agrees with the policy position that customers should not be charged twice for the same service (such as paying capacity revenue via the RCM as well paying under an NCESS contract) and the NCESS contract pricing should be appropriately limited. However, the current drafting of clause 3.11B.7 and the Explanatory note for Chapter 5 do not appear to allow for the NCESS provider to make any profit or include a risk premium in their pricing structure.</p> <p>If the NCESS provider is providing the service “at cost” they may be unwilling to participate, particularly if they are exposed to contractual damages /penalties if they fail to provide the service due to outage or similar. Further, facilities (particularly new entrants or DER technologies) should be incentivised to make their facilities “service ready” for potential future NCESS requirements, however the proposed drafting may not provide this signal as the additional costs would be incurred upfront at build (or installation for DER solution); and may not be seen as “incremental costs” under the proposed drafting.</p> <p>Synergy notes that there is a value to the WEM associated with the provision of the NCESS (and a cost for the non-provision), the payments for NCESS should be considerate of these, along with the likely costs of alternative options to solve the NCESS issue.</p>	3.11B.7, Chapter 5	<p>The relevant clauses enable persons making NCESS Submissions to include their pricing structure and the underlying cost assumptions for the provision of NCESS. The NCESS tenderer may decide to add a risk premium/profit margin to the NCESS service provision if they consider that is required for them to make their facility/equipment available for the provision of NCESS. Ultimately, the NCESS procurement process will lead to a choice of a submission based on highest value-for-money taking into account the overall costs to the market for the NCESS service delivery in the long-term interests of consumers.</p>
<b>Synergy</b>	<p>Synergy suggests that subclause item (ii) is amended to tie to the WEM Objectives instead of “the highest value for money” as the current wording may limit AEMO or the Network Operator from selecting a cheaper alternative that has a shorter timeframe or combining two cheaper options instead of one more expensive option.</p> <p>Further as per item 45, Synergy questions whether 10 business days is enough time for AEMO or the Network Operator to determine the most suited applicant; and will unlikely allow for any further negotiations if required.</p> <p>Synergy would also like to understand what the process</p>	3.11B.10	<p>Value for money analysis is intended to take such factors into account, so that a combination of providers can be selected. Tying this analysis to the WEM objectives may limit needed flexibility.</p> <p>Timeframes have been expanded and a clause has been included to allow Western Power and AEMO to not select a tender if none is assessed to deliver value for money.</p>

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	is if there is no suitable solution from the process or if negotiations are not finalised within the set timeframe.		
<b>Synergy</b>	Synergy seeks clarification on what “complying” means in terms of the offers, such as is an offer for a shorter time period still seen as complying?	3.11B.11(a)	In this context, "complying" means that the minimum requirements as outlined in the NCESS Service Specification have been met. The EOI process is intended to generate a wide variety of responses including different configurations of service provision such as shorter duration or lesser quantity.
<b>Synergy</b>	Synergy would like to further understand how the allowable charges under the NCESS will be calculated and what assumptions will be made for future years Capacity revenue and energy revenue. Further how will potential limitations in NAQs be accounted for in the NCESS. Will the costs be done such the actual revenues are used rather than estimates?	Section 5.2A	<p>The following provisions have been introduced to clarify the proposed arrangements:</p> <p><u>5.3. [Blank] Variations to NCESS Contract</u></p> <p><u>5.3.1. Where a Market Participant, that has entered into an NCESS Contract in respect of a Facility, is assigned Capacity Credits for the Facility in a Reserve Capacity Cycle that coincides with the period of the NCESS Contract, then:</u></p> <p>(a) <u>where the NCESS Contract was entered into with AEMO, AEMO must vary the payment terms of the NCESS Contract such that the total payment under the NCESS Contract is reduced by the value of the total amount of the expected Capacity Credit payments to be paid to the relevant Market Participant for that Reserve Capacity Cycle; or</u></p> <p>(b) <u>where the NCESS Contract was entered into with a Network Operator, AEMO must provide the value of the total amount of expected Capacity Credit payments to the Network Operator, and the Network Operator must vary the payment terms of the NCESS Contract such that the total payment under the NCESS Contract is reduced by the value of the total amount of the expected Capacity Credit payments to be paid to the relevant Market Participant for that Reserve Capacity Cycle.</u></p> <p><u>5.3.2. Where the NCESS Contract payment terms are varied in accordance with clause 5.3.1(a), AEMO must apply the revised payment terms in the immediate next Settlement Statement.</u></p>

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<b>Synergy</b>	Synergy suggests that the mathematical notation within the formula is amended for consistency with other formulas within the WEM Rules, noting that the symbols “ $\notin$ ” and “ $\forall$ ” are not used elsewhere within the rules. The formula and the definition of the indices should be amended to address this. Alternatively, the formula could be written out in words to improve clarity. Note that the spacing at the start of subclause (g) is inconsistent.	9.9.9	In the context of the settlement equations, $\forall$ means "for all", denoting that the equation is to be applied for all instances of that variable. The “ $\notin$ ” means that an element is not included in a set.  These mathematical notations are widely used and are not expected to cause problems in market settlement.
<b>Synergy</b>	Synergy suggests the cost allocation methodology should be further reviewed to ensure that the allocation is appropriate. Other alternative options would be for the Network Operator to pay the costs and then recover these via network tariffs, or alternatively a causer pays methodology may be an appropriate alternative.	9.10.45.	This is consistent with the Taskforce decision so consumers do not pay twice for the same capacity, as otherwise equivalent amount of capacity must be procured through the Reserve Capacity Mechanism.
<b>Synergy</b>	Suggest the term “NCESS” is also defined.	Glossary	Included to address comment.
	Suggest the term "WEM Technical Standards is defined."	Glossary	This is already defined.
<b>Synergy</b>	The definition for Electric Storage Resource Obligation Interval and the use of the term is circular and does not provide clarity. The term is defined as the intervals in which the ESR has an RCOQ. However, in clause 4.12.5(c) the term is used to determine if the ESR has an RCOQ or not. Suggest the definition of the term is amended for clarity.	4.12.5(c) and Glossary	Changed to address comment.



Submitter	Issue	Section/ Clauses	EPWA's Response
<b>Synergy</b>	<p>Synergy notes that if an Electric Storage Resource is pre-warned of a direction under 7.7.5, it may also be required to limit its output in the Dispatch Intervals prior to the event, where the direction would require the battery to charged at a level that would be unachievable if it dispatched its RCOQ in the prior interval.</p> <p>For illustration, say the ESROI is 2pm to 6pm, it's a 100 MW ESR, so 25 MW RCOQ. If AEMO provides a dispatch instruction at 1:30pm stating it will need the full 100MW of the ESR at 4pm, the ESR will not be able to make 25MW available in the 2pm to 4pm window. If the ESR were to offer its RCOQ then at 4pm it would only have 50MW available for the dispatch instruction.</p> <p>Synergy suggests that the clause is amended so that the RCOQ is set to zero for all ESROI when there is dispatch instruction, or alternately, the clause is expanded to capture this scenario as well.</p> <p>Note that further refinements may be needed if the ESROI were to fall towards at the start of the Trading Day and a Dispatch Instruction is issued for Trading Intervals towards the end of the Trading Day prior.</p>	4.12.5(g)	Changed to address comment.
<b>Synergy</b>	<p>Suggest that the testing for Electric Storage Resources should not necessarily be tied to the Electric Storage Resource Obligation Intervals (e.g. say 3pm to 7pm), and instead should be able to done in any consecutive Peak Trading Intervals provided that the RCOQ is maintained for the Electric Storage Resource Obligation Duration (i.e. four hours).</p>	4.25.1	Not changed, as this would potentially create more difficulties for the Electric Storage Resource to comply with no apparent benefit.
<b>Synergy</b>	<p>Synergy suggests that the requirement for a Non-Intermittent Generating System to now operate at its required level for two Trading Intervals for voluntary testing via observation is removed and revert back to the current requirements. The change to the voluntary testing requirements will increase costs for Non-Intermittent Generating Systems, which will then look at passing these increased costs onto consumers.</p>	4.25.2(a)i1 and 4.25(e)i1.	Changed to clarify that testing is done over two consecutive intervals, as was the intent of the rules.

Submitter	Issue	Section/ Clauses	EPWA's Response
<b>Synergy</b>	<p>Synergy is of the view that "part of a Facility" should be allowed to be considered as a Network Augmentation Funding Facility. This will allow for existing facilities (and new entrants in later years) to be able to fund a Network Augmentation without having to upgrade their facility. Thus, the facility is currently operating with little to no NAQs and has determined that it needs Capacity Credits for whatever reason, it can then fund network augmentation in order to procure NAQs and Capacity Credits. Synergy understands that the policy intent of Network Augmentation Funding Facilities was to allow for existing facilities to also participate, and without requiring them to do an upgrade. Synergy suggests that "part of the facility" is reinstated, and clause 4.10A.1 is also amended.</p>	4.10.1(m) 4.10A.1, 4.10A.5	"Part of a Facility" has been removed as the Constraint Equation reflecting the Network Augmentation will apply to the whole Facility, and there is nothing in the rules which will lead to a change to the Priority status of the Facility in this circumstance.
<b>Collgar</b>	<p>There does not appear to be a requirement for AEMO to consult with the Market Participant in determining the Facility Class. While AEMO generally operates using a consultative approach, the rules could be strengthened by requiring AEMO to undertake the consultation.</p>	1.47.4; 1.47.7; 1.47.7A;1.47.8	<p>New clause has been introduced to address this issue:</p> <p><u>1.47.10. AEMO may consult with, and request additional information or clarifications from, relevant Market Participants prior to making its determination under this section 1.47.</u></p>
<b>Collgar</b>	<p>An existing facility can have multiple connection points and not need to be aggregated. Clause 2.29.1AA(d) represents a change in policy - is the intent that this applies to existing transmission connected generators? It is unclear whether the transitional arrangements apply to existing facilities that have multiple connection points but are not currently aggregated. For example, does clause 1.47.6A(a) cover an existing facility that is already registered but now captured by clause 2.29.1AA(d), or only new facilities registering for the first time?</p>	1.47.6A(a); 2.29.1AA(d)	<p>We have amended 2.29.1AA(c) to clarify that if a Facility is, or can be, electrically connected behind multiple connection points, that is a single Facility, not an Aggregated Facility.</p> <p>Please also note that, in any case:</p> <ul style="list-style-type: none"> <li>- Clause 1.47.2(c) (was 1.47.1(c)) ensures that an existing facility which is registered as a single facility will remain a single facility under the new rules; and</li> <li>- Clause 1.47.7A (was 1.47.6A) only applies to newly registering facilities whose registration starts after New WEM Commencement Day.</li> </ul>

Submitter	Issue	Section/ Clauses	EPWA's Response
Collgar	If it is anticipated that any new standing data required under this clause necessitates technical studies or other investigative works, then three months likely is not sufficient time for a Market Participant to provide this information. The cost of sourcing the information ought to also be considered in developing any new standing data requirements, noting that Market Participants often have to incur expense to engage consultants and/or obtain information from original equipment manufacturers (OEM).	1.5X.2	The concern has been noted and this transitional provision is now going to be commenced four months prior to the New Market Commencement Date.
Collgar	It is unclear whether the policy is to calculate loss factors at the connection point or electrical location. Section 2.27 refers to connection point however the new definition of Electrical Location is 'The zone substation at which the Transmission Loss Factor for a Registered Facility is defined'. There are also various non-capitalised uses of Connection Point in the WEM Rules, and it is only defined for the purpose of Appendix 12. Ought Connection Point be defined in Chapter 11 and capitalised throughout?	2.27	Though the connection point and the Electrical Location may be two different things for certain facilities (e.g. distribution connected facilities), the Transmission Loss Factor for a Registered Facility will be defined at the zone substation. Any necessary capitalisation of terms will be considered in the Tranche 6 Amending Rules.
Collgar	For consistency, ought Energy Producing System in be referred to as Facility?	2.29.4D	Changed to refer to "a Facility, containing an Energy Producing System" to address this comment.
Collgar	Depending on the nature of the information required, 15 days may not be sufficient time if technical studies and/or information from the OEM is required. Is there option for AEMO to extend this time if it deems it reasonable/necessary to do so?	2.29.4N	The following has been included to address the comment:  <u>AEMO may extend the time specified in a request if it considers it is reasonably necessary to do so.</u>

Submitter	Issue	Section/ Clauses	EPWA's Response
Collgar	Why can this only occur once a Capacity Year? The policy intent behind this is unclear and seems to be unnecessarily limiting. Does 'Facility' mean the individual component behind a single connection point (being a Facility per 1.29.1AA(c)), or the aggregated facility (being a Facility per clause 1.29.1AA(d), clause 2.30.6 and the definition of Aggregated Facility)?	2.30.1A	The timing is not changing from current rules.  Before the aggregation is approved, there is no Aggregated Facility. Once aggregated, the multiple Facilities become a single Facility in the eyes of the rules (except where explicitly specified). So if the Facility has not yet been aggregated, then Facility will refer to the 2.29.1AA(c) Facility. If the aggregation application has been approved, then Facility refers to the 2.29.1AA(d) Facility.
Collgar	It may be beneficial to have a timeframe for the Network Operator to respond – perhaps 10 business days.	2.30.4	Noted. Timing will be included in the WEM Procedure.
Collgar	The application of 2.30.5 to existing transmission connected generators (if captured by clauses 1.47.6A(a) and 2.29.1AA(d)) is unclear and has implementation challenges. Some facilities that have two connection points use the substation and operate as a single component. The only matter that, under the amending rules, may make such a facility an aggregated facility is that there are two connection points to the Western Power network. It is unclear how a facility with such a configuration would provide the data required under clause 2.30.5(b)(i) and why that would be required.	2.30.5	As above, existing facilities registered as a single facility will remain registered as a single registered facility, and we have amended 2.29.1AA(c) to clarify that a Facility which is electrically connected behind multiple connection points is a single Facility, not an Aggregated Facility.  We have deleted 2.30.5B as it is not required.
Collgar	It may be beneficial to have a timeframe for the Network Operator to respond – perhaps 10 business days, or at the most 20 business days for consistency with clause 2.31.4A.	2.31.5	This clause provides discretion to AEMO to consult with the Network Operator without placing an obligation on either of the parties. No change required.
Collgar	Does this include facility sub-metering? If so, the bracketed information may cause confusion as presumably the sub-meter data is not included in Western Power's Meter Registry.	2.33.3(c)ix	This is not intended to include sub-metering, so no change required.
Collgar	This application fee ought not apply to existing transmission connected generators that are a single (non-aggregated) facility that are required to become an aggregated facility in the new WEM.	2.33.6(a)	Clause 1.47.2 is intended to ensure that existing Facilities do not have to submit new application forms.

Submitter	Issue	Section/ Clauses	EPWA's Response
Collgar	'Facility' can refer to an unregistered facility or Registered Facility. It is unclear the value of using the same term for two different meanings. This can cause confusion and also likely unintended consequences for interpretation elsewhere in the WEM Rules. The use of the term 'Facility' after 'unregistered' also appeared to be a circular reference.	Chapter 11	The definition of "Facility" has been revised to read: Facility: Has the meaning given in clause 2.29.1AA, which can be an unregistered facility or Registered Facility.
Collgar	Typo – should be 'Semi-Scheduled Facility or a Scheduled Facility'. This clause number seems to be used for two different clauses (pages 17 and 63).	2.29.4A	Changed to address the comment.
Collgar	How would this clause apply to a facility that has both an Intermittent Load and an Electric Storage Resource?	7.4.46A	Such a Facility would not have to schedule its withdrawals, noting that to qualify as an intermittent load, the Facility must import less than 3 months of the year.  If an Energy Producing System contains only an ESR (ie no actual generation), it would not meet the requirements of 2.30B.2(a)(i): "which can typically supply the maximum quantity of energy consumed by that Load without requiring energy to be withdrawn from a Network".
Collgar	The definition may benefit from clarifying that the energy producing system and load are behind the same connection point/electrically connected.	Chapter 11	The reason we have amended this definition is that some existing facilities have Parasitic Load connected and separately metered at a different network connection point, which would count as a separate facility. 2.30.5C requires the two to be registered as a single facility, so that an accurate 'sent out' figure can be calculated.
Collgar	Typo – should be 'Loads under clause 1.48.2'.	9.8.3(c)	Changed to address comment.
Collgar	Settle' NCESS is not necessary as it is covered by clause 2.1A.2.	2.1A.2(eD)	Changed to address comment.

Submitter	Issue	Section/ Clauses	EPWA's Response
<b>Collgar</b>	In the interest of competition and competitive neutrality, a clause should be added that the Coordinator, AEMO or Western power must not consult any other Market Participant when making a determination under 3.11A.	<b>3.11A</b>	Not clear what this proposal is trying to achieve.
<b>Collgar</b>	NCESS is triggered by the Coordinator for Energy and SESSM is triggered by AEMO and/or the ERA. It would provide for a more coordinated approach if the same organisation was responsible for triggering NCESS as the SESSM, with the frameworks potentially being consolidated into a single mechanism.	<b>2.2D.1(iA)</b>	The triggers for NCESS and SESSM correspond to the relevant entity's functions under the WEM Rules. Furthermore, the reasons for triggering these processes are also different. The SESSM is triggered by AEMO where it projects a shortfall in accredited FCESS capacity. The SESSM can also be triggered by the ERA to rectify a potential market failure such as exercise of market power in the FCESS markets. On the other hand, the NCESS framework enables any of AEMO, Western Power or the Coordinator to trigger the procurement of services not already procured through the markets, or to resolve locational issues.
<b>Collgar</b>	How does this interact with the SESSM? If the Market Clearing Price of any FCESS has reached an unreasonable level, the ERA ought to trigger a SESSM procurement process.	<b>3.11A.4(a)</b>	If a Market Clearing Price of any FCESS has reached an unreasonable level, two issues will be of concern - there may be a shortfall of accredited capacity or there may be an exercise of market power. Consider a situation where in response to a shortfall, AEMO has triggered the SESSM but no suitable capacity provider is present, in this case the FCESS price will continue to clear at high levels indicating a structural problem in the market. In this case, AEMO may have to define a new type of service to attract different technology providers to meet that need. The NCESS process will need to be triggered to procure a different technology to meet the new service needs. Similarly, consider a situation where the ERA triggers the SESSM because it believes that market power is potentially being exercised. However, when the SESSM process is run no cheaper technology providers participate. This again indicates a structural problem in the FCESS market, i.e. existing providers can only provide that relevant FCESS at high, but still economically efficient prices. This may indicate that the right type of technology is not present in the market to provide that FCESS. In this case, the Coordinator may trigger the NCESS for a new type of service that attracts new technology providers to correct the structural market failure.

Submitter	Issue	Section/ Clauses	EPWA's Response
Collgar	A sub-clause should be added so that the Coordinator must also take into account whether the competitive market would provide the service without intervention.	3.11A.7	The triggers already take this into account, so no change required.
Collgar	AEMO or Western Power should also be required to notify, via email, existing Market Participants of the request for tender.	3.11B.6	The following change has been made to address the comment: <u>(b) notify Market Participants in writing.</u>
Collgar	AEMO or Western Power must have the discretion to not select a submission (for example, if none meet the specification or provide value for money).	3.11B.10	The following provision has been introduced to address the comment: <u>3.11B.12. AEMO or the Network Operator, as applicable, may decide to not select any NCESS Submissions where AEMO or the Network Operator considers, in their absolute discretion, that none of the NCESS Submissions represent value for money. Where this occurs, AEMO or the Network Operator, as applicable, must publish the reasons for the decision on the WEM Website, in the case of AEMO, or the Network Operator's website, in the case of the Network Operator.</u>
Collgar	This does not appear practical in the NCESS timelines. For example, delivery dates depend on Western Power processes, and Environmental Approvals have regulatory timelines. Given the TSP, NOM and other planning documents, an NCESS should be procured with sufficient lead time to allow for these processes to occur post NCESS submission – the applicant should just have to demonstrate a reasonable plan and timeline for this to occur.	3.11B.11	Timeframes changed to address the comment.
Collgar	Given this duplicates the information to be published in the Annual Congestion Report prepared under section 2.27B, there may be merit in the congestion report being integrated into the Transmission System Plan, or at least that the two documents are consistent and minimise duplication as much as possible.	4.5B.4(a)	Comment noted. All of the relevant planning and information documents are expected to be reviewed and consolidated as a result of Project Eagle.

Submitter	Issue	Section/ Clauses	EPWA's Response
Collgar	Operating Instruction ought to be replaced with Dispatch Instruction. The Appendix needs a more general revision to remove redundant terms, including Operating Instruction, Consequential Outage and Balancing Portfolio.	Appendix 9	These changes were actioned in Tranche 4B
Collgar	The ERA should be required to publish submissions.	2.22A.2A(b); 2.22A.2B(c)	The following change has been made to address the comment: <u>(c) by 30 April of the year in which the Review Period commences, the Economic Regulation Authority must prepare and publish on its website its final determination of AEMO's Allowable Revenue and Forecast Capital Expenditure for the Review Period together with any submission received in response to the draft determination published in accordance with clause 2.22A.2A(b)</u>
Collgar	Does this mean that if, as an example, the Coordinator is permitted to make available document X, then AEMO can release it without any process?	10.2.3A	If the Coordinator, AEMO, ERA or a Network Operator are required to release information by law or under the WEM Rules, they must do so, and practically speaking there may be cases where one entity asks another entity to release the information because it may be more efficient to do so.
Collgar	An option for standing submissions would be very useful.	4.32.1	This has now been provided under the relevant AEMO Procedure.
Alinta	<b>Risk of incorrect 2021 accreditation and NAQ value in 2022</b> Alinta Energy has identified an issue in the current Constrained Access Entitlement process that, if unaddressed, could understate a Constrained Access Facility's Capacity Credits in the 2021 cycle, and NAQ value under the new amending rules, potentially impacting its accreditation for the rest of its economic life.		To address this issue Appendix 11 has been changes as follows: Item 1. The Network Operator must, for each relevant Constrained Access Facility, determine the Constrained Access Entitlement as either: 1.1 <u>where that Facility was considered a Constrained Access Facility in any previous Reserve Capacity Cycle, the MW level of network access expected to be available to the Facility for at least 95% of the generation dispatch scenarios that could, applying the matters in items 2.3.1 and 2.6.1 of this Appendix (as applicable), occur to meet the Peak Demand on the SWIS for the relevant Capacity Year; or</u> 1.2 <u>where that Facility was not considered a Constrained Access Facility in any previous Reserve Capacity Cycle, the greater of:</u>



Submitter	Issue	Section/ Clauses	EPWA's Response
			<p>a) <u>the MW level of network access expected to be available to the Facility for at least 95% of the generation dispatch scenarios that could, applying the matters in items 2.3.1 and 2.6.1 of this Appendix (as applicable), occur to meet the Peak Demand on the SWIS for the relevant Capacity Year; or</u></p> <p>b) <u>where the Facility has previously been assigned Capacity Credits, the MW equivalent of the most recently assigned Capacity Credits.</u></p> <p>....</p> <p>2.8. In determining the network access available under item 2.7, the Network Operator must assume each Constrained Access Facility—</p> <p>(a) is constrained in a manner consistent with any relevant Arrangement for Access (including any Network Control Service Contract); and</p> <p>(b) would, unless a Constrained Access Facility is required to operate at a lower level due to the application of limitations in the Network Constraint List or in accordance with item 2.8(a), operate at—</p> <p>i. where the Facility has previously been assigned Capacity Credits, the MW equivalent of the most recently assigned Capacity Credits; or</p> <p>ii. where the Facility, or an upgrade to the Facility, has not previously been assigned Capacity Credits—</p> <p>1. where the applicant for Certified Reserve Capacity in respect of the Facility, or an upgrade to the Facility, has nominated under clause 4.10.1(i) for the Facility, or an upgrade to the Facility, to be assessed under clause 4.11.2(b) (and AEMO has not rejected such nomination under clause 4.11.2(a)), the value determined in accordance with Appendix 9; or</p> <p>2. otherwise, the level of Certified Reserve Capacity the applicant has applied for in respect of the Facility, or an upgrade to the Facility, under clause 4.10.</p>

Submitter	Issue	Section/ Clauses	EPWA's Response
Alinta	Alinta Energy is concerned that the proposed clauses 2.1A.2(n) and 2.2A.1(e) of the Tranche 5 Amending Rules, as drafted, could be interpreted as vesting policy and market development roles back with ERA and AEMO.	2.1A.2.2(n) 2.2A.1(e)	The following changes have been implemented to address this issue: <u>"to support the Coordinator's role, and to facilitate and implement decisions by the Coordinator and the Minister regarding the evolution and development of the Wholesale Electricity Market and the WEM Rules..."</u>
Alinta	<b>The removal of the Declared Market Project concept could substantially increase fees</b> Alinta Energy notes that the concept of a Declared Market Project has been removed from the amending rules and is instead replaced with an undefined term "project". Alinta Energy is concerned that this creates the potential for material increases in fees to occur without appropriate review or scrutiny by the ERA before a major project is commenced (as contemplated by the current clause 2.22A.134). As drafted, proposed clause 2.22A.14 allows AEMO to apply for an Allowable Revenue or Forecast Capital Expenditure adjustment for "new costs for projects...since AEMO's proposal...". Alinta Energy considers that this allows AEMO to commence new projects at any time without any oversight or approval.	2.22A.9	The following new clauses have been introduced to make sure the ERA can scrutinise individual projects: <u>2.22A.3. AEMO's proposal under clause 2.22A.2A(a) or clause 2.22A.2B(a) or AEMO's application for reassessment under clause 2.22A.12 or clause 2.22A.13 must, to the extent practicable, identify proposed costs that are associated with a specific project or where that is not practicable, one or more specific functions.</u> ... <u>2.22A.6. The Economic Regulation Authority may do any or all of the following in respect to AEMO's proposal under clause 2.22A.2A(a) or clause 2.22A.2B(a):</u> <u>(a) approve the costs of any project;</u> <u>(b) approve the costs of AEMO performing its functions;</u> <u>(c) if the Economic Regulation Authority considers that some costs do not meet the requirements of clause 2.22A.5, reject the costs fully or partially, or substitute those costs with costs the Economic Regulation Authority considers meets the requirements of clause 2.22A.5; and</u> <u>(d) recommend to AEMO that some of the costs be considered in a subsequent Review Period or in accordance with clause 2.22A.14.</u>
Alinta	<b>NCESS trigger overlapping with SESSM</b> Alinta Energy considers that the proposed clause 3.11A.4 which allows the Coordinator to trigger NCESS procurement where FCESS prices "become unreasonable" overlaps with the clause 3.15A.2 which allows the ERA to trigger the SESSM where it considers that ESS market outcomes are not "efficient". Alinta Energy suggests that retaining both triggers for	3.11A.4 3.15.2	If a Market Clearing Price of any FCESS has reached an unreasonable level, two issues will be of concern - there may be a shortfall of accredited capacity or there may be an exercise of market power. Consider a situation where in response to a shortfall, AEMO has triggered the SESSM but no suitable capacity provider is present, in this case the FCESS price will continue to clear at high levels indicating a structural problem in the market. In this case, AEMO may have to define a new type of service to attract

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	<p>intervention in the ESS market may increase investor uncertainty and risk, potentially dissuading investment. It may also lead to perverse outcomes where an NCESS is procured rather than allowing the ESS market to function and attract more FCESS investment via market signals.</p> <p>While Alinta Energy can imagine an instance where an NCESS could help reduce FCESS costs – for example by reducing the size of a network contingency and thereby reducing the Contingency Reserve Raise requirement; it suggests that this wouldn't be achieved by a trigger linked to FCESS prices and should instead be better identified via system planning.</p>		<p>different technology providers to meet that need. The NCESS process will need to be triggered to procure a different technology to meet the new service needs. Similarly, consider a situation where the ERA triggers the SESSM because it believes that market power is potentially being exercised. However, when the SESSM process is run no cheaper technology providers participate. This again indicates a structural problem in the FCESS market, i.e. existing providers can only provide that relevant FCESS at high, but still economically efficient prices. This may indicate that the right type of technology is not present in the market to provide that FCESS. In this case, the Coordinator may trigger the NCESS for a new type of service that attracts new technology providers to correct the structural market failure.</p>
<p><b>Alinta</b></p>	<p><b>Integration of different triggers for investment and services</b></p> <p>In addition to the overlap with the SESSM, Alinta Energy considers that the proposed NCESS procurement mechanism and Transmission System Plan may also duplicate similar, recently developed mechanisms and plans.</p> <p>For example, the TSP aims to identify where NCESS procurement is necessary, while:</p> <ul style="list-style-type: none"> <li>• the WOSP identifies “priority projects” aiming to improve system efficiency; and</li> <li>• the Network Opportunities Map aims to identify and implement non-network solutions, called “alternative options”.</li> </ul> <p>Alinta Energy recommends that these mechanisms are integrated to:</p> <ul style="list-style-type: none"> <li>• avoid diffusing responsibility for system planning and investment decisions.</li> <li>• avoid creating investment uncertainty due to too many triggers for intervention.</li> <li>• avoid investment decisions interfering with one another.</li> <li>• Ensure that of all the options: an AEMO-procured NCESS, a Western Power-procured NCESS, a priority project, an “alternative option” and traditional network investment, the most efficient solution is selected.</li> </ul>	<p><b>section 4.5B</b></p>	<p>The Transmission System Plan will require Western Power to collaborate with AEMO and the Coordinator on the assumptions and inputs and take into account any costs generated in the WEM in the planning exercise. The NOM, as currently outlined in the Access Code, requires Western Power to outline any known or emerging transmission or distribution constraints and outline any potential non-network investment options to help generate potential service providers. However, the NOM does not currently have a requirement for Western Power to take WEM costs into account. It is anticipated that over time, different planning activities for the SWIS will be combined through Project Eagle.</p>

Submitter	Issue	Section/ Clauses	EPWA's Response
Alinta	<p><b>Consultation on trigger decision and service specification</b></p> <p>Alinta Energy recommends that the rules include a requirement for consultation on a decision to trigger NCESS procurement and the broad requirements for the service specification.</p> <p>This would help to avoid an NCESS being procured unnecessarily or in place of another, more efficient solution.</p> <p>Consultation on the service specification would also help to ensure that it includes as many potential solutions as possible, including greenfield projects, and does not present a barrier to competition due to unnecessary requirements.</p>	3.11A	<p>The Coordinator has the ability to seek further information or analysis from anyone, including technical experts at her/his discretion. If the Coordinator considers consultation would be useful, it is not prevented from doing so.</p> <p>Consultation on the service specification is required to take place between AEMO and Western Power regardless of who triggers the NCESS procurement process. Furthermore, the EOI step in the process is aimed to generate a wide variety of responses including from greenfield projects.</p>
Alinta	<p><b>Principles for NCESS trigger</b></p> <p>Alinta Energy recommends that the factors that the Coordinator is required to consider in determining whether to trigger an NCESS (under 3.11A.7) should be expanded to include the following principles:</p> <ul style="list-style-type: none"> <li>- That the NCESS does not unduly interfere in the efficient functioning of the WEM.</li> <li>- That the NCESS does not preclude a more efficient, longer-term solution.</li> </ul> <p>Further, Alinta Energy recommends that the Coordinator should have discretion over whether AEMO and Western Power can trigger the NCESS, and that the principles above (in addition to those included 3.11A.7) should be also be applied in considering whether to approve these requests.</p>	3.11A.7	<p>The wide-ranging decision-making factors in this clause include consideration of the NCESS being in the long-term interests of the consumer and the relative merits of investing in an NCESS versus a traditional network solution. The long-term interests of the consumer will require determining whether the costs of the power system will be lower by investing in the NCESS. A least cost power system is an indication of efficient functioning of the WEM.</p> <p>The Coordinator will decide which entity should procure the NCESS depending on the type of service to be procured. Where the NCESS is related to system-wide security issues such as frequency management, the Coordinator will direct AEMO to procure, and where the NCESS is related to local security or reliability needs such as voltage management, the Coordinator will direct Western Power to procure.</p>
Alinta	<p><b>Sufficient notice before NCESS deployed</b></p> <p>Given the potential impact to market outcomes and NCESS costs, Alinta Energy recommends that AEMO be required to notify the market before it expects to deploy an NCESS, for example, via a dispatch advisory.</p>	TBD	<p>The details of an NCESS Contract will be published after it has been executed. Where an NCESS Contract is to be deployed through Constraint Equations, the constraints library will contain the details of the NCESS deployment. Where NCESS is to be deployed through a manual process, the details of the AEMO instruction will be recorded and notified.</p>

Submitter	Issue	Section/ Clauses	EPWA's Response
Alinta	<p><b>Removal of the ability for a Network Operator to be registered in more than one participant class may impact current market participants</b></p> <p>There are instances where current market participants also hold an electricity transmission licence with the ERA whereby the deletion of clause 2.28.5 could be problematic. For example, as outlined in an ERA licensing notice<sup>5</sup>, Southern Cross Energy Partnership plans to install a 20MW solar farm near Mount Keith which will be connected to its existing network via a new 33kV distribution line, and an 8.5MW solar farm near Leinster which will be connected to its existing network via a new 66kV transmission line.</p> <p>Alinta Energy notes that AEMO will likely require information about the above networks given the size of the solar farms at the end, and therefore that clause 2.28.2 won't apply in this instance.</p>	2.28.5	This will be considered and, if appropriate, addressed in the Tranche 6 Amending Rules.
Alinta	<p><b>Provision of facility model data to AEMO from the Network Operator overlaps with GPS reforms</b></p> <p>This rule was discussed at the 12 July 2017 and 16 August 2017 MAC meetings, where participants raised several concerns with the drafting. At the time, the PUO undertook to resolve these issues. However, this has not occurred.</p> <p>Further, it appears that these rules now overlap with the recently commenced GPS reforms. Under the new WEM Rules, the generator is responsible for maintaining its generation system model (3A.2.2), and its performance consistent with the GPS (3A.1.1). Where the generator is non-compliant, the Market Participant must report the non-compliance, and would agree a rectification plan to solve the issue and avoid being found in breach of the WEM Rules. Alinta Energy suggests this process would replace the scenario considered by 2.28.3B of the Tranche 5 Amending Rules.</p>	2.28.3B	<p>The following changes have been introduced to address this issue: 2.28.3B. Where AEMO:</p> <ul style="list-style-type: none"> <li>(a) is satisfied that the performance of a Facility (or equipment within the Facility) is not adequately represented by any applicable data <u>either provided under clause 2.28.3A or as part of a Registered Generator Performance Standard</u>; and</li> <li>(b) holds the reasonable opinion that the inadequacy of the applicable data, is or will impede AEMO's ability to carry out its functions in relation to Power System Security and Power System Reliability,</li> </ul> <p>AEMO may:</p> <ul style="list-style-type: none"> <li>(c) <u>where that Facility is not required to comply with the requirements under clause 3A.2.2, request that the Network Operator provide to AEMO</u>, as soon as reasonably practicable, revised or additional data and an associated model validation report demonstrating to AEMO's reasonable satisfaction that the performance of the Facility (or equipment within the Facility) has been tested and is performing</li> </ul>

Submitter	Issue	Section/ Clauses	EPWA's Response
			<p>substantially in accordance with the revised modelling data; and</p> <p>(d) direct the relevant Market Participant, or Network Operator where relevant, to operate the Facility (or equipment within the Facility) at a particular level of output or in a particular manner, <u>until either the Market Participant is compliant with clause 3A.2.2 or the Network Operator has submitted that revised data and an associated model validation report under clause 2.28.3B(c)</u>, and AEMO is satisfied that the performance of the Facility (or equipment within the Facility) is performing substantially in accordance with that data.</p>
<b>Alinta</b>	<p><b>Access to Market Data</b></p> <p>Given that 2.16.2 relates to the market information framework, Alinta Energy recommends that this proposed change is considered as part of Tranche 6, which Alinta Energy understands will present the proposed information framework for the new market.</p>	<b>Tranche 6</b>	It would not be efficient or desirable to delay this change as certainty needs to be provided to both AEMO, in the development of its market systems, and the ERA and the Coordinator, in compiling their information requirements.
<b>Alinta</b>	Requirement for person who owns, controls or operates facility that has an exemption from registering to notify AEMO where it intends to modify its facility. This requirement is broad as even minor changes may be perceived as 'modifications.'	<b>2.28.9A</b>	<p>The following change has been introduced to address this comment:</p> <p>2.28.9A. Where a person who owns, controls or operates a <u>Facility Energy Producing System</u> is exempt, under clause 2.29.4B or clause 2.29.4C, from the requirement to register the Facility and the person intends to make modifications to its <u>Facility Energy Producing System, which are likely to increase the System Size of the Facility or do not relate to routine maintenance or replacement of equipment</u>, the person must notify AEMO as soon as practicable and provide details of the proposed modifications.</p>

Submitter	Issue	Section/ Clauses	EPWA's Response
Alinta	2.29.4A requires "Facilities" equal to or greater than 10MW to register as Semi-Scheduled Facility or Scheduled Facility. However, given the definition of Facility and Facility Technology types, Loads of this size behind a connection point may be required register.	2.29.4A	The following changes have been made: 2.29.4A. Subject to clauses 2.29.94M and 2.30B.8D, a person who owns, controls or operates a <u>Facility containing an Energy Producing System</u> with a System Size that equals or exceeds 10 MW and is electrically connected to a transmission system or distribution system which forms part of the South West Interconnected System, or is electrically connected to that system, must register the <u>Facility in a Facility Class as a Semi-Scheduled Facility or a Scheduled Facility</u> .
Alinta	In most places, the unit of measurement is added with a space, but in 2.30B.8B there's no space	2.30B.8B	Space added.
Alinta	2.28.16 references 2.30B.8A as if this clause allows facilities to be exempt from registering as a Market Participant under 2.28.6. However, 2.30B.8A does not appear to be relevant, 2.30B.8B does.	2.28.16	Cross reference amended.
Alinta	2.28.6, 2.28.7 and the definition of Facility may inadvertently require all loads above 5MW to seek an exemption from registering as a Market Participant, noting that the definition of Facility includes all Facility Technology Types connected behind a connection point, and the Facility Technology Types include Loads. Also, System Size does not appear to be relevant to all Facility Types – this suggests that registration as a Market Participant should be linked to only certain types of Facilities for clarity.	2.28.6 2.28.7	Both 2.28.6 and 2.26.7 have been amended to refer to " <u>a Facility containing an Energy Producing System with a System Size...</u> "
Alinta	Market Participant and Rule Participant not defined in the Glossary.	Glossary	They have been previously defined in the Tranche 2 Amending Rules.
Alinta	Registration rules are relatively difficult to follow.	General	This change has not been made as it is inconsistent with the general convention of the WEM Rules.
Alinta	The rules for the information a Network Operator should provide AEMO are grouped in the same section of the	2.28.20	Clause 2.28.20 provides heads of power for a WEM Procedure, and therefore it is not clear what the proposed change is aiming to achieve.

Submitter	Issue	Section/ Clauses	EPWA's Response
	rules, and in the same procedure as the registration regulations.		
<b>Alinta</b>	Clause 2.29.1AA would appear to require a Facility with two connection points to register as two Facilities	<b>2.29.1AA</b>	The following change has been implemented to address this issue: (c) all Facility Technology Types that are connected behind a <u>single network connection point or electrically connected behind two or more shared network connection points</u> ;
<b>Alinta</b>	Reviews that are not relevant to NCESS can theoretically be used to trigger an NCESS	<b>3.11A.4</b>	Clause 3.11A.4 has been amended to allow triggers only when Amending Rules in a Final Rule Change Report require a new service.
<b>Alinta</b>	Alinta Energy is concerned that the proposed rules 8(1)(jc) and 8(1B)(f) of the GSI Amending Rules, as drafted, could be interpreted as vesting policy and market development roles back with ERA and AEMO. For clarity, Alinta Energy recommends that both rules be amended as follows: ...to prepare for and facilitate <b><u>implement decisions made by the Coordinator regarding</u></b> the evolution and development of the GSI Rules.		The following changes have been implemented to address this issue: <u>“to support the Coordinator's role, and to facilitate and implement decisions by the Coordinator and the Minister regarding the evolution and development of the Wholesale Electricity Market and the WEM Rules...”</u>
<b>Alinta</b>	<b>The removal of the GSI Project concept could substantially increase fees</b> Alinta Energy notes that the concept of a GSI Project has been removed from the amending rules and is instead replaced with an undefined term “project”. Alinta Energy is concerned that this creates the potential for material increases in fees to occur without appropriate review or scrutiny by the ERA before a major project is commenced (as contemplated by the current rule 112(2)2). As drafted, proposed rule 110(2)(b) allows AEMO to apply for an Allowable Revenue or Forecast Capital Expenditure adjustment for “new costs for project[s]...since AEMO’s proposal...”. Alinta Energy considers that this allows AEMO to commence new		Changes made to address this issue.



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	<p>projects at any time without any oversight or approval.</p> <p>Given this, Alinta Energy considers that proposed rule 109(7)(a) should be further amended as follows:            (7) The ERA must consult on and issue guidelines in relation to this Division, including:            (a) proposal guidelines, which may must consider how uncertain future projects may be dealt with, <b><u>including any required approvals before the initiation of new projects</u></b>, and provide clarity and guidance to AEMO and Gas Market Participants about the level of detail regarding projects, functions and costs expected in AEMO's proposal under rule 108A(2) or rule 110(1); and</p>		
<p><b>Western Power</b></p>	<p><b>Alignment with recent Access Code obligations</b>            Chapter 6A of the 18 September 2020 Electricity Networks Access Code 2004 (Access Code) amendments require Western Power to establish a Network Opportunity Map (NOM) and an Alternative Options Strategy (AOS) that documents the process for engaging and consulting with potential providers of non-network solutions.            Tranche 5 of the WEM Rules introduces a new section 4.5B requiring Western Power to prepare and publish a Transmission System Plan (TSP). The TSP is to include a set of investment options for developing the transmission system over the planning horizon (clause 4.5B.4(b)).            We require further clarity on the interaction between the TSP, the NOM and their respective procurement processes.</p>	<p><b>General</b></p>	<p>The Transmission System Plan will require Western Power to collaborate with AEMO and the Coordinator on the assumptions and inputs and take into account any costs generated in the WEM in the planning exercise. The NOM, as currently outlined in the Access Code, requires Western Power to outline any known or emerging transmission or distribution constraints and outline any potential non-network investment options to help generate potential service providers. However, the NOM does not currently have a requirement for Western Power to take WEM costs into account. It is anticipated that over time, different planning activities for the SWIS will be combined through Project Eagle.</p>

Submitter	Issue	Section/ Clauses	EPWA's Response
<b>Western Power</b>	<p><b>Alignment of NFIT / procurement approval</b>            EPWA have indicated that if the Coordinator directs Western Power to pursue an NCESS procurement solution this will 'supersede' the existing New Facilities Investment Test (NFIT) obligation in the Access Code (clause 6.52) for the same solution.            To ensure certainty of cost recovery for network and non-network solutions (return of operating and return on capital expenditure) we require further clarity as to how this would be applied and whether any Access Code changes are required.</p>	<b>General</b>	It is anticipated that the procurement processes will be streamlined through Project Eagle, so that ultimately Western Power will only be demonstrating efficiency of the procurement process to the ERA, not justifying the need to procure.
<b>Western Power</b>	<p>Western Power suggests the following amendments to clause 2.1A.2:            The WEM Regulations also provide for the WEM Rules to confer additional functions on AEMO. The functions conferred on AEMO are:            ...            (IH) to contribute, <b><u>and provide information and assistance</u></b> in a timely manner, to the development of the Transmission System Plan as required under clause 4.5B; and</p>	<b>2.1A.2</b>	Subclause (IH) was amended as suggested, with the exception of "in a timely manner."
<b>Western Power</b>	<p>Western Power suggests the following amendments to clause 2.2C.1:            The WEM Regulations provide for the WEM Rules to confer functions on registered participants of a specified class. The functions conferred on each Network Operator are to:            (e) carry out any other functions conferred, and perform any other obligations imposed, on Network Operators under these WEM Rules.  <b><u>(f) to prepare for and facilitate the evolution and development of the Wholesale Electricity Market and the WEM Rules, and the management of network adequacy and Power System Security and Power System Reliability in the SWIS.</u></b></p>	<b>2.2C.1</b>	<p>The suggested subclause (f) was inserted as a new subclause but reflects the changes to the corresponding AEMO function as follows:</p> <p>"to facilitate and support the Coordinator's role under 2.2D.1(h), and to prepare for and enable the evolution and development of the Wholesale Electricity Market and the WEM Rules"</p>

Submitter	Issue	Section/ Clauses	EPWA's Response
Western Power	<p>Western Power requires the following amendments to clause 2.2C.1: The WEM Regulations provide for the WEM Rules to confer functions on the Coordinator. The functions conferred on the Coordinator are to:</p> <p>...</p> <p>(j) undertake reviews and consultation as required under these WEM Rules; and (k) carry out any other functions conferred, and perform any other obligations imposed, on the Coordinator under these WEM Rules.; and</p> <p><b><u>(l) to support the development of the Transmission System Plan and perform any other obligations imposed on the Coordinator under clause 4.5B.</u></b></p>	2.2D.1	Suggested new subclause (l) was inserted with some minor changes to the suggested drafting.
Western Power	<p>Western Power suggests the following amendments to clause 3.11A.2: Where, in the reasonable opinion of a Network Operator or AEMO or both, any of the following trigger events apply, the Network Operator or AEMO or both must make a submission to the Coordinator to determine whether to trigger an NCESS procurement:</p> <p>(a) the Transmission System Plan prepared under section 4.5B identifies that a suitable non-network investment option may</p> <p>i. meet network adequacy requirements, to ii. help maintain SWIS Power System Security. and/or iii. Power System Reliability standards.</p> <p>(b) the forecasted or actual amount of Energy Uplift Payments as a result of a binding constraint has reached an unreasonable level, when assessed against the Wholesale Market Objectives; Clause XX The Coordinator will consult and publish a Guideline to clarify the process for submission and triggering of an NCESS.</p>	3.11A.2	<p>Suggested new subclause was inserted with some changes to the drafting to ensure that the Coordinator consults with AEMO and the Network Operator.</p> <p>Following direct consultation with Western Power the remaining suggested amendments are no longer relevant as the trigger events have been completely redrafted.</p>

Submitter	Issue	Section/ Clauses	EPWA's Response
Western Power	<p>Western Power suggests the following amendments to clause 3.11A.6:            The Coordinator must determine whether to trigger an NCESS procurement within 20 Business Days of from the later of:</p> <ul style="list-style-type: none"> <li>(a) receiving a submission under clause 3.11A.2; or</li> <li>(b) receiving further information or analysis under clause 3.11A.5; or</li> <li><b><u>(c) a date which is mutually agreed with the intended procurer of the NCESS under clause 3.11A.8(e).</u></b></li> </ul>	3.11A.6	<p>The suggested amendment was not accepted as this subclause relates to the Coordinator's consideration of submissions by AEMO or a Network Operator to trigger an NCESS process. If the Coordinator requires further information this timeframe will be extended, but this timeframe and the decision to trigger will remain at the discretion of the Coordinator.</p>
Western Power	<p>Western Power response:            Western Power requires clarity on the procurement cost recovery and proposes the amendment to clause 3.11A.8(e).            Western Power suggests the following amendments to clause 3.11A.8:            As soon as practicable following a determination made under clause 3.11A.4 or 3.11A.6, the Coordinator must publish her or his determination on the Coordinator's website after redacting any confidential information, and the determination must include:</p> <ul style="list-style-type: none"> <li>(a) details of any submission received under clause 3.11A.2;</li> <li>(b) reasons for triggering an NCESS procurement;</li> <li>(c) any supporting analysis or justification for triggering an NCESS procurement;</li> <li>(d) the need that the NCESS procurement will address;</li> <li>(e) whether AEMO or the Network Operator is to procure <b><u>and pay</u></b> for the NCESS; and</li> <li>(f) any other matters relevant to the NCESS procurement</li> </ul>	3.11A.8	<p>Subclause (e) was amended as suggested.</p>

Submitter	Issue	Section/ Clauses	EPWA's Response
Western Power	Western Power suggests the following amendments to clauses 3.11B.2, 3.11B.4, and 3.11B.10: [3.11B.2] Within <b>20 Business Days, or as reasonably agreed with the Coordinator</b> , of the publication of the determination under clause 3.11A.8, AEMO or a Network Operator, as applicable, must publish the draft NCESS Service Specification prepared in accordance with clause 3.11B.5 on their website and a major newspaper, and call for expressions of interest.	3.11B.2 3.11B.4 3.11B.10	Each of the three clauses were amended as suggested, with slight changes to the suggested timeframes noting that the suggested additional days would significantly extend the timeframes for an NCESS procurement. Extension options will still be available by consulting with the Coordinator and agreeing a reasonable extension.
Western Power	Western Power suggests the following amendments to clauses 3.11B.2, 3.11B.4, and 3.11B.10: AEMO or the Network Operator must publish a request for tender on their website <b>and a major newspaper</b> . The request for tender must include the NCESS Service Specification prepared under clause 3.11B.4(a) or 3.11B.4(b) as applicable, and call for NCESS Submissions to be submitted within 20 Business Days from the date of the request.	3.11B.6	The clause has been amended as suggested - noting the additional requirement to advertise on a major tender portal to be consistent with other processes under the Rules.
Western Power	Western Power suggests the following amendments to clause 3.11B.10: Within <b>30 Business Days, or as reasonably agreed with the Coordinator</b> , of receipt of NCESS Submissions in response to a request for tender, AEMO or the Network Operator, as applicable, must: (a) <b>identify</b> the NCESS Submission(s) which: i. complies with the requirements outlined in clause 3.11B.7; ii. meets the NCESS Service Specification published in the request for tender; and iii. in AEMO's or the Network Operator's reasonable opinion, will result in the highest value for money for providing the NCESS; and iv. meets required Terms and Conditions <b>(b) assess the NCESS Submission(s) identified in clause 3.11B.10 (a) against alternatives including:</b>	3.11B.10	The intent of the suggested subclause (c) regarding value for money had already been incorporated into a new clause 3.11B.13 so no further change was made. The intent of the suggested subclause (b) has been incorporated as an amendment to 3.11B.13.

Submitter	Issue	Section/ Clauses	EPWA's Response
	<p><u>i. Energy Uplift Payments</u>  <u>iii. Network Solutions; and</u>  <u>iv. an amended tender specification</u>  <u>(c) select the option(s) that in AEMO's or the Network Operator's reasonable opinion will result in the highest value for money to address the need.</u>            (bd) notify the existing or intending Market Participants in respect to the fFacility or equipment that is approved for an NCESS Contract.</p>		
Western Power	<p>Western Power suggests the following amendments to clause 3.11B.11:            When selecting the NCESS Submission(s) in accordance with clause 3.11B.10(a)(iii), AEMO or the Network Operator, as applicable, must:            (a) exclude NCESS Submissions that do not comply with the NCESS Service Specification;            (b) exclude NCESS Submissions for new facilities or equipment where insufficient evidence has been provided to support NCESS delivery dates or that all necessary <b>sufficient</b> Environmental Approvals have been granted; and</p>	3.11.B.11	Change made as suggested to subclause (b).
Western Power	<p>Western Power suggests the following amendments to clause 4.5B.4:            ...            (d) a recommended development path for the transmission system that would maximise net benefits to <b>the WEM</b> and seek to minimise the long-term costs to consumers; and</p>	4.5B.4	Change made as suggested to subclause (d).
Western Power	<p>Western Power suggests the following amendments to clause 4.5B.5:            In developing a Transmission System Plan a Network Operator must take into consideration:            (a) the WEM Technical Standards under clause 2.8.14;            (b) power system security and reliability standards and requirements under <b>the WEM Rules</b> and Technical Rules;</p>	4.5B.5	Changes made as suggested to subclause (b) and (f) however subclause (e) was not included. As previously indicated, all planning criteria and activities will be reviewed and consolidated as part of Project Eagle.

Submitter	Issue	Section/ Clauses	EPWA's Response
	<p>(c) any Priority Project identified in the Whole of System Plan or major augmentation that Western Power is able to progress in accordance with relevant provisions under the Access Code;</p> <p>(d) current Government policy, identified in the Whole of System Plan, that the Coordinator advises may impact on the development of the Transmission System Plan, as advised by the Coordinator; and</p> <p><b><u>(e) the Transmission Network Planning Criteria in the Technical Rules;</u></b> and</p> <p><b><u>(f) the Network Quality and Reliability of Supply Code</u></b></p> <p>(g) any other matters that the Network Operator considers relevant to the development of the Transmission System Plan.</p>		
<p><b>Western Power</b></p>	<p>Western Power suggests the following amendments to clause 4.5B.6:</p> <p>A Network Operator must consult with AEMO and the Coordinator on the assumptions and inputs which must be used in developing the Transmission System Plan, including but not limited to:</p> <p><b>(a) forecasted demand growth or reduction scenarios, including from the Long Term PASA and Whole of System Plan;</b></p> <p><b>(b) scheduled connection of new loads or generators;</b></p> <p>(c) expected <b><u>Network modifications, augmentations</u></b> or retirement of existing Facilities or Network assets <b><u>that impact Market costs;</u></b></p> <p>(d) <b><u>AEMO's the Technical Rules</u></b> list of Credible Contingency Events and other commonly occurring credible contingencies with a significant impact to the WEM;</p> <p>(e) a range of facility dispatch scenarios or credible dispatch patterns;</p> <p>(f) data, modelling and results from the testing of scenarios in the Whole of System Plan, to the extent they are relevant as inputs to the Transmission System Plan;</p> <p>(g) relevant information from the Short Term PASA,</p>	<p>4.5B.6</p>	<p>Suggested changes to subclauses (a) and (b) were not accepted as these were key considerations and assumptions highlighted in the Taskforce Paper. Suggested changes to subclause (c) was accepted.</p> <p>Note the change to subclause (d) as the clause had already been amended to remove "AEMO's list. "</p> <p>Suggested new subclause (i) was not included as the intent was not clear in the context of the assumptions used to develop the TSP, these matters are also dealt with under clause 4.5B.8.</p>

Submitter	Issue	Section/ Clauses	EPWA's Response
	<p>Medium Term PASA and Long Term PASA studies conducted by AEMO under these WEM Rules; and (h) other market information that the Network Operator, AEMO or the Coordinator consider relevant to meeting the requirements in developing the Transmission System Plan.; and</p> <p><b><u>(i) where there is a material change to</u></b>  <b><u>i. any of the assumptions or inputs under clause 4.5B.6 within the planning horizon of the Transmission System Plan, or</u></b>  <b><u>ii a WEM Technical Standard, and</u></b>  <b><u>the change has the potential to significantly impact Power System Security or Power System Reliability or costs to the consumer,</u></b></p>		



Submitter	Issue	Section/ Clauses	EPWA's Response
<p><b>Western Power</b></p>	<p>Western Power is supportive of a public consultation process and of considering submissions received from stakeholders. However, providing a public Transmission System Plan draft and appropriately assessing and incorporating submissions would not be feasible in the months prior to publication. Western Power prefers to run the consultation process after publication and incorporating stakeholder feedback into the subsequent TSP will best achieve the desired outcome. Western Power suggests the following amendments to clauses 4.5B.9 and 4.5B.10:</p> <p><b>4.5B.9. <u>Within 6 months following the publication of a Transmission System Plan</u></b>, a Network Operator must invite users of the Network, Rule Participants, electricity consumers and other interested persons to make submissions not less than 30 business days on a draft the published version and/or parts of the Transmission System Plan, <b>to be released not less than 30 days before the final Transmission System Plan is published over a period of 30 days from the date of the invitation.</b></p> <p>4.5B.10 A Network Operator must take into account the stakeholder feedback received during the consultation process <b><u>in the subsequent year's Transmission System Plan</u></b>, and must publish a summary of the submissions received and its response to the submissions, with any confidential information redacted, on the Network Operator's website.</p>	<p><b>4.5B.9</b> <b>4.5B.10</b></p>	<p>EPWA acknowledges the tighter timeframes for the publication of the first Transmission System Plan so has included a new transitional provision which allows the draft of the first TSP to be published on 1 October 2022, with consultation to follow and a final TSP to be published by 1 February 2023.</p> <p>As subsequent TSP's will primarily provide updates, EPWA considers it important for participants to provide feedback on the current year's TSP. The drafting has been updated to provide for longer consultation timeframes.</p>

Submitter	Issue	Section/ Clauses	EPWA's Response
Western Power	<p>Western Power is of the view that including data for customers and Facilities under 10MW (subject to constraints affecting PSSR) will increase amount of information required to be provided to AEMO. Western Power suggests that a WEM Procedure or guideline should be developed to clarify the requirements under 2.28.3A.</p> <p>Western Power suggests the following amendments to clauses 2.28.3A:</p> <p><b><u>AEMO must publish in a WEM Procedure on the process</u></b> a Network Operator must follow to:</p>	2.28.3A	Clause 2.28.20 already provides the heads of power for such procedure, so no change is required.
Western Power	<p>Western Power response:</p> <p>Western power recommends that the Network Operator be notified/advised in instances where a Facility or Rule participant is assigned to a different class.</p>	2.31.23 2.32.7B	The intent or benefit of this change is not clear and therefore the change has not been accepted.
Western Power	<p>Western Power supports clause 2.32.7BA.</p> <p>Western Power suggests the following amendments to clauses 2.32.7BA:</p> <p>If AEMO becomes aware that a Rule Participant becomes an externally administered body corporate (as defined in the Corporations Act), or is under a similar form of administration under any laws applicable to it in any jurisdiction; <b><u>then AEMO must may consider if it is in the best interests of the Market to conduct</u></b> the following, and to proceed where applicable:</p>	2.32.7BA	The intent or benefit of this change is not clear and therefore the change has not been accepted.
Western Power	<p>Clause 4.10A.5(b) requires Western Power to verify information specified as part of a Market Participant's Network Access Funding facility application (4.10A.6 and in accordance with clause 4.10A.8(a)).</p> <p>Western Power suggest that where it is required to verify information pertaining to a Market participant that the Market Participant obtains the verification directly from Western Power. The participant can then provide the relevant documentation to AEMO, who can then ask Western Power to reverify the information provided. This</p>	4.10A.5	This change has not been implemented as it introduces additional steps in the process and therefore its intent or benefit is not clear.

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Submitter	Issue	Section/ Clauses	EPWA's Response
	will reduce potential confusion or misunderstandings between the Market Participant and Western Power. Under clause 4.10A.11, AEMO must document in a WEM Procedure the information required to be provided by a Market Participant.		



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