

19 June 2025

Attn: Dora Guzeleva  
Director, Wholesale Markets  
Energy Policy WA  
Level 1, 66 St Georges Terrace  
Perth WA 6000

By email: [energymarkets@demirs.wa.gov.au](mailto:energymarkets@demirs.wa.gov.au)

Dear Ms Guzeleva,

**Consultation Paper: Proposed changes to the Pilbara, GSI and ESM Regulations – transitional rule-making powers and civil penalties**

Thank you for the opportunity to comment on Energy Policy WA's Consultation Paper, released on 21 May 2025, on changes affecting the Pilbara Network Rules (**PNR**), the Gas Services Information (**GSI**) regulations and Electricity System and Market (**ESM**) regulations.

We understand the proposed changes include:

- Temporary rule-making powers for the Minister for Energy (**Minister**) that enable the Minister the power to make, amend or repeal the PNR and the GSI Rules, without having to repeal and replace the entire set of rules. The temporary powers are proposed for the period 31 October 2025 to 31 October 2027.
- Civil penalty framework updates to enable an expanded list clauses in the ESM Rule to attract Category C civil penalties.
- Expansion of immunity provisions in the ESM regulations to enable coverage of delegates of AEMO (and employees and officers of Delegates of AEMO).

**Temporary Ministerial rule-making powers**

APA is largely supportive of the intent of proposing the Minister holds temporary powers in order to empower the implementation of reforms to support the State's energy transition and broader energy policy objectives as long as the proposed regime is underpinned by an ongoing commitment to stakeholder consultation, cost impact analysis, operational risk assessments and other regulatory reform safeguards that are critical.

Rule change processes, and accompanying stakeholder consultation, play a critical role in ensuring the PNR and GSI reforms are practical, cost-effective, and widely understood by industry. They also require assessment of proposed changes against the Pilbara Electricity Objective and the Gas Services Information Objective, which is critical to a well-considered and analysed judgement on the overall benefits from reforms.

Should the Ministerial powers result in these processes being bypassed there is an elevated risk of unintended outcomes that could undermine the quality of reforms that are put in place. For substantial changes such as the PNR and GSI changes outlined in the Energy Policy WA paper, unintended outcomes could include inadvertently increasing costs to industry, leading to a deceleration of decarbonisation efforts.

While we support changes being made expediently when appropriate and recognise the role of Ministerial powers in achieving faster change, we welcome a more balanced approach that includes:

- Clear time and scope limitations on the temporary powers. An example of an appropriate scope limitation would be to implement review outcomes using the powers only when the detailed rule drafting has been consulted on as part of the review.
- A requirement for targeted consultation with key technical and industry bodies and those stakeholders who will be affected by proposed changes noting input on timeframes for implementation are a critical driver of costs and timing of investment decisions.
- Publication of a statement of reasons for any rule change made under the temporary powers along with analysis as to the ways in which the changes aligns with the Pilbara Electricity Objective or the Gas Services Information Objective, as applicable to the change.

Please contact Lizzie O'Brien on 08 9224 7201 or [lizzie.o'brien@apa.com.au](mailto:lizzie.o'brien@apa.com.au) should you have any queries on this submission.

Yours sincerely,



**Natalie Lindsay**

General Manager Economic Regulation and External Policy  
Strategy and Corporate Development