



Department of Energy, Mines,
Industry Regulation and Safety
Energy Policy WA

Final Rule Change Report - Pilbara ISOC Co Subchapter 10.1 Functions (PRC_2025_01)

Standard Rule Change Process

17 June 2025

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

An appropriate citation for this paper is: Final Rule Change Report - Pilbara ISOCO Subchapter 10.1 Functions (PRC_2025_01)

Energy Policy WA

Level 1, 66 St Georges Terrace

Perth WA 6000

Locked Bag 100, East Perth WA 6892

Telephone: 08 6551 4600

www.energy.wa.gov.au

ABN 84 730 831 715

Enquiries about this report should be directed to:

Telephone: 08 6551 4600

Email: energymarkets@demirs.wa.gov.au

Contents

1.	Introduction	1
2.	Overview of the Coordinator's final decision	2
2.1	Reasons for the Coordinator's final decision	2
2.2	Proposed commencement	2
3.	Rule Change Proposal PRC_2025_01	3
3.1	The Rule Change Proposal.....	3
3.1.1	Issues raised.....	3
3.1.2	Proposed changes.....	3
3.2	The Coordinator's initial assessment of the proposal	3
4.	Consultation	4
4.1	The Pilbara Advisory Committee	4
4.2	Submissions received during the first submission period	4
4.3	Submissions received during the second submission period	4
4.4	The Coordinator's response to second submission period submissions.....	4
5.	The Coordinator's Draft Decision	5
6.	The Coordinator's Final Assessment	6
6.1	Assessment of the proposed changes.....	7
6.2	Pilbara Electricity Objective	7
6.3	Protected provisions, civil penalty provisions and reviewable decisions	7
6.4	Cost and practicality of implementation	7
6.4.1	Cost	7
6.4.2	Practicality	8
6.5	Assessment.....	8
7.	Amending Rules.....	9

1. Introduction

On 1 February 2025, the Pilbara ISOC Co (ISO) submitted a Rule Change Proposal titled “Pilbara ISOC Co Subchapter 10.1 Functions” (PRC_2025_01).

The Rule Change Proposal is to make two changes to the Pilbara Networks Rules (PNR):

- The first is an amendment to Rule 279 to change the date that the initial Network Coordination and Planning (NCP) Reports (the Transmission Development Plan (TDP) and Pilbara Generation Statement of Opportunities (GenSOO)) are due from 1 July 2025 to 1 July 2027.
- The second is an amendment to Rule 286 to remove the requirement that the first review of the reports and processes under Subchapter 10.1 of the PNR (which includes the NCP reports) be conducted within two years of the Rules Commencement Date while retaining a requirement that a review is conducted and published at least once every five years. This would make the first report due 1 July 2028.

This proposal is being processed using the Standard Rule Change Process described in Clauses A2.7.1A to A2.7.8 of the PNR.

The Rule Change Notice and all other documents related to this Rule Change Proposal can be found on the website of the Coordinator of Energy (Coordinator) at [Pilbara Rule Change PRC 2025_01](#).

The Draft Rule Change Report was published by the Coordinator of Energy on 16 April 2025.

The second submission period for stakeholder submissions regarding the Draft Rule Change Report closed on 19 May 2025.

In compliance with A2.7.7A of the PNR, this report, outlining the Coordinator’s decision regarding PRC_2025_01, must be published by no later than 17 June 2025.

The key dates for progressing this Rule Change Proposal are set out below.



2. Overview of the Coordinator's final decision

The Coordinator's final decision is to accept the Rule Change Proposal in its proposed form. The Amending Rules are set out in section 7 of this report.

2.1 Reasons for the Coordinator's final decision

The Coordinator has considered stakeholder feedback, including the advice of the Pilbara Advisory Committee (PAC), and decided to accept the Rule Change Proposal as proposed for the following reasons:

- to avoid duplication of work currently being undertaken by Energy Policy Western Australia (EPWA), including its current review of the PNR and relevant modelling work;
- ISO's confirmation that it will publish information relevant to the NCP reports as it becomes available;
- the Amending Rules providing flexibility for the NCP Reports to be delivered earlier;
- the support from the PAC for the Rule Change Proposal; and
- that the Rule Change Proposal is consistent with the Pilbara Electricity Objective.

More detailed analysis and assessment leading to this decision is provided in section 6 of this report.

2.2 Proposed commencement

The Amending Rules will commence at **8:00 am (AWST)** on **18 June 2025**.

3. Rule Change Proposal PRC_2025_01

3.1 The Rule Change Proposal

This section provides a summary of Rule Change Proposal PRC_2025_01. The full Rule Change Proposal can be found on the Coordinator's website at [Pilbara Rule Change PRC_2025_01](#).

3.1.1 Issues raised

In PRC_2025_01, the ISO outlined that it would be duplicative for the ISO to complete the NCP reports under Subchapter 10.1 of the PNR by 1 July 2025, as they overlap with elements of EPWA's work program. This includes modelling work being carried out under the Pilbara Energy Transition (PET) Plan, which is expected to be undertaken during 2025, and the review of the PNR which may impact the scope of functions in Subchapter 10.1.

The ISO was concerned that completing its reports simultaneously has the potential to create inconsistent outcomes, and may lead to unnecessary expense by market participants. This is contrary to Rule 277(2)(a) to, so far as reasonably practicable, minimise cost and disruptions to participants.

The ISO also noted that, if the due date for the NCP reports is to be delayed, the date by which they should review Subchapter 10.1 processes and reports (which includes the NCP reports) should be delayed accordingly.

3.1.2 Proposed changes

The ISO's Rule Change Proposal seeks to make two changes to the PNR:

- amend Rule 279 by extending the due date of publication for the TDP and GenSOO by two years - from 1 July 2025 to 1 July 2027; and
- amend Rule 286 to remove the requirement that the first review of reports and processes under Subchapter 10.1 of the PNR is completed within two years of the Rules Commencement Date, retaining a requirement that a review is conducted and published at least once every five years.

3.2 The Coordinator's initial assessment of the proposal

The Coordinator decided to progress PRC_2025_01 based on a preliminary assessment that, under clause A2.5.6A of the PNR, it is not:

- (a) materially incomplete;
- (b) manifestly inconsistent with the Pilbara Electricity Objective; or
- (c) materially the same as another Rule Change Proposal considered by the Coordinator in the 12 months before the date of the Rule Change Proposal.

Under Clauses A2.5.15 and A2.7, the Coordinator determined that PRC_2025_01 would be progressed using the Standard Rule Change Process.

4. Consultation

Section 4 of this Final Rule Change Report provides a summary of the second period submissions and the Coordinator's response.

A summary of the consultation undertaken by the Coordinator prior to the publication of the Draft Rule Change Report is provided in section 5 of the Draft Rule Change Report available on the [Coordinator's website](#).

The Coordinator has considered and taken into account each of the matters raised throughout the consultation on this Rule Change Proposal in making a decision on PRC_2025_01.

4.1 The Pilbara Advisory Committee

A summary of the consultation conducted with the PAC regarding this Rule Change Proposal prior to publication of the Draft Rule Change Report can be found in section 4.2 and Appendix A of the Draft Rule Change Report.

The PAC has not provided any further advice to the Coordinator since the publication of the Draft Rule Change Report.

4.2 Submissions received during the first submission period

The first submission period for this Rule Change Proposal was held between 4 February 2025 and 19 March 2025.

The Coordinator received three submissions, from Horizon Power, APA and Woodside.

A summary of these submissions, and responses to these submissions is provided in section 4.1 and Appendix B of the Draft Rule Change Report. The submissions are published on the [Coordinator's website](#).

4.3 Submissions received during the second submission period

The second submission period for this Rule Change Proposal was held between 16 April 2025 and 19 May 2025. The Coordinator invited stakeholders to make submissions in respect of all aspects of the Draft Rule Change Report.

The Coordinator received two submissions from APA and Horizon Power. Both submissions support the Coordinator's draft decision and the Amending Rules.

APA clarified its view that, while it does not consider the NCP reports would be duplicative of EPWA's work program, it does not consider the NCP reports would add value in an environment where EPWA has announced designated priority corridors for common-user infrastructure and is consulting on a significant reform package for the Pilbara.

The submissions are published on the [Coordinator's website](#).

4.4 The Coordinator's response to second submission period submissions

The Coordinator's notes the submissions received during the second submission period.

5. The Coordinator's Draft Decision

The Coordinator's draft analysis of the Rule Change Proposal and assessment against Rules A2.4.2 and A2.4.3 of the PNR, and clause 4 of the Regulations, was presented in section 5 of the Draft Rule Change Report.

The Coordinator's draft decision was to accept the Rule Change Proposal in its proposed form. The reasons for the Coordinator's draft decision were set out in section 2.1 of the Draft Rule Change Report.

This Final Rule Change Report should be read together with the Coordinator's Draft Rule Change Report for the complete assessment of the Rule Change Proposal.

6. The Coordinator's Final Assessment

In preparing a Final Rule Change Report, the Coordinator must assess the proposal in accordance with clauses A2.4.A2 and A2.4.3 of the PNR.

Under clause A2.4.A2 of the PNR, the Coordinator is satisfied that the final Amending Rules are consistent with the Pilbara Electricity Objective. Pursuant to Section 119(2) of the *Electricity Industry Act 2004* (Act), the Pilbara Electricity Objective is to meet the State Electricity Objective in the Pilbara region.

Section 3A of the Act sets out that:

- 1) The State electricity objective is to promote efficient investment in, and efficient operation and use of, electricity services for the long-term interests of consumers of electricity in relation to —
 - (a) the quality, safety, security and reliability of supply of electricity; and
 - (b) the price of electricity; and
 - (c) the environment, including reducing greenhouse gas emissions.

The Coordinator's assessment of the Rule Change Proposal against the Pilbara Electricity Objective is provided in section 6.2.

The below table outlines the matters in clause A2.4.3 the Coordinator must take into account when deciding whether to make Amending Rules and where these are discussed in this report.

Matters considered by the Coordinator	Applicable Sections of Report
Any applicable statement of policy principles given to the Coordinator under clause A2.5.2.	Not applicable
Any advice provided by the PAC regarding the evolution or the development of the regime under Part 8A of the Act or the PNR.	Section 4.1
The practicality and cost of implementing the Rule Change Proposal.	Section 6.4
The views expressed in any submissions on the Rule Change Proposal.	Sections 4.2 and 4.3
Any advice by the PAC if the PAC met to consider the Rule Change Proposal.	Section 4.1
Whether advice from the PAC provided under clause A2.4.3(aA) or A2.4.3(d) reflects a consensus view or a majority view, and, if the latter, any dissenting views included in or accompanying the advice and how these views have been taken into account by the Coordinator.	Section 4.1
Any technical studies that the Coordinator considers are necessary to assist in assessing the Rule Change Proposal.	Not applicable

6.1 Assessment of the proposed changes

The Coordinator supports the intent of ISO's Rule Change Proposal, which is to avoid duplication with work underway by Energy Policy WA, avoid inconsistent modelling outcomes, and minimise costs to participants. These goals are in line with:

- Rule 277(2)(a) of the PNR to, as far as reasonably practicable, minimise cost and disruption to Rules Participants; and
- the Pilbara Electricity Objective (to promote efficient investment in, and efficient operation and use of, electricity services for the long-term interests of consumers of electricity).

The Coordinator's final assessment of the proposed changes reaches the same conclusion as outlined in section 5 of the Draft Rule Change Report.

6.2 Pilbara Electricity Objective

The Coordinator's final assessment of the proposed changes is unchanged from the draft assessment, as outlined in section 5 of the Draft Rule Change Report. This also reflects the two submissions received during the second submission period, which support the draft decision in the Draft Rule Change Report. The Coordinator considers that PRC_2025_01 will better achieve the Pilbara Electricity Objective.

While the complete assessment of the proposed changes includes the assessment in section 5 of the Draft Rule Change Report, the Coordinator's final decision on the key elements of the rule change proposal and consideration of the issues raised in second period submissions is outlined below.

As explained in the Draft Rule Change Report, the Coordinator agrees that duplicating work undertaken by EPWA and ISO, and the resultant costs and possible inconsistent outcomes for participants is not consistent with the Pilbara Electricity Objective.

The Coordinator considered the mixed views in stakeholder submissions during the first submission period on the value the NCP reports being produced by 1 July 2025.

The Coordinator does not consider that the delay to NCP reports will create uncertainty for stakeholders seeking network connection, as EPWA expects to complete its techno-economic modelling in 2025.

The Coordinator also notes the advice from the ISO provided to the PAC at its 13 March 2025 meeting that:

- a period of up to 12 months would be required to fully complete the NCP report; and
- the ISO, as part of its role in assisting participants by providing information about the NWIS, is willing to publish information upon request when it is helpful and useful to stakeholders.

6.3 Protected provisions, civil penalty provisions and reviewable decisions

The draft Amending Rules set out in section 7 of this report would not impact on any protected provisions, civil penalty provisions or reviewable decisions, and the Coordinator does not consider that any of the Amending Rules should fall under any of these categories.

6.4 Cost and practicality of implementation

6.4.1 Cost

As stated in the Draft Rule Change Report, the ISO has indicated that it has not incurred any costs to date in relation to preparing the NCP reports. There is no implementation costs associated with the Rule Change Proposal.

6.4.2 Practicality

No comments from stakeholders were made specifically on the practicality of implementing PRC_2025_01.

A consistent theme in ISO's application was the aim to avoid duplication of effort and potentially inconsistent modelling outputs, as doing so would not provide value to stakeholders.

In considering all this feedback from stakeholders, the Coordinator considers that there are no barriers to the ISO or participants implementing the draft Amending Rules set out in section 7 of this report.

6.5 Assessment

The Coordinator has assessed that there is a net benefit from accepting PRC_2025_01 and implementing the draft Amending Rules set out in section 7 of this report because:

- the Rule Change Proposal is designed to minimise costs to participants, by avoiding duplication of work and inconsistent outputs;
- the PAC has provided advice supporting the Rule Change Proposal.

The Coordinator acknowledges stakeholder requests for providing additional information when available and the willingness of the ISO to publish available information valuable to all network participants at its earliest convenience.

7. Amending Rules

The Coordinator has determined to implement the following Amending Rules (~~deleted text~~, added text, rules that are included for context but not amended). The Amending Rules are presented below, marked up against the Pilbara Networks Rules as of 1 July 2023:

Subchapter 10.1 – Long term coordination and planning

...

279 ISO to prepare and Publish biennial NCP Reports

- (1) ~~Every 2 years, the~~The ISO must prepare and Publish, in accordance with this Subchapter 10.1 and the Planning and Reporting Procedure, the following Network coordination and planning reports (“NCP Reports”) —
 - (a) a Transmission Development Plan under rule 281; and
 - (b) a Pilbara GenSOO under rule 282.
- (2) The NCP Reports must be published every two years by 1 July and the first NCP Reports are to be published by 1 July 2027.

...

286 Review of this Subchapter 10.1’s scope and objective

- (1) From time to time, ~~on the first occasion within 2 years after the Rules Commencement Date and thereafter~~ at least once every 5 years, the ISO must conduct a review of the processes and reports set out in this Subchapter 10.1 against the objective in rule 276 and the Pilbara Electricity Objective, and Publish a report on the subject.

Energy Policy WA

Level 1, 66 St Georges Terrace, Perth WA 6000

Locked Bag 100, East Perth WA 6892

Telephone: 08 6551 4600

www.energy.wa.gov.au

*We're working for
Western Australia.*

