



Government of **Western Australia**  
Department of **Mines, Industry Regulation and Safety**  
**Energy Policy WA**

# Response to Stakeholder Submissions

Exposure Draft of Electricity System and Market Rules  
(Tranche 8) Amending Rules  
3 June 2025

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# Overview

Energy Policy WA (EPWA) has developed amendments to the Electricity System and Market (ESM) Rules in consultation with the Australian Energy Market Operator (AEMO) and other stakeholders. These amendments contain some urgent changes, including a modified method for determining the Availability Duration Gap (ADG) for Electric Storage Resources (ESR), which is needed for the completion of the 2025 Electricity Statement of Opportunities (ESOO) by AEMO.

Amongst other amendments, this included proposed ESM Amending Rules to:

- implement a new method for calculation of the ADG; including to;
  - increase the Reserve Capacity Target to account for the need for additional Reserve Capacity arising as a result the ESR Duration Requirement (ESRDR) protection provisions;
  - increase the protection for ESR against an increase in ESRDR from five years to ten years; and
  - prioritise new Capability Class 1 and Capability Class 3 facilities in the Network Access Quantity (NAQ) framework, if AEMO has determined that further Capability Class 1 and Capability Class 3 capacity would be required to make up a Reserve Capacity shortfall.
- ensure that costs associated with the provision of RoCoF Control Service are appropriately allocated;
- reflect recent changes to the Electricity Industry Act 2004 such as incorporation of the new State Electricity Objectives and replacing Wholesale Electricity Market (WEM) Rules with ESM Rules;
- implement the policy that only Synergy (or an intermediary acting through Synergy) can associate non-contestable customers with a Demand Side Programme (DSP) or Interruptible Load.

## Availability Duration Gap

ESR must be available during the daily system peak (the ESR Duration Requirement). The current ESRDR is 4 hours.

During its 2022 review of the Reserve Capacity Mechanism (RCM), EPWA identified a risk of the development of a gap (the ADG) in available capacity due to the energy limitations of ESR. This was expected to occur as larger amounts of ESR enter the system.

- Unless the ESRDR extends when an ADG emerges, there is a risk that there will not be enough capacity to serve the 1-in-10 year peak.

EPWA developed a methodology for the calculation of the ADG, in consultation with the AEMO, and the former Minister for Energy (Minister) approved the related Amending Rules in 2023.

In preparation of the 2024 ES00, AEMO applied the then method and calculated an unreasonably long ADG caused by the method considering all days in the target year, including days without a distinct peak. As a result, EPWA developed, and the Minister approved, a rule change to assess the ADG only on the 90th percentile of peak days within the target year.

- In late 2024, AEMO determined that the method would likely result in an ESR obligation duration of 15.5 hours. This large increase was due to the significant new entry of ESR in the RCM, leading to 1.4 gigawatts of ESR Capacity Credits, as well as the then methodology.
- Since then, EPWA has undertaken a fulsome review of the ADG methodology. The proposed method was chosen as the one which best balances investment certainty with the cost to consumers. The extension to the ESRDR is also necessary to incentivise longer duration ESR to enter the market and maintain system reliability in the longer term.
- Modelling by EPWA and AEMO suggests that, with the modified methodology, the ESRDR will be extended to six hours in the 2025 ES00. This is likely to be extended further next year, if additional ESR receives Capacity Credits in the 2025 Reserve Capacity Cycle. The ESR capacity is currently expected to reach at least 2.5 GW in the next few years.

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The extension to the ESRDR is necessary to incentivise longer duration ESR to enter the market and maintain system reliability in the longer term.

EPWA engaged in comprehensive consultation with stakeholders which included:

- an Exposure Draft for public consultation (including analysis of all alternative methodologies for determining the ADG) for public consultation which ended on 8 May 2025. EPWA received 15 submissions, including one confidential submission.
- two Transformation Design and Operation Working Group (TDOWG) meetings on 10 April and 1 May 2025 which each had over 70 attendees.
- several one-on-one meetings with stakeholders to discuss their concerns.

The responses in the above consultations were mixed, with ESR owners and proponents raising concerns with the ESRDR extension and consumer representatives supporting it.

- to respond to the concerns raised by ESR owners and proponents, it is proposed that the current five-year protection of ESR facilities is extended to 10 years.
- a provision to increase the Reserve Capacity Target is also proposed to account for the need for additional Reserve Capacity if the ESRDR is extended and the protection mechanism for ESR, previously certified on the basis of a shorter ESRDR, creates a shortfall in capacity.

### [Exposure Draft of ESM \(Tranche 8\) Amending Rules](#)

The Exposure Draft of the ESM (Tranche 8) Amending Rules can be found on the EPWA's [website](#).

The [Electricity System and Market \(Tranche 8\) Amending Rules 2025](#), were approved by the Minister for Energy on 29 May 2025 and a notice of their making and commencement was published in the Government Gazette on 3 June 2025.

### [Responses to Submissions](#)

EPWA considered all stakeholder feedback before finalising the ESM Amending Rules and has provided a response to the feedback in the table below.

## Responses to stakeholder submissions on the Exposure Draft of the ESM (Tranche 8) Amending Rules

Submission	Comments/Issues Raised	Clause #	Requested Changes/Action	Energy Policy WA Responses
<b>Availability Duration Gap (ADG) – General Comments</b>				
Clean Energy Council (CEC), Shell Energy (Shell), Frontier, Confidential.	Stakeholders raised concerns that the consultation time was not sufficient for stakeholders to consider the significant changes in the Exposure Draft.			<p>EPWA notes the Wholesale Electricity Market Amendment (Reserve Capacity Reform) Rules 2023 gazetted in December 2023 allowed for the AEMO to increase the ESRDR in line with changing market needs.</p> <p>For the 2024 Capacity Cycle, the ESRDR was fixed at four hours. However, AEMO’s 2024 WEM ES00 indicated that the ESRDR would have otherwise increased and is likely to increase in the future.</p> <p>It is necessary for AEMO to implement the new ADG method prior to publication of the 2025 ES00 to ensure an efficient ESRDR is in place for the 2025 assignment of capacity credits. If this change was not implemented, EPWA’s analysis indicates that a longer ESRDR would be published under the existing rules.</p> <p>EPWA acknowledged stakeholder concerns about the consultation timeframes and held an additional TDOWG meeting, offered one-on-one meeting with participants and extended the consultation period for submissions by two weeks.</p> <p>As requested by participants, at the additional TDOWG meeting (held 1 May 2025) EPWA provided estimated ESRDR based on the 2024 ES00 reference demand curves. This allowed stakeholders to review the assessment of all</p>

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				<p>considered methods against the assessment criteria and provided an indication of the upcoming ESRDR for 2025.</p> <p>EPWA notes that the intent of the policy outcome was to determine the best representation of what additional storage may mean for unserved energy demand based on the current duration and to balance the interest of consumers and investment certainty, while making sure consumers do not pay for what they do not need.</p> <p>However, EPWA notes that the ESRDR would have increased under the previous ADG method.</p>
<p>Bright Energy Investments (Bright Energy) in TDOWG (1 May 2025)</p>	<p>Bright Energy agrees that technology is changing very fast for large scale ESR, but notes that the peak is driven by home demand and considers that the deployment of home batteries will likely have a large impact on the demand.</p> <p>Bright Energy supports the need for annual reviews and sought to clarify whether the forecast impact of home batteries on demand was considered.</p>			<p>EPWA notes that the review into the ADG method did not account for the impact of the pending battery rebate but considers that the ESOO will account for that in the projected demand for the target year and beyond, and so the impact of the roll out of behind-the-meter (BTM) storage will be accounted for. Therefore, EPWA is confident that AEMO will take the subsidy and the rollout of BTM storage into account in future curves.</p>
<p>Chamber of Commerce and Minerals (CME) in TDOWG (1 May 2025)</p>	<p>CME provided its support, considering that the reasons the ADG need to be extended were clear and incentives need to work in the right direction to encourage longer duration storage to enter the system.</p>			<p>Noted.</p>

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<p>Empire Carbon and Energy (Empire Carbon) in TDOWG (1 May 2025)</p>	<p>Empire Carbon sought clarification on whether the forced availability / generation requirements proposed by the ESRDR push the peak to the mornings when none of these are required to be available, noting that most of the battery technologies available only do one charge and discharge cycle per day or per 24-hour window to maintain the warranty and double charging should not necessarily be relied on.</p>			<p>EPWA notes that batteries can still recharge in the middle of the day during minimum demand. Observation of their operations in the WEM suggests that batteries can go through two cycles a day and, therefore, this should not present a problem for existing facilities.</p> <p>EPWA acknowledges Empire Carbons' comments regarding maintaining warranties and acknowledges that more cycles increase the risk of wear and tear but does not consider that this reflects what is happening in practice with new batteries in the WEM.</p>
<p>Expert Consumer Panel (ECP) in TDOWG (1 May 2025)</p>	<p>The ECP sought to clarify the role of DSPs noting that in the past they were last in the merit order to meet the peak. The ECP asked whether the changes meant that DSPs will be dispatched before the batteries.</p> <p>The ECP suggested there may be a need for the hours for DSPs to be adjusted to increase their substantially.</p>			<p>EPWA notes that the proposed method does not consider what capacity is dispatched first but how much value is provided to system adequacy from ESR depending on the duration over which they can be dispatched.</p> <p>EPWA notes that the concept of dispatching DSPs as a last resort remains as the total hours DSPs can be dispatched in a Capacity Year are limited.</p>
<p>Frontier Energy (Frontier)</p>	<p>Frontier considers that the period between the ADG publication in the ESOO and the date proponents are required to submit a CRC application is extremely short to account for the new ESRDR.</p> <p>The ESRDR is a key driver in determining the parameters for an ESR project, particularly capital cost. Not knowing the ESRDR until late June makes it difficult to</p>			<p>EPWA notes that the ADG risk was addressed in the WEM Rules on 13 December 2023 (as noted above). The 2024 ESOO made it clear that the ESRDR is expected to be extended in the 2025 Reserve Capacity Cycle (RCC).</p> <p>As requested by participants, at the additional TDOWG meeting (held on 1 May 2025) EPWA provided expected ESRDR based on the 2024 ESOO reference demand curves. This allowed</p>

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	<p>evaluate the financial viability of a project and may cause a delay to project financing.</p>			<p>stakeholders to review the assessment of all considered methods against the assessment criteria and provided an indication of the upcoming ESRDR for 2025.</p> <p>EPWA notes that the changes don't introduce the concept of the ADG but amend the method to more adequately reflect the contribution of short duration ESR to system peak.</p> <p>EPWA also notes that, if this change was not implemented, EPWA's analysis indicates that a longer ESRDR would be published under the existing rules.</p>
CEC	<p>While the CEC is broadly supportive of the need for the ESROD and ESRDR to increase over time to signal the need for more long duration energy storage in the WEM, the CEC is concerned that EPWA has not truly attempted to define the principles by which the ESRDR will be set, and its proposal to align the ADG with respect to a 1 in 10-year peak demand scenario, and subsequently derate the storage resources by extending the ESROD until the ADG equals zero could result in unintended consequences.</p> <p>If a longer ERSRDR is published in the 2025 ESROD and proponents are required to submit a CRC application by the closing date of 8 July 2025, this only leaves a two-week period between the release of the ESROD and submission of the CRC application. The CEC and its members</p>		<p>The CEC recommends EPWA set the value at 4 hours for inclusion in the 2025 ESROD and undertake a more fulsome review of the methodology to appropriately signal the need for long duration storage in the future.</p>	<p>EPWA notes that the ADG risk was addressed in the WEM Rules on 13 December 2023. The 2024 ESROD made it clear that the ESRDR is expected to be extended in the 2025 RCC.</p> <p>EPWA presented the expected extension to the ESRDR to all stakeholders on 1 May 2025, and the relevant presentation was published on EPWA's website.</p> <p>EPWA has conducted analysis confirming that, because of the declining costs of the technology, ESR is currently viable/financeable at the extended ESRDR.</p> <p>EPWA notes that the policy intent is to determine the best representation of what additional storage may mean for unserved energy demand based on the current duration and to balance the interest of consumers and investment certainty, while making sure consumers do not pay for what they do not need.</p>

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	<p>consider this has the potential to disincentivise the timely investment in energy storage resources in WA and inflate costs for developers and the market more generally.</p> <p>If the intent is to set out a robust enduring methodology that provides appropriate signals to the market of the need for longer duration storage, especially during a 1 in 10-year peak demand event, the proposed changes are unlikely to provide these signals.</p>			<p>Not extending the ESRDR in the 2025 ESOO will both compromise reliability and increase costs to consumers without clear justification.</p>
Shell	<p>The uncertainty of the ESROD impacts Market Participants wanting to participate in the next RCC, with the potential derating of capacity credits being unknown. Shell raised timing concerns related to the two-week delay in the publication of the WEM ESOO and the strict RCC application deadlines.</p>		<p>Shell encourages EPWA to consider WEM ESOO and RCC timeframes in conjunction with the proposed changes and adjust these accordingly so that applicants are given a fair opportunity to participate.</p>	<p>EPWA notes that the ADG risk was addressed in the WEM Rules on 13 December 2023. The 2024 ESOO made it clear that the ESRDR is expected to be extended in the 2025 RCC.</p> <p>EPWA presented the expected extension to the ESRDR to all stakeholders on 1 May 2025, and the relevant presentation was published on EPWA's website.</p> <p>EPWA has conducted analysis confirming that, because of the declining costs of the technology, ESR is currently viable/financeable at the extended ESRDR.</p> <p>Not extending the ESRDR in the 2025 ESOO will both compromise reliability and increase costs to consumers.</p> <p>If this change was not implemented, EPWA's analysis indicates that a longer ESRDR would be published under the existing rules.</p>

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				<p>EPWA also notes that, the RCC application deadline was also delayed with two weeks following the two-week delay in the 2025 ESOO publication.</p>
<p>Shell in TDOWG (1 May 2025)</p>	<p>Shell sought to clarify whether the one-year lag on the ERA's review of the BRCP be addressed in future rule changes.</p>			<p>EPWA notes that the BRCP must be determined before the certification of Reserve Capacity to provide the needed investment signal. This means that any changes, including changes to the ESRDR, that may affect the BRCP can only be reflected with one year lag.</p> <p>A change in the ESRDR will trigger the Coordinator's review of the Benchmark Capacity Providers. However, there is no indication that the future BRCP will be based on longer duration storage. The analysis conducted during EPWA's 2023 Benchmark Capacity Providers review indicates that the costs of the new Benchmark Capacity Providers may only be marginally different from the costs of the current ones.</p>
<p>Synergy in TDOWG (10 April 2025)</p>	<p>Synergy sought clarification if the ADG increases in the 2025 cycle, whether the BRCP still be the one that was set this year by the ERA based on a 4-hour (Battery Electric Storage System (BESS)).</p> <p>Synergy notes as an example, if ESR must be available for 8 hours but is getting a BRCP based on 4 hours, that this may discourage investment this cycle, if longer duration in 2025 than is reflected in the BRCP that applies for the 2025 cycle.</p>			<p>EPWA notes that the BRCP must be determined before the certification of Reserve Capacity to provide the needed investment signal. This means that any changes, including changes to the ESRDR, that may affect the BRCP can only be reflected with one year lag.</p> <p>A change in the ESRDR will trigger the Coordinator's review of the Benchmark Capacity Providers. However, there is no indication that the future BRCP will be based on longer duration storage. The analysis conducted during EPWA's 2023 Benchmark Capacity Providers review</p>

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				indicates that the costs of the new Benchmark Capacity Providers may only be marginally different from the costs of the current ones.
Frontier	Frontier considers the one-year BRCP lag, in essence, paying for a 4-hour battery while requiring proponents to deliver a larger storage capacity battery is unfair. The BRCP should be amended for the ESRDR or the ESRDR should be determined prior to determining the BRCP.		Proposes that the Benchmark Reserve Capacity Price (BRCP) should be amended for the ESRDR, or the ESRDR should be determined prior to the BRCP.	<p>EPWA notes that the BRCP must be determined before the certification of Reserve Capacity to provide the needed investment signal. This means that any changes, including changes to the ESRDR, that may affect the BRCP can only be reflected with one year lag.</p> <p>A change in the ESRDR will trigger the Coordinator's review of the Benchmark Capacity Providers. The analysis conducted during EPWA's 2023 Benchmark Capacity Providers review indicates that the costs of the new Benchmark Capacity Providers may only be marginally different from the costs of the current ones.</p>
CEC	CEC considers that the one-year lag until an extension of the ESRDR can be reflected in the BRCP means essentially paying for a 4-hour ESR but requiring ESR providers to install and deliver a larger capacity ESR. As such, the BRCP should be either amended for the ESRDR, or the ESRDR should be determined prior to calculating the BRCP. To avoid the benchmark technology flip flopping between capacity years, several CEC members supported a future change to the Electricity System and Market Rules that removes any lag between the ESRDR, the benchmark reference technology, and the BRCP.		Recommends that the BRCP should be either amended for the ESRDR, or the ESRDR should be determined prior to calculating the BRCP and that to avoid the benchmark technology flip flopping between capacity years, a future change to the ESM Rules that removes any lag between the ESRDR,	<p>EPWA notes that the BRCP must be determined before the certification of Reserve Capacity to provide the needed investment signal. This means that any changes, including changes to the ESRDR, that may affect the BRCP can only be reflected with one year lag.</p> <p>A change in the ESRDR will trigger the Coordinator's review of the Benchmark Capacity Providers. The analysis conducted during EPWA's 2023 Benchmark Capacity Providers review indicates that the costs of the new Benchmark Capacity Providers may only be marginally different from the costs of the current ones.</p>

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			the benchmark reference technology, and the BRCP.	
Shell	Shell considers that changes to the ESRDR and subsequently the ESROD will likely lead to a change to the reference technology which sets the BRCP. Shell Energy are concerned that the sustained mismatch between the BRCP and the required reference technology that will likely result has not been addressed in the Amending Rules.		Shell encourages EPWA to consider and work through alternative options to re-align the ESRDR, ESROD and BRCP mechanisms in consultation with stakeholders.	EPWA notes that the BRCP must be determined before the certification of Reserve Capacity to provide the needed investment signal. This means that any changes, including changes to the ESRDR, that may affect the BRCP can only be reflected with one year lag. A change in the ESRDR will trigger the Coordinator's review of the Benchmark Capacity Providers. The analysis conducted during EPWA's 2023 Benchmark Capacity Providers review indicates that the costs of the new Benchmark Capacity Providers may only be marginally different from the costs of the current ones.
Offgrid WA	Offgrid WA supports efforts to clarify and structure requirements for ESR, particularly in recognising the need for longer-duration storage and ensuring older systems aren't disadvantaged by evolving standards - providing much-needed certainty for investment.			Noted.
Synergy	Synergy is generally supportive of the amended ADG methodology and the introduction of the ESROD Uplift.		4.13B.2. The Coordinator must complete a review under clause 4.13B.1:	EPWA addressed Synergy's comments by making amendments to include the ADG methodology review in the Coordinator's three yearly review of the Benchmark Capacity Providers, instead of making changes to the Coordinator's five-yearly review of the effectiveness of certification of

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	<p>These mechanisms have wide ranging impacts and influence on costs and investor behaviour within the WEM.</p> <p>Synergy proposes that the Coordinator should be required to undertake regular reviews of the methodologies used to determine the ADG and the ESR Duration Requirement Uplift detailed within Appendix 11 of the WEM Rules.</p>		<p>(a) for the first review, before 1 October 2026; and</p> <p>(b) for each subsequent review, at least once every <del>three</del> <b>five</b> years from the completion of the preceding review under this section 4.13B.</p> <p>4.13B.3. A review conducted under clause 4.13B.1 must examine:</p> <p>(a)....</p> <p>...</p> <p>(g) whether the steps for determining the Availability Duration Gap and ESR Obligation Duration Uplift as set out in Appendix 11, Parts B and C remain consistent with State Electricity Objective; and</p> <p>...</p>	<p>Reserve Capacity for energy and availability limited technologies as suggested by Synergy.</p>

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Expert Consumer Panel (ECP)	<p>ECP members support the proposed method of calculating the ADG at this time. Further review may be required after this method is put into practice.</p> <p>ECP members support the proposed method for calculating the ESRDR Uplift at this time as it appears sound. Further review may be required as the market evolves.</p>			<p>EPWA made amendments to include a review of the ADG methodology in the Coordinator's three yearly review of the Benchmark Capacity Providers.</p>
Confidential	<p>The confidential submission considers that the BESS component of a hybrid facility should be excluded from any ESRDR.</p> <p>Hybrid facilities intrinsically have a lower risk of running out of energy during peak periods. The ESRDR methodology aims to ensure energy adequacy during demand events by requiring electric storage resources sustain output over an extended period.</p>			<p>EPWA notes that Capacity Credits are assigned separately to the ESR component and the co-located Intermittent Generator component of a hybrid facility.</p> <p>Currently the Rules do not allow for the assessment of the storage component together with the solar component. EPWA notes that certification of hybrid Facilities may be considered at a future date.</p>
Confidential	<p>The confidential submission notes the intent of the ESRDR is to address risks during infrequent extreme demand periods. Applying the full ESRDR to every trade day appears disproportionately conservative. Whilst a static ESRDR is easier for facilities to manage and does not require AEMO to monitor and communicate extreme peak periods, it may come at a cost in terms of commercial flexibility and lost revenue opportunities. Limiting the ESRDR to only</p>		<p>Limit the ESRDR to only apply during these one in ten-year events.</p>	<p>EPWA notes that, as with any other scheduled facility, ESR is required to be available during the peak hours of every day to cover outages and any other system stress events. This does not prevent optimising dispatch to maximise revenue during other times.</p>

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	apply during these one in ten-year events will better balance system security and reliability concerns with the ability to operate a BESS with greater flexibility and commercial viability.			
Neoen	Neoen considers the current RCM obligations applicable to storage, i.e. the requirement that all storage facilities be fully charged at the start of a defined period (the ESROI period), are likely resulting in higher wholesale energy costs outside of these intervals.			EPWA notes that, as with any other scheduled facility, ESR is required to be available during the peak hours of every day to cover outages and any other system stress events. This does not prevent optimising dispatch to maximise revenue during other times.
AGL/Perth Energy in TDOWG (1 May 2025	AGL/Perth Energy supported the proposal noting that batteries need to be centrally dispatched and that as there is not complete foresight there may be a need to make some allowance. AGL/Perth Energy sought clarification on how batteries who did not end up being dispatched would make their revenue.			EPWA notes that, as with any other scheduled facility, ESR is required to be available during the peak hours of every day to cover outages and any other system stress events. This does not prevent optimising dispatch to maximise revenue during other times.
<b>ADG – Introduction of the ESR Duration Requirement Uplift</b>				
AEMO	AEMO considers that more substantial modification is required before being implemented and has suggested amendments to Part C.  If these changes aren't able to be implemented, an alternate option would be	Appendix 11	AEMO proposed several amendments required to follow rule conventions and clarify intent.	EPWA has amended Part C of Appendix 11 to address the issues raised by AEMO.

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	for EPWA to draft a transitional provision to give effect to the intended policy outcome for the 2025 RCC. This would provide additional time to refine the process steps for the 2026 RCC (in consultation with industry).			
<b>ADG Method</b>				
Alinta Energy (Alinta) in TDOWG (10 April 2025)	Alinta considers that as more storage makes the peak flatter, the ADG should decrease, not increase.			<p>The ADG considers ESR capacity availability to meet peak demand under Limb A of the Planning Criterion. It is looking at how the ESR capacity that is available can service the peak and how limitations of ESR availability can cause a lack of capacity to meet demand.</p> <p>EPWA notes that while distributed/BTM residential storage might make the peak flatter, utility storage dispatch only reduces the residual peak which needs to be met by others, it does not make the peak flatter.</p> <p>Distributed storage/BTM storage will penetrate the system rather slowly and as the quantum of storage increases over time, there may be a need to revisit the methodology in future.</p> <p>EPWA also notes that as the peak flattens storage with longer, rather than shorter duration may be required to serve the top of the demand curve.</p>
Alinta in TDOWG (10 April 2025)	Alinta considers that the current method is based on the WEM's peaky system. Alinta is not comfortable with the assumption that the			EPWA notes that the obligation for existing storage is not changing. This means existing storage will fill the demand curve from the top. EPWA also notes that as the peak flattens storage

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	WEM needs all storage available for the new ESROD period as the grid gets flatter.			with longer, rather than shorter duration may be required to serve the top of the demand curve.
Alinta in TDOWG (10 April 2025)	Alinta is concerned about the costs and time constraints of implementing this new ADG determination method which will increase the ESROD.			<p>It is necessary for AEMO to implement the new ADG method prior to publication of the 2025 ESSO to ensure an appropriate ESRDR is in place for the 2025 assignment of Capacity Credits.</p> <p>EPWA considers that the chosen method is the best representation of what additional storage may mean for unserved energy demand. It also considers that this method achieves the policy intent to balance the interest of consumers with investment certainty, while making sure consumers do not pay for what they do not need.</p> <p>EPWA notes that the ESRDR would have likely increased under the existing ADG method.</p>
Alinta in TDOWG (10 April 2025)	Alinta considers that investment may be discouraged if there is a longer duration required in 2025 than is reflected in the BRCP that applies for the 2025 RCC.			<p>Please refer to relevant responses above.</p> <p>EPWA also notes that following consultation during the Benchmark Capacity Provider Review the decision was made to keep the gross Cost of New Entry (CONE) methodology rather than move to net CONE (as other markets have done with respect to ESR facilities).</p> <p>As a result of that decision ESR facilities over-recover their fixed costs in the energy and ESS markets, because they are not the marginal cost provider in these markets. .</p>
Alinta	Alinta considers the RCC should be delayed by two months to allow for the determination		Alinta suggest to:	EPWA notes that the ADG risk was addressed in the WEM Rules on 13 December 2023. The 2024 ESSO made it clear that the ESRDR is expected

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	<p>of an interim ESRDR based on a more realistic bottom-up analysis.</p> <p>Alinta consider the existing ESRDR method, that the proposed method would replace, is not fit for purpose and would result in an excessive ESRDR.</p>		<ul style="list-style-type: none"> <li>• delay the RCC by two months</li> <li>• consider a more standardised duration option and a bottom-up approach</li> <li>• reflect the expected duration of a system stress event.</li> </ul>	<p>to be extended in the 2025 RCC. Not extending the ESRDR in the 2025 ESOO will both compromise reliability and increase costs to consumers.</p> <p>EPWA presented the expected extension to the ESRDR to all stakeholders on 1 May 2025, and the relevant presentation was published on EPWA's website.</p> <p>EPWA has conducted analysis confirming that, because of the declining costs of the technology, ESR is currently viable/financeable at the extended ESRDR.</p> <p>The RCC is crucial in ensuring long-term reliability and system security in the SWIS. Dates are fixed to ensure adequate time for project planning, financing and development, which allowing AEMO to assess and publish accurate supply and demand forecasts.</p> <p>As new generation projects require significant time to develop, any delay to the RCC could prevent new capacity from being available when needed.</p> <p>The bottom-up approach was investigated. However, this method was not considered the preferred method as it requires AEMO to predict incoming facilities and the mix of their Capability Classes and results in more volatility of the ESRDR than the chosen method making the ESRDR hard to predict. The bottom-up method would have also likely resulted in a longer ESRDR.</p>

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Alinta	<p>The proposed ESRDR method should not be implemented on an enduring basis because:</p> <ul style="list-style-type: none"> <li>• it would be based on the shape of the operational demand curve and the current level of storage and does not reflect the expected duration of a system stress event in the future.</li> <li>• it is inconsistent with the duration requirements for other technology types, all duration requirements should reflect the expected duration of a system stress event.</li> <li>• it is subject to frequent (potentially annual) changes, which would deter investment in storage, potentially in conflict with the emissions component of the SEO. Alinta consider that a more standardised duration option is the most suitable.</li> <li>• it will likely become excessive and defer investment potentially in conflict with emissions component of SEO.</li> <li>• it assumes that all storage capacity will be dispatched simultaneously does not allow for concatenation and overstate the gap.</li> <li>• maintaining requirement to oblige ESR to reserve capacity during fixed periods as more ESR enter may distort the</li> </ul>			<p>EPWA notes that:</p> <ul style="list-style-type: none"> <li>• the new method is based on AEMO’s best estimate of the future system peak that is used for setting the Reserve Capacity Target;</li> <li>• volatility and predictability were part of the assessment criteria for choosing the new method;</li> <li>• the method is designed to incentivise investment in the ESR needed to support system reliability. Therefore, the ESRDR must change if more ESR enters the WEM.</li> <li>• for the purpose of Limb A of the Planning Criterion it has to be assumed that all capacity is needed at the same time. Any other assumption can lead to AEMO not procuring sufficient capacity to cover the system peak or increasing significantly the cost to consumers by remunerating multiple tranches of capacity that serve the same cross-section of the demand curve.</li> <li>• the ESRDR does not prevent optimising dispatch to maximise revenue during other times.</li> </ul>

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	market by creating an excess of supply during the ESRDR and making ESR less able to respond to price signals outside the ESRDR (risking price spikes).			
Alinta in TDOWG (1 May 2025)	Alinta considers the proposal presented is an improvement on what was presented at the earlier TDOWG, however remain concerned that the revised method will still lead to an excess and this excess will increase the more storage that connects which could result in a change in the reference technology. Alinta is still unconvinced that the current 4 hours will lead to shortfalls.		<p>Keep the requirement for all ESR to be accredited based on 4 hours, but their obligation to offer will not be during the same 4-hour period.</p> <p>Extend the period over which the batteries could be discharged, but still only have 4-hour duration.</p> <p>For example offset half the fleet to start two hours earlier and half the fleet to start an hour later. That way the same peak demand is met with everyone only having 4 hours.</p>	<p>EPWA's analysis of cost versus revenues indicates that there will a point where market forces will discourage additional storage from entering the WEM as opportunities to make money become limited. However, EPWA's analysis also indicates that, because of the declining costs of the technology, ESR is currently viable/financeable at the extended ESRDR.</p> <p>EPWA also notes that following consultation during the Benchmark Capacity Provider Review the decision was made to keep the gross CONE methodology rather than move to net CONE (as other markets have done with respect to ESR facilities).</p> <p>As a result of that decision ESR facilities over-recover their fixed costs in the energy and ESS markets, because they are not the marginal cost provider in these markets. .</p> <p>EPWA notes that:</p> <ul style="list-style-type: none"> <li>• there isa need to extend the ESRDR now, otherwise customers will be paying for capacity that does not contribute to meeting the 1-in-10 years system peak; and</li> <li>• for the purpose of Limb A of the Planning Criterion it has to be assumed that all capacity is needed at the same time. Any other assumption can lead to AEMO not procuring</li> </ul>

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				<p>sufficient capacity to cover the system peak or increasing significantly the cost to consumers by remunerating multiple tranches of capacity that serve the same cross-section of the demand curve.</p> <p>EPWA invited stakeholders to provide any alternative analysis to demonstrate that the current 4-hour ESRDR will not lead to capacity shortfalls during a 1 in 10-year system peak. Stakeholders did not provide any such analysis.</p>
<p>Summit Southern Cross Power in TDOWG (10 April 2025)</p>	<p>Summit Southern Cross Power consider that there should be alignment across the duration requirement for all types of capacity as it is there to serve the same reliability requirement.</p>			<p>EPWA notes that the system needs the right mix of technologies to ensure the most cost-efficient outcome and reduce emissions over time, while maintaining security and reliability of supply. To achieve this, under the ESM Rules all technologies are placed in different capability classes according to their characteristics and abilities. ESR has a lower availability duration requirement due to its energy limited nature. Renewables and DSPs also have different requirements. This is in recognition of the capability of each technology.</p>
<p>Summit Southern Cross Power in TDOWG (10 April 2025)</p>	<p>Summit Southern Cross Power asked whether it was possible to hardcode 4 hours in the ESM Rules for 2025 RCC, rather than include something now which is locked-in for 10 years.</p>		<p>Hardcode the 4-hour duration in the ESM Rules for the 2025 capacity cycle.</p>	<p>EPWA considers that hard-coding the ADG to 4-hours would lead to customers not receiving the reliability they need, pay for capacity that is not useful for them and necessitate the procurement of other (more expensive) capacity to cover the reliability gap.</p> <p>The emergence of an ADG indicates that longer duration storage technologies must be incentivised to enter the market. The right</p>

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				incentives are not provided for such entry if the ESRDR is maintained at an unreasonably short duration.
Clean Energy Council (CEC) in TDOWG (1 May 2025)	CEC note that the new benchmark technology is not likely to be a 4-hr battery derated to 6 hours and sought to clarify whether that meant the benchmark technology will change.			EPWA notes that a change in the ESRDR will trigger the Coordinator's review of the Benchmark Capacity Providers however, there is no indication that the future BRCP will be based on longer duration storage. The analysis conducted during EPWA's 2023 Benchmark Capacity Providers review indicates that the costs of the new Benchmark Capacity Providers may be only marginally different from the costs of the current ones.
ECP in TDOWG (10 April 2025)	The ECP noted support for the method, but considered that it is very dependent on the shape of the 1 in 10-year demand profile which can be variable in the evening.			EPWA agrees with the ECP's comment, noting that the reference years will grow by one year each year and that 12 reference years was used in the EPWA analysis with the median of those taken.
ECP in TDOWG (10 April 2025)	The ECP sought to clarify whether the modelling considered what the introduction of the (~2500MW) of existing and proposed ESR capacity will do to the ADG using this method.			EPWA notes that it is likely that, with the introduction of new ESR, the ESRDR will extend but modelling was not undertaken with proposed facilities. Each year, modelling done by AEMO will consider only committed facilities.
Neoen in TDOWG (10 April 2025)	Neoen consider that it was possible for the ESRDR to ever decrease if non-ESR capacity enters and asked whether this a design intent.			EPWA considers that it is very unlikely that the ESRDR will decrease based on AEMO's preliminary modelling but will continue to monitor and revisit the methodology if this becomes a risk.

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Neoen	Changes in the SWIS such as a steepening of the demand curve or a reduction in storage capacity are conditions under which a reduction in the ADG is beneficial, but which cannot occur under the proposed design.		Changing the calculation of the ADG to incrementally increase from the starting point of four hours, rather than determining an increase from the previous year.	EPWA notes that future reviews will consider whether a mechanism should be introduced to allow a decrease of the ESRDR. However, the analysis shows that the ESRDR is unlikely to decrease over the 10-year horizon. This will continue to be monitored.
Neoen	Neoen considers that the ADG calculations cannot be replicated to forecast potential future duration requirements based on publicly available information, which is critical for investors.		Require AEMO to publish information sufficient for industry to be able to use confidently, or the method is amended to use a similar process to that used for the Relevant Level Method (RLM).	EPWA notes that predictability was one of the assessment criteria when designing the new method. EPWA considers that the new method allows stakeholders to forecast the new ESRDR with adequate certainty.
Tesla	<p>Tesla reference studies that support their preference to continue to incentivise four hours of energy storage capacity and consider that a separate, more tailored scheme to address the 1 in 10 year or extreme tail risk is not required until renewable penetration reaches 80%.</p> <p>Tesla advocates for a data-driven approach to the WEM's ESR duration requirements and recommends the methodology seeks to minimize consumer costs and total system</p>		<p>Set the duration value at 4 hours for the 2025 ESOO and undertake a more fulsome review of the method in consultation with industry.</p> <p>If the above is not viable then:</p> <ul style="list-style-type: none"> <li>Recognise flexibility</li> </ul>	<p>EPWA considers that hard-coding the ADG at 4-hours would lead to customers not receiving the reliability they need, pay for capacity that is not useful for them and necessitate the procurement of other (more expensive) capacity to cover the gap.</p> <p>EPWA notes that for the purpose of Limb A of the Planning Criterion it has to be assumed that all capacity is needed at the same time. Any other assumption can lead to AEMO not procuring sufficient capacity to cover the system peak or increasing significantly the cost to consumers by</p>

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	<p>costs, not just focus on satisfying 1-in-10 year peak capacity needs.</p> <p>Tesla consider there is a need to account for the integration of changes as they occur in real-time that could support reliability e.g., demand side participation, load flexibility, transmission upgrades) and aggregated assets (Vehicle to grid) and a more nuanced approach to duration calculations is required as a single error in a peak demand forecast scenario or an error in the ESOO could either drive underinvestment in requisite storage capacity or result in significant excess costs to consumers.</p> <p>Tesla consider the proposed approach negates the following two potential aspects of real-world ESR operation:</p> <ul style="list-style-type: none"> <li>• Concatenating operation with other storage assets; and</li> <li>• Leveraging modularity to expand energy capacity.</li> </ul> <p>Tesla consider a better approach for evaluating ESRDR would be akin to how AEMO models for the Integrated System Plan (see <a href="#">submission</a>). Raises the following concerns:</p> <ul style="list-style-type: none"> <li>• Technology bias – notes there is a risk that market mechanisms may inadvertently favour longer-duration storage solutions (e.g., 8-hour+ ESR)</li> </ul>		<p>alongside duration for system reliability and adopt a capacity accreditation method that recognises the benefits of shorter duration ESR;</p> <ul style="list-style-type: none"> <li>• For existing 4 hour BESS transition to the new market rules, EPWA should provide guidance for accreditation and compensation. Roadmap outlining the timeline or rule implementation should be provided for future projects;</li> <li>• Establish a ESR working group to ensure its specific needs in the WEM are accounted for;</li> </ul>	<p>remunerating multiple tranches of capacity that serve the same cross-section of the demand curve.</p> <p>EPWA notes that the ESM Rules provide for a review of several parameters regarding certification of energy and availability limited technology, which it must complete prior to 1 October 2026. EPWA encourages Tesla to engage with EPWA regarding an alternative approach for ESR certification in the RCM while EPWA undertakes this review.</p> <p>EPWA also notes that work is being done by EPWA to improve DER visibility and that Project Jupiter is investigating integration of DER in the WEM.</p> <p>EPWA notes that the protection for existing ESR from an increase of the ESRDR is increased to 10 years.</p> <p>EPWA also notes that the policy decision resulting from the Coordinator’s recent RCM Review requires that the Benchmark Capacity Providers must reflect the market evolution and cannot be hard coded in the rules.</p> <p>There is no indication that the future BRCP will be based on longer duration storage. The analysis undertaken during EPWA’s 2023 Benchmark Capacity Providers review indicates that the costs of the new Benchmark Capacity Providers may only be marginally different from the costs of the current ones.</p>

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	<p>due to their ability to provide sustained output</p> <ul style="list-style-type: none"> <li>Increased cost to consumers – notes this could lead to an overbuild of capacity at the expense of consumers</li> <li>Regulatory uncertainty - notes the transition to new market rules introduces uncertainty for asset operators.</li> <li>Operational Constraints - notes the requirements for participating in new reserve services, such as the Contingency Reserve Service, may impose technical or financial burdens on existing ESR</li> </ul>		<ul style="list-style-type: none"> <li>If no changes are made, then grandfather previous ESR duration certifications for a minimum of 10 years; and</li> <li>Maintain the benchmark technology as a BESS to avoid volatility in the BRCP.</li> </ul>	
<p>Tesla Corporation in TDOWG (10 April 2025)</p>	<p>Tesla Corporation sought to clarify if an ESR degrades overtime, and another battery is installed to bring the facility back to the duration it was certified on, whether is this considered an upgrade.</p>			<p>EPWA notes that this would not be considered an upgrade as these installations needs to happen prior to the facility certification.</p> <p>EPWA considers that if the ESR has the same nameplate capacity it had in the initial application it was certified on, its protection should not be affected. An upgrade is considered as an uplift in nameplate capacity at 41 degrees.</p> <p>EPWA has included a definition of a capacity upgrade to clarify this.</p>

**Increase of the protection from changes to the ESR Duration Requirement to 10 years.**

**The following stakeholders indicated that they ‘support’ or generally support the proposal:**

- AGL/Perth Energy
- CEC
- Confidential
- Frontier
- Shell
- South Energy

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Frontier	Frontier supports the proposed increase in the protection of the ESR to 10 years, however, suggests 15 years is more suitable as this would be better aligned with the BRCP process, debt repayment periods and reduction of ESR revenue over time.			EPWA notes that the policy intent is to balance the interests of consumers, who will bear the costs of the protection, with protecting investment in technologies supporting the energy transition.
CEC	The CEC supports the proposed extension of the revenue protection arrangements from 5 to 10-years and consider these be further extended to 15 years to better align with the BRCP (revenue), and debt repayment processes.			Customer representatives consider that the 5-year protection must be retained, while ESR proponents request that the protection be extended to 15 years. EPWA considers that the proposed 10-year protection strikes the right balance.
Confidential	The confidential submission provided support for the change in ESR Protections from 5 to 10 years			EPWA notes that there are at least 2.5 GW of ESR expected to enter the WEM in the next few years (of which 1.4GW of 4-hour ESR already have Capacity Credits). Extending the protection beyond 10 years will add unreasonable cost to consumers.
Shell	Shell is supportive of the proposal to fix for ten years however, the uncertainty around pricing under the current Amending Rule proposal could create barriers to entry and lead to rushed CRC applications which may impact participation in the RCC.			A 10-year protection is consistent with the 10-year fixed price for other types of eligible facilities which request it.
South Energy	<p>South Energy support the proposed increase in the protection for ESR suggest it is increased to 15 years to be aligned as:</p> <ul style="list-style-type: none"> <li>The typical debt payment term for BESS project is longer than 10 years.</li> <li>The BRCP capital cost is annualised over a 15-year period. The protection should be aligned with BRCP calculation.</li> </ul> <p>South Energy recommend extending the protection to projects under advanced development that are yet to receive certifications:</p> <ul style="list-style-type: none"> <li>Developing new projects takes significant time and resources in securing the relevant development approvals and access offer from Western Power. As projects are designed with the current ESRDR in mind, any increase in the ESRDR will require re-designed and delay and may cause the projects to be abandoned.</li> </ul>			

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	<ul style="list-style-type: none"> <li>Protection should be extended to projects in advanced stage such as those having secured development approvals, and/or achieving connection ready status with Western Power.</li> <li>Alternatively, the implementation for any increase in ESRDR could be set in a future date, say 2 years from the decision time, to allow sufficient time for current projects development to achieve certification. New projects or early development projects would have ample time to gear up to the new requirement.</li> </ul>			
Neoen	Neoen considers that the 10-year period proposed is still inadequate, extending this to 15-years for new entrants could therefore decrease the WACC assumed in the BRCP (due to the decrease in regulatory risk). Additionally, BESS owners would also be able to sell forward capacity up to 10 years after COD, this would allow retailers and large energy users to contract their IRCR at a fixed price, therefore enabling investment.			
<p>ADG Protection - The following stakeholders indicated that they did not hold “strong views” or indicated they “did not “support the proposal:</p> <ul style="list-style-type: none"> <li>Chamber of Minerals and Energy</li> <li>Expert Consumer Panel</li> <li>Synergy</li> </ul>				
CME	<p>CME does not support extending the ESRDR protection from 5 years to 10 years, considering this sends the wrong signal as it removes an incentive for the market to invest in longer duration facilities for a 10-year period per facility. Further, the proposed protections would result in greater need for additional reserve capacity and associated payments to other capacity providers, thereby, increasing overall costs which would not align to the SEO which accounts for security and reliability and the price of electricity.</p> <p>CME also suggests consideration should be given to removing the current 5-year protection for similar reasons in the upcoming RCC.</p>			<p>EPWA notes that the policy intent is to balance the interests of consumers, who will bear the costs of the protection, with protecting investment in technologies supporting the energy transition. Customer representatives consider that the 5-year protection must be retained, while ESR proponents request that the protection be extended to 15 years. EPWA considers that the</p>

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AGL/Perth Energy in TDOWG (1 May 2025)	AGL/Perth Energy consider that if the battery duration is predicted 10 years ahead in the ESOD, there may be less concern about unexpected increases. In this situation a five-year guarantee, rather than 10, may be provide sufficient investment certainty.			proposed 10-year protection strikes the right balance. EPWA notes that there are at least 2.5 GW of ESR expected to enter the WEM in the next few years (of which 1.4GW of 4-hour ESR already have Capacity Credits). Extending the protection beyond 10 years will add unnecessary cost to consumers.
ECP	<p>ECP members note the ESOD protection preserves capacity allocation to ESR facilities based on their initial duration even if the ESOD increases. While it provides greater investment certainty it creates a shortage of capacity to meet the extended ESOD. It may seem necessary to provide investment certainty the missing capacity increases the costs to consumers for that extra capacity, A balance is required between investment certainty and the cost to consumers. It should be noted that:</p> <ul style="list-style-type: none"> <li>• There is a large pipeline of built/committed ESR projects relative to SWIS demand decreasing the need for 10 years of protection;</li> <li>• The current approach for the BRCP uses Gross CONE with a battery reference technology is generous. This decreases the need for more investment certainty;</li> <li>• A 10-year protection introduces of uncertain necessity with relative long-term implications to the WEM when it is during a period of many changes.</li> </ul>			<p>A 10-year protection is consistent with the 10-year fixed price for other types of eligible facilities which request it.</p> <p>EPWA notes that change in the ESRDR will trigger the Coordinator’s review of the Benchmark Capacity Providers. There is no indication that the future BRCP will be based on longer duration storage. The analysis undertaken during EPWA’s 2023 Benchmark Capacity Providers review indicates that the costs of the new Benchmark Capacity Providers may only be marginally different from the costs of the current ones.</p>
Synergy	Synergy considers that the ESRDR protection does not solely create benefits for ESR proponents but also presents increased costs to WEM consumers. Any extension to existing protection creates unnecessary compounding cost imposts on consumers without any increase in the system reliability that is provided to consumers. Further, the proposed extension creates an incentive for inefficient investments in the WEM with the costs being borne by consumers. Synergy therefore believes that the proposed extension of the ESRDR protection runs contrary to the principles within the State Electricity Objective and instead suggests that the ESRDR protection period remains at the current five-year period.			

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	<p>Additionally due to the ESRDR increasing to six-hours, the Benchmark Capacity Provider is assumed to be revised to a six-hour ESR, which will lead to a higher BRCP that reflects the higher costs associated with a six-hour ESR.</p>			
<p>Synergy in TDOWG (10 April 2025)</p>	<p>Synergy considers that a 10-year protection, which is not extended to upgrades, may discourage upgrades and discourage participants to keep their facilities up to date.</p> <p>Synergy noted that there are already existing mechanisms which support ESR, NCESS and the Capacity Investment Scheme (CIS).</p>			<p>EPWA notes that upgrades for the purposes for this clause are defined as upgrades which add (MW) capacity to a facility's nameplate and not extending their duration. EPWA has included a definition of "Facility Upgrade" to clarify this.</p> <p>EPWA notes that it is necessary to exclude upgrades that add Capacity Credits from the protection to avoid gaming.</p>
<b>DER Participation</b>				
<p>AEMO</p>	<p>AEMO suggests amending for clarity.</p>	<p>2.29.5AK</p>		<p>EPWA notes that the intent is to align with the Metering Code definitions, therefore no amendments are required.</p>
<p>Synergy</p>	<p>Synergy notes that the Metering Code definition of "non-contestable customer" refers to the definition under the Customer Transfer Code and the Prescribed Customer order. Synergy therefore considers this provision needs to be reviewed in relation to amendments in the Electricity Corporations (SWIS Prescribed Customers) Order 2023, given contestability is no longer linked to the load at a single connection point.</p>	<p>2.29.5AK</p>		<p>EPWA notes that the intent is to align with the Metering Code definitions, therefore no amendments are required.</p>

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AEMO	AEMO recommends amending “meter” to “metering installation” as per the Metering Code, to ensure the meter is not a deemed accumulation meter under the Metering Code.	2.29.5AL		In response to submission received EPWA amended the new clause 2.29.5AL, to align with the requirements of the Metering Code and the definition of “Measurement Point” in the ESM Rules.
Synergy in TDOWG (10 April 2025)	Synergy sought clarification on whether clause 2.29.5AL was already considered in the Metering Code.	2.29.5AL		EPWA notes that the Metering Code requires amendment, which was reflected in the Exposure Draft of the Amending Rules.
Synergy	<p>Synergy proposes alternative drafting is used to align with the requirements of the Metering Code and the definition of “Measurement Point” within the WEM Rules. It is important to note that within the Metering Code:</p> <ul style="list-style-type: none"> <li>• clause 3.5(1) places the obligation on the network operator to install a meter at every connection point;</li> <li>• clause 3.16 places the obligation on the network operator to ensure metering installations meet the requirements of the wholesale market;</li> <li>• clause 3.9(3A) gives the right to the network operator to ultimately decide on the “type” of meter that is installed on its network; and</li> <li>• clause 3.5(4) specifies that meters are not equipped to a load but instead are</li> </ul>	2.29.5AL	<p>A Market Participant intending to apply under clause 2.29.5B to associate a Non-Dispatchable Load with a Demand Side Programme or Interruptible Load must ensure that the <del>Non-Dispatchable Load is equipped with a meter which</del> meter installed at the applicable Measurement Point complies with the requirements of clause 3.16 of the Metering Code.</p>	Noted, EPWA made the suggested amendment to clause 2.29.5AL.

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	required to be installed as close as practicable to the connection point.			
AEMO	<p>AEMO notes that applying a single fee for a Market Participant to register as many Small Aggregations as they want would not be cost reflective.</p> <p>AEMO invests considerable effort and incurs costs to register and connect each facility, and the fee charged is reflective of that effort. The implication of this change is that cost to register each additional Small Aggregation would ultimately be subsidised by all Market Participants in Market Fees.</p>	2.33.3		EPWA has aligned this with already existing clause relater to DSP aggregations to avoid barriers to entry of small aggregations of, for example, community storage facilities.
AEMO	<p>AEMO notes that the changes to clause 4.10.1(f)(vi) fundamentally alter the Trading Day concept, and that there may be flow on effects to other sections of the ESM Rules that rely on the relevant obligation period to be within a Trading Day.</p> <ul style="list-style-type: none"> <li>the changes to clause 4.10.1(f)(vi)(2) may also have cost implications that should be considered.</li> </ul>	4.10.1(f)(vi)(2)		EPWA notes that the proposed change to 4.10.1(f)(vi) is moved to a new schedule (Schedule 9), with commencement to be determined by the Minister. This is to allow for these considerations to be made. EPWA, however, notes that the analysis regarding the emerging ADG and the extending ESRDR suggests that the peak period has extended beyond the end the DSP availability obligation i.e. beyond 8pm.
AEMO	AEMO needs time to assess the impacts of changes to its systems and processes before committing to the proposed commencement dates. For example - amendments to clause 4.10.1(f)(vi) in Schedule 3 change the requirements for the	4.10.1(f)(vi) in Schedule 3		EPWA notes that the proposed change to 4.10.1(f)(vi) was moved to a new schedule (Schedule 9), with commencement to be determined by the Minister. This is to allow for these considerations to be made. EPWA, however, notes that the analysis regarding the emerging ADG and the extending ESRDR

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	periods in which a DSP may be dispatched. This will require major changes to multiple AEMO systems and processes, including those related to Certification of Reserve Capacity (RC), the RLM, RC Obligation Quantities and RC Testing.			suggests that the peak period has extended beyond the end the DSP availability obligation i.e. beyond 8pm.
AEMO	AEMO notes that as this is now a defined term the references to “interval meter” should be changed to “Interval Meter” throughout the rules where appropriate (noting in some cases retaining the non-defined term may be necessary).	Defined Term		Noted.
ECP	The ECP note that the proposed change to DSP obligation will likely prevent some DSP capacity from being able to provide demand reduction for the proposed hours. DSP obligation hours could be better optimised. DSPs should be able to participant for either or both of those periods rather than just both. This will result in more DSP being dispatched as there are enterprises that operate early morning but not late evening (or vice versa).			EPWA acknowledges that the new obligation hours my result in some loads not being suitable to be part of a DSP. EPWA, however, notes that the analysis regarding the emerging ADG and the extending ESRDR suggests that the peak period has extended beyond the end the DSP availability obligation i.e. beyond 8pm.  EPWA also notes that a DSP can aggregate loads that can only contribute during either of the two obligation windows to complement each other.
Enel X	Enel X supports the ongoing recognition of DSP in the WEM.  Enel X notes that the proposed split of DSP obligation hours from 2026 (6:00–10:00 and 14:00–22:00 on all Business Days) aligns	4.10.1	No specific material requested changes/actions.	EPWA notes that the proposed change to 4.10.1(f)(vi) was moved to a new schedule (Schedule 9), with commencement to be determined by the Minister. This is to allow for discussions with stakeholders to take place. EPWA, however, notes that the analysis regarding the emerging ADG and the extending ESRDR

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	<p>with EUE modelling but may overstate EUE risk in the 21:30–22:00 period.</p> <p>To assess the impact of this split, Enel X compared the unadjusted baseline of a sample portfolio (excluding continuous 24-hour flat loads) with the 2024 WEM ESOO EUE modelling. Enel X observed a rapid reduction in the aggregate unadjusted baseline between 21:30 and 22:00, indicating that EUE risk in this period may be overstated. This could lead to a mismatch between DSP resource availability and perceived market need.</p>			<p>suggests that the peak period has extended beyond the end the DSP availability obligation i.e. beyond 8pm.</p>
Synergy	<p>Synergy is of the understanding that the proposed amendments to clause 4.10.1(f)(vi) are intended to better support aggregated DSPs that may include small-scale batteries. Synergy supports the overarching intent of the amendments, however, considers that rather than attempting to fit aggregated DER within the existing DSP facility class, that a new facility class should be implemented within the WEM that is better suited to the unique characteristics and capability of aggregated DER. This approach would result in a better market outcome given the unique and evolving nature of DER aggregations.</p> <p>Synergy notes that DER and its role within the WEM is complex and it is important to ensure the right value attribution is applied</p>	4.10.1		<p>Noted. EPWA notes that Synergy’s considerations are not within the scope of this consultation.</p>

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	<p>to aggregated DERs via revenue adequacy or incentives to drive behaviours and investments that suits the current and future needs of the WEM. This would be best achieved by aggregated DERs participating as a separate facility class.</p> <p>Synergy further notes that there continues to be an equity imbalance between DSPs (which are Capability Class 2 facilities) having a 12-hour dispatch obligation versus the 14 hours required for Capability Class 1 facilities, while receiving the same revenue per MW of capacity supplied to market.</p> <p>Synergy has previously expressed concern that the 14-hour fuel requirement, brought about by the 14-hour dispatch obligation, for Capacity Class 1 facilities is excessive and overly restrictive and advocates for further consideration of the appropriateness of the 14-hour fuel obligation for Capability Class 1 facilities and its alignment with obligations placed upon other facility types in the WEM in view of the changing dynamics of the WEM.</p>			
Synergy in TDOWG (10 April 2025)	Synergy considers that if the DSP obligation window is split, there is a risk that demand will increase if all ESR charges at the same time.		Implement a mechanism to review the DSP obligation window as the system changes	EPWA notes that the proposed change to 4.10.1(f)(vi) was moved to a new schedule (Schedule 9), with commencement to be determined by the Minister. This is to allow for discussions with stakeholders to take place and consider Synergy's comments.

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Synergy	Synergy notes that “meter” is not a defined term under the WEM Rules, and therefore, proposes alternative drafting to align with the defined term Measurement Point under the WEM Rules. Further Synergy notes the definition of Measurement Point, relevantly, requires a revenue quality metering device that complies with the Electricity Industry (Metering) Code 2012.	8.3.1(bA)	8.3.1. Each Metering Data Agent must maintain a separate Meter Registry for each Network it serves. At a minimum, the Meter Registry for a Network must: (... (bA) for each meter, record whether the Measurement Point meter is associated with a non-contestable or contestable customer, as defined under the Metering Code;	Noted and amended.
Synergy	Synergy suggests typographical edits to the proposed drafting for the terms Interval Meter and Metering Code.	Glossary	Interval Meter: has the meaning given to it As described in the Metering Code. Metering Code: means tThe Electricity Industry (Metering) Code 2012.	EPWA has amended the definition of “Interval Meter” as suggested by Synergy. EPWA notes that the standard for definitions in the Rules is that the description does not start with “means” therefore no changes have been made to the definition of “Metering Code”.
Synergy	Synergy suggests clause 2.29.5E(b) should be amended to incorporate the definition of	2.29.5E(b)	2.29.5E. ...	EPWA has amended the drafting taking into account Synergy proposed amendments.

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	<p>“Measurement Point” and the requirements of the Metering Code in the WEM Rules.</p> <p>Synergy notes the definition of “Measurement Point”, relevantly, requires a revenue quality metering device that complies with the Electricity Industry (Metering) Code 2012. Synergy has proposed alternative drafting to address this item.</p>		<p>(b) the meter installed at the Measurement Point of the <del>relevant</del> Non-Dispatchable Load does not comply <del>is not equipped with a meter which</del> complies with the requirements of clause 3.16 of the Metering Code;</p> <p>...</p>	
<b>Capability Class 1 and Capability Class 3 shortages</b>				
AEMO	AEMO note that the current proposed drafting of clause 4.5.12A results in a risk that existing Facilities may be displaced by new Capability Class 1 and 3 Facilities.	4.5.12A		EPWA notes AEMOs comments. Further amendments were made to Appendix 3 so these Facilities are now considered in step 4 to ensure that they do not impact on the NAQ of existing Facilities during the NAQ process.
AEMO	AEMO strongly supports commencing the changes to Appendix 3 – Determination of Network Access Quantities on Gazettal and therefore recommends moving them to Schedule 2. There are no system changes required to implement the changes.	Appendix 3	AEMO suggest moving this to Schedule 2	Noted and amended.
Alinta	Alinta suggest reducing the requirement for NAQ allocations to be based on the level of network access in 95% of scenarios (under	4.15.9	Reduce the requirement for NAQ allocations to be based on the level of	EPWA notes Alinta’s comment however, this aspect of the NAQ process is not currently under

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	<p>4.15.9) to 90%, aligning with the 10% POE applied in the planning criterion. Alinta consider:</p> <ul style="list-style-type: none"> <li>the current 95% requirement could signal a shortfall (and increase capacity costs) unnecessarily.</li> <li>Western Power is unlikely to prioritise rectifying a constraint that has such a low likelihood of binding.</li> <li>annual increases in peak demand forecast are likely to result in more Facilities having their NAQs reduced and the overly conservative 95% target and will cause these constraints to reduce NAQs prematurely.</li> </ul>		network access from 95% to 90%.	consultation. The issue will be logged for discussion at a later date.
Confidential	A confidential submission provided support for the prioritisation of Capability Classes 1 and 3 in the NAQ outlined in clause 4.5.12A.	4.5.12A		Noted.
CME	<p>The CME supports the proposed new clause 4.15.12A that prioritises new Capability Class 1 and Capability Class 3 facilities under the NAQ Framework to fill capacity shortfalls identified under the second limb of the Reserve Capacity Target.</p> <p>Modelling commissioned by the CME showed new gas-fired firming capacity will be required by 2030 under the least-cost pathway to a low emission grid. Therefore, this clause will send a market signals to</p>			Noted.

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	invest in new firming capacity and provide reliability that these classes have priority access to the constrained network.			
ECP	The ECP note that the approach to prioritise Capability Class 1 and 3 in the NAQ framework recognises a valid need and meets it.			Noted.
<b>Flexible Capacity Product</b>				
AEMO	In implementing new clause 4.29.1 for calculating the Flexible Reserve Capacity Price (FRCP), AEMO identified that the formula can result in the FRCP dropping under the floor in some circumstances.	4.29.1	To resolve the issue, AEMO recommends making amendments to the formula as noted in their <a href="#">submission</a> .	Noted, EPWA has amended clause 4.29.1(b)(ii) to correct the formula for determining the Flexible Reserve Capacity Price.
Alinta	Alinta consider that Flexible Capacity is not required within the foreseeable future as a result of: <ul style="list-style-type: none"> <li>recent influx of investment in battery storage capacity.</li> <li>strong likelihood of future investment due to the CIS.</li> <li>the Coordinator's determination that the same reference technology will apply to both Peak and Flexible Reserve Capacity.</li> </ul>		Alinta suggest pausing the implementation of the Flexibility Capacity product.	EPWA notes that the rules for Flexible Capacity have been gazetted and transitional provisions were introduced in the Wholesale Electricity Market Amendment (RCM Reviews Sequencing) Rules 2025 to obviate Flexible Capacity obligations if there is over supply of Flexible Capacity that would result in no additional payments for Flexible Capacity Credits. This was included to allow AEMO to bring the implementation of the RLM forward.

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	<ul style="list-style-type: none"> <li>the ERA's determination that the same 2025 BRCP will apply to both the Peak and Flexible Reserve Capacity.</li> <li>AEMO have set the requirements to accredit all existing Semi Scheduled and Scheduled Facilities based on their view that additional investment in flexible capacity is not required. This indicates that AEMO does not perceive a need in the medium term and that there will not be a price signal for years to come.</li> </ul>			
<b>RoCoF Uplift</b>				
Summit Southern Cross Power in TDOWG (10 April 2025)	Summit Southern Cross Power noted that if AEMO triggers the wrong constraint equation by accident, the ESM Rules currently prevent this from being corrected and asked whether it was possible for them to republish the correct constraint equation.		Republish the correct constraint equation following the publication of an incorrect constraint equation by AEMO.	EPWA notes that this is not relevant to the change to the cost recovery mechanism under consultation and will discuss this separately with AEMO.
CEC	The CEC is supportive of the proposed amendments to the RCS uplift payments where a registered facility is directed to synchronise by AEMO to provide a rate of change of frequency (RoCoF) control service as it will no longer negatively impact energy storage resources charging in the middle of the day – helping to reduce minimum system load issues			Noted.

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CME	CME supports replacing the Energy Uplift payments for RoCoF Control Services with the new Reserve Capacity System Uplift Payment to those that cause the RoCoF requirement to arise. The new amendment should be fairer and better to reflect market drivers as the current Energy Uplift Payments allocate solely to loads, not generators, causing this service to be higher since the FCESS Cost Review amendments.			Noted.
ECP	The ECP supports the changed to the RoCoF Control Services (RCS) cost allocation (the RCS Uplift Payment) as it aligns with the causer pays principle and the guiding principles outlined in the Cost Allocation Review (CAR). These changes should provide the incentive for causers to minimise the cost.			Noted.
Synergy	Synergy supports the implement a more considered solution for RoCoF costs. Synergy seeks clarification on whether costs will be recovered through the Cost Allocation Review Rules when they commence or through another way.			EPWA notes that while commencement dates are yet to be confirmed, the RCS Uplift Payment changes are expected to commence at the same time as the Wholesale Electricity Market Amendment (Miscellaneous Amendments No 3) Rules 2024 changes to Contingency Reserve Raise cost allocation.
Neoen	Neoen considers the proposed changes to the allocation of costs associated with RoCoF Control Services is essential to		Expediate the RoCoF Control Service uplift cost allocation changes and	EPWA notes Neoen's support.

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	address the current outcome which is inconsistent with the causer-pays principle. We advocate for these changes to be progressed and implemented as soon as practicable.		consider whether there is a mechanism available for those incorrectly charged to retrospectively recover costs.	
<b>Market Information</b>				
AEMO	AEMO recommends amending “Market Information” to “information” as the definition can be interpreted narrowly, which may incidentally exclude information that may be relevant.	4.5B.6		Noted.
AEMO	<p>AEMO suggests amending this to “which must be the same price for each Trading Day” to avoid the potential to read this as applying only to situations where it’s the same price (as opposed to specifying that it must be). As currently drafted, it could be read as the values potentially being different, but only requiring documentation of those that are the same.</p> <p>Clause 4.24.7(e)(iv)(2) – AEMO requests clarification on whether the intent is to allow a contract to have a different price for different hours throughout the day, and if this could also vary based on week or month? If so, AEMO recommends restricting this to avoid administrative overhead.</p>	4.24.7		EPWA notes amendments were made to clause 4.24.7(e)(iv)(1) to replace “which is the same” with “which must be the same” but considers there is no change required to 4.24.7(e)(iv)(2) at this stage.

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CME	CME supports the clarification of publishing SC Contracts as it promotes cost transparency.			Noted.
<b>Reserve Capacity Security</b>				
AEMO	AEMO appreciates EPWA including this amendment and supports the proposed change. In considering how to implement this change, AEMO has identified further changes that will be required to make this possible from a settlement perspective. The relevant changes will also need to be made to the equivalent DSP Reserve Capacity Security provisions.	4.13.11A	See <a href="#">AEMO submission</a> for proposed drafting	Noted and amended.
Confidential	A confidential submission provided support for the enhanced Capacity Test clarifications outlined in clause 4.13.13;	4.13.13		Noted.
Tesla Corporation and in in TDOWG (10 April 2025)	<p>Tesla Corporation is unclear as to the purpose of waiting for the relevant Capacity Year to occur and a test be witnessed for the Reserve Capacity Security to be released.</p> <p>The purpose of the Security is to ensure the delivery of the capacity. If the capacity is successfully delivered to the market, then the Security has served its purpose. Holding onto it unnecessarily merely increases the</p>	4.13.13		<p>EPWA and AEMO agree that the policy intent in drafting this provision was for the Reserve Capacity Security to be returned in the relevant Capacity Year.</p> <p>Returning the Reserve Capacity Security in advance of the Capacity Year poses a risk to AEMO and consumers if the facility experiences difficulties post commissioning and cannot meet its obligations once the Capacity Year commences, and AEMO has no Reserve Capacity Security or draw on to secure capacity</p>

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	<p>cost of delivery (albeit a minor cost) and is unclear in purpose.</p> <p>The Facility will then have to undergo a further test in the subsequent period between 1 October to 31 March in any case.</p>			replacement through the available supplementary mechanisms.
AEMO	AEMO recommends that this clause is updated to align with AEMO's proposed amendments to clause 4.13.11A	4.13A.16	See <a href="#">AEMO submission</a> for proposed drafting	EPWA notes that post-consultation changes were made to replace 4.13A.16 and insert new clause 4.13A.16A to extend the 4.13.11 changes to DSP Reserve Capacity Security claimed at the end of the Capacity Year.
<b>Appendix 11</b>				
Confidential	A confidential submission provided support for clarifying how ESR upgrades affect duration protection outlined in clause Appendix 11.	Appendix 11		Noted.
Synergy	Synergy suggests that refinements, such as the addition of indices to defined terms, consistency in use of terminology and some redrafting of process steps; should be made to the proposed Appendix 11: ADG Determination to enhance readability and clarity for Market Participants.	Appendix 11		EPWA made substantial changes to Appendix 11 to increase consistency and address issues raised in AEMO's submission. However, the changes are limited to what EPWA considered necessary as a second round of consultation was not possible due to the need to commence the Amending Rules.
AEMO	AEMO raised several issues with the drafting of Appendix 11 and suggested alternative drafting.			EPWA made substantial changes to Appendix 11 to increase consistency and address issues raised in AEMO's submission and adopted AEMO's suggestions where possible.

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<b>Miscellaneous</b>				
AEMO	<p>AEMO notes that new clause 1.68.1 gives the ERA until 15 March 2026 to publish the BRCP.</p> <p>As AEMO is required to publish the BRCP in the Request for Expression of Interest (REOI) under clause 4.3.1(f) by 1 January, this will not be possible for the 2026 RCC.</p>	Section 1.68	Introduce transitional provision to remove the requirement for AEMO to publish the BRCP in the 2026 REOI.	<p>EPWA notes AEMO's suggestion and has amended the wording of clause 1.68.1 – replacing “by 15 March 2026” with “prior to 16 March 2026”, providing greater consistency with clause 4.16.1</p> <p>Additionally new transitional clause 1.68.3 was included to remove the obligation on AEMO to publish the BRCP in the Request for Expressions of Interest on 1 January 2026 for the 2026 RCC.</p>
AEMO	AEMO notes that “compensation” has a specific meaning in the context of being exempt from GST, and suggests its use in definitions is revisited. This definition could be amended to follow a similar format as Energy Uplift Payment.	RCS Uplift Payment definition	<p><b>RCS Uplift Payment:</b>  <b>Is the RCS Uplift Payment in respect of a Facility and, in relation to a:</b></p> <p>(a) Trading Interval, as calculated under clause 9.10.3R; and</p> <p>(b) Dispatch Interval, as calculated under clause 9.10.3</p>	The definition of RCS Uplift Payment is amended to avoid using the term compensation (because of the GST implications of that term), as per the suggestion in AEMO's submission.
AEMO	<p>Under clause 2.1A.7, a Delegate is a "market governance participant" for the purposes of section 126 of the Electricity Industry Act, to the extent that it performs a function conferred on it under clause 2.1A.3.</p> <p>As the term “market governance participant” has been changed to “governance participant” in s.126 of the Electricity</p>	2.1A.7		EPWA has logged this issue and will consult with stakeholders after the ESM Regulations are amended to make this change.

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	Industry Act, AEMO recommends this is amended to “governance participant” in clause 2.1A.7. This would ensure that the limited liability in s.126 of the Electricity Industry Act can apply to Delegates of AEMO (and officers and employees of a Delegate of AEMO).			
Alinta	<p>Alinta consider appropriate compensation for generators impacted by AEMO errors should be implemented. Noting this is outside the scope of the areas covered by Tranche 8, it was indicated in the TDOWG, that EPWA may consider proposals to ameliorate this issue.</p> <p>Alinta consider that where a Facility is dispatched, it should be compensated based on its efficient variable cost.</p>		Implement appropriate compensation for generators impacted by AEMO errors	EPWA notes that this issue is not currently under consultation, and it will be logged for discussion at a later date.
CME	CME is supportive of the amendments to ensure adherence to the SEO and welcomes further engagement with EPWA.			Noted.
ECP	ECP consider that the changes to the publication of the BRCPs is a reasonable approach.			Noted.
AEMO	AEMO notes during the TDOWG EPWA indicated an intent to revise this clause so that it only applies to Scheduled, Semi-Scheduled and Non-Scheduled Facilities.	7.10.6B		EPWA considers that no change is needed.

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	<p>However, AEMO still requires clarification on the intent of this change as both drafting options may:</p> <ul style="list-style-type: none"> <li>• be detrimental to Non-Scheduled Facilities, which do not receive Dispatch Instructions, and could be deemed as any output of the generation system being considered non-compliant; and</li> <li>• not be required for Scheduled or Semi-Scheduled Facilities, which must follow their dispatch instruction or be in breach of 7.10.</li> </ul>			
Offgrid WA	<p>Offgrid WA notes concern regarding the risk that small-to-medium-sized solar and ESR providers will struggle to navigate complex compliance mechanisms and encourages the development of guidance and support channels for these market participants including the following suggestions:</p> <ul style="list-style-type: none"> <li>• Consider consultation pathways that include off-grid and decentralised energy providers as they play a growing role such as consulting or forming working groups with representatives from the off-grid and remote solar industry.</li> </ul> <p>providing early insight into any planned harmonisation between WEM rules and evolving national battery safety standards (e.g., AS/NZS 5139 compliance pathways).</p>		<p>Providing a plain English summary of market changes that may indirectly affect storage system suppliers and installers.</p>	<p>EPWA notes that the changes only affect proponents that want their ESR to participate in the RCM. AEMO provides extensive support including several information sessions for proponents wanting to participate in the RCM.</p>

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Offgrid WA	Many of the rule changes are understandably focused on WEM participation. However, it would be helpful for EPWA to consider consultation pathways that also include off-grid and decentralised energy providers, as they play a growing role in resilience, decarbonisation, and rural electrification efforts.			EPWA notes that as outlined in clause 1.1.2 of the ESM Rules, the ESM Rules govern the market and operation of the SWIS. The changes under consultation are related to specific issues in the ESM Rules. EPWA is considering the role of off-grid and decentralised energy providers in its policy development as relevant.
Offgrid WA	Offgrid WA consider that some of the rules — such as those relating to battery duration, load pairing restrictions, and capacity credit obligations — are ambiguous in terms of how (or if) they apply to emerging behind-the-meter, standalone power systems (SPS), or community energy projects.		Clarify the non-applicability or optional nature of market registration requirements for off-grid systems. Provide early insight into any planned harmonisation between WEM rules and evolving national battery safety standards (e.g., AS/NZS 5139 compliance pathways).	EPWA notes that, as outlined in clause 1.1.2 of the ESM Rules, the ESM Rules govern the market and operation of the SWIS. Therefore, all the proposed amendments only apply to facilities connected to the SWIS (would not apply to SPS or off-grid systems).
Offgrid WA	The trend of “round-based” access to markets or incentives has proven problematic in other contexts (e.g., the Solar VIC rebate scheme). If similar structures are extended in WA, we encourage a focus on			EPWA notes that the RCM in the WEM must strike a balance between providing investment signals (including cash flow) and certainty regarding the availability of sufficient capacity and must reflect the lead time of the relevant capacity investments.

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	timely access and cashflow predictability, especially for smaller businesses.			
<b>Minor amendments or enhancement</b>				
AEMO	<p><b>Capability Class Assessment changes</b>  AEMO supports the intent and proposes additional amendments to 4.5.12(i) to more closely align the drafting with the methodology that can be applied by AEMO in developing the WEM ESOO. These changes will improve market and operational efficiency by ensuring the assessment is only undertaken when a shortfall is identified for the anticipated fleet in assessing the second limb of the Planning Criterion, and that the contribution of anticipated Capability Class 2 Facilities are modelled as part of the assessment. AEMO considers the proposed drafting:</p> <ul style="list-style-type: none"> <li>• The assessment is only undertaken in the event a shortfall is identified for the existing fleet in assessing the second limb of the Planning Criterion (Clause 4.5.10(b)(ii)).</li> <li>• The assessment is performed using the unadjusted demand projection under clause 4.5.10(a)(iv), which is used in assessing the second limb of the Planning Criterion.</li> <li>• The impact of anticipated Capability Class 2 Facilities is modelled as part of the assessment.</li> </ul>	4.5.12(i)	<p>if anticipated installed capacity does not satisfy clause 4.5.9(b) under the load scenario described in clause 4.5.10(a)(iv), the minimum additional capacity required to be provided by Capability Class 1 and Capability Class 3 capacity if clause 4.5.9(b) is to be satisfied, using an appropriate mix of Capability Class 1 and Capability Class 3 capacity; and</p> <p>...</p>	Noted and amended.

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AEMO	AEMO recommends updating the definition of ESR Duration Requirement to be aligned with the proposed changes to clause 4.5.12(d), by replacing “by AEMO under clause 4.5.12(d)” with “the ESRDR determined by AEMO under Appendix 11.”	4.5.12(d)	Amend the ESRDR definition	EPWA does not consider that this change is needed.
AEMO	AEMO notes the reference to clause 4.11.3A is incorrect and suggests correcting it to clause 6.3A.2. AEMO also notes there is a lack of clarity around what constitutes a Facility upgrade given this is undefined in the rules. It is particularly unclear for an ESR. AEMO suggests that EPWA provides further guidance, noting that participants at the 10 April 2025 TDOWG meeting also raised this issue in respect to replacement capacity.	4.11.3A	Amend clause reference error. Provide clarity on constitutes a Facility upgrade given this is undefined in the rules.	The clause reference error has been corrected. EPWA notes that a Facility Upgrade definition has been included to clarify what is meant by Facility Upgrade in the definition of Peak Electric Storage Resource Obligation Duration definition.
AEMO	“NAQ Facility” – AEMO suggests amending “4.15.12A” to “4.5.12A” to correct the referencing error. Appendix Step 3A will also need to be updated, – to provide direction as to what to run the Facilities up to, similar to how this is done for new NCESS contracts under Step 3A(a)(ii). (iv) for a NAQ Facility subject to clause 4.5.12A, that was not assigned a NAQ in the.....”	Appendix 3	Amend clause reference error and Step 3A(a)(ii)	Noted and amended.
AEMO	AEMO notes that “Original” is not a defined term and suggests either defining or	1.65.4 and 1.65.5		Noted and amended.

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	amending to lower case in these two clauses.			
AEMO	AEMO suggests aligning this wording with clause 4.16.1 – and amending “by 15 March 2026 to “prior to 16 March 2026.”	1.68.1		Noted and amended.
AEMO	AEMO recommends adding “or, where relevant,” before “each component of the Facility” for clarity and to avoid a potential interpretation of the clause as requiring either the minimum stable loading OR each component of the Facility.	4.10.1		Noted and amended.
AEMO	AEMO suggests amending “availability price” to “proposed availability price” and harmonising with the following from clause 4.24.7(e)(iv) “the same price for each Trading Day during the term of the SC Contract” to ensure consistency. AEMO also notes this clause is only applicable to an Availability-and-Activation contract – not an Activation-Only contract.	4.24.10(c)(iv)		Noted and amended.
AEMO	AEMO suggests amending “activation price” to “proposed activation price.”	4.24.10(c)(v)		Noted and amended.
AEMO	AEMO suggests amending “intended quantity contracted” to “maximum quantity contracted.” The standard-form contracts specify a maximum service quantity (Initial	4.24.11B(b)		EPWA has amended the drafting taking into account AEMO’s suggestion. This includes the addition of clause 4.24.11B (bA) to require the publication of both values.

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	MSQ), which may be reduced initially through the verification test process, and subsequently increased (provided the service provider demonstrates the additional quantity) up to but not exceeding the Initial MSQ.			
AEMO	AEMO suggests amending “intended commencement date” to “commencement date”. The publication of contract information should be factually correct as per the contract.	4.24.11B(dA)		Noted and amended.
AEMO	AEMO suggest amending “will be available” to “must be available, unless otherwise provide for in the SC Contract. The contract allows the service provider to notify AEMO of unavailability periods (and availability payments aren’t paid during those periods), and the current phrasing would be challenging to implement.	4.24.11B(e)(ii)		EPWA notes that if a contract specifies periods of unavailability then the details need to be published to provide transparency for Market Participants. Amendments have been made to the clause to change "will be available" to "must be available" as suggested by AEMO.
AEMO	AEMO notes that “Electricity Industry Act 2004” can be amended to “Electricity Industry Act” as it is a defined term under the ESM Rules.	Defined Term		Noted and amended.
AEMO	AEMO notes there are two instances of “Electricity Industry (Metering) Code 2012” in the ESM Rules that can now be updated to “Metering Code” for consistency	Defined Term		

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AEMO	AEMO notes this could be interpreted as Non-Dispatchable Loads that are not served by Synergy. If this is not the intent, AEMO recommends mending to “A notional Interval Meter representing Non- Dispatchable Loads that are served by Synergy that are deemed to not have Interval Meters.	Defined Term - NWM		EPWA has amended the drafting taking into account AEMO’s proposed amendments.
AEMO	AEMO recommends updating the definitions for SC_Reduction and NCESS_Reduction to be aligned with the definitions under Appendix 9 (Step 7) for consistency.	Appendix 7 Step 1 (e) and (f)	Update definitions to align with those under Appendix 9 (Step 7)	EPWA notes that the variable definitions in Appendix 9 have been amended to match the variable definition structure in Appendix 7 and the final version of Appendix 9 (i.e. the post RLM version). Although this is different to what was proposed by AEMO, the result aligns with the final (RLM) version of Appendix 9.
AEMO	AEMO notes that due to the changes to clause 2.13.7(b), both clause 7.10.6C (in Schedule 3 of the RCM Reviews Sequencing Rules) and 2.15.4(a) will provide a head of power for AEMO to outline the process for monitoring compliance with clause 7.10.7B in a WEM Procedure. AEMO suggests deleting clause 7.10.6C to avoid this duplication.	2.13.7		Noted and amended.
AEMO	If the suggestion above is accepted, AEMO suggests updating the reference to “clause 7.10.6C” to “clause 2.13.7.”	2.29.13(e)		Following discussion with AEMO, EPWA has updated clause 2.29.13 but notes that the new clause reference is 2.15.4, not 2.13.7.

Submission	Comments/Issues Raised	Clause #	Requested Changes/Action	Energy Policy WA Responses
AEMO	AEMO suggests removing the second reference to “clause” to correct the typographical error	4.25.2A		Noted and amended.
Synergy	Synergy suggests the word “clauses” is replaced with “clause” in the last sentence of the clause 4.25.2A.	4.25.2A		Noted and amended
AEMO	AEMO notes that the explanatory note suggests this clause is meant to be deleted, yet the clause is not in red strikethrough. AEMO recommends this is rectified before Gazettal so that it is deleted.	4.25.2AB		Noted and amended.
Synergy	Synergy queries if clause 4.25.2AB was intended to be marked as being struck out in Schedule 5 of the Tranche 8 Draft Rules as indicated in the accompanying explanatory note that stated that this clause is to be deleted.  Suggested edits are to align with statement in the explanatory note above clause 4.25.2AB in the Tranche 8 Draft Rules.	4.25.2AB	4.25.2AB. [Blank]	Noted and amended
AEMO	AEMO has interpreted the intent of clause 7.8A.1(b) to be the use Reserve Capacity Obligation Quantity as an estimated quantity, and that it should use either (i) or (ii), not both. AEMO therefore recommends amending to	7.8A.1.		Noted and amended.

Submission	Comments/Issues Raised	Clause #	Requested Changes/Action	Energy Policy WA Responses
	drafting to include “information available to AEMO of <b>the greater of.</b> ”			
AEMO	AEMO suggests consideration of whether “connection point” in Step 11(c) and (d) should be changed to defined term “Connection Point.”	Appendix 5 Step 11		Noted and amended.
AEMO	AEMO suggests amending to “facilitate Dispatch Instructions that will allow the Registered Facility to comply with a direction” to align with the wording used in clause 7.7.8.			Following further discussion with AEMO, EPWA notes there are no further changes required at present and will consider the benefits of any additional changes as part of the FCESS Cost Review Stage 2.
AEMO	AEMO suggests amending “SemiScheduled” to “Semi-Scheduled” to correct the typographical error.			EPWA notes that the Exposure Draft is correct, and no change is required.
AEMO	Fixed Price Component - AEMO notes this definition should commence on Gazettal and therefore recommends moving to Schedule 2.	Defined Term	Move to Schedule 2	Noted and amended.
Synergy	<p>Synergy considers that the proposed drafting for the defined term Notional Wholesale Meter may require further clarification.</p> <p>It is important to note by basing the definition of the Notional Wholesale Meter on meters regulated under the Metering Code, the Notional Wholesale Meter cannot</p>	Glossary	<p>Notional Wholesale Meter: <del>A notional interval meter representing Non-Dispatchable Loads that are deemed to not have interval meters that are served by Synergy.</del></p>	<p>EPWA considers that the original definition as drafted in the Exposure Draft appropriately reflects the nature of the Notional Wholesale Meter.</p> <p>EPWA has made some minor further amendments to increase readability.</p>

Submission	Comments/Issues Raised	Clause #	Requested Changes/Action	Energy Policy WA Responses
	<p>have a negative value because it would be inconsistent with the operation of the Metering Code. Consequently, the current definition may not be consistent with how the Notional Wholesale Meter value is used in the WEM Rules, in particular clause 9.5.3.</p> <p>In the interest of regulatory certainty, consideration needs to be given to ensure that the definition of the Notional Wholesale Meter is consistent with how it is used in the WEM Rules.</p> <p>Synergy considers that the definition of the Notional Wholesale Meter should reflect a calculated value based on the recorded interval energy data under the Metering Code. Synergy has suggested alternative drafting stating that the Notional Wholesale Meter is a calculated value.</p>		<p>means, in relation to a Trading Interval, the value determined by subtracting the total recorded energy consumed at a Measurement Point, for all Contestable Customer Load, from the total recorded energy generated at a Measurement Point, for all Transmission Connected Generating Systems and Electric Storage Resource.</p>	
Synergy	<p>Synergy proposes drafting amendments to improve clarity on the operational intent of the subclauses of 4.14.1CC such that, as per Synergy's suggested drafting amendments, (b) must be binding alongside either of subitems (a)(i), (a)(ii) or (a)(iii).</p>	4.14.1CC		<p>EPWA has amended the drafting taking into account Synergy proposed amendments.</p>

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