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Energy Policy WA  
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## **EPWA CONSULTATION: MARKET ADVISORY COMMITTEE REVIEW – COORINATOR OF ENERGY'S CONSULTATION PAPER**

Synergy welcomes the opportunity to provide feedback to Energy Policy WA (**EPWA**) on their publication *Market Advisory Committee Review – Coordinator of Energy's Consultation Paper (MAC Review Paper)* released on 9 June 2025.

The Coordinator of Energy (**Coordinator**) is conducting a review of the Market Advisory Committee (**MAC**) due to the significant changes that have occurred within the Wholesale Electricity Market (**WEM**). Stage 1 of the Coordinator's MAC review (**Review**) was completed by ACIL Allen, who were engaged to undertake an independent assessment of the MAC and provide findings and recommendations. ACIL Allen published their findings on 6 May 2024 in their *Review of the Market Advisory Committee Consultation Paper (ACIL Paper)*. The Coordinator's MAC Review Paper outlines the Coordinator's considerations of the six recommendations within the ACIL Paper, alongside proposed ESM Rule amendments to implement the changes.

Synergy sets out its feedback on the proposed changes below, along with detailed drafting comments on the MAC Review Paper in the attached table.

### **1 COORDINATOR'S PROPOSED CHANGES TO THE MAC**

#### **1.1 Proposal 1: Purpose of the MAC**

The Coordinator agreed in a modified form with the first recommendation in the ACIL Paper, *"Setting a guiding purpose to ensure all MAC members are aligned to the same long-term goals and objectives when providing advice"*. To address this recommendation, the Coordinator proposes to amend clause 2.3.1 of the Electricity and System Market Rules (**ESM Rules**) to provide clarity on the MAC's purpose, and to better address the SEO. Synergy supports the Coordinator's proposal and proposed amendments to clause 2.3.1 of the ESM Rules.

#### **1.2 Proposal 2: Composition of the MAC**

The Coordinator agreed with the fourth recommendation in the ACIL Paper *"Ensuring that MAC membership provides a truly representative view of the whole market, and that there are mechanisms in place for the membership to reflect the evolving needs of the market"*. The Coordinator proposes to action this recommendation by changing the membership of the MAC via amendments to clauses 2.3.5, 2.3.5A, 2.3.5D and 2.3.8E of the WEM Rules. In particular the Coordinator proposes to:

- expand the Market Participant class and bring the Contestable Customer class into the general Market Participant class of the MAC membership;

- remove the stand-alone Contestable Customer class;
- retain Synergy's membership, noting its role as supplier for non-contestable customers, on the MAC in an amended form; and
- remove the requirement for the Minister to nominate the small-use consumer representative.

Synergy agrees with the Coordinator's proposals in principle, however considers further refinements may enable improved representation of stakeholders within the MAC membership.

### Large Contestable Customers

Synergy considers that in practice, a Large Contestable Customer is unlikely to be a Market Participant themselves. As such, Synergy considers that a market industry body for Contestable Customers may be better placed to provide representation for Large Contestable Customers. Therefore, Synergy proposes that clause 2.3.5(b) is retained in an amended form to allow representation for a Large Contestable Customer. Please refer to the suggested drafting in the attached table.

### Representatives in the Market Participant class

Synergy supports the Coordinator's proposed amendments to clause 2.3.5A to specify the representation mix that should be sought for membership within the Market Participant class of the MAC. In noting the growing volume of Distributed Energy Resources (**DER**) within the SWIS and the potential role of DER orchestration within the market, Synergy considers that clause 2.3.5A should specify a DER representative. Synergy's proposed drafting is provided in the attached table.

### Other Considerations

The future expansion of the ESM Rules will incorporate various regulatory instruments including the Metering Code and Technical Rules. As such, the membership composition of the MAC should be reviewed regularly to appropriately represent the WEM. Synergy agrees with the need for the Coordinator to ensure that MAC membership represents the WEM's composition, per the proposed new clause 2.3.5D. However, Synergy has concerns that the terminology "energy producing technologies" may unintentionally exclude battery storage systems. Please refer to the attached table for Synergy's proposed drafting.

## **2 REMAINING RECOMMENDATIONS FROM THE INDEPENDENT REVIEW**

### **2.1 Adding a strategic function for the Market Advisory Committee**

The ACIL Paper recommends "*Adding a strategic function to proactively engage the MAC in emerging issues*". The Coordinator did not accept this recommendation and considers that existing mechanisms within the ESM Rules already enable the MAC to have a strategic function. At a high-level, Synergy supports the Coordinator's position and agrees that clause 2.3.1 of the ESM Rules allows for the MAC to have a strategic function. However, Synergy considers that additional processes could be implemented to address the sometimes "reactive" nature of the MAC as noted within the ACIL paper.

The MAC membership and observer rules do not accommodate for all industry participants to attend, however on occasion, the MAC has operated as a 'representative' forum to inform industry of policy decisions. For example, at the May 2024 MAC meeting, MAC members were given a verbal update on proposed rule amendments developed by EPWA and the ERA, gazetted as the *Wholesale Electricity Market Amendment (Price Ceiling) Rules 2024 (FCESS Ceiling Rules)*. The MAC meeting papers did not include a draft of the FCESS Ceiling Rules, and MAC members were informed that a Transformation Design and Operation Working Group (**TDOWG**) would not be convened prior to the commencement of the FCESS Ceiling Rules. In this circumstance, the MAC were not afforded the opportunity to advise the Coordinator on the FCESS Ceiling Rules

and unable to fulfil its role consistent with the scope of rule 2.3.1. Additionally, without a TDOWG meeting being held, Market Participants and wider industry were not given sufficient visibility of the proposed FCESS Ceiling Rules, or opportunity to respond or query these changes prior to commencement.

Additionally, in specific instances, the MAC had no opportunity to provide advice to the Coordinator prior to the publication of a consultation paper or proposed amending rules. A recent example is the release of the Power System Security and Reliability (**PSSR**) Standards Review consultation paper published in June 2025, without the MAC being provided the opportunity to review prior to release. Additionally, an industry forum (such as a TDOWG) has not been held for industry to discuss the PSSR consultation paper. Similarly, the Tranche 8 Exposure Draft Proposed Electricity System and Market Amending Rules (**Draft Tranche 8 Rules**) were published for consultation without prior notice to the MAC. Synergy acknowledges that the MAC had not been convened between October 2024 and May 2025, however considers that the MAC members should have been notified of the upcoming consultation on the Draft Tranche 8 Rules.

To address these issues Synergy's proposes that:

- the MAC have advance notice prior to publication of Consultation Papers and Amending Rule changes; and
- the MAC is provided the opportunity to raise concerns at an out-of-session meeting as necessary; and
- in the interests of providing industry and market participants with transparency, a TDOWG be held prior to (or during) the consultation period for all Consultation Papers and Amending ESM Rules.

## **2.2 Stating the unstated roles of the MAC**

The Coordinator did not accept ACIL Allen's recommendation "*Making explicit the MAC's unstated roles in providing transparency for decision-making processes and enhancing market knowledge*", and considered that transparency and knowledge-sharing are outcomes of the MAC's advisory role and meetings processes. Synergy submits that the MAC's unstated role in providing transparency for decision-making processes should be made explicit. The MAC plays an important role in accountability to all industry participants, particularly for participants without direct MAC representation.

## **2.3 Defining the reporting process between the MAC Working Groups and the MAC**

The Coordinator has not accepted ACIL Allen's recommendation of "*Defining processes between the MAC Working Groups and the MAC to ensure that roles do not overlap*". Synergy supports the Coordinator's decision and agrees that the Terms of Reference provide sufficient clarity to avoid overlap of roles.

## **2.4 Allowing observers at MAC meetings**

ACIL Allen recommends "*Allowing observers at MAC meetings to further enhance transparency and market knowledge (at the discretion of the independent Chair)*". The Coordinator has not actioned this recommendation noting that the ESM Rules already permit observers to attend MAC meetings at the Chair's or the Coordinator's discretion. The Coordinator also notes concerns with observers becoming disruptive to MAC meetings if permitted to attend without discretion of the Chair.

Synergy acknowledges the delicate balancing act required between increased transparency and minimising possible disruptions in MAC meetings. Synergy considers that observers, particularly those with technical expertise, may be able to contribute valued insight to MAC discussions. Synergy supports allowing observers to enhance transparency and knowledge sharing, and that

disallowing an observer request be by exception only. To mitigate concerns with observers being disruptive to MAC meetings, Synergy proposes the following:

- Requiring observers to stay on mute and only participate in discussion when requested by the MAC;
- Limiting observers' participation to the chat function; and
- Disallowing disruptive observers from future MAC meetings.

### **3 SUMMARY**

Synergy is supportive of the Coordinator's and EPWA's work in the MAC review and acknowledges the importance of the MAC's role in advising the Coordinator regarding the evolution and development of the WEM. Synergy thanks the Coordinator and EPWA for their work to date in this review and looks forward to engaging in the next stage of consultation.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Rudolf Vorster', with a stylized, flowing script.

**RUDOLF VORSTER**  
**HEAD OF WHOLESALE STRATEGY AND PLANNING**

**Table 1: Comments on Appendix B – Proposed ESM Rule changes**

Table 1: Synergy's comments on Appendix B – Proposed ESM Rule changes			
#	Rule ref.	Issue	Suggestion
1	2.3.5(b)	Please refer to 1.2 above for details.	<b>Suggested drafting:</b> (b) <u>of the eight members referred to in 2.3.5(a),</u> at least one member and not more than two representing <u>large</u> Contestable Customers; <del>[Blank]</del>
2	2.3.5A	Please refer to 1.2 above for details.	<b><u>2.3.5A.</u></b> ... (c) are responsible for a Demand Side Programme; <del>and</del> (d) are large Contestable Customers; <del>and</del> (e) are responsible for orchestrated Distributed Energy Resources.
3	2.3.5D	This new clause is intended to require the Coordinator to use reasonable endeavours to ensure that the MAC membership represents the range of energy producing technologies in the WEM. Synergy agrees that the MAC membership should be representative of the technologies in the WEM, and notes that this wording may unintentionally exclude battery storage systems which are not classified as "energy producing technologies".	<b>Suggested drafting:</b> In appointing members under clause 2.3.5A(a), the Coordinator must use reasonable endeavours to ensure that the MAC membership is representative of the range of <del>energy producing technologies</del> <u>facility technology types</u> in the WEM.