

## Meeting Agenda

<b>Meeting Title:</b>	Market Advisory Committee (MAC)
<b>Date:</b>	Thursday 20 November 2025
<b>Time:</b>	1:30 PM – 3:30 PM
<b>Location:</b>	Online

Item	Item	Responsibility	Type	Duration
1	Welcome and Agenda <ul style="list-style-type: none"> <li>Conflicts of interest</li> <li>Competition Law</li> </ul>	Chair	Noting	2 min
2	Meeting Apologies/Attendance <ul style="list-style-type: none"> <li>New AEMO Executive General Manager WA and Strategy - Kirsten Rose, to introduce herself to the MAC</li> </ul>	Chair	Noting	15 min
3	Minutes of Meeting 2025_10_16 Approved out of session <a href="#">Published 13 November 2025</a>	Chair	Noting	2 min
4	Action Items	Chair	Noting	1 min
5	Meter Data Anomalies	Western Power	Discussion	15 min
6	Update on Benchmark Reserve Capacity Price process	ERA	Discussion	30 min
7	Update on Working Groups			
	(a) AEMO Procedure Change Working Group	AEMO	Noting	2 min
	(b) AEMO Major Projects Working Group	AEMO	Verbal Update	2 min
	(c) Power System Security and Reliability (PSSR) Standards Review	PSSRSWG Chair	Verbal Update	2 min
	(d) Essential System Services (ESS) Framework Review Working Group	ESSFRWG Chair	Verbal Update	2 min
	(e) Capability Class 2 Technologies Review	CC2TRWG Chair	Noting	5 min
8	Rule Change Proposal (RC_2025_01)	EPWA	Discussion	15 min
9	MAC Constitution Review	EPWA	Discussion	15 min
10	2026 MAC Meeting Schedule	EPWA	Discussion	2 min

Item	Item	Responsibility	Type	Duration
11	WEM Effectiveness Review – Progress Update	Chair/Secretariat	Noting	2 min
12	Market Development Forward Work Program	Chair/Secretariat	Noting	2 min
13	Overview of Rule Change Proposals	Chair/Secretariat	Noting	1 min
14	General Business	Chair	Discussion	5 min

Please note, this meeting will be recorded.

## Competition and Consumer Law Obligations

Members of the MAC (**Members**) note their obligations under the *Competition and Consumer Act 2010* (**CCA**).

If a Member has a concern regarding the competition law implications of any issue being discussed at any meeting, please bring the matter to the immediate attention of the Chairperson.

Part IV of the CCA (titled “Restrictive Trade Practices”) contains several prohibitions (rules) targeting anti-competitive conduct. These include:

- (a) **cartel conduct**: cartel conduct is an arrangement or understanding between competitors to fix prices; restrict the supply or acquisition of goods or services by parties to the arrangement; allocate customers or territories; and or rig bids.
- (b) **concerted practices**: a concerted practice can be conceived of as involving cooperation between competitors which has the purpose, effect or likely effect of substantially lessening competition, in particular, sharing Competitively Sensitive Information with competitors such as future pricing intentions and this end:
  - a concerted practice, according to the ACCC, involves a lower threshold between parties than a contract arrangement or understanding; and accordingly; and
  - a forum like the MAC is capable being a place where such cooperation could occur.
- (c) **anti-competitive contracts, arrangements understandings**: any contract, arrangement or understanding which has the purpose, effect or likely effect of substantially lessening competition.
- (d) **anti-competitive conduct (market power)**: any conduct by a company with market power which has the purpose, effect or likely effect of substantially lessening competition.
- (e) **collective boycotts**: where a group of competitors agree not to acquire goods or services from, or not to supply goods or services to, a business with whom the group is negotiating, unless the business accepts the terms and conditions offered by the group.

A contravention of the CCA could result in a significant fine (up to \$500,000 for individuals and more than \$10 million for companies). Cartel conduct may also result in criminal sanctions, including gaol terms for individuals.

**Sensitive Information** means and includes:

- (a) commercially sensitive information belonging to a Member’s organisation or business (in this document such bodies are referred to as an Industry Stakeholder); and
- (b) information which, if disclosed, would breach an Industry Stakeholder’s obligations of confidence to third parties, be against laws or regulations (including competition laws), would waive legal professional privilege, or cause unreasonable prejudice to the Coordinator of Energy or the State of Western Australia).

## Guiding Principle – what not to discuss

In any circumstance in which Industry Stakeholders are or are likely to be in competition with one another a Member must not discuss or exchange with any of the other Members information that is not otherwise in the public domain about commercially sensitive matters, including without limitation the following:

- (a) the rates or prices (including any discounts or rebates) for the goods produced or the services produced by the Industry Stakeholders that are paid by or offered to third parties;
- (b) the confidential details regarding a customer or supplier of an Industry Stakeholder;
- (c) any strategies employed by an Industry Stakeholder to further any business that is or is likely to be in competition with a business of another Industry Stakeholder, (including, without limitation, any strategy related to an Industry Stakeholder’s approach to bilateral contracting or bidding in the energy or ancillary/essential system services markets);
- (d) the prices paid or offered to be paid (including any aspects of a transaction) by an Industry Stakeholder to acquire goods or services from third parties; and
- (e) the confidential particulars of a third party supplier of goods or services to an Industry Stakeholder, including any circumstances in which an Industry Stakeholder has refused to or would refuse to acquire goods or services from a third party supplier or class of third party supplier.

## Compliance Procedures for Meetings

If any of the matters listed above is raised for discussion, or information is sought to be exchanged in relation to the matter, the relevant Member must object to the matter being discussed. If, despite the objection, discussion of the relevant matter continues, then the relevant Member should advise the Chairperson and cease participation in the meeting/discussion and the relevant events must be recorded in the minutes for the meeting, including the time at which the relevant Member ceased to participate.

## Agenda Item 4: MAC Action Items

Market Advisory Committee (MAC) Meeting 2025\_11\_20

Shaded	Shaded action items are actions that have been completed since the last MAC meeting. Updates from last MAC meeting provided for information in <b>RED</b> .
Unshaded	Unshaded action items are still being progressed.
Missing	Action items missing in sequence have been completed from previous meetings and subsequently removed from log.

Item	Action	Responsibility	Meeting Arising	Status
4/2025	Synergy to advise the MAC on the expected commencement and completion of its internal review on impacts to its fleet if the RoCoF Safe Limit is increased.	Synergy	2025_09_04	<b>Closed</b> Synergy has held direct discussions with AEMO and EPWA on this matter to better understand the proposed change within the wider context of the market. Initial high-level internal reviews have also been undertaken to understand any potential impacts on its fleet from the proposed increase in the RoCoF Safe Limit. Synergy is expecting the proposed change will lead to higher wear and tear on its fleet but is not expecting the fleet to incur any critical adverse impacts. Synergy will continue to monitor the performance of its fleet in RoCoF events.

Item	Action	Responsibility	Meeting Arising	Status
5/2025	Mr Sarawat to circulate the options for the Benchmark Reserve Capacity Proce Procedure review to MAC members. .	ERA	2025_09_04	<b>Closed</b> On 10 September 2025, Mr Sarawat circulated the options to MAC members, and MAC members responded with their preferences.
6/2025	Western Power to identify the root cause of the metering data issue presented to MAC members on 16 October 2025, and report back with a plan setting out the root cause diagnosis and the process to Western Power will take to address it.	Western Power	2025_10_16	<b>Open</b> See Agenda Item 5

## **Agenda Item 5: Western Power Response to Meter Data Anomalies**

Market Advisory Committee (**MAC**) Meeting 2025\_11\_20

### **1. Purpose**

Western Power to provide MAC members with an update on Action Item 7: Meter Data Anomalies.

### **2. Recommendation**

That the MAC:

- (1) Note and provide feedback on Western Power's investigation and findings in relation to the metering data anomalies.

### **3. Attachment**

- (1) Agenda Item 5 – ATT 1 - Western Power Response to Meter Data Anomalies.

## **Agenda Item 5: Western Power Response to Meter Data Anomalies**

Market Advisory Committee (**MAC**) Meeting 2025\_11\_20

### **1. Purpose**

Western Power to provide MAC members with an update on Action Item 7: Meter Data Anomalies.

### **2. Recommendation**

That the MAC:

- (1) Note and provide feedback on Western Power's investigation and findings in relation to the metering data anomalies.

### **3. Attachment**

- (1) Agenda Item 5 – ATT 1 - Western Power Response to Meter Data Anomalies.

## Agenda Item 5: ATT 1 - Western Power Response to Meter Data Anomalies

### Market Advisory Committee (MAC) Meeting 2025 11 20

#### 1. Purpose

- In response to **Item 7: Meter Data Anomalies** presented by **Mr Geoff Gaston** on 16 October 2025, Western Power was requested to report to the November MAC meeting outlining the root cause of the metering data issue and the plan to address it.
- This paper provides:
  - A summary of the issues raised;
  - Clarification of the source and scope of the anomaly;
  - Details of the corrective actions undertaken to date and confirmation that the issue is not widespread; and
  - The mitigation measures being implemented to prevent recurrence and address customer concerns.
- **Recommendation**
- That the Market Advisory Committee:
  - Note Western Power's investigation and findings in relation to the metering data anomalies;
  - Note that the issue has been isolated to a small subset of contestable customers, representing approximately 1% of the sample population; and
  - Note Western Power's proposed rectification program, validation controls, and communication plan, to be completed by December 2025.

#### 3. Background

- As part of the regulatory transition of the Wholesale Electricity Market (WEM) to **5-minute trading intervals**, Western Power undertook a conversion of relevant metering systems and data configurations.
- During post-implementation validation, a **data anomaly** was identified where consumption was **overstated within 30-minute trading intervals** for a small subset of customers. The anomaly occurs only where both 5-minute and 30-minute datasets coexist within Western Power's Meter Data Management (MDM) system. In this scenario, the **NEM12 data file generation process** incorrectly aggregates the 5-minute reads into the legacy 30-minute interval, effectively double-counting energy consumption.
- Western Power has conducted an internal audit of **5,123 contestable NMIs** out of a total of **29,491**, as part of the investigation into the 5-minute interval data anomaly. The review identified **79 NMIs** containing the specific data aggregation error, representing an **error rate of approximately 1.5% of the sample size**. The anomaly is confined to a **defined period following the conversion to 5-minute trading intervals** and is limited in scope.
- The issue affects **published NEM12 data** provided to Market Participants and AEMO for the identified NMIs; however, it does **not impact network billing, customer metering accuracy, or settlement metering points outside the affected timeframe**.



- Western Power has prepared a list of affected NMIs with corresponding date/time ranges and will communicate this directly to each impacted Market Participant. The review window extends from **July 2024 to present**, with no evidence of systemic or ongoing issues beyond that scope.

#### 4. Western Power's proposed solution/s

- **Data Review and Correction:**
- A formal data remediation action has commenced to identify, validate, and correct affected records. Completion of all review and correction activities is scheduled for December 2025.
- **Process and System Controls**
- The root cause analysis has led to an update in Western Power's systems to ensure that 5-minute and 30-minute interval data cannot coexist in active NEM12 files. Additional automated validation checks will be embedded within Western Power processes and systems to flag any interval duplication. A governance review of meter data conversion processes is being undertaken to ensure alignment with national data handling practices.
- **Market Participant Engagement**
- Western Power has been and will continue to contact each affected Market Participant to provide the details of impacted NMIs, the scale of the anomaly, and the proposed correction pathway. Where relevant, Western Power will coordinate with AEMO to ensure corrected data is appropriately recognised for settlement purposes.
- **Assurance**
- Western Power confirms that:
  - The anomaly is **not widespread** and does not impact metering accuracy at the device level;
  - It is **isolated to a data aggregation logic issue within the MDM system** following the 5-minute conversion; and
  - **Preventive measures have been implemented to avoid recurrence** in future market transitions or data extracts.

#### 5. Next Steps

- Finalise and issue impact statements to affected Market Participants (by **December 2025**);
- Implement and validate updated system logic (**completed October 2025**);
- Provide closure report and confirmation to the Market Advisory Committee once remediation is complete (by **February 2026**).



## Agenda Item 6: Update on Benchmark Reserve Capacity Price process

Market Advisory Committee (**MAC**) Meeting 2025\_11\_20

### 1. Purpose

The Economic Regulation Authority (ERA) to provide MAC members with an update on the Benchmark Reserve Capacity Price (BRCP) Procedure and 2026 determination process.

### 2. Recommendation

That the MAC:

1. Provide feedback on the ERA's review of the Wholesale Electricity Market (WEM)  
Procedure: Benchmark Reserve Capacity Price

### 3. Attachment

- (1) Agenda Item 6 – ATT 1 – ERA update on BRCP process
- (2) Agenda Item 6 – ATT 2 – ERA update on BRCP process - presentation

## Agenda Item 6 – ATT 1 – ERA update on BRCP process

### Update on Benchmark Reserve Capacity Price process

On 30 September 2025, the Coordinator of Energy determined that both Flexible and Peak Benchmark Capacity Providers must be a lithium BESS with 200 MW injection and 1200-megawatt hour (MWh) (6-hour) energy storage, and a 330 kV connection at a location determined by the ERA.<sup>1</sup> On 9 October 2025, the Coordinator published an addendum to the Determination, updating the network location for both Peak and Flexible Benchmark Capacity Providers to a 330 kV connection located on the Clean Energy Link – North.<sup>2</sup>

Given the change to the BRCP reference technology, the ERA must update and review the BRCP Procedure.<sup>3</sup> The ERA must use this updated Procedure to determine the 2026 BRCPs for the 2026 Reserve Capacity Cycle by 16 March 2026.<sup>4</sup>

The ERA last updated the BRCP WEM Procedure in 2024 when the reference technology changed from an Open Cycle Gas Turbine to a 4-hour BESS.<sup>5</sup>

To update the BRCP Procedure, the ERA must publish a procedure change proposal that includes the proposed amendments for a 4-week consultation period.<sup>6</sup> The ERA must consult with the MAC as part of this process. After considering stakeholder submissions, the ERA will update and finalise the BRCP Procedure by mid-January 2026.

### Discussion

The ERA has sought technical advice from GHD, Landgate and Western Power on capital cost and fixed O&M cost drivers for the Benchmark Capacity Providers. This will inform the ERA's review of which components of the BRCP calculation must be updated in the BRCP Procedure to reflect the Coordinator's determination.

The ERA Secretariat expects to seek approval from the ERA Governing Body regarding proposed changes to the BRCP Procedure on 12 November 2025. The Secretariat subsequently anticipates publishing the procedure change proposal and draft Procedure for consultation on 13 November 2025.

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<sup>1</sup> Energy Policy WA, *2025 Review of the Benchmark Capacity Providers: Coordinator of Energy Determination* ([online](#)).

<sup>2</sup> Energy Policy WA, 9 October 2025, *2025 Review of Benchmark Capacity Providers: Coordinator of Energy Determination, Addendum*, p. 1 ([online](#)).

<sup>3</sup> Electricity System and Market Rules (WA), 30 October 2025, Rule 1.68.2, ([online](#)).

<sup>4</sup> Electricity System and Market Rules (WA), 30 October 2025, Rule 1.68.1, ([online](#)).

<sup>5</sup> Economic Regulation Authority, 2024, *Procedure Change EEPD\_2024\_01, Review of the Benchmark Reserve Capacity Price WEM Procedure*, ([online](#)).

<sup>6</sup> Electricity System and Market Rules (WA), 30 October 2025, Rules 2.9.3(a) and 2.10 ([online](#)).

## Agenda Item 6 – ATT 1 – ERA update on BRCP process

### Next Steps

The table below shows the next steps:

Activity	Timing
<ul style="list-style-type: none"> <li>Publish procedure change proposal and draft WEM Procedure</li> </ul>	<ul style="list-style-type: none"> <li>13/11/2025</li> </ul>
<ul style="list-style-type: none"> <li>Consultation period of 20 business days</li> </ul>	<ul style="list-style-type: none"> <li>13/11/2025 - 10/12/2025</li> </ul>
<ul style="list-style-type: none"> <li><b>Seek feedback from the MAC</b></li> </ul>	<ul style="list-style-type: none"> <li><b>20/11/2025</b></li> </ul>
<ul style="list-style-type: none"> <li>Publish procedure change report and updated WEM Procedure</li> </ul>	<ul style="list-style-type: none"> <li>13/01/2026</li> </ul>
<ul style="list-style-type: none"> <li>Updated WEM Procedure takes effect</li> </ul>	<ul style="list-style-type: none"> <li>13/01/2026</li> </ul>

The ERA Secretariat will present slides at the MAC meeting on 20 November 2025 outlining the proposed changes. These slides will be submitted to the MAC Chair by 13 November 2025 for circulation to the MAC.



Economic Regulation Authority

WESTERN AUSTRALIA

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# Review of the BRCP Procedure

MAC | 20 November 2025 | Item 6

Lipakshi Dhar | Assistant Director, Energy Markets Division, ERA

# Background

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- Coordinator's determination: Lithium BESS 200 MW / 1,200 MWh (i.e. **6 hours**) at 330 kV connection on Clean Energy Link – North
- ERA must update BRCP Procedure to reflect Coordinator's determine and follow for 2026 BRCP determination
  - Published draft proposal **for feedback by 11 Dec**
  - Requirement to consult with MAC: seeking your views today
  - Approach: consider material changes since previous tech (4-hour BESS in Kwinana/Pinjar)

# Procedure components

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## 1. BESS technical specs

- Sub-chemistry
- Operational assumptions

## 2. Cost components

- Capital cost
- Fixed O&M cost

## 3. Cost estimation method

## 4. Annualisation

- Annuity period
- WACC
- Annuity tilt

# Summary of proposed changes

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## Parameters to be **updated**

### **Design specifications**

To account for 1,200 MWh storage capacity

### **Increased land size**

7.3 hectares (+0.8 ha) for larger BESS

### **Location**

Eight identified areas along CEL – N

## Parameters to be **retained**

### **Capital and fixed O&M cost components**

These cost drivers are typical of BESS facilities

### **BESS sub-chemistry**

LFP remains benchmark for reliability and market acceptance

### **Annualisation**

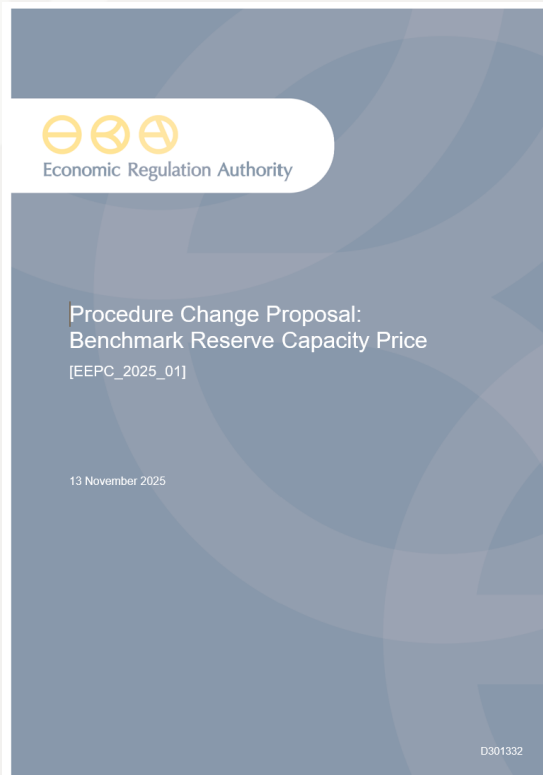
- Annuity period (15 years)
- Rate of return (nominal pre-tax WACC)
- Annuity tilt (1.0)



# The ERA is seeking feedback on proposal

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- Papers available on ERA website ([online](#))
- Submissions due 11 Dec ([online](#))
- We will also host additional industry forum



# MARKET ADVISORY COMMITTEE MEETING, 20 November 2025

FOR DISCUSSION

SUBJECT: UPDATE ON AEMO'S WEM PROCEDURES

AGENDA ITEM: 7(A)

## 1. PURPOSE

Provide a status update on the activities of the AEMO Procedure Change Working Group and AEMO Procedure Change Proposals.

## 2. AEMO PROCEDURE CHANGE WORKING GROUP (APCWG)

	Most recent meetings	Next meeting
Date	23 October 2025	TBC – likely November/December
WEM Procedures for discussion at APCWG	<ul style="list-style-type: none"> <li>• Network Access Quantity Model</li> <li>• Essential System Service Quantities</li> <li>• Credible Contingency Events</li> </ul>	

### 3. AEMO PROCEDURE CHANGE PROPOSALS

The status of AEMO Procedure Change Proposals is described below, current as of **4 November 2025**. Changes since the previous MAC meeting are in **red text**. A procedure change is removed from this report after its commencement has been reported, or a decision has been taken not to proceed with a potential Procedure Change Proposal.

ID	Summary of changes	Status	Next steps	Indicative Date
Procedure Change Proposal AEPC_2025_12  Short Term PASA	AEMO has commenced the Procedure Change Process to propose the following new WEM Procedure: Short Term PASA. The Procedure outlines the processes AEMO follows in preparing and conducting the Short Term PASA, including: <ul style="list-style-type: none"> <li>the information to be included when publishing the Short Term PASA;</li> <li>the information that AEMO requires from Rule Participants;</li> <li>the process by which AEMO will use any information developed by AEMO in performing its functions to prepare the Short Term PASA;</li> <li>the timing and frequency for which AEMO will conduct and publish the Short Term PASA;</li> <li>the granularity of information to be included, and any additional demand forecast information to be published.</li> </ul>	Consultation closure	Commencement	<b>28 November 2025</b>

ID	Summary of changes	Status	Next steps	Indicative Date
<p>Procedure Change Proposal</p> <p>AEPC_2025_13</p> <p>Low Reserve Conditions</p>	<p>AEMO has commenced the Procedure Change Process to propose a new WEM Procedure: Low Reserve Conditions, required to be developed in accordance with the requirements of clause 3.17.11 of the ESM Rules.</p> <p>AEMO's proposed WEM Procedure documents:</p> <ul style="list-style-type: none"> <li>the processes AEMO will follow to identify a potential Low Reserve Condition and make a Low Reserve Condition Declaration under the: <ul style="list-style-type: none"> <li>Medium Term (MT) PASA horizon</li> <li>Short Term (ST) PASA horizon; or</li> <li>Real Time Operations Horizon.</li> </ul> </li> <li>the levels at which AEMO would make a Low Reserve Condition Declaration, being: <ul style="list-style-type: none"> <li>LOR 1;</li> <li>LOR 2; and</li> <li>LOR 3.</li> </ul> </li> <li>the notification processes and timeframes AEMO will observe when making a Low Reserve Condition Declaration.</li> <li>the process AEMO will follow to reassess a Low Reserve Condition associated with a Low Reserve Condition Declaration, made under the MT PASA or ST PASA, acknowledging increased uncertainty associated with longer-term forecasts.</li> <li>the principles and processes associated with implementing an AEMO Intervention Event or actions required under clause 7.7.4 of the ESM Rules, to resolve a Low Reserve Condition.</li> </ul>	<p>Consultation closure</p>	<p>Commencement</p>	<p>28 November 2025</p>

ID	Summary of changes	Status	Next steps	Indicative Date
<p>Procedure Change Proposal</p> <p>AEPC_2025_14</p> <p>Dispatch Algorithm Formulation</p>	<p>AEMO has commenced the Procedure Change Process in relation to the WEM Procedure: Dispatch Algorithm Formulation (the Procedure).</p> <p>Amendments are proposed primarily to implement new Constraint Equations to allow AEMO to co-optimize the size of the Largest Credible Load Contingency using the Dispatch Algorithm.</p> <p>The amendments have arisen as a result of Schedule 4 of the Wholesale Electricity Market Amendment (Cost Allocation Reform) Rules 2024 (Amending Rules), which were published on 7 June 2024 and are available on Energy Policy WA's website. The Amending Rules are scheduled to commence at a date and time to be published by the Minister for Energy in a notice in the Government Gazette.</p>	Commenced	N/A	30 October 2025

ID	Summary of changes	Status	Next steps	Indicative Date
<p>Procedure Change Proposal</p> <p>AEPC_2025_15</p> <p>Supplementary Capacity</p>	<p>Note: This Procedure Change Process is unrelated to the current Supplementary Capacity tender process and will not affect the process or outcome.</p> <p>AEMO has commenced the Procedure Change Process to propose amendments to the WEM Procedure: Supplementary Capacity (Procedure) in accordance with AEMO's obligations under the Wholesale Electricity Market Amendment (RCM Sequencing) Rules 2025 (Amending Rules) which commence on 1 January 2026.</p> <p>The Amending Rules extend the requirements for Supplementary Capacity to include Flexible Capacity.</p> <p>AEMO has proposed the following amendments to the Procedure to ensure consistency with the Amending Rules:</p> <ul style="list-style-type: none"> <li>• table 3 is amended to prescribe the information that must be provided to Western Power (unless agreed otherwise) when a Potential Provider seeks assistance or assessment from Western Power in relation to the provision of Supplementary Capacity for Flexible Capacity services; and</li> <li>• paragraph 3.2.1 and 3.2.2 are amended to extend section 3 to Flexible Capacity services.</li> </ul>	<p>Consultation closure</p>	<p>Commencement</p>	<p>6 November 2025</p>

ID	Summary of changes	Status	Next steps	Indicative Date
<p>Procedure Change Proposal</p> <p>AEPC_2025_16</p> <p>Determination of Market Schedules</p>	<p>AEMO has commenced the Procedure Change Process to propose amendments to the WEM Procedure: Determination of Market Schedules and to implement the outcomes of Schedule 4 of the <u>Wholesale Electricity Market Amendment (Cost Allocation Reform) Rules 2024</u>. These Amending Rules make changes to the Contingency Reserve Lower and Essential System Services.</p> <p>While the Amending Rules were gazetted on 7 June 2024, Schedule 4 is scheduled to commence from the date and time to be specified by the Minister in a notice published in the Government Gazette. As this date is yet to be announced, AEMO is unable to provide a firm commencement date for the Procedure, but expects the Procedure is likely to commence around October/November 2025.</p>	Commenced	N/A	30 October 2025

ID	Summary of changes	Status	Next steps	Indicative Date
<p>Procedure Change Proposal AEPC_2025_17</p> <p>Dispatch of Demand Side Programmes</p>	<p>AEMO has commenced the Procedure Change Process in relation to the new WEM Procedure: Dispatch of Demand Side Programmes (the Procedure).</p> <p>This Procedure has been developed following amendments to the ESM Rules arising from Wholesale Electricity Market Amendment (Tranche 6 Amendments) Rules 2022, Schedule E, which were published in accordance with a notice in Gazette 2023/125.</p> <p>AEMO's proposed WEM Procedure:</p> <ul style="list-style-type: none"> <li>• Describes how AEMO determines that the dispatch of Demand Side Programmes (DSPs) may be required.</li> <li>• Details the processes that AEMO will use to select DSPs for dispatch, consistent with principles outline under the ESM Rules clause 7.6.5B.</li> </ul>	<p>Consultation Closure</p>	<p>Commencement</p>	<p>14 November 2025</p>



ID	Summary of changes	Status	Next steps	Indicative Date
Procedure Change Proposal AEPC_2025_18 ESS Quantities	<p>AEMO has commenced the Procedure Change Process to propose amendments to the WEM Procedure: Essential System Service Quantities to align with amendments to the ESM Rules under Schedule 4 of the Wholesale Electricity Market Amendment (Cost Allocation Reform) Rules 2024 (Amending Rules).</p> <p>The primary amendments relate to:</p> <p>Paragraph 3.2, to reflect changes to the Dispatch Algorithm to co-optimize for the Largest Credible Load Contingency, as per clause 7.2.4(nA) of the Amending Rules.</p> <p>Paragraph 4.1 (previously paragraph 5.1), to change the methodology that AEMO uses to determine the Minimum RoCoF Control Requirement, to use a more accurate, dynamic mechanism based on actual dispatch conditions (as opposed to the previous statistical approach based on historical data).</p>	Commenced	N/A	30 October 2025

ID	Summary of changes	Status	Next steps	Indicative Date
Procedure Change Proposal AEPC_2025_19 Network Access Quantity Model	AEMO has commenced the Procedure Change Process to propose amendments to the WEM Procedure: Network Access Quantity Model to align with amendments to the ESM Rules under Schedules 1 and 2 of the Wholesale Electricity Market Amendment (Reserve Capacity Reviews Sequencing) Rules 2025 and Schedule 2 of the Electricity System and Market Amendment (Tranche 8) Rules 2025. The amendments incorporate changes that will apply from the 2026 Reserve Capacity Cycle.	Out for consultation	Consultation closure	14 November 2025
Procedure Change Proposal AEPC_2025_20 Credible Contingency Events	AEMO has commenced the Procedure Change Process to propose amendments to the WEM Procedure: Credible Contingency Events and to implement the outcomes of Schedule 4 of the Wholesale Electricity Market Amendment (Miscellaneous Amendments No 3) Rules 2024. These Amending Rules insert additional requirements on AEMO to document the method and factors AEMO takes into account when determining Facility Raise Contingencies, Facility Raise Contingency Risks; and Single Facility Raise Risks.	Out for consultation	Consultation closure	26 November 2025

#### 4. INDICATIVE SCHEDULE OF AEMO PROCEDURE CHANGE PROPOSALS

AEMO has prepared an indicative schedule of its Procedure Change Proposals expected to commence shortly. Changes since the previous MAC meeting are in **red text**. Procedure Change Proposals that have commenced since the previous MAC meeting have been moved from Table 4 into Table 3 above. While every effort has been made to ensure the quality of the information contained in the indicative schedule, the content (including timeframes) may be subject to change (e.g. due to availability of staffing resources, unforeseen competing priorities etc).

WEM Procedure	Summary of changes	Status	Next steps	Indicative date of next step
WEM Procedure: Facility Registration Processes and NDL Association Processes	AEMO will be initiating this Procedure Change Proposal to accommodate changes resulting from WEM Reform and the Wholesale Electricity Market Amendment (Miscellaneous Amendments No. 3) Rules 2024.	Drafting in progress	Consultation	December 2025
WEM Procedure: MT PASA	AEMO will be initiating this Procedure Change Proposal to update the WEM Procedure arising from WEM Reform. This WEM Procedure outlines the information AEMO requires and the process it will follow in conducting the Medium-Term Projected Assessment of System Adequacy.	Delayed	Consultation	TBD
WEM Procedure: Reserve Capacity Security	AEMO will be initiating this Procedure Change Proposal to make changes to align with the Certification of Reserve Capacity Procedure and reflect Rule changes related to Market Participants submitting a new RCS.	Drafting in progress	Consultation	<b>November 2025</b>
WEM Procedure: Forecast Unscheduled Operational Demand	AEMO will be initiating this Procedure Change Proposal to accommodate the amendments to the ESM Rules from WEM Reform. This WEM Procedure documents how AEMO will prepare the Forecast Unscheduled Operational Demand.	Drafting in progress	Consultation	November 2025
<b>WEM Procedure: Supplementary Essential System Service Processes</b>	<b>AEMO will be initiating this Procedure Change Proposal for a new Procedure to give effect to AEMO's obligations under clauses 3.11.3, 3.11.4 and 3.15A.46 of the ESM Rules. This allows for the proper functioning of the Supplementary Essential System Services Mechanism, if triggered.</b>	<b>Drafting in progress</b>	<b>Consultation</b>	<b>November 2025</b>

## **Agenda Item 7(e): Update on the Certification of Capability Class 2 Technologies Review Working Group**

Market Advisory Committee (**MAC**) Meeting 2025\_11\_20

### **1. Purpose**

The Chair of the Capability Class 2 Technologies (CC2T) Review Working Group (CC2TRWG) to provide an update on the CC2T Review.

### **2. Recommendation**

That the MAC:

- notes the update provided in the paper; and
- notes the draft minutes (Attachment 1).

### **3. Background**

The Coordinator of Energy (Coordinator) must complete its first review of the effectiveness of the certification of Reserve Capacity for energy and availability limited resources, in accordance with section 4.13B of the Electricity System and Market (ESM) Rules by 1 October 2026.

The Terms of Reference for the CC2TRWG were approved by the MAC on 24 July 2025.

#### **Inaugural Working Group Meeting**

The CC2TRWG held its first meeting on 23 October 2025.

The Chair provided an overview of the scope of the CC2T Review and outlined the role of the Working Group.

Robinson Bowmaker Paul (RBP), the consultant engaged to support the CC2T Review, presented its proposed analytical approach.

AEMO presented its separate project focused on Energy Storage Resource (ESR) coordination in the South West Interconnected System (SWIS), which commenced in May 2025. The importance of this project increased following events on 25 August 2025, which highlighted the need for further market development to support storage coordination as its capacity grows.

AEMO will use findings from its project to contribute to the CC2T Review.

While the AEMO project will have its own consultation process, input from the CC2TRWG is being sought due to areas of overlap with the CC2T Review.

The Chair clarified that items within scope for the CC2TRWG, relating to AEMO's project, include:

- whether the ESR facilities minimum allowable discharge capabilities need to be assessed for certification;

- the current ESR Reserve Capacity obligations and what these should be for existing and future ESR;
- whether a trigger is required to ensure ESRs are fully charged to meet their Reserve Capacity Obligation Quantity (RCOQ) in certain circumstances;
- the refunds levels for ESR and how they apply; and
- whether the ESM Rules require strengthening to ensure that market submissions and forecasts provided to AEMO accurately reflect ESR capabilities within the dispatch horizon.

#### **4. Next Steps**

- The next CC2TRWG Group meeting is planned for late 2025
- The next meeting will include a jurisdictional review of different methods to certify the ESR capacity and preliminary assessment of these methods.

#### **5. Attachment**

(1) Agenda Item 7(e) – Attachment 1 – CC2TRWG Draft Minutes



## Capability Class 2 Technologies (CC2T) Review Working Group - Minutes

<b>Date:</b>	23 October 2025
<b>Time:</b>	9:30 AM – 11:28 AM
<b>Location:</b>	Microsoft Teams online

Attendees	Representing in Working Group	Comment
Dora Guzeleva	Chair	
Richard Bowmaker	Robinson Bowmaker Paul (RBP)	
Sue Paul	RBP	
Natalia Kostecki	Australian Energy Market Operator (AEMO)	
Rebecca Pedlow-Collins	AEMO	
Leon Kwek	AEMO	
Oscar Carlberg	Alinta	
Neil Finney	BLT Energy	Proxy for Francis Ip
Jake Flynn	Collgar Renewables	
Alister Alford	Enel X	
Jason Dignard	ERA	Proxy for Richard Cheng
Noel Schubert	Expert Consumer Panel	
Warren King	Frontier Energy	
Clement Ng	IGO	
Will Chen	Neoen	
Bobby Ditric	NewGen Power Kwinana	
Patrick Peake	Perth Energy	
Darren Gladman	SMA	
Rhiannon Bedola	Synergy	
Sumeet Kaur	Shell Energy	
Ash Densham	Telsa	
Paul Jones	Western Power	
Other attendees	From	Comment
Luke Commins	EPWA	



Shelley Worthington	EPWA	
Catlianna Evans	RBP	
Eija Samson	RBP	
<b>Apologies</b>	<b>From</b>	
Francis Ip	BLT Energy	
Richard Cheng	ERA	
Max Collins	Neoen	
Dale Waterson	Merredin Energy	
Kavya Jha	Telsa	

## **1. WELCOME**

The Chair opened the meeting with an Acknowledgement of Country.

The Chair noted the Competition and Consumer Law obligations of the CC2T Review Working Group (CC2TRWG) members, inviting members to bring to her attention any issues should they arise.

## **2. WELCOME AND INTRODUCTIONS**

The Chair welcomed the members of the CC2TRWG and asked each to introduce themselves.

## **3. SCOPE OF WORK AND ROLE OF THE WORKING GROUP**

The Chair noted that:

- the review was required under 4.13.B of the Electricity System and Market (ESM) Rules and to address issues that have arisen regarding the participation of Demand Side Program (DSP) and Electricity Storage Resource (ESR) in the Wholesale Electricity Market (WEM);
- the review required completion by 1 October 2026 and the intent was to complete it prior to the publication of the 2026 WEM Statement of Opportunities;
- the Terms of Reference for the CC2TRWG is published on the EPWA website and the CC2TRWG members are expected to contribute their knowledge and analysis; and
- the Scope of Work for the review relied heavily on AEMO for modelling and analysis and AEMO, EPWA and RBP would meet regularly alongside the CC2TRWG meetings.

## **4. PURPOSE OF THIS REVIEW**

Ms Paul presented slides 4 – 5 and providing an overview of what was in scope for the review as outlined on the slides. She noted that the review:

- requirements were updated in the ESM Rules on 15 January 2025 and, therefore, requirements that had not been in effect long enough to undertake a meaningful assessment would not be included; and
- was focussed on the Reserve Capacity Mechanism (RCM) and whether the current obligations, incentives and mechanisms as they relate to CC2T were fit for purpose in an increasingly changing power system.



Ms Paul presented slide 6 and explained the upcoming stages of the project and the proposed timing for project deliverables.

In response to a question from Mr Carlberg regarding the certification method for ESR, the Chair advised that the review was a requirement under the ESM Rules, not the result of any problems that had been identified in the current mechanism.

The Chair noted that the jurisdictional review had a set of criteria, against which the CC2TRWG would be assessing the alternative certification methods against the current method in the WEM.

## **5. AEMO'S CONTRIBUTION TO THE CC2T REVIEW**

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Mr Kwek noted that AEMO's submission to the CC2TRWG will be taken as read and presented the example of an event on the 25 August 2025. He explained that this was an unusual day as:

- the weather was an unusually cold and wet with demand close to a record high at almost 4 gigawatts (GW) with a very long peak period;
- there was a loss of almost 1 GW of PV output at 14:00 due to cloud cover, but that did not require manual intervention by AEMO as it was managed by ESRs providing Regulation services;
- by 16:30, the ESR were charged to around 40% and this was the time when AEMO became aware of the issue (This was prior to the commencement of the ESR obligation intervals at 17:30); and
- Synergy changed its submission for the Kwinana ESR and started to charge ahead of the ESR obligation intervals, and consequently the Collie ESR upstarted discharging, and the peak period commenced potentially 50% short of ESR capacity.

Mr Kwek stated that this showed that the current arrangements were not working as intended. He added that 2 GW of storage capacity was expected by the end of 2027 and, if this situation were to occur again, AEMO could have a shortfall of 1 GW during the system peak period.

Mr Kwek noted that, around 18:00, the AEMO control room was required to intervene and cap the output of one of the ESR to keep them at half output for the rest of the peak period. He clarified that the AEMO intervention reflected the information that the control room had available at the time.

Mr Kwek advised that, when manual intervention is required, the approach from the control room is to make the minimum adjustment and be as light touch as possible. In this instance the decision was to contain one ESR to half output to sustain its charge. This caused the WEM Dispatch Engine (WEMDE) to redispatch 150-200 MW across the other facilities in the SWIS.

Mr Kwek noted that this resulted in requiring peaking gas plant to come on with relatively short notice. Ordinarily, this would not be an issue, but shortly after AEMO was made aware that gas demands were causing issues with the pressure of the gas pipeline.

Mr Kwek noted that it was not immediately clear how much the forecasts played a role, but it was clear that gas traders were likely also reliant on the forecast ESR capacity as gas nominations were low and there was not sufficient pressure in the gas network. This led AEMO to intervene another five or six times for some facilities.





Mr Kwek noted that:

- clearly assumptions could be made about the role of ESR and its state of charge;
- the ESM Rules do not explicitly clarify what AEMO should be doing in these circumstances and what market penalties should apply when a facility is not able to meet Dispatch Instructions;
- when parts of the system are put under stress, things start to go wrong and when AEMO starts to intervene, other things go wrong;
- AEMO is undertaking a formal investigation of this incident as required under clause 3.8.1 of the ESM Rules; and
- that in the end, the system did not drop below the Lack of Reserve 1 (LOR1) threshold.

Mr Kwek advised that in May 2025 AEMO had (internally) created a team to manage the issues around storage. This consisted of subject matter experts including regulatory and Reserve Capacity Mechanism specialists who are available to follow up on any additional information.

Mr Kwek presented slide 22 noting that, although some of the ESR were entering the dispatch period with less than 50% state of charge, through the peak period their state of charge was high enough to meet their obligations and as a result there were no refunds applied.

Mr Kwek presented slides 23 and 24, noting that:

- AEMO was not routinely seeing issues in the control room with the ESR and their state of charge, but that some issues were starting to show;
- it required the control room operator will intervene to prevent WEMDE from dispatching them;
- while it is important for participants to manage their state of charge through their offers, there are features within WEMDE that can automatically manage state of charge and that it is important to have the backstop within the dispatch algorithm;
- internally, AEMO has commenced some work on the 'effective state of charge' to determine what the implications are for the Certified Reserve Capacity of a Facility; and
- AEMO needs certainty that Reserve Capacity planning and market dispatch is based on actual performance parameters, rather than physical readings off an inverter.

Mr Kwek presented slide 25<sup>1</sup> noting that this was an example of what you can do with the information you have at the time versus what things may look like in hindsight. He emphasised that the state of charge becomes a very real constraint. He noted that, in the example provided, the participant lost a third of its revenue potential.

Mr Kwek presented slide 27 and explained that AEMO was having internal discussions on its operational policy in the lead up to summer. He noted that the information provided is an informal overview of the approach. He also noted that there is a healthy tension between a system operation response as opposed to a market operations view on how to handle situations when the power system is under stress, and the overriding decision threshold is that the lights need to stay on.

<sup>1</sup> CIGRE Australia Conference in September 2025



Mr Kwek noted that, while the event on the 25 August was a stressful situation, it was not at the level of stress that can occur in the summer period. He provided an overview of the two options to manage a power system under stress, outlined on slide 28, and noted that there could be legal implications if AEMO starts to intervene with the commercial position of a Market Participant.

Mr Kwek noted that working group feedback was sought on the power system versus market approach before more formal consultation.

Mr Kwek presented slide 29 outlining AEMO's power system approach, which is that at the start of an LOR day, an ESR would be required to maintain an increasing state of charge over the day. Mr Kwek presented examples of this on slide 30.

Mr Kwek presented slide 30 noting that:

- certain parameters needed to be worked through such as limits for Frequency Co-optimised Essential System Services and forecast probability;
- forecasts that do not eventuate was a big consideration;
- the issues and details will be presented and consulted on through an upcoming AEMO operational pre-summer forum (date to be advised).

In response to a question from Mrs Bedola, Mr Kwek advised that there would be a public consultation.

- Mr King and Mrs Bedola asked how the proposal would apply to hybrid facilities and to Semi-Scheduled Facilities.

Mr Kwek replied that he would take the question on notice and that an answer would be provided either through the consultation or this Working Group.

The Chair clarified that what AEMO is considering is not a long-term solution, rather it focusses on the upcoming summer period. She noted that when market failures occur, the design must be reviewed and if necessary changed. It was her opinion that frequent manual intervention by AEMO constituted market failure.

- Mr Peake suggested that once Peak Capacity Credits are assigned, the rising floor would presumably be applied so that ESR are charged at 2 pm.

The Chair provided a recap of the issues that have to be addressed by the CC2TRWG:

- the minimum allowable discharge floor needs to be addressed for certification purposes;
- the current Reserve Capacity obligation, including:
  - whether triggers are required to ensure that ESR are fully charged to meet their Reserve Capacity Obligation Quantity in certain circumstances; and
  - what the RCOQ is for existing and future ESR, and the duration of the obligations;
- the refunds levels, and how they should apply;
- whether the ESM Rules require strengthening to ensure that the market submissions and forecasts that are provided to AEMO accurately reflect the capability of the ESR in the dispatch horizon.

The Chair clarified that this is still a self-commitment market and that, if the goal was to move to a central commitment market, this should be done transparently. She noted that



any other issues outside of the scope of this review would be logged and considered at a future date.

In response to a question from Mr Carlberg, Mr Kwek confirmed there would be a separate consultation on potentially increasing the floor for the intervening period to get through this summer. Mr Kwek noted that the parameters to be consulted on were open to suggestion and contributions from stakeholders.

The Chair noted that CC2TRWG members feedback was welcome and requested that, where appropriate, other working group members should be copied into correspondence emailed to EPWA.

- Mr Carlberg suggested that it would be helpful to be aware of what other interventions or levers might be available to address the issues that were presented. If there are other levers that the CC2TRWG members support, there would be less work required on the RCM arrangements.

The Chair noted that with 2GW of storage in the market, the RCM arrangements for storage should be looked at but, separate to that, there were operational issues that required addressing ahead of this coming summer.

Mr Kwek provided an outline of the next steps and timelines outlined on slide 5 and the context of the internal working group at AEMO, which was supported by subject matter experts as noted earlier.

Mr Kwek presented slide 7 noting that last summer there was a standing policy in the AEMO control room that, if the state of charge did not reach 80% by 16:00, the control room would intervene. (In the Texas electricity market, the policy is to intervene by 15:00). He noted that ultimately this was not necessary, but that AEMO recognised there was a need to commence work in this area as concerns with ESR have started to show.

Mr Kwek presented slide 8 and noted that an expectation of 2 GW of storage energy limited capacity was very credible and likely to be higher.

In response to a question from Mrs Bedola, Mr Kwek said that he could provide an updated graph (slide 8) in MW.

Mr Kwek presented slide 9 noting that the event in August was an indicator that they had reached the low transition point of the scale and that when 2GW of storage enter the system this is likely to reach the moderate transition point.

- Mr Schubert requested to see charts showing peak day demand with the obligations of ESR overlaid. Mr Schubert noted that the ESR will flatten out the demand profile and the ESR must cover that which means that the duration requirements are going to have to be longer.

The Chair noted that analysis was undertaken as part of the extension of the availability duration gap (ADG) to six hours and the ADG will continue to be reviewed. This project will also include modelling, to see how the peak demand intervals have changed and whether the RCOQ for ESR and DSPs need to change.

- Mr Schubert noted that the demand profiles in the future are going to be changed by ESR and the ESR must be able to cover that flatter demand profile, meaning the durations will need to be longer, and that morning peaks on cold days possibly would need to be covered by batteries as well.
- Mr Peake noted that if an intervention from AEMO is necessary, as was required on 25 August 2025, some of the cost of that intervention should be placed back on the



storage facilities. Consumers should not have to pay for the cost of running diesel fired power stations.

Mr Kwek agreed and considered that a reasonable intervention would have been to force that state of charge even at a slight loss to avoid the dispatch of the higher cost energy source.

The Chair noted that consideration of whether refunds are sufficient to incentivise the right state of charge was within scope of the Review.

- Mr Carlberg noted that he was not clear whether rejecting outages was considered a form of intervention and asked how difficult AEMO was expecting the issue of outages to become as the levels of storage increase and sought to clarify whether outage coordination was within the scope of work.

Mr Kwek, noted that he could not give a definitive answer, and advised Mr Carlberg to seek clarification at the public forum. He noted that it was his view that outages are not a pragmatic solution and that if AEMO is creating uncertainty about outages, they should not be running through the peak summer period.

The Chair said there are market mechanisms to incentivise longer duration storage and the ADG is one of them. The CC2TRWG needs to test whether they are sufficient and examine everything related to storage in the RCM.

In response to a comment from Mr Carlberg, the Chair noted that the issue of outages was a topical one that required consideration. She noted that that issues that could not be addressed within this scope of work would be logged for consideration at a later date.

Mr Kwek advised members to review of the paper provided and added that as storage increases there was a real need to start thinking about how those ESR are getting charged in the first instance.

## **6. NEXT STEPS**

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The Chair thanked Mr Kwek for his presentation and noted that the date for the next CC2TRWG would be advised.

## **7. GENERAL BUSINESS**

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The meeting closed at 11.28am.



## Agenda Item 8: Rule Change Proposal (RC\_2025\_01)

Market Advisory Committee (MAC) Meeting 2025\_11\_20

### 1. Purpose

To provide MAC members with an overview of the Rule Change Proposal submitted by Bluewaters Power on 15 October 2025, titled Supplementary Reserve Capacity Amendments (RC\_2025\_01), and to seek MAC's feedback in accordance with the Electricity System and Market (ESM) Rules.

### 2. Recommendation

That the MAC:

1. Notes the proposed rule changes submitted by Bluewaters Power; and
2. Provide feedback as part of the Standard Rule Change Process

### 3. Background

Supplementary capacity is provided by Eligible Services. Bluewaters Power (Bluewaters) proposes a change to the eligible sources of supplementary capacity that are Eligible Services under clause 4.24.3 of the Electricity System and Market Rules (ESM Rules).

Bluewaters Rule Change Proposal seeks to allow the production of electricity by Energy Producing Systems that are Registered Facilities, and for which the relevant Market Participant applied for certification in the current Reserve Capacity Cycle but were not awarded Capacity Credits, to participate in the supplementary capacity process in the Capacity Year for which they did not receive Capacity Credits.

Under the current ESM Rules, the production of electricity by Energy Producing Systems, that are Registered Facilities, is an Eligible Service only to the extent that the electricity is generated by capacity for which the relevant Market Participant has not held Peak Capacity Credits in the current Capacity Year or the immediately preceding Capacity Year.

Bluewaters considers that this restriction limits competition and prevents AEMO from accessing available capacity during periods of tight supply.

The Coordinator has progressed RC\_2025\_01 under the Standard Rule Change Process. The proposal was published on 21 October 2025, and the first submission period closes at **5:00 pm (AWST), 16 December 2025**.

RC\_2025\_01 Rule Change Notice and Proposal is available [here](#)

### 4. Next Steps

- The table below shows the proposed next steps:

Activity	Timing
End of first submission period	16 December 2025

Publication of Draft Rule Change Report	16 January 2026
End of second submission period	16 February 2026
Publication of Final Rule Change Report	17 March 2026



## Agenda Item 9: MAC Constitution Review

Market Advisory Committee (MAC) Meeting 2025\_11\_20

### 1. Purpose

MAC members to discuss proposed amendments to the MAC Constitution.

### 2. Recommendation

That the MAC:

- provide any feedback on proposed amendments to the MAC Constitution (**Attachment 1**); and
- advise of preference for the length of the consultation period for the proposed changes to the MAC Constitution.

### 3. Background

In early 2024 the Coordinator of Energy (Coordinator) commenced a review of the structure and operation of the MAC (the Review) under clause 2.2D.1(h) of the Electricity System and Market (ESM) Rules.

The objective of this review was to assess whether the MAC's structure, functions and processes remain fit-for-purpose in light of the evolving market, the expanding scope of the ESM Rules and the State Electricity Objective.

- The Review was undertaken in three stages, with the first stage supported by an independent consultant who proposed six recommendations.
- Following stakeholder engagement over the course of the Review, Energy Policy WA (EPWA) proposed amendments to the ESM Rules incorporating two of the recommendations proposed by the independent consultant, and published these in a Consultation Paper on 9 June 2025.
- EPWA considered all stakeholder submissions on the Consultation Paper and revised its initial proposals to address the stakeholder feedback. The Review Outcomes were published in an Information Paper on 6 October 2025.
- The proposed amendments were the subject of a final Public Consultation through an Exposure Draft of proposed ESM Amending Rules, conducted from 6 October to 27 October 2025. These ESM Amending Rules will be submitted to the Minister for Energy for making and gazettal together with the rest of the next Tranche of ESM Amending Rules – Tranche 9.



In accordance with clause 2.3.2 of the ESM Rules, the Coordinator is required to develop and publish a constitution for the MAC, which (under clause 2.3.3 of the ESM Rules) must be consistent with the ESM Rules<sup>1</sup>.

The Coordinator is conducting a review of the MAC Constitution in consultation with the MAC and proposes to amend the MAC Constitution to reflect the changes to the ESM Rules following gazettal.

Following industry consultation on the proposed changes to the MAC Constitution, with any appropriate amendments to address stakeholders' input, the amended MAC Constitution will be published on the relevant EPWA web page.

## 4. Next Steps

The table below shows the proposed next steps:

Activity	Timing
Review the MAC Constitution against the current ESM Rules to ensure they align with the MAC Review Outcomes	Completed
Consult with the MAC on the proposed amendments to the MAC Constitution	20 November 2025
Publish a Consultation Paper on the MAC Constitution, as required by clause 2.3.3 of the ESM Rules	TBC
Publish the revised MAC Constitution, with any required amendment to address stakeholders' inputs	December 2025

## 5. Attachments

(1) Agenda Item 9 - ATT 1 – MAC Constitution - Consultation Paper

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<sup>1</sup> The current MAC Constitution was published in February 2022 following the Coordinator's review of the constitution to reflect the changes to the Wholesale Electricity Market (WEM) governance arrangements in July 2021.





Department of  
Energy and Economic  
Diversification

Energy  
Policy WA

# Market Advisory Committee Constitution

Consultation Paper  
X November 2025

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

*An appropriate citation for this paper is: Market Advisory Committee Constitution – Consultation Paper*

**Energy Policy WA – DEED**

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## Introduction

The Coordinator of Energy (Coordinator) conducted a review of the Market Advisory Committee (MAC) (Review) under clause 2.2D.1(h) of the Electricity System and Market (ESM) Rules.

During Stage 1 of the Review, stakeholder engagement was undertaken by ACIL Allen through a survey, one-on-one interviews with current and former MAC members, interviews with selected stakeholders and a public consultation paper.

During Stage 2, Energy Policy WA (EPWA) consulted with stakeholders through a public Consultation Paper on the recommendations made by ACIL Allen that were accepted in principle by the Coordinator.

EPWA considered all stakeholder submissions on the Consultation Paper and revised its initial proposals to address the stakeholder feedback. The Review Outcomes were published in an Information Paper on 6 October 2025.

This Consultation Paper sets out the proposed consequential amendments to the MAC Constitution (Appendix A) to address these changes.

Further information on the MAC Review, including the review papers and submissions, is available at [Wholesale Electricity Market - Market Advisory Committee Review \(www.wa.gov.au\)](http://www.wa.gov.au/WholesaleElectricityMarket-MarketAdvisoryCommitteeReview)

## Role of the Market Advisory Committee (MAC)

The MAC is an advisory body established under the ESM Rules to:

- provide advice to the Coordinator on the evolution, development and operation of the South West Interconnected System and the Wholesale Electricity Market (WEM);
- provide advice on ESM Rules and WEM Procedure Changes; and
- provide assistance to the Coordinator with monitoring market design problems or inefficiencies.

The MAC comprises representatives from a range of stakeholders, including Market Participants, consumer representatives, and market bodies.

## MAC Constitution

Under clause 2.3.2 of the ESM Rules, the Coordinator is required to develop and publish a constitution of the MAC.

Clause 2.3.3 of the ESM Rules stipulates that the constitution of the MAC must be consistent with the ESM Rules. Changes to the MAC Constitution are required to reflect the changes to the ESM Rules resulting from the MAC Review.

The MAC Constitution was last reviewed by the Coordinator following the changes to the governance arrangements in the WEM in July 2021.

## Purpose of this Consultation Paper

This Consultation Paper seeks stakeholder feedback on the proposed changes to the MAC Constitution.

Further information is available on the Coordinator's website: [Market Advisory Committee Review](http://www.wa.gov.au/WholesaleElectricityMarket-MarketAdvisoryCommitteeReview).

## Call for submissions

EPWA is seeking stakeholder feedback on the proposed changes to the MAC Constitution by 5:00 PM (WST) on **xx November 2025**. Feedback can be sent to [energymarkets@deed.wa.gov.au](mailto:energymarkets@deed.wa.gov.au)

Late submissions may not be considered. Any submissions received will be published on the [Market Advisory Committee Review](#) web page, unless requested otherwise.

## Changes following the Review outcomes

As the Review is now complete, EPWA will submit the ESM Amending Rules implementing the Review Outcomes, incorporating any necessary amendments to address stakeholder input, to the Minister for Energy (Minister) for making and gazettal.

The Coordinator has conducted a review of the MAC Constitution in consultation with the MAC and proposes to amend the MAC Constitution to reflect the changes to the ESM Rules following their gazettal.

The MAC discussed the proposed changes to the MAC Constitution at its meeting on 20 November 2025. The papers and minutes of the meeting are published on the MAC web page.

Under clause 2.3.4 of the ESM Rules, the Coordinator is now inviting public submissions on the proposed amendments to the constitution of the MAC.

Following consultation on the proposed changes to the MAC Constitution, with any appropriate amendments to address stakeholders' input, the amended MAC Constitution will be published on the [Market Advisory Committee's](#) web page.

Appendix A outlines the proposed changes to the MAC Constitution

## Appendix A. Proposed Changes to the MAC Constitution

EPWA proposes the following amendments to the MAC Constitution to implement the proposed changes to the Electricity System and Market Rules (~~deleted text~~, ~~added text~~).

### Constitution of the Market Advisory Committee

~~15 February 2022-XX December 2025~~

#### Explanatory Note

Clause 2.3.3. of the ESM Rules stipulates that the constitution of the Market Advisory Committee (MAC) must be consistent with the ESM Rules.

Multiple clauses in the MAC Constitution require amendment to reflect the transition from the former Wholesale Electricity Market (WEM) Rules to the Electricity System and Market (ESM) Rules. Changes are made throughout the MAC Constitution to reflect this, including updating the references from the former WEM Objectives to the State Electricity Objective. Various clause numbers are renumbered to improve the structure of the document.

## 1. Introduction

- 1.1. The ~~Wholesale Electricity Market (WEM) Rules~~ Electricity System and Market (ESM) Rules are made under the ~~Electricity Industry (Wholesale Electricity Market) Regulations 2004~~ Electricity Industry (Electricity System and Market) Regulations 2004 (**Regulations**) and in accordance with section 123 of the *Electricity Industry Act 2004* (**Act**).
- 1.2. The Coordinator of Energy's (**Coordinator**) functions are specified in clause 2.2D.1 of the ~~WEM~~ ESM Rules and are to:
  - (a) administer the ~~WEM~~ ESM Rules;
  - (b) develop amendments to the ~~WEM~~ ESM Rules and replacements for them;
  - (c) consider and, in consultation with the Market Advisory Committee, progress the evolution and development of the ~~WEM-Wholesale Electricity Market~~ and the ~~WEM~~ ESM Rules;
  - (d) undertake reviews and consultation as required under the ~~WEM~~ ESM Rules;
  - (e) provide MAC Secretariat services to the Market Advisory Committee and support the independent Chair of the Market Advisory Committee (**independent Chair**);
  - (f) develop WEM Procedures, and amendments and replacements for them, where required by the ~~WEM~~ ESM Rules;
  - (g) do anything that the Coordinator determines to be conducive or incidental to the performance of the functions set out in clause 2.2D.1 of the ~~WEM~~ ESM Rules; and
  - (h) carry out any other functions conferred, and perform any obligations imposed, on them under the ~~WEM~~ ESM Rules.
- 1.3. The Coordinator must not make Amending Rules unless they are satisfied that the ~~WEM~~ ESM Rules, as proposed to be amended or replaced, are consistent with the ~~Wholesale Market Objectives~~ State Electricity Objective.

- 1.4. The ~~Wholesale Market Objectives~~ State Electricity Objective are contained within section ~~122 3A(1)~~ of the Act and clause 1.2.1 of the ~~WEM ESM~~ Rules.
- 1.5. This ~~Constitution~~ constitution of the Market Advisory Committee (the Constitution) is prepared in accordance with clause 2.3.2 of the ~~WEM ESM~~ Rules.
- 1.6. Terms used in this Constitution have the same meaning as defined in the ~~WEM ESM~~ Rules.
- 1.7. If a provision of this Constitution is inconsistent with a higher order document (the Act, Regulations, ~~WEM ESM~~ Rules or a ~~WEM ESM~~ Procedure), then the provision in the higher order document prevails to the extent of the inconsistency.

#### Explanatory Note

The MAC's purpose is specified in clause 2.3.1 of the ESM Rules.

To emphasise the MAC's strategic purpose, the content that was previously in clause 2.3.1.(d) of the ESM Rules was elevated to the header part of clause 2.3.1 of the ESM Rules and is amended to include a reference to the 'operation of the South West Interconnected System' in the WEM.

To emphasise the MAC's strategic purpose, EPWA proposes to amend clause 2.1 of the MAC Constitution by separating the roles of the MAC into a new clause 2.2 of the MAC Constitution. The content remains the same.

## 2. Terms of Reference

- 2.1. The Market Advisory Committee is a committee of stakeholder representatives convened by the Coordinator to: advise the Coordinator regarding matters concerning, and the Coordinator's plans for, the evolution, development and operation of the South West Interconnected System, the Wholesale Electricity Market and the ESM Rules.
  - ~~(a) — advise the Coordinator regarding Rule Change Proposals;~~
  - ~~(b) — advise the Australian Energy Market Operator (AEMO), the Economic Regulation Authority (ERA), the Coordinator and Network Operators regarding Procedure Change Proposals;~~
  - ~~(c) — advise the Coordinator, AEMO and the ERA on the development of Rule Change Proposals where requested by the Coordinator, AEMO or the ERA in accordance with clauses 2.5.1A, 2.5.1B or 2.5.1C of the WEM ESM Rules;~~
  - ~~(d) — advise the Coordinator regarding matters concerning, and the Coordinator's plans for, the evolution and development of the WEM and the WEM Rules; and~~
  - ~~(e) — provide assistance to the Coordinator in their monitoring role under clauses 2.16.13A and 2.16.13B of the WEM ESM Rules.~~
- 2.2. As set out in clause 2.3.1 of the ESM Rules, the role of the Market Advisory Committee is to:
  - (a) advise the Coordinator regarding Rule Change Proposals;
  - (b) advise the Australian Energy Market Operator (AEMO), the Economic Regulation Authority (ERA), the Coordinator and Network Operators regarding Procedure Change Proposals;
  - (c) advise the Coordinator, AEMO and the ERA on the development of Rule Change Proposals when requested by the Coordinator, AEMO or the ERA in

- accordance with clauses 2.5.1A, 2.5.1B or 2.5.1C of the ESM Rules; and
- (d) provide assistance to the Coordinator in its monitoring role under clauses 2.16.13A and 2.16.13B of the ESM Rules.

2.3. 2.2. In carrying out its functions, the Market Advisory Committee must have regard to the ~~Wholesale Market Objectives~~ State Electricity Objective as set out in clause 1.2.1 of the ~~WEM~~ ESM Rules and any recommendations made by the Market Advisory Committee must be consistent with the ~~Wholesale Market Objectives~~ State Electricity Objective.

2.4. 2.3. Market Advisory Committee members or their proxies are required to act in the best interests of the WEM.

2.5. 2.4. Market Advisory Committee members do not vote on issues and must endeavour to reach a consensus on any issue before the committee. If, after allowing a reasonable time for discussion, the independent Chair of the Market Advisory Committee determines that a consensus position either will not be achieved, or is unlikely to be achieved within a time which is reasonable in the circumstances, then the independent Chair must provide advice to the Coordinator which reflects any majority view and which includes or is accompanied by the dissenting views.

2.6. 2.5. The Market Advisory Committee may establish Working Groups comprised of representatives of Rule Participants and other interested stakeholders to assist it in advising the Coordinator, ERA, AEMO and Network Operators.

#### Explanatory Note

The composition of the MAC as outlined in clause 2.3.5. of the ESM Rules has been amended following the MAC Review. Change made to the MAC Constitution to reflect this include:

- the number of MAC members representing Market Participants is increased to at least eight and no more than ten members;
- the MAC membership is extended to 'prospective Market Participants';
- Synergy's role in the MAC is specified as the only supplier of electricity to non-contestable customers; and
- the requirement for small-use consumer representatives to be nominated by the Minister is removed.

### 3. Membership Terms

- 3.1. In accordance with clause 2.3.5 of the ~~WEM~~ ESM Rules, the Market Advisory Committee must comprise:
- at least ~~six~~ eight and not more than ~~eight~~ ten members representing Market Participants, or prospective Market Participants ~~excluding Synergy~~;
  - at least one member and not more than two representing Contestable Customers;
  - at least one and not more than two members representing Network Operators, of whom one must represent Western Power;
  - at least two independent members ~~nominated by the Minister~~ to represent small-use consumers;

- (e) two members representing AEMO;
  - (f) one member representing Synergy, in its role as the only supplier of electricity to non-contestable customers; and
  - (g) an independent Chair, who must be a person appointed by the Minister under clauses 2.3.8A or 2.3.8D of the ~~WEM~~ ESM Rules.
- 3.2. The Minister may appoint a representative to attend Market Advisory Committee meetings as an observer, as outlined in clause 2.3.6 of the ~~WEM~~ ESM Rules.
- 3.3. The ERA may appoint a representative to attend Market Advisory Committee meetings as an observer, as outlined in clause 2.3.7 of the ~~WEM~~ ESM Rules.
- 3.4. The Coordinator or the independent Chair may invite a person to attend Market Advisory Committee meetings as an observer, either for a specified meeting or meetings or until further notice.

#### Explanatory Note

The composition for the MAC is outlined in clause 2.3.5 of the ESM Rules and further classification of classes is not necessary. Consequential amendments are made to several clauses in the MAC Constitution to remove the reference to Discretionary or Compulsory class of membership.

### Classes of Members

- ~~3.5. Members who represent a single entity (AEMO, Synergy and Western Power) and the members nominated by the Minister to represent representing small use consumers are compulsory class members.~~
- ~~3.6. Members who represent a class of participants but are not compulsory class members (Market Participants, Network Operators and Contestable Customers) are discretionary class members.~~

### Proxies

- ~~3.5.~~ ~~3.7.~~ Compulsory class members AEMO, Synergy and Western Power (Single Entity) and small-use consumer representatives who are unable to attend a meeting can send an appropriate proxy with similar skills and experience to attend meetings in their place.
- ~~3.6.~~ ~~3.8.~~ Discretionary class members Members, other than those to which clause 3.5 applies, who are unable to attend a meeting can request the attendance of an appropriate proxy (from any organisation which belongs to the same class as the member) who must have similar skills and experience. These members cannot send a proxy by right. Permission for the attendance by proxies will be at the independent Chair's discretion and must not be withheld unreasonably.
- ~~3.7.~~ ~~3.9.~~ Observers appointed by the Minister or the ERA can send proxies to attend meetings in their place.



### Explanatory Note

The requirement for the Coordinator to ensure equal representation of Market Participants is removed from the ESM Rule as a result the requirement for a MAC quorum and all references to it are removed from the MAC Composition.

## Meeting Attendance

3.8. 3.10. The Market Advisory Committee may continue to perform its functions under section 2.3 of the ~~WEM ESM~~ Rules despite any vacancy, ~~provided that a quorum is met (see clauses 6.3 and 6.4 of this Constitution).~~

3.9. 3.11. Each member is required to make themselves reasonably available for all meetings. Members who have not been reasonably available for all meetings may be removed by the Coordinator under clause ~~4.12 4.15~~ of this Constitution. ~~Proxies sent by compulsory class members count towards attendance by the compulsory class members. Proxies sent by discretionary class members do not count towards attendance by the discretionary class members.~~

3.10 Proxies sent by AEMO, Synergy, Western Power and small-use consumer representatives count towards attendance.

3.11 Proxies approved in accordance with clause 3.6 do not count towards attendance.

### Explanatory Note

The State Electricity Objective (SEO) will require MAC members to focus on more than one limb of the SEO at any one point in time. The Coordinator expects that in all MAC discussions each MAC member gives consideration to the SEO, and that the advice provided to Coordinator is consistent with the SEO. Clause 3.12(c) is inserted to provide for this.

3.12. Each member and observer is required to:

- (a) be prepared for all Market Advisory Committee meetings, to read the papers and to actively contribute to discussions;
- (b) not use their position or information gained as a member or observer improperly to gain an advantage for themselves or anyone else, or to cause detriment to the Coordinator or the market; and
- (c) ensure that the advice provided to the Coordinator is consistent with the State Electricity Objective.

### Explanatory Note

Clause 3.13 is inserted to clarify the obligations and expectation for interaction between MAC members and Working Group members. As the technical/ subject matter experts Working Group members are expected to engage with their MAC representative and if relevant, update the member of the MAC on the meeting discussions and outcomes.

3.13. Each MAC member who has a representative on a MAC Working Group is expected to, without limiting clauses 9.4 and 9.5 of this Constitution, proactively seek updates from that representative.

- ~~3.14.-3.13.~~ Each member, other than small-use consumer representatives under clause 3.1(d) of this Constitution, and observer must pay their own expenses associated with participating in the Market Advisory Committee.

#### Explanatory Note

The requirement for the Coordinator to ensure equal representation of Market Participants is removed from the ESM Rules. Clause 4.2 is amended to reflect that MAC membership now allows for new and emerging services, while maintaining a balanced representation of Market Participants or prospective Market Participants.

## 4. Appointing and Replacing Members

- 4.1. The Coordinator may appoint members and terminate membership of the Market Advisory Committee in accordance with clauses 2.3.8 and 2.3.11 of the ~~WEM ESM~~ Rules; section 4 of this Constitution.; and the Market Advisory Committee Appointment Guidelines (if one is published by the Coordinator).
- 4.2. In accordance with clause 2.3.5A of the ~~WEM ESM~~ Rules, the Coordinator must use their reasonable endeavours to ensure ~~equal representation of Market Participants~~ that:
- ~~(a) — own, control or operate an Energy Producing System or Energy Producing Systems within the South West Interconnected System and~~
  - ~~(b) — sell electricity to customers in the South West Interconnected System,~~
  - (a) the Market Advisory Committee membership includes a diverse but balanced representation of Market Participants or prospective Market Participants;
  - (b) the Market Advisory Committee membership is representative of the range Facility Classes, and existing and emerging technology types in the Wholesale Electricity Market; and
  - (c) at least one Market Participant or prospective Market Participant that sells, or intends to sell, electricity to customers but has not registered, and does not intend to register, a Scheduled Facility, Semi-Scheduled or Non-Scheduled Facility in the Wholesale Electricity Market,

when appointing or removing members.

### Nomination

- 4.3. ~~Compulsory class members represent~~ AEMO, Synergy ~~or Western Power and Single Entity~~ members must be nominated to the Coordinator by the represented entity.
- 4.4. The Coordinator will advertise for nominations for ~~Discretionary class~~ members of the Market Advisory Committee, to which clause 4.2 applies, on the Coordinator's Website, by email to recipients of Energy Policy WA's weekly RulesWatch newsletter, and via direct contact with appropriate industry groups or any other means the Coordinator considers appropriate. Any company or individual can make nominations.

## **Appointments**

- 4.5. Each member appointed following an annual composition review will usually be appointed for a term of two years, subject to any earlier termination.
- 4.6. The Coordinator may appoint members following an annual composition review for a term shorter or longer than two years, including to ensure that the terms of half of the members in each class of discretionary members expire each year.
- 4.7. Where a member is appointed to a vacated position on the Market Advisory Committee that is not vacated due to the expiration of the position's term, the term of the replacement member is for the duration of the previous member's remaining length of tenure.
- 4.8. A member may be reappointed to the Market Advisory Committee unless they have been a member for the six or more consecutive years immediately before the proposed reappointment period begins excluding any years before 15 February 2022.
- 4.9. With the exception of AEMO, no more than one individual from the same employing organisation can be a member of the Market Advisory Committee at any one time.
- 4.10. When appointing and removing members of the Market Advisory Committee, the Coordinator will consult with the independent Chair, and take nominations from Rule Participants and industry groups that they consider relevant to the WEM.
- 4.11. If practicable, and taking into account the requirements of the ESM Rules regarding the Market Advisory Committee composition, the Coordinator will choose members from among those persons nominated, in accordance with clause 4.4 of this Constitution.

### **Explanatory Note**

As the Coordinator is now required to nominate the small-use consumer representatives, clause 4.15(b) is inserted to clarify the process for their nomination and removal. As previously noted the reference to Discretionary or Compulsory class of membership is removed and clause references updated.

## **Annual Composition Review**

- 4.12. Each year the Coordinator will review the performance and attendance of all Market Advisory Committee members in consultation with the independent Chair. Following the review, if the Coordinator determines that a member has not met the requirements of members as set out in this Constitution or the Market Advisory Committee Appointment Guidelines (if one is published by the Coordinator), then the Coordinator may:
  - (a) for a ~~compulsory class member~~ Single Entity, request the party that has appointed the member to nominate another member; ~~or~~
  - (b) for a ~~discretionary class member~~ appointed under clause 4.6, terminate the membership of, or decide to not reappoint the member, and must then follow the process to fill the vacancy as set out in clauses 4.10 and 4.11 of this Constitution.

- 4.13. The Coordinator may also remove a member of the Market Advisory Committee at any time in the circumstances described in clause 2.3.11 of the ~~WEM~~ ESM Rules.
- 4.14. A member of the Market Advisory Committee may resign by giving notice to the Coordinator in writing. The Coordinator, subject to clause 2.3.13 of the ~~WEM~~ ESM Rules, may appoint a replacement member for the duration of the previous member's remaining length of tenure.
- 4.15. When a position on the Market Advisory Committee is vacant at any time for any reason, the Coordinator must, in accordance with clause 2.3.13 of the ~~WEM~~ ESM Rules, use reasonable endeavours to appoint a suitable person to fill the position. For the avoidance of doubt, the Market Advisory Committee can continue to perform its functions despite any vacancy.
- (a) For ~~compulsory class members~~ a Single Entity, the Coordinator will request that a suitably qualified replacement nominee is provided to attend meetings.
  - (b) For small-use consumer representatives, the Coordinator will appoint a suitable representative as per clauses 4.4 of this Constitution.
  - (c) ~~(b)~~ For ~~discretionary class member~~ other members, the Coordinator will appoint a suitable representative, as per clauses 4.10 and 4.11 of this Constitution, and in accordance with the requirements of the ~~WEM~~ ESM Rules.

## 5. Convening the Market Advisory Committee

- 5.1. The independent Chair must convene the Market Advisory Committee:
- (a) in relation to a Rule Change Proposal, where the independent Chair or the Coordinator considers that advice is required from the Market Advisory Committee, in which case the meeting will be called before the due date for submissions on the proposed changes;
  - (b) in relation to a Procedure Change Proposal, where the independent Chair, the Coordinator, AEMO or the ERA considers that advice is required from the Market Advisory Committee or a Network Operator considers that advice is required from the Market Advisory Committee on a Procedure Change Proposal they have prepared, in which case the meeting will be called before the due date for submissions on the proposed changes;
  - (c) in relation to a Rule Change Proposal or Procedure Change Proposal, where two or more members of the Market Advisory Committee have informed the independent Chair in writing that they consider that advice is required from the Market Advisory Committee;
  - (d) on any occasion when two or more members of the Market Advisory Committee have informed the independent Chair in writing that they wish to bring a matter regarding the evolution or the development of the WEM or the ~~WEM~~ ESM Rules before the Market Advisory Committee for discussion;
  - (e) on any occasion the Coordinator has informed the independent Chair they wish to bring a matter regarding the evolution or the development of the WEM or the ~~WEM~~ ESM Rules before the Market Advisory Committee for discussion; and
  - (f) where practicable, consistent with the provisional schedule of Market Advisory Committee meetings issued annually by the MAC Secretariat.

**Explanatory Note**

The requirement for the Coordinator to ensure equal representation of Market Participants is removed from the ESM Rule as a result the requirement for a MAC quorum and all references to it are removed from the MAC Composition.

## 6. Conduct of Meetings

- 6.1. The independent Chair may determine procedures for meetings of the Market Advisory Committee.
- 6.2. The Market Advisory Committee may provide advice or make recommendations to the Coordinator on an issue. Any advice or recommendations made by the Market Advisory Committee must be based on the consensus achieved by members in accordance with clause ~~2.4~~ 2.5 of this Constitution.
- ~~6.3. The Market Advisory Committee can only make a recommendation to the Coordinator if a quorum of members is present at the relevant discussion.~~
- ~~6.4. A quorum requires at least:~~
  - ~~(a) 50% of total current members;~~
  - ~~(b) one member representing small use consumers;~~
  - ~~(c) two discretionary class members representing Market Participants that own, control or operate an Energy Producing System or Energy Producing Systems in the South West Interconnected System; and~~
  - ~~(d) two discretionary class members representing Market Participants that sell electricity to customers in the South West Interconnected System.~~
- ~~to be present at the meeting.~~
- ~~6.3~~ 6.5 Meetings of the Market Advisory Committee may be called or held in-person or virtually, or a combination of the two, using any technology determined by the independent Chair and (if required) at a location nominated by the independent Chair.
- ~~6.4~~ 6.6 Meetings of the Market Advisory Committee are recorded for the purpose of ensuring the accuracy of meeting minutes. These recordings are therefore considered temporary and once the minutes of a meeting are confirmed the recordings from that meeting are no longer considered necessary and will be periodically deleted.

**Explanatory Note**

Clause 7.2(c) is slightly amended to improve the structure of the clause and amendments are made to clause 8.1. and 8.2. to update the email address for the MAC Secretariat.

## 7. Role of the MAC Secretariat and independent Chair

- 7.1. The MAC Secretariat will provide secretariat services to the Market Advisory Committee and support the independent Chair, including in performing the functions in sections 7.2 and 7.3 of this Constitution.
- 7.2. The MAC Secretariat will:
  - (a) develop and issue a provisional schedule of meetings (under the direction of

- the independent Chair) and maintain the diary of the Market Advisory Committee;
- (b) compile the meeting papers and send them by email to all members and observers of the Market Advisory Committee and publish the papers on the Coordinator's Website. The MAC Secretariat will endeavour to issue papers to all members and observers, at least five Business Days before each meeting, except for any late papers approved by the independent Chair;
  - (c) prepare the minutes of each Market Advisory Committee meeting. ~~and~~ The MAC Secretariat will endeavour to send them by email to all members and observers of the Market Advisory Committee within ten Business Days of the meeting; and
  - (d) publish the minutes on the Coordinator's Website.
- 7.3. The independent Chair may develop and submit Rule Change Proposals based on advice received from the Market Advisory Committee regarding the development of the WEM and the ~~WEM~~ ESM Rules.
- 7.4. The independent Chair may, at their discretion, approve late papers for a Market Advisory Committee meeting.

## 8. Interaction between the Market Advisory Committee, the Coordinator and the independent Chair

- 8.1. All written communications related to the activities of the Market Advisory Committee from the members and observers of the Market Advisory Committee must be sent to the MAC Secretariat via e-mail to: [energymarkets@energy.wa.gov.au](mailto:energymarkets@energy.wa.gov.au). [energymarkets@deed.wa.gov.au](mailto:energymarkets@deed.wa.gov.au)
- 8.2. Communications between the members and observers of the Market Advisory Committee and the MAC Secretariat will be via email to the email addresses published on the Coordinator's Website and must copy in the MAC Secretariat on: [energymarkets@energy.wa.gov.au](mailto:energymarkets@energy.wa.gov.au). [energymarkets@deed.wa.gov.au](mailto:energymarkets@deed.wa.gov.au)
- 8.3. The Coordinator will provide the independent Chair, members and observers of the Market Advisory Committee with information in their possession that is directly relevant to the issues being addressed (subject to clause 10.2.4 of the ~~WEM~~ ESM Rules).
- 8.4. After the publication of a notice of a Rule Change Proposal, the Coordinator will notify the independent Chair, and members and observers of the Market Advisory Committee (in accordance with clause 2.7.4 of the ~~WEM~~ ESM Rules) via email, as to whether the Coordinator considers that advice on the proposal is required from the Market Advisory Committee and the reasons why.
- 8.5. The Coordinator will include in their Draft Rule Change Reports (in accordance with clause 2.7.7 of the ~~WEM~~ ESM Rules) a summary of the views expressed by the members of the Market Advisory Committee (or Market Advisory Committee Working Group), where the Market Advisory Committee (or Market Advisory Committee Working Group) has met to consider a Rule Change Proposal.
- 8.6. The Coordinator will include reasons in their Final Rule Change Reports (in accordance with clause 2.7.8(bA) of the ~~WEM~~ ESM Rules) if they have decided not to follow partially or fully the advice received from the Market Advisory Committee.



- 8.7. The Coordinator, ERA, Network Operators and AEMO will include in their Procedure Change Reports (in accordance with clause 2.10.13 of the ~~WEM~~ ESM Rules) a summary of the views expressed by the members of the Market Advisory Committee (or Market Advisory Committee Working Group), where the Market Advisory Committee (or Market Advisory Committee Working Group) has met to consider a Procedure Change Proposal.

## 9. Governance Arrangements Between the Market Advisory Committee and Working Groups

- 9.1. The Market Advisory Committee may establish and disband Working Groups as per clause 2.3.17 of the ~~WEM~~ ESM Rules.
- 9.2. The Market Advisory Committee must determine the scope of work and terms of reference for each Working Group. The Market Advisory Committee may approve any amendments to the Terms of Reference or membership of any Working Group at any time.
- 9.3. The terms of reference for a Working Group will be tailored to the specific requirements of each Working Group and typically include the:
- (a) background (reason for the establishment of the Working Group);
  - (b) purpose and scope of work of the Working Group;
  - (c) roles and responsibilities of members of the Working Group;
  - (d) membership of the Working Group;
  - (e) administration, secretariat and meeting arrangements for the Working Group; and
  - (f) reporting arrangements to the Market Advisory Committee.
- 9.4. Working Groups must report to the Market Advisory Committee at least once every two months, unless otherwise specified in the terms of reference for the Working Group. Reporting will be via the Working Group secretariat. The Working Group will report to the Market Advisory Committee at other times requested by the Market Advisory Committee. Day-to-day interaction between the Market Advisory Committee and the Working Group will be via the MAC Secretariat.
- 9.5. Working Groups must refer issues outside the scope of the Working Group's terms of reference back to the Market Advisory Committee for consideration.
- 9.6. Once a Working Group has been established, the Market Advisory Committee delegates to the Working Group the ability to discuss the matters within the scope of the Working Group's terms of reference. The Working Group must report back to the Market Advisory Committee with any recommendations that it determines.
- 9.7. The independent Chair must, through the MAC Secretariat, inform the Coordinator if the Market Advisory Committee establishes a Working Group, and must provide the Coordinator with a copy of the terms of reference for each Working Group.

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## Agenda Item 10: Meeting Schedule for 2026

Market Advisory Committee (MAC) Meeting 2025\_11\_20

### 1. Purpose

MAC members to approve the schedule for the MAC's 2026 meetings.

### 2. Recommendation

That the MAC considers and approves the proposed MAC meeting dates for 2026.

### 3. Process

The MAC usually meets every six weeks, commencing in February of each year. The MAC Secretariat has developed, in consultation with the Independent Chair, the proposed schedule for MAC meetings for 2026. Where practicable timing of these meetings avoids public holidays and school holidays.

Due to the limited availability of the Independent Chair in the mornings, the 2026 MAC Meetings will be scheduled for 1:30pm on Thursdays.

The MAC is asked to consider and approve the proposed schedule for the 2026 MAC meetings.

Month	Proposed MAC Meetings
January 2026	
February 2026	1:30pm on Thursday, 12 February 2026
March 2026	1:30pm on Thursday, 19 March 2026
April 2026	
May 2026	1:30pm on Thursday, 7 May 2026
June 2026	1:30pm on Thursday, 25 June 2026
July 2026	1:30pm on Thursday, 30 July 2026
August 2026	
September 2026	1:30pm on Thursday, 10 September 2026
October 2026	1:30pm on Thursday, 22 October 2026
November 2026	
December 2026	1:30pm on Thursday, 3 December 2026



## **Agenda Item 11: WEM Operation Effectiveness Report – Progress Update**

Market Advisory Committee (MAC) Meeting 2025\_11\_20

### **1. Purpose**

Energy Policy WA (EPWA) to update the MAC on the progress of implementing the recommendations from the Coordinator of Energy's (Coordinator's) inaugural WEM Operation Effectiveness Report.

### **2. Recommendation**

That the MAC notes:

- the update on the progress of implementing the recommendations from the first WEM Operation Effectiveness Report.

### **3. Background**

- Under clause 2.16.13D of the Electricity System and Market (ESM) Rules, the Coordinator must provide the Minister with a report dealing with the matters identified through its market monitoring activities at least once every three years, with the first such report due by 1 July 2025.
- The Coordinator of Energy provided the first WEM Operation Effectiveness Report (the Report), that covered matters outlined in clauses 2.16.13A, 2.16.13B and 2.16.13E of the ESM Rules, to the Minister on 25 June 2025.
- On 8 July 2025, the Coordinator, after consultation with the Minister for Energy, published a version of the Report, with confidential or sensitive data aggregated or removed, on the [Coordinator's website](#).
- The Report was aimed at providing an evidence base and reference for further work to improve market effectiveness, including through ESM Rules changes.

**Table 1 – Recommendations relevant to all Market Bodies**

Recommendation	Status	Update
Proactive reporting of Market Bodies on WEM design flaws and areas for improvement	Ongoing	EPWA, AEMO and the ERA have established fortnightly Market Surveillance meetings to discuss WEM design flaws and areas for improvement. Updates, as appropriate, will be provided to the MAC by EPWA or the AEMO at its relevant forums.  Additionally, AEMO and EPWA have established a new cadence of regular meetings at Executive level, and are working together to establish a new 'Market Issues Log' that will enable improved information sharing and tracking of solutions between the two agencies.
Improvement of accessibility across all market bodies' websites and published materials	Starting	To be commenced  On 17 September 2025, the ERA implemented a new website design, moving to a function-based structure and restructured its WEM section.

**Table 2 – Recommendations relevant to AEMO**

Recommendation	Status	Update
Provision of further detail on the cause of any direction/intervention by AEMO.	Ongoing	The ongoing FCESS Cost Review (Stage 2) is addressing this proposal.
Improvements in relation to operational forecasting.	Ongoing	The ongoing <a href="#">Operational Forecasting Review</a> is addressing this proposal. In parallel to the Review, AEMO has initiated an internal Project to uplift AEMO's operational forecasting capabilities, which includes several initiatives aligned with Energy Policy WA's proposals.
Completion and publication of WEM Procedures in a timely manner, including prompt updates when required.	Ongoing	The Procedure Content Review will address some of the issues highlighted in the Report.  As highlighted in the Report, there were nine Procedures outstanding from the date of the new WEM commencement. AEMO has since finalised and commenced two, three have been published for consultation and drafts have been completed for the remaining four (noting MT

Recommendation	Status	Update
		<p>PASA has been delayed due to the relevant systems being completed, as explained to industry at the July APCWG and notified to MAC).</p> <p>AEMO has also implemented new internal processes to support the timely development of Procedures, including uplifted Procedure tracking and reporting tools that will enhance monitoring by Managers and the Senior Leadership Team, and highlight resourcing requirements and risks early.</p>
Making complete and verified market data available through the publicly accessible web portal in easily accessed data formats.	Starting	<p>AEMO's Data Dashboard uplift project is a priority initiative for FY26 and will help address the findings from the Report around the availability of data through AEMO's website. AEMO conducted a WEM Data Dashboard survey and held workshops in mid-2025, the findings of which will be considered when defining the scope of the uplift project. The project is scheduled to commence its feasibility stage in November 2025.</p>

**Table 3 – Recommendations relevant to the ERA**

Recommendation	Status	Update
Provision of clearer information to Market Participants regarding the current priorities and focus of the ERA's surveillance and compliance activities, noting that confidential information must be protected.	Starting	<p>Jurisdictional Review commencing</p>

**Table 4 – Recommendations relevant to Western Power**

Recommendation	Status	Update
Transformation of the Transmission System Plan, in the medium term, into a broader Networks Plan that includes a complete transmission and distribution development roadmap, to provide an informed view of investment opportunities. Supporting information should include constraint data, cost-benefit analyses and improved distribution level heat maps.	Starting	To be commenced

**Table 5 – Recommendations relevant to EPWA**

Proposal	Status	Update
The Coordinator will work with the Market Bodies and other stakeholders on how to integrate the SEO more broadly within the ESM Rules, and will monitor this in the next WEM Operation Effectiveness Report.	Starting	Ongoing

## **Agenda Item 12: Market Development Forward Work Program**

Market Advisory Committee (MAC) Meeting 2025\_11\_20

### **1. Purpose**

- To provide an update on BRCP Process review
- To provide a follow up regarding the WEM Metering Data Anomalies as discussed on 16 October 2025.
- To provide an update on the ESM rule change (ID RC\_2025\_01) from Bluewaters
- To provide an update regarding the MAC Constitution Review
- To outline the proposed meeting schedule for the MAC in 2026
- Changes to the Market Development Forward Work Program since the previous MAC meeting are shown in **red** in the Tables below.

### **2. Recommendation**

The MAC Secretariat recommends that the MAC notes the updates in the paper.

### **3. Process**

Stakeholders may raise issues for consideration by the MAC at any time by sending an email to the MAC Secretariat at [energymarkets@deed.wa.gov.au](mailto:energymarkets@deed.wa.gov.au).

Stakeholders should submit issues for consideration by the MAC two weeks before a MAC meeting so that the MAC Secretariat can include the issue in the papers for the MAC meeting, which are circulated one week before the meeting.

Table 1 – Current MAC Working Groups

Working Group	Established	Status	Next steps
<b>WEM Procedures Content Review</b>	2 May 2024 MAC Meeting	Starting	A revised Terms of Reference addressing MAC's feedback will be shared
<b>Capability Class 2 Technologies Review</b>	24 July 2025 MAC Meeting	Open	Working Group meetings will convene as soon as practicable.
<b>Essential Systems Services Framework Review</b>	2 May 2024 MAC Meeting	Open	A Consultation Paper was provided to members out of session for comment on 29 October 2025
<b>AEMO Procedure Change</b>	1 May 2017 MAC Meeting	Open	Ongoing Process
<b>AEMO Major Projects</b>	1 May 2025 MAC Meeting	Open	Ongoing Process
<b>Power System Security and Reliability Standards</b>	23 November 2023 MAC Meeting	Open	An Information Paper and Exposure Draft for Proposals 12 to 16 is planned to be published in late 2025.
<b>Wholesale Electricity Market Investment Certainty Review</b>	20 July 2023 MAC Meeting	Open	The ERA's Governing Body has approved the draft BRCP Procedure and is seeking submissions from stakeholders.
<b>Cost Allocation Review</b>	14 December 2021 MAC Meeting	Finishing	Schedules 2 and 4 of the <i>Wholesale Electricity Market Amendment (Cost Allocation Reform) Rules 2024</i> to commence on 30 October 2025.

Table 2 – Market Development Forward Work Program

Review	Issues	Status and Next Steps
Cost Allocation Review (CAR)	<p>A review of:</p> <ul style="list-style-type: none"> <li>the allocation of Market Fees, including behind the meter (BTM) and Distributed Energy Resources (DER) issues;</li> <li>cost allocation for Essential System Services; and</li> </ul> <p>Issues 2, 16, 23 and 35 from the MAC Issues List.</p>	<ul style="list-style-type: none"> <li>The MAC established the Cost Allocation Review Working Group (CARWG). Information on the CARWG is available at <a href="#">Cost Allocation Review Working Group</a>, including: <ul style="list-style-type: none"> <li>the Scope of Work for the review, as approved by the Coordinator;</li> <li>the Terms of Reference for the CARWG, as approved by the MAC;</li> <li>the list of CARWG members;</li> <li>meeting papers and minutes from the CARWG meetings on 9 May 2022, 7 June 2022, 30 August 2022, 27 September 2022, 25 October 2022, 29 November 2022, 21 March 2023, 2 May 2023 and 29 August 2023.</li> </ul> </li> <li>The following papers have been released and are available on the CAR webpage at <a href="#">Cost Allocation Review</a>: <ul style="list-style-type: none"> <li>the Consultation Paper;</li> <li>the International Review;</li> <li>submissions on the Consultation Paper;</li> <li>the CAR Information Paper;</li> <li>the Exposure Draft of the ESM Amending Rules implementing the outcomes of the CAR;</li> <li>submissions on the CAR ESM Amending Rules Exposure Draft; and</li> <li>response to submissions on the CAR ESM Amending Rules Exposure Draft.</li> </ul> </li> </ul>



Table 2 – Market Development Forward Work Program

Review	Issues	Status and Next Steps
		<ul style="list-style-type: none"> <li>the Wholesale Electricity Market Amendment (Cost Allocation Reform) Rules 2024 available at <a href="#">Wholesale Electricity Market Amendment (Cost Allocation Reform) Rules 2024</a>.</li> <li>Further changes to refine the cost allocation method for the Contingency Reserve Raise Service were presented at the <a href="#">18 June 2024 TDOWG</a> and consulted on within the <a href="#">Miscellaneous Amendments No. 3 Exposure Draft</a>.</li> <li>The last set of changes (to Contingency Reserve Raise cost allocation) implementing the outcomes of this Review were included in the Amending Rules made by the Minister on 2 October 2024.</li> <li>AEMO to confirm implementation dates.</li> <li>An <a href="#">Exposure Draft</a> was released on 19 August 2025 on changes to Contingency Reserve Lower that affects Schedule 4 of the <i>Wholesale Electricity Market Amendment (Cost Allocation Reform) Rules 2024</i>. <ul style="list-style-type: none"> <li>Consultation closed 2 September 2025.</li> <li>One stakeholder submission was received, which was published on 26 September 2025.</li> </ul> </li> <li>By gazettal on 26 September 2025, Schedules 2 and 4 of the <i>Wholesale Electricity Market Amendment (Cost Allocation Reform) Rules 2024</i> will commence on 30 October 2025.</li> <li>Schedule 3 is the last schedule of the of the Wholesale Electricity Market Amendment (Cost Allocation Reform) Rules 2024 for which a commencement date is yet to be specified by the Minister.</li> </ul>

Table 2 – Market Development Forward Work Program

Review	Issues	Status and Next Steps
Review of the Power System Security and Reliability (PSSR) Standards	<p>The scope of this review is to:</p> <ul style="list-style-type: none"> <li>review the various PSSR related provisions in the instruments governing power system security and reliability in the SWIS;</li> <li>assess whether the combination of existing standards is effective to ensure power system security and reliability can be maintained;</li> <li>develop proposals for a single end-to-end PSSR standard and a centralised governance framework; and</li> </ul> <p>draft amending Rules and other regulatory changes, as necessary.</p>	<ul style="list-style-type: none"> <li>The MAC established the PSSR Standards Working Group (PSSRSWG). Information on the PSSRWG is available at <a href="#">Power System Security and Reliability (PSSR) Standards Working Group</a> including: <ul style="list-style-type: none"> <li>the Terms of Reference for the PSSRSWG, as approved by the MAC;</li> <li>the Scope of Work</li> <li>the list of PSSRSWG members; and</li> <li>meeting papers and minutes for the 14 December 2023, 1 February 2024, 29 February 2024, 18 April 2024, 25 July 2024, 10 October 2024 and 31 October 2024 PSSRSWG meetings.</li> </ul> </li> <li>The PSSR Consultation Paper was published on 19 June 2025 on the Power System Security and Reliability Standards Review <a href="#">webpage</a>. <ul style="list-style-type: none"> <li>The consultation period for the Power System Security and Reliability Standards Review (PSSR) Consultation Paper closed on 7 August 2025.</li> <li>Stakeholder submissions were published on 13 August 2025.</li> <li>Developing Information Paper and Exposure Draft.</li> </ul> </li> <li>EPWA plans to publish an information paper and exposure draft of WEM Amending Rules (for Proposals 12 to 16, System Strength framework) in late 2025.</li> </ul>

Table 2 – Market Development Forward Work Program

Review	Issues	Status and Next Steps
WEM Procedure Content Review	<p>The scope of this review is to assess the content of selected existing WEM Procedures and their heads of power to determine, using the guiding principles, whether any matters identified require changes to improve the effectiveness of WEM Procedures, including, but not limited to:</p> <ul style="list-style-type: none"> <li>the potential elevation of certain content to the ESM Rules; and/or</li> <li>changes to a WEM Procedure heads of power.</li> </ul>	<ul style="list-style-type: none"> <li>A revised Scope of Work and Terms of Reference was presented to the MAC at the 4 September 2025 Meeting to reflect the proposals from the 2025 WEM Operation Effectiveness Report.</li> <li>On 11 September 2025, a MAC member provided EPWA with WEM Procedures that should be included in the review.</li> </ul>
Review of the Market Advisory Committee (MAC)	<p>The scope of this review is to ensure that the purpose, representation, process and operations of the MAC are fit for purpose, and in particular, that it operates efficiently and provides balanced, timely and useful advice to the Coordinator.</p>	<ul style="list-style-type: none"> <li>The MAC supported a Scope of Works for this review at its meeting on 8 June 2023.</li> <li>ACIL Allen was engaged by the Coordinator to undertake Stage 1 of the MAC Review, and recommend any changes necessary.</li> <li>The following papers have been released and are available on the MAC Review webpage at Market Advisory Committee Review the: <ul style="list-style-type: none"> <li>Scope of Work for the review, as approved by the Coordinator;</li> <li>Market Advisory Committee Review: Stage 1 - ACIL Allen's Consultation Paper;</li> <li>Submissions received on the Market Advisory Committee Review: Stage 1 - ACIL Allen's Consultation Paper;</li> <li>Market Advisory Committee Review - Coordinator of Energy's Consultation Paper;</li> </ul> </li> </ul>

**Table 2 – Market Development Forward Work Program**

Review	Issues	Status and Next Steps
		<ul style="list-style-type: none"> <li>• Submissions received on the Market Advisory Committee Review - Coordinator of Energy's Consultation Paper.</li> <li>• Market Advisory Committee Review - Coordinator of Energy's Information Paper and Exposure Draft of ESM Amending Rules resulting from the Review.</li> </ul>

Table 2 – Market Development Forward Work Program

Review	Issues	Status and Next Steps
Procedure Change Process (PCP) Review	A review of the PCP to address issues identified through Energy Policy WA's consultation on governance changes.	<ul style="list-style-type: none"> <li>The MAC discussed a draft Scope of Work for this review at its meeting on 11 October 2022. EPWA has updated the Scope of Works to reflect the MAC discussions.</li> <li>The Scope of Work for the review, as approved by the Coordinator is available here Wholesale Electricity Market Procedure Change Process Review (<a href="http://www.wa.gov.au">www.wa.gov.au</a>)</li> <li>ACIL Allen has been appointed to assist with the PCP review.</li> <li>ACIL Allen engaged with MAC members through a survey and one-on-one consultations between 12 March and 18 April 2024. There were 11 respondents to the PCP survey, out of 19 requests.</li> <li>On 6 May 2024, the Consultation Paper was released for public consultation. Submissions closed 31 May 2024 with stakeholder submissions published on the Coordinator's website.</li> <li>On 9 August 2024, the Coordinator finished stage 1 by publishing the ACIL Allen report and his response on the Coordinator's <a href="#">website</a>.</li> <li>EPWA is progressing stages 2 and 3 of the review and is revising a draft consultation paper to reflect the MAC's feedback from the 5 September 2024 MAC meeting.</li> </ul>

Table 2 – Market Development Forward Work Program

Review	Issues	Status and Next Steps
Review of the Essential Systems Services (ESS) Framework	<p>The Coordinator of Energy (Coordinator) is conducting a review of the ESS Framework (the Review), incorporating:</p> <ul style="list-style-type: none"> <li>• a review of the ESS Process and Standards under Section 3.15 of the ESM Rules; and</li> <li>• a review of the Supplementary Essential Systems Services Procurement Mechanism (SESSM) under clause 2.2D.1(h).</li> </ul> <p>The purpose of this Review is to assess whether the FCESS framework in the ESM Rules is operating efficiently to ensure power system security and reliability can be maintained at the lowest cost to consumer.</p>	<ul style="list-style-type: none"> <li>• The MAC approved the establishment of the ESS Framework Working Group (ESSFRWG) to support the ESS Framework Review. Information on the ESSFRWG is available at <a href="#">Essential System Services Framework Review Working Group</a> including: <ul style="list-style-type: none"> <li>• The Terms of Reference for the ESSFRWG, as approved by the MAC;</li> <li>• The list of ESSFRWG members;</li> <li>• Meeting papers and minutes for 6 November 2024, 26 February, 26 March and 24 July 2025 meetings.</li> </ul> </li> </ul> <p>The following papers have been released and are available on the ESS Framework Review <a href="#">webpage</a>:</p> <ul style="list-style-type: none"> <li>• The Scope of Work for the Review.</li> </ul> <p>Next steps:</p> <ul style="list-style-type: none"> <li>• Finalising a public Consultation Paper for publication.</li> </ul>

<p>WEM Investment Certainty (WIC) Review</p>	<p>The WIC Review will consider, design and implement the following five reforms that have been announced by the Minister for Energy, which are aimed at providing further investment certainty to assist the decarbonisation of the WEM:</p> <ol style="list-style-type: none"> <li>(1) changing the Reserve Capacity Price (RCP) curve so it sends sharper signals for investment when demand for new capacity is stronger;</li> <li>(2) a 10-year RCP guarantee for new technologies, such as long-duration storage;</li> <li>(3) a wholesale energy price guarantee for renewable generators, to top up their energy revenues as WEM prices start to decline, in return for them firming up their capacity;</li> <li>(4) emission thresholds for existing and new high emission technologies in the WEM; and</li> <li>(5) a 10-year exemption from the emissions thresholds for existing flexible gas plants that qualify to provide the new flexibility service.</li> </ol>	<ul style="list-style-type: none"> <li>• The MAC established the WIC Review Working Group (WICRWG). Information on the WICRWG is available at <a href="#">Wholesale Electricity Market Investment Certainty (WIC) Review Working Group</a> including: <ul style="list-style-type: none"> <li>• the Terms of Reference for the WICRWG, as approved by the MAC;</li> <li>• the list of WICRWG members;</li> <li>• meeting papers and minutes from the 31 August 2023, 11 October, 8 November, the 6 December 2023, 24 January, the 24 April and 29 May 2024 WICRWG meeting.</li> </ul> </li> <li>• The following papers have been released and are available on the WIC Review <a href="#">webpage</a>, including: <ul style="list-style-type: none"> <li>• the Scope of Work for the review, as approved by the Coordinator;</li> <li>• the WIC Review (Initiatives 1 and 2) Consultation Paper;</li> <li>• the submissions received on the WIC Review (Initiatives 1 and 2) Consultation Paper;</li> <li>• the WIC Review (Initiatives 1 and 2) Information Paper;</li> <li>• The Exposure Draft of ESM Amending Rules to implement Initiatives 1 and 2;</li> <li>• Submissions for the Exposure Draft of WEM Investment Certainty and RCM Review Amending Rules; and</li> <li>• Response to Submissions for the Exposure Draft of WEM Investment Certainty and RCM Review Amending Rules.</li> </ul> </li> <li>• The ESM Rules implementing the Review Outcomes for Initiatives 1 and 2 of the WIC Review are in Wholesale Electricity Market Amendment (RCM Reviews Sequencing)</li> </ul>
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Table 2 – Market Development Forward Work Program

Review	Issues	Status and Next Steps
		<p>Rules 2025. The Rules were approved by the Minister for Energy and published in the Government Gazette on 14 January 2025.</p> <ul style="list-style-type: none"> <li>• The WICRWG convened on 14 August 2025 to discuss the Coordinator's review of the Benchmark Capacity Providers. <ul style="list-style-type: none"> <li>• meeting papers and minutes for this meeting are available at <a href="#">Wholesale Electricity Market Investment Certainty (WIC) Review Working Group</a> page.</li> </ul> </li> <li>• The following papers for the 2025 Benchmark Capacity Provider Review have been released and are available on the <a href="#">webpage</a>: <ul style="list-style-type: none"> <li>• Scope of Work</li> <li>• Consultation Paper</li> <li>• Stakeholder submissions</li> <li>• The Coordinator's Determination, including responses to submissions</li> </ul> </li> </ul>



Table 2 – Market Development Forward Work Program

Review	Issues	Status and Next Steps
Capability Class 2 Technologies Review (CC2TR)	<p>The Review will consider:</p> <ul style="list-style-type: none"> <li>whether market design changes are required to maintain Power System Security and Reliability (PSSR) with the growing share of Electric Storage Resource (ESR) in the South West Interconnected System (SWIS);</li> <li>whether the methodology for rating the capacity of ESR for the purposes of setting Certified Reserve Capacity remains consistent with the State Electricity Objective (SEO);</li> <li>whether the Demand Side Programme (DSP) Obligation Duration remains consistent with the SEO; and</li> <li>whether the ESR obligation intervals (ESROI), including the effectiveness of the method used by AEMO to determine the ESROI, is consistent with the SEO.</li> </ul>	<ul style="list-style-type: none"> <li>The MAC established the Capability Class 2 Technologies Review Working Group (CC2TRWG). Information on the CC2TRWG is available at <a href="#">Capability Class 2 Technologies Review Working Group</a>, including: <ul style="list-style-type: none"> <li>the Terms of Reference for the CC2TRWG, as approved by the MAC;</li> <li>the list of CC2TRWG members.</li> </ul> </li> <li>The following papers have been released and are available on the <a href="#">CC2TR webpage</a>: <ul style="list-style-type: none"> <li>the Scope of Works.</li> </ul> </li> <li><b>The CC2TR Working Group convened on 23 October 2025 to discuss the review of Capability Class 2 Technologies and the scope of the review</b></li> <li><b>meeting papers and minutes for this meeting are available at <a href="#">Capability Class 2 Technologies Review Working Group page</a>.</b></li> </ul>
Forecast quality	Review of Issue 9 from the MAC Issues List.	<ul style="list-style-type: none"> <li>This review has been incorporated in the Operational Forecasting Review.</li> </ul>
Network Access Quantity (NAQ) Review	Assess the performance of the NAQ regime, including policy related to replacement capacity, and address issues identified during implementation of the Energy Transformation Strategy (ETS).	<ul style="list-style-type: none"> <li>The timing for this review is to be determined.</li> </ul>

**Table 2 – Market Development Forward Work Program**

Review	Issues	Status and Next Steps
Short Term Energy Market (STEM) Review	Review the performance of the STEM to address issues identified during implementation of the ETS.	<ul style="list-style-type: none"> <li>This review has been deferred.</li> </ul>

Table 3 – Other Issues			
Id	Submitter/Date	Issue	Status
9	Community Electricity November 2017	Improvement of AEMO forecasts of System Load; real-time and day-ahead.	<p>EPWA has commenced work to improve AEMO's operational forecasting that will consider this issue.</p> <p>The following papers have been released and are available on the Operational Forecasting Review <a href="#">webpage</a>:</p> <ul style="list-style-type: none"> <li>• The Scope of Works</li> <li>• The Operation Forecasting Review Consultation Paper</li> <li>• Stakeholder submissions</li> </ul> <p>EPWA is considering stakeholder feedback on the Consultation Paper and is preparing to release an Exposure Draft on proposed Amending Rules.</p>

### **Agenda Item 13: Overview of Rule Change Proposals (as of 13 November 2025)**

Market Advisory Committee (**MAC**) Meeting 2025\_11\_20

- Changes to the report since the previous MAC meeting are shown in **red font**.
- The next steps and the timing for the next steps are provided for Rule Change Proposals that are currently being actively progressed by the Coordinator of Energy (**Coordinator**) or the Minister.

### **Rule Change Proposals Commenced since the Report presented at the last MAC Meeting**

None

### **Rule Change Proposals Awaiting Commencement**

None

### **Rule Change Proposals Rejected since Report presented at the last MAC Meeting**

None

### **Rule Change Proposals Awaiting Approval by the Minister**

None

### **Formally Submitted Rule Change Proposal**

Reference	Submitted	Proponent	Title and Description	Urgency	Next Step	Commencement
RC_2025_01	15 October 2025	Bluewaters Power	Supplementary Reserve Capacity Amendments		Open for consultation. Closes 5:00pm (AWST) 16 December 2025	

## Pre-Rule Change Proposals

None

## Rule Changes Made by the Minister since Report presented at the 16 October 2025 MAC Meeting

Gazette	Date	Title	Commencement

## Rule Change Made by the Minister and Awaiting Commencement

Gazette	Date	Title	Commencement
2024/66	7/06/2024	Wholesale Electricity Market Amendment (Cost Allocation Reform) Rules 2024	<ul style="list-style-type: none"> <li>Schedule 3 will commence at a time specified by the Minister in a notice published in the Gazette.</li> </ul>
2025/113	26/09/2025	Wholesale Electricity Market Amendment (Supplementary Capacity No. 3) Rules 2024	<ul style="list-style-type: none"> <li>Schedule 2 will commence on 1 October 2026.</li> </ul>
2024/120	4/10/2024	Wholesale Electricity Market Amendment (Miscellaneous Amendments No 3) Rules 2024	<ul style="list-style-type: none"> <li>Schedule 4 will commence on 26 February 2026.</li> </ul>
2025/3	14/01/2025	Wholesale Electricity Market Amendment (RCM Reviews Sequencing) Rules 2025	<ul style="list-style-type: none"> <li>Schedule 2 will commence 1 January 2026.</li> <li>Schedule 3 will commence 1 October 2026.</li> <li>Schedule 4 will commence 1 October 2027.</li> <li>Schedules 5, 6 and 7 will commence at a time specified by the Minister in a notice published in the Gazette.</li> </ul>
2025/64	3/06/2025	Electricity System and Market Amendment (Tranche 8) Rules 2025	<ul style="list-style-type: none"> <li>Schedule 3 will commence 1 January 2026.</li> </ul>

			<ul style="list-style-type: none"> <li>• Schedule 4 will commence 1 October 2026.</li> <li>• Schedule 5 will commence 1 October 2027.</li> <li>• Schedule 6 will commence immediately after the commencement of the amending rules in Schedule 5 of the Wholesale Electricity Market Amendment (RCM Reviews Sequencing) Rules 2025.</li> <li>• Schedule 7 will commence on 26 February 2026.</li> <li>• Schedule 8 will commence immediately after the commencement of the amending rules in Schedule 2 of the Wholesale Electricity Market Amendment (Supplementary Capacity No. 3) Rules 2024.</li> <li>• Schedule 9 will commence at a time specified by the Minister in a notice published in the Gazette.</li> </ul>
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