

## Energy Policy WA

# Terms of Reference WEM Procedures Content Review Working Group

## 1. Background

The Energy Transformation Strategy work has driven significant changes to the Wholesale Electricity Market (WEM) and requirements for several new WEM Procedures have been established by various sets of Electricity System and Market (ESM) Amending Rules.

On 8 July 2025, the Coordinator of Energy (Coordinator) published the first WEM Operation Effectiveness Report that covered matters outlined in clauses 2.16.13A, 2.16.13B and 2.16.13E of the ESM Rules<sup>1</sup>.

A key theme that emerged during the preparation of this report is the need for greater transparency, including from the market bodies in performing their functions under the ESM Rules, to provide current and prospective participants with the complete information they require to make operational and investment decisions.

One of the proposals to address this theme was for WEM Procedures to be completed and published in a timely manner, and prompt updates made when required.

The Coordinator is commencing the WEM Procedure Content Review to address deficiencies that may exist within the current WEM Procedures or their Heads of Power.

The Coordinator is reviewing the content of existing WEM Procedures as part of its functions under clause 2.2D.1(h) of the ESM Rules.

The scope of the Procedure Content Review is to assess the content of selected existing WEM Procedures to determine whether:

- the heads of power for the WEM Procedure are appropriate;
- there is incomplete information in the WEM Procedure;
- the WEM Procedure delegates matters to subordinate instruments not foreshadowed by the ESM Rules; and
- any content within the WEM Procedure is no longer consistent with the ESM Rules.

The Market Advisory Committee (MAC) has established the Procedure Content Review Working Group (PCRWG) under clause 2.3.17(a) of the ESM Rules to assist the Coordinator with the WEM Procedures Content Review.

#### 1.1 Guiding Principles

The guiding principles for the WEM Procedure Content Review are that WEM Procedures must:

- be consistent with the State Electricity Objective (SEO);
- provide clear and practical descriptions of technical and market processes;
- clearly explain Rule Participant obligations;
- not unnecessarily delegate responsibility to instruments that are not identified within the ESM Rules; and
- ensure that information is presented in ways that are accessible and can be interpreted reliably by a wide variety of industry stakeholders.

<sup>&</sup>lt;sup>1</sup> WEM Operation Effectiveness Report

#### 1.2 Scope of the PCRWG

The PCRWG has been established to provide expert advice, consistent with the SEO.

Key areas of focus for the PCRWG include providing advice on:

- whether the head of power for a WEM procedure is appropriate;
- whether the content of the examined WEM Procedures is consistent with the Guiding Principles; and
- whether the content of the examined WEM Procedures is consistent with the ESM Rules.

## 2. Membership

Energy Policy WA will Chair the PCRWG.

Market Participants and other interested stakeholders may nominate a person for membership on the PCRWG for approval by the Chair.

All members of the PCRWG are required to contribute their time and resources to complete specific analysis and other tasks as requested by the Chair.

There are no restrictions on the number of PCRWG members. The Chair of the PCRWG may only approve one member from each organisation.

The Chair of the PCRWG will have discretion to allow additional members from an organisation if they represent distinct areas of operation.

The Chair of the PCRWG will have discretion to allow additional subject matter experts or consultants to attend specific meetings or workshops, either generally or on a case-by-case basis.

Energy Policy WA will provide administrative support to the PCRWG.

#### 3. Documentation

Energy Policy WA will establish a PCRWG webpage on its website. Any discussion papers, meeting papers and meeting minutes will be posted to this page.

Market Participants and other stakeholders may register with Energy Policy WA to receive email communications regarding the PCRWG, including notices of publication of papers on the PCRWG webpage.

## 4. Responsibilities of Meeting Attendees

A person attending a PCRWG meeting is expected to:

- have suitable knowledge and experience to engage in and contribute to discussions relevant to the specific meeting, or to;
- prepare for the meeting, including by reading any meeting papers distributed before the meeting;
- participate as a general industry representative rather than representing their company's interests; and
- complete actions requested by the Chair, which may include undertaking of analysis or preparation of papers for discussion by the PCRWG.
- if relevant, to update the member of the Market Advisory Committee within their organisation on the meeting discussions and outcomes.

#### 5. Administration

Energy Policy WA will provide secretariat support for the PCRWG.

Energy Policy WA will ensure contact details for the PCRWG are maintained on the PCRWG webpage.

The Chair will convene meetings of the PCRWG in accordance with the timelines in the Scope of Work for the Procedure Content Review as outlined in Section 7 of these Terms of Reference.

Energy Policy WA will prepare and distribute all meeting correspondence to the PCRWG via email. Energy Policy WA will endeavour to provide the following documentation by email to the PCRWG members:

- notices of meetings, agendas, and relevant meeting papers at least 5 Business Days prior to the meeting; and
- key outcomes and actions emerging from each meeting within 10 Business Days following the meeting.

All meeting documentation will be published on Energy Policy WA's website as soon as practicable after it has been sent to the PCRWG members.

Meetings will generally be held online via Microsoft Teams but may sometimes be held in person. Meeting minutes are to record meeting attendance, main outcomes of discussion, agreed recommendations to the MAC and action items. Meetings will be recorded to assist with writing minutes.

## 6. Reporting Arrangements

The PCRWG Chair must provide a report to the MAC on the PCRWG's activities at each MAC meeting. The reports must include, at a minimum:

- details of all PCRWG meetings since the last report to the MAC, including the date of the meeting and the key outcomes of each meeting;
- the date of the next meeting and the issues to be considered (if known); and
- any recommendations from the PCRWG to the MAC.

# 7. Project Schedule

The following is the high-level project schedule for the PCRWG:

Tasks/Milestones	<u>Timing</u>
WEM Procedures' content assessment	
EPWA, in consultation with Procedure Administrators, to assess content of selected current WEM Procedures and their heads of power.	Nov 2025 - May 2026
EPWA, in consultation with Procedure Administrators, to develop draft recommendations for Priority One WEM Procedures	Feb 2026 to Mar 2026
PCRWG Meeting to assess the analysis and draft recommendations for Priority One WEM Procedures	Mar 2026
Report proposed changes to the MAC	Mar 2026
EPWA, in consultation with Procedure Administrators, to develop draft recommendations for Priority Two WEM Procedures	Mar 2026 to Apr 2026
PCRWG Meeting to assess the analysis and draft recommendations for Priority Two WEM Procedures	Apr 2026
Consider feedback from PCRWG and finalise recommendations	May 2026
Report proposed changes to the MAC	Jun 2026
Consultation Paper on WEM Procedure content assessment	Jun 2026 to Jul 2026
Amending Rules and Procedure Changes, if required	

### 8. Contact Details

Rule Participants and other stakeholders may contact the PCRWG Secretariat at <a href="mailto:energymarkets@deed.wa.gov.au">energymarkets@deed.wa.gov.au</a>. Documentation and information related to the PCRWG will be published on Energy Policy WA's website.