

Meeting Agenda

Meeting Title:	Market Advisory Committee (MAC)
Date:	Thursday 7 May 2026
Time:	1:30 PM – 3:15 PM
Location:	Online via TEAMS

Item	Item	Responsibility	Type	Duration
1	Welcome and Agenda <ul style="list-style-type: none"> Conflicts of interest Competition Law 	Chair	Noting	2 min
2	Meeting Apologies/Attendance	Chair	Noting	3 min
3	Minutes of Meeting 2026_03_19 Approved and published 30 April 2026	Chair	Noting	3 min
4	Action Items	Chair	Noting	5 min
5	Western Power update on implementing new obligation, commencing 1 May 2026, to inform Market Participants about meter data changes	Western Power	Verbal Update	5 min
6	Update on Working Groups			
	(a) AEMO Procedure Change Working Group	AEMO	Noting	3 min
	(b) AEMO Major Projects Working Group	AEMO	Verbal Update	3 min
	(c) Capability Class 2 Technologies Review	CC2TRWG Chair	Discussion	60 min
7	WEM Effectiveness Review – Progress Update	Chair/Secretariat	Noting	2 min
8	Market Development Forward Work Program	Chair/Secretariat	Noting	2 min
9	Overview of Rule Change Proposals	Chair/Secretariat	Noting	2 min
10	General Business	Chair	Discussion	15 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 2026_05_07

Shaded	Shaded action items are actions that have been completed since the last MAC meeting. Updates from last MAC meeting provided for information in RED .
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
1/2026	<p>AEMO to provide regular updates on proposals 4 and 5 from the Essential System Services (ESS) Framework Review.</p> <p>Proposal 4:</p> <p>AEMO to implement a monitoring program over a twelve-month period to track the amount of headroom and footroom available from unaccredited Facilities or non-dispatched FCESS Facilities to better quantify mandatory Primary Frequency Response (MPFR) availability to assess the level of Contingency Reserve Raise and Lower that could be provided from the inclusion of MPFR.</p>	AEMO	2026_02_11	<p>Open</p> <p>AEMO is assessing synthetic inertia under their Engineering Roadmap and Energy Policy WA (EPWA) will be reviewing the supplementary ESS mechanism to procure synthetic inertia.</p> <p>Following the publication of the ESS Information paper AEMO will provide regular updates to the MAC on proposals 4 and 5 from the ESS Framework Review.</p> <p>Proposals 4 and 5 from ESS Review will be retained in the action log for AEMO to provide regular updates.</p>

Item	Action	Responsibility	Meeting Arising	Status
	<p>Proposal 5: AEMO to assess the suitability of Synthetic Inertia (RCS) from Battery Energy Storage Systems (BESS) in complementing synchronous Inertia from rotating machines, and consider potential barriers and suitable incentivisation for grid-forming BESS to provide such services.</p>			<p>AEMO to provide a preliminary update to the MAC on:</p> <ul style="list-style-type: none"> • Proposal 4 of the ESS Review at the 30 July 2026 MAC meeting and then at the first MAC meeting to be scheduled in 2027 • Proposal 5 at the 18 June 2026 MAC meeting.
5/2026	MAC members to revisit the MAC schedule at the 18 June 2026 MAC meeting to decide whether an additional in person meeting will be held.	MAC members	2026_02_11	Open
6/2026	The Chair to discuss the Reserve Capacity Prices paid to existing and committed generators paper with Noel Schubert and EPWA offline regarding next steps for this issue.	Chair / EPWA	2026_03_19	<p>Closed The Chair, EPWA and Mr Schubert met offline.</p>
7/2026	MAC members to provide any questions or concerns regarding Item 7 Attachment 1 (2026_03_19) to EPWA.	MAC members	2026_03_19	Open

MARKET ADVISORY COMMITTEE MEETING, 7 May 2026

FOR DISCUSSION

SUBJECT: UPDATE ON AEMO'S WEM PROCEDURES

AGENDA ITEM: 6(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	26 March 2026	TBD
WEM Procedures for discussion at APCWG	<ul style="list-style-type: none"> • Reserve Capacity Security • Certification of Reserve Capacity • Settlements 	

3. AEMO PROCEDURE CHANGE PROPOSALS

The status of AEMO Procedure Change Proposals is described below, current as of **21 April 2026**. 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_13 Low Reserve Conditions	<p>AEMO 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"> • 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"> ○ Medium Term (MT) PASA horizon ○ Short Term (ST) PASA horizon; or ○ Real Time Operations Horizon. • the levels at which AEMO would make a Low Reserve Condition Declaration, being: <ul style="list-style-type: none"> ○ LOR 1; ○ LOR 2; and ○ LOR 3. • the notification processes and timeframes AEMO will observe when making a Low Reserve Condition Declaration. • 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. 	Commenced	N/A	20 March 2026

ID	Summary of changes	Status	Next steps	Indicative Date
	<ul style="list-style-type: none"> 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. 			
Procedure Change Proposal AEPC_2026_02 Relevant Level Method	AEMO commenced the Procedure Change Process to propose the new WEM Procedure: Relevant Level Method as a result of Amending Rule 4.11.2B, which commences on 1 April 2026. Amending Rule 4.11.2B requires that AEMO document in a WEM Procedure the assumptions and processes for the Relevant Level Method, including how AEMO determines:	Commenced	N/A	1 April 2026

ID	Summary of changes	Status	Next steps	Indicative Date
	<ul style="list-style-type: none"> • the DER Adjusted Demand Profile under step B.2.2 of Appendix 9 of the ESM Rules; • the Reference Demand Profile under step B.2.5 of Appendix 9 of the ESM Rules; • Non-Candidate Availability Scenarios under step B.3.4 of Appendix 9 of the ESM Rules; and • any other aspect of the Relevant Level Method AEMO considers appropriate. <p>This Procedure will impact on:</p> <ul style="list-style-type: none"> • all Facilities that are assigned Certified Reserve Capacity using the Relevant Level Method, as the Procedure outlines the assumptions and processes for determining several inputs into the Relevant Level Method; and <p>Non-Intermittent Generating Systems and relevant Electric Storage Resources that are “Non-Candidates”, as the Procedure specifies the means of determining the Non-Candidate Availability Scenarios. Non-Candidates include Non-Intermittent Generating Systems and certain Electric Storage Resources that have applied for Certified Reserve Capacity.</p>			
Procedure Change Proposal AEPC_2026_03 Reserve Capacity Security	AEMO commenced the Procedure Change Process to propose amendments to the WEM Procedure: Reserve Capacity Security to reflect various amendments that have been made to Reserve Capacity Security provisions of the ESM Rules. These amendments primarily originated from the Reserve Capacity Mechanism Review, including the requirements to provide replacement	Commenced	N/A	24 April 2026

ID	Summary of changes	Status	Next steps	Indicative Date
	<p>Reserve Capacity Security following a drawdown event, and changes to various defined terms.</p> <p>The amendments include:</p> <ul style="list-style-type: none"> • Changing the term “DSM Reserve Capacity Security” to “DSP Reserve Capacity Security”. • Clarification of processes and documentation required for the provision of Security. • AEMO’s processes for transferring Security. • Clarification of eligibility and timing for returning Reserve Capacity Security. • The processes for releasing DSP Reserve Capacity Security. 			
<p>Procedure Change Proposal AEPC_2026_04 Certification of Reserve Capacity</p>	<p>AEMO commenced the Procedure Change Process to propose amendments to the WEM Procedure: Certification of Reserve Capacity to provide additional guidance to Market Participants that may be insolvent or insolvent under administration, with respect to information that is required to be provided under clause 4.10.1(g)(ii). In doing so, it closes a potential gap in the application process where a potential Reserve Capacity provider is insolvent or insolvent under administration.</p> <p>These changes are relevant for Market Participants who are considered ‘insolvent’ under the ESM Rules, specifically with respect to the meaning of the term in clause 9.19.2.</p> <p>For Market Participants that are insolvent or insolvent under administration, AEMO requires</p>	<p>Commenced</p>	<p>N/A</p>	<p>14 April 2026</p>

ID	Summary of changes	Status	Next steps	Indicative Date
	<p>additional information to support AEMO in forming a reasonable expectation of whether the Market Participant's Facility will be able to meet its availability obligations for the relevant Capacity Year. A new section under Paragraph 3 and a new definition have been drafted to give effect to the proposed amendments.</p> <p>The proposed changes are consistent with the information that a Market Participant may be required to provide under clause 4.10.1(g)(ii), and align with the existing head of power under clause 4.9.10(a).</p>			
<p>Procedure Change Proposal AEPC_2026_05 Settlements</p>	<p>AEMO commenced the Procedure Change Process to propose amendments to the WEM Procedure: Settlements (the Procedure) as a result of changes to clauses 2.13.43, 2.13.43A and 9.21.2 of the ESM Rules, made under the Electricity System and Market Amendment (Tranche 9) Rules 2025 (Amending Rules).</p> <p>The relevant changes came into effect on 1 January 2026, and AEMO must undertake all necessary WEM Procedure Changes on or before 1 May 2026 (see clause 1.70.2).</p> <p>The Amending Rules change the way in which AEMO is required to distribute Civil Penalty Amounts. Formerly, AEMO distributed Civil Penalty Amounts in accordance with formulae provided under the ESM Rules, but as of 1 January 2026, AEMO must make these distributions in accordance with instructions provided by the Economic Regulation Authority (ERA). The relevant Procedure changes are made under paragraph 6.</p> <p>Other minor amendments are made to the Procedure to reduce the potential for non-</p>	<p>Commenced</p>	<p>N/A</p>	<p>21 April 2026</p>

ID	Summary of changes	Status	Next steps	Indicative Date
	<p>compliance with the ESM Rules. AEMO provides further explanation on the amendments to Civil Penalty Amount distributions and other minor non-editorial changes in section 3 of the Procedure Change Proposal.</p> <p>AEMO has also taken this opportunity to make further changes of an editorial nature to improve alignment with AEMO's modern WEM Procedure templates, improve clarity for Market Participants, and remove duplication with the ESM Rules. Further information on editorial changes is provided in section 4 of the Procedure Change Proposal, and against consultation notes in the marked-up version of the Procedure.</p>			

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	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	TBD
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	Delayed	Consultation	TBD

	the process it will follow in conducting the Medium-Term Projected Assessment of System Adequacy.			
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 new WEM Procedure documents how AEMO will prepare the Forecast Unscheduled Operational Demand.	Drafting in progress	Consultation	June 2026
WEM Procedure: Rule Participant Registration Processes	AEMO will be initiating this Procedure Change Proposal to update the WEM Procedure based on operational changes and to provide additional clarity on the process.	Drafting in progress	Consultation	June 2026



Agenda Item 6(c): Update on the Capability Class 2 Technologies Review

Market Advisory Committee (MAC) Meeting 2026_05_07

1. Purpose

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

2. Recommendation

That the MAC:

- notes the update provided in the paper;
- notes and discusses the information in the summary slides (Attachment 1).

3. Background

The Coordinator of Energy (Coordinator) must review several Electricity System and Market (ESM) Rules provisions related to energy and availability limited resources in accordance with section 4.13B of the ESM Rules. Under clause 4.13B.2 of the ESM Rules, the first review must be completed by 1 October 2026.

The MAC established a Working Group at the 24 July 2025 MAC meeting to support the Review. The Terms of Reference, papers and minutes for the Working Group meetings are available on the relevant [webpage](#). Further information on the Review, including the Scope of Works are available on the Review [webpage](#).

4. Update

Since the 19 March 2026 MAC meeting, the Working Group has met three times:

- 26 March 2026
- 2 April 2026
- 23 April 2026

The Working Group discussed the following topics.

A summary of key discussions at the last two meetings of the Working Group and further detail is provided in Attachment 1.

Technical analysis to inform whether Electric Storage Resource Obligation Intervals (ESROI) and ESR Obligation Duration (ESROD) are fit-for-purpose, and the need for State of Charge (SOC) Triggers

Technical analysis was conducted to identify when ESR is required and if SOC obligations are required for ESR. The analysis found that:

- System Stress Events (SSEs) typically occur during summer evenings, with some in earlier periods, and driven largely by extreme temperatures;

- System Stress Events (SSEs) typically occur during summer evenings, with some in earlier periods, and driven largely by extreme temperatures;
- high energy prices earlier in the day may be leading to ESR not having sufficient SOCs approaching the ERSOIs;
- in the future, ESRs are likely to be mostly required during the summer evening peak;
- leading to 2030 there is a growing need for ESR to also be required for the winter evening peak; and
- there is insufficient evidence to determine that ESR will be needed during the mornings.

The Working Group supported:

- maintaining the current ESROI/ESROD approach;
- introducing a SOC mandate as part of the Lack of Reserve (LoR) declarations.

Some Working Group members were concerned that ESR may be required outside of the ESROIs, and that it should be made clear how Market Participants are expected to bid and operate when a SOC mandate is declared.

Additional SOC refund mechanism

Information available through the technical analysis indicated that for 5 identified SSEs with low ESR SOC the revenue from discharging during the day was greater than the refunds paid under the existing refund mechanism.

A compliance-by-design is being investigated with the implementation of an additional refund mechanism that will apply to ESRs when a SOC obligation is mandated, subject to analysis of practicality and costs provided by AEMO.

DSP availability options

The Working Group supported the proposed changes to Option 1, under which evening only DSPs will have a Reserve Capacity Price derated by 8/12.

Mechanisms to improve resilience of DSPs

The Working Group noted that:

- the ability for an exiting load to reduce its Capacity Credits and to have its security deposit returned should apply only to large existing loads, not to DSP aggregations; and
- evidence would be required to ensure that an exiting load, does not re-enter the system during the relevant Capacity Year.

Some members were concerned that this proposal would treat loads and generators differently.

5. Next Steps

It is not anticipated that any further Working Group will be required. A consultation paper will be drafted to seek stakeholder feedback on the proposed outcomes resulting from the Review. A draft of the paper will be provided to the MAC for comments.

6. Attachment

(1) Agenda Item 6(c) – Attachment 1 – Summary slides



Department of
Energy and Economic
Diversification

Energy Policy WA

Capability Class 2 Technologies (CC2T) Review

23 April 2026

Working together for a
brighter energy future.

Proposals for discussion

Demand Side Programmes Proposals

- Change the availability obligations intervals options
- Return Reserve Capacity Security to DSPs with exiting large loads

ESR SOC Obligation Proposals

- Proposals to address ESR availability during system stress events

Demand Side Programmes

Proposals to:

- Change the availability obligations intervals options
- Return Reserve Capacity Security to DSPs with exiting large loads

DSP Availability Obligation Intervals

At its last meeting MAC members raised concerns with Option 1 (ESM Rule changes):
6am - 10am and 2pm - 10pm

Working group supported variations to Option 1

- DSP can choose one of two options:
 - Be available during two split windows: 8am – 12pm and 2pm – 10pm on Business Days; OR
 - Be available only from 2pm-10pm on Business Days.
- DSPs cannot offer availability outside these windows to simplify implementation – this will require ESM Rule changes.
- Morning window shifted to 8am to prevent Trading Day cross-over and reduce implementation costs.
 - Current State Analysis identified only one System Stress Event that commenced between 8am-12pm.
- DSPs choosing only the evening window receive a derated Reserve Capacity Price that affects their Reserve Capacity Security requirement.
- There may be issues with treating Capacity Credits assigned to DSPs who opt for the evening window as equivalent to other Capacity Credits, and there is an option to require these to be traded through AEMO.
 - This would require changes to section 4.28 of the ESMR.

Return of DSP security if large load exits

Need to source replacement load if large (>5MW) Associated Load exits

- Working Group noted the possibility that a large Associated Load may exit or go on extended maintenance before the start of the relevant Capacity Year.
- Working Group discussed the potential of allowing a DSP to associate a replacement large load at a different TNI as long as it is deemed unconstrained by AEMO under ESMR 4.15.16A.
 - AEMO raised a concern that this could adversely affect the NAQs of other facilities.
 - Members noted that an exiting load reduces overall system demand, which reduces the need for “replacement” capacity .
- Working Group supported the following approach:
 - A DSP participant who has reason to believe its (>5MW) Associated Load would not be in operation during the relevant Capacity Year must notify AEMO by 1 April of Year 3 (prior to ESOO development) to enable AEMO to model the impact of that load on the Reserve Capacity Requirements.
 - A DSP that notifies AEMO by the deadline may request a reduction to its Capacity Credits and the return of the relevant Reserve Capacity Security (as the exiting load capacity no longer needs to be served).
 - Any Associated Load that has been removed from a DSP in this way cannot participate in a Supplementary Capacity procurement for the upcoming Capacity Year.

Does MAC have any comments on the above approach?

Electric Storage Resources

Proposals to address ESR availability during system stress events

Policy principles governing mandatory State of Charge (SOC) obligations

Technical analysis indicated existing refunds alone do not ensure adequate SOC for the ESROs

Working Group supported the following:

- AEMO should be able to use a Lack of Reserve (LOR) declaration to mandate minimum SOC obligations for ESR.
- SOC obligations should be able to change, instead of a fixed 100% default, with the required charge level determined by prevailing system conditions.
- ESMR should:
 - require a WEM Procedure that sets out the details of how SOC obligations will be set; and
 - specify the trigger for setting the obligation.
- Key principles for triggering and setting the obligations and the contents of the WEM Procedure must be specified in the ESM Rules.
- WEM Procedure must address:
 - Trigger and notification period
 - Transparent methodology for determining the SOC obligations.

Type	Trigger conditions	Description
LOR1	Forecast Available Capacity is greater than the Forecast Operational Demand plus 70% of the Largest Supply Contingency, but less than the Forecast Operational Demand plus 100% of the Largest Supply Contingency plus 70% of the Second Largest Supply Contingency	Probability of load shedding low, but risk of ESS shortfalls are elevated
LOR2	Forecast Available Capacity is greater than the Forecast Operational Demand plus the Operational Reserve Margin, but less than the Forecast Operational Demand plus 70% of the Largest Supply Contingency	Probability of load shedding is elevated and there is insufficient ESS
LOR3	Forecast Available Capacity is less than the Forecast Operational Demand plus the Operational Reserve Margin	Insufficient capacity to avoid load shedding and meet ESS requirements

Does MAC have any comments on what else the WEM Procedure should address?

Policy principles governing the SOC Obligations

Summary of proposed principles: Trigger and notification period

Working Group supported the following

Trigger

- AEMO to mandate SOC if LOR declaration applies during ESR Obligation Intervals – new LOR condition established.
 - LOR-SOC will apply when LOR1-LOR3 conditions may manifest due to insufficient ESR fleet charge.
 - If there is a LOR1-LOR3 condition, a LOR-SOC condition may apply – converse will not apply.
- AEMO will use existing probabilistic framework (used in Low Reserve Conditions monitoring) to assess the probability of a LOR condition manifesting.
 - Use of POE forecasts means participants will know the probability of that eventuating – provides greater certainty.

Notification Period

- Need to balance sufficient notification lead time with time needed to create accurate forecasts
- AEMO must use best endeavours to declare SOC mandate by 8pm on Scheduling Day (can declare earlier); but
- AEMO must declare the SOC mandate by no later than 8am on Trading Day.

Does MAC have any comments on the proposed policies for triggering the SOC mandate and timeframe for notifying participants?

Policy principles governing SOC Obligations contd.

Summary of proposed principles: SOC mandate and other considerations

SOC mandate

- AEMO will determine a single SOC percentage to apply to the entire fleet at the start of the ESROI that is part of the LOR declaration:
 - AEMO already conducts assessment of fleet SOC needed to maintain PSSR
 - Propose adopting existing framework to set a % SOC to apply to the entire fleet at the start of each ESR's ESROIs – set uniform % SOC to apply to all ESRs in the first applicable ESROI.
- AEMO may withdraw the SOC mandate if it deems the LOR condition is no longer likely.

Other considerations

- AEMO will be empowered to, potentially, require staggered charging to maintain PSSR (instead of using Chapter 3 provisions) when a SOC mandate is declared
- Change ESM Rules to prevent ESRs charging during the longest ESROD to ensure shorter ESROD ESRs do not charge off longer ESROD ESRs
 - Incumbents charging during the first ESROIs of new ESRs (with longer ESROD) could result in ESR charging each other - need to avoid charge cannibalisation.
 - Exceptions apply if ESR is instructed to charge by AEMO.
- Approach should be simple, but provide sufficient certainty to participants, and minimise disruption to normal market processes.

Additional Charge Shortfall Refund to apply during SOC mandate intervals

Existing refund regime on its own may not ensure compliance with SOC obligations

- Technical Analysis indicated that revenue from high prices during the day can exceed refunds for non-delivery during ESROIs.
- Exploring compliance by design – Civil Penalty provisions on their own may not be enough of a deterrent to non-compliance
- Discussed additional refund/penalty mechanism that only applies to ESRs if AEMO has mandated state of charge.
- Implementation could be simplified if additional refund mechanism was modelled on an existing refund regime:
 - Increase the Maximum Facility Refund for ESRs to more than 100% of annual Capacity Payments (e.g. RCM review set Facility Maximum Peak Refund Factor for DSPs to 125%);
 - Increase the DRF cap to a higher value to apply only to ESRs and only when AEMO has declared a SOC mandate.
- Working Group requested implementation cost and practicality to inform their decision – awaiting implementation information from AEMO.

Questions for the MAC:

- **What type and magnitude of penalty would ensure compliance with the SOC mandate?**
- **What compensation should consumers receive in the event of non-compliance leads to reliability shortfalls?**

Following the Working Group meeting, there was an email from an ESR operator questioning the SOC mandate

Should ESR participants absorb the costs of complying with these new requirements without compensation?
Has EPWA considered the cost of capital implications of these changes?

The rare occasions the SOC mandate is required, it would apply only during an ESR's ESROIs.
ESR recovers all of its fixed costs in the RCM, as long as it is available when required during the intervals its RCOQ applies, and the need to compensate it again is not clear.

Why are all the proposed reforms focused exclusively on ESR?

Gas facilities are certified, through a rigorous process, to ensure they have the ability to acquire the necessary fuel to meet their obligations and they did so over the period between 25 and 28 August 2025.

Is Limb B not functioning as intended?

Limb B criterion is based on the average quantity of unserved energy expected.
Short-term volatility and system dynamics should be managed through real-time market operations.

Will offers constrained by a SOC mandate not be assessed as irregular price offers?

These are considerations for the ERA.

How do we ensure that the changes are future proof?

We are proposing best endeavours by 8pm on the Scheduling Day and final declaration by 8am on the Dispatch Day.



Agenda Item 7: WEM Operation Effectiveness Report – Progress Update

Market Advisory Committee (MAC) Meeting 2026_05_07

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 Wholesale Electricity Market (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 since the previous MAC meeting, which are shown in **red** in the Tables below.

3. Background

Under clause 2.16.13D of the Electricity System and Market (ESM) Rules, the Coordinator must provide the Minister of Energy (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 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.

- After consultation with the Minister, the Coordinator published a version of the Report on 8 July 2025 on the [Coordinator's website](#).
 - Any confidential and/or sensitive data was either aggregated or removed.
- The published report is to serve as a point of reference of further work required by AEMO, the ERA, EPWA and Western Power to improve market effectiveness, including through future ESM Amending Rules.

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	<p>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.</p> <p>Additionally, AEMO and EPWA have established regular meetings at Executive level and are working together to establish a new 'Market and Systems Issues Log' that will enable improved information sharing and tracking of solutions between the two agencies.</p>
Improvement of accessibility across all market bodies' websites and published materials	Ongoing	<p>On 17 September 2025, the ERA implemented a new website design, moving to a function-based structure and restructured its WEM section.</p> <p>Western Power's webpage 'The Wholesale Electricity Market and Market Information Management' lists its WEM Procedures, Guidelines and other market information. This new page is also easily discovered by search engines.</p>

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 Frequency Co-optimised Essential System Services (FCESS) Cost Review (Stage 2) is addressing this proposal.
Improvements in relation to operational forecasting.	Ongoing	The ongoing Operational Forecasting Review 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 EPWA's proposals.
Completion and publication of WEM Procedures in a timely manner, including prompt updates when required.	Ongoing	<p>The WEM Procedure Content Review will address some of the issues highlighted in the Report.</p> <p>As highlighted in the Report, there were still nine WEM Procedures outstanding from the date of the new WEM commencement. AEMO has since finalised and commenced six, two have had drafts completed and are expected to be published for consultation in the coming months (with MT</p>

Recommendation	Status	Update
		<p>PASA subject more extended delay due to the system still being in its development phase is as explained to industry at the July 2025 AEMO Procedure Change Working Group 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>
<p>Making complete and verified market data available through the publicly accessible web portal in easily accessed data formats.</p>	<p>Ongoing</p>	<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. The feasibility stage commenced in November 2025 and is now concluded. AEMO has progressed into the planning stage and has commenced activities to improve access to public datasets (providing alternative to .JSON files).</p> <p>AEMO conducted a WEM Data Dashboard survey and held workshops in mid-2025, the findings of were considered when defining the scope of the uplift project. Currently the project is scheduled for completion in late 2027 (noting this is subject to change).</p>

Table 3 – Recommendations relevant to the ERA

Recommendation	Status	Update
<p>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.</p>	<p>Ongoing</p>	<p>EPWA is drafting ESM Amending Rule changes to introduce an obligation for the ERA to publish annual priorities.</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

Recommendation	Status	Update
The Coordinator will work with the Market Bodies and other stakeholders on how to integrate the State Electricity Objective more broadly within the ESM Rules and will monitor this in the next WEM Operation Effectiveness Report.	Starting	To be commenced.

Agenda Item 8: Market Development Forward Work Program

Market Advisory Committee (MAC) Meeting 2026_05_07

1. Purpose

- To update the MAC on changes to the Market Development Forward Work Program since the previous MAC meeting, which are shown in **red** in the Tables below.
- Rows that are shaded **grey** are complete and will be removed for the next MAC meeting.

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.

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
WEM Procedures Content Review	2 May 2024 MAC Meeting	Open	EPWA is currently reviewing Priority 1 WEM Procedures
Capability Class 2 Technologies Review	24 July 2025 MAC Meeting	Open	Drafting Consultation Paper following 23 April 2026 meeting
Essential Systems Services Framework Review	2 May 2024 MAC Meeting	Open	Publication of Information Paper, including metrics for AEMO to assess the performance of the FCESS against the Frequency Operating Standards
AEMO Procedure Change	1 May 2017 MAC Meeting	Open	Ongoing Process
AEMO Major Projects	1 May 2025 MAC Meeting	Open	Ongoing Process
Power System Security and Reliability Standards	23 November 2023 MAC Meeting	Open	Western Power Consultation Paper – User Facility Standards for grid-forming and grid-following inverters paper public consultation closed on 6 February 2026
Wholesale Electricity Market Investment Certainty Review	20 July 2023 MAC Meeting	Open	Ongoing Process
Cost Allocation Review	14 December 2021 MAC Meeting	Finishing	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.

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"> • the allocation of Market Fees, including behind the meter (BTM) and Distributed Energy Resources (DER) issues; • cost allocation for Essential System Services; and • Issues 2, 16, 23 and 35 from the MAC Issues List. 	<ul style="list-style-type: none"> • The MAC established the Cost Allocation Review Working Group (CARWG). Information on the CARWG is available at Cost Allocation Review Working Group, including: <ul style="list-style-type: none"> • the Scope of Work for the review, as approved by the Coordinator; • the Terms of Reference for the CARWG, as approved by the MAC; • the list of CARWG members; • 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. • The following papers have been released and are available on the CAR webpage at Cost Allocation Review: <ul style="list-style-type: none"> • the Consultation Paper; • the International Review; • submissions on the Consultation Paper; • the CAR Information Paper; • the Exposure Draft of the ESM Amending Rules implementing the outcomes of the CAR; • submissions on the CAR ESM Amending Rules Exposure Draft; and • response to submissions on the CAR ESM Amending Rules Exposure Draft.

Table 2 – Market Development Forward Work Program

Review	Issues	Status and Next Steps
		<ul style="list-style-type: none"> • the Wholesale Electricity Market Amendment (Cost Allocation Reform) Rules 2024 available at Wholesale Electricity Market Amendment (Cost Allocation Reform) Rules 2024. • Further changes to refine the cost allocation method for the Contingency Reserve Raise Service were presented at the 18 June 2024 TDOWG and consulted on within the Miscellaneous Amendments No. 3 Exposure Draft. • 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. • AEMO to confirm implementation dates. • An Exposure Draft 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"> • Consultation closed 2 September 2025. • One stakeholder submission was received, which was published on 26 September 2025. • 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. • 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.

Table 2 – Market Development Forward Work Program

Review	Issues	Status and Next Steps
<p>Review of the Power System Security and Reliability (PSSR) Standards</p>	<p>The scope of this review is to:</p> <ul style="list-style-type: none"> • review the various PSSR related provisions in the instruments governing power system security and reliability in the SWIS; • assess whether the combination of existing standards is effective to ensure power system security and reliability can be maintained; • develop proposals for a single end-to-end PSSR standard and a centralised governance framework; and <p>draft amending Rules and other regulatory changes, as necessary.</p>	<ul style="list-style-type: none"> • The MAC established the PSSR Standards Working Group (PSSRSWG). Information on the PSSRWG is available at Power System Security and Reliability (PSSR) Standards Working Group including: <ul style="list-style-type: none"> • the Terms of Reference for the PSSRSWG, as approved by the MAC; • the Scope of Work • the list of PSSRSWG members; and • 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. • The PSSR Consultation Paper was published on 19 June 2025 on the PSSR Standards Review webpage. <ul style="list-style-type: none"> • The consultation period for the Consultation Paper closed on 7 August 2025. • Stakeholder submissions were published on 14 November 2025 on the PSSR Standards Review webpage. • The consultation period for Proposal 20 included in the PSSR Consultation Paper - Adopting Western Power September 2023 Proposed Technical Rules Amendments was extended on 30 September 2025. <ul style="list-style-type: none"> • The consultation period closed on 11 November 2025.

Table 2 – Market Development Forward Work Program

Review	Issues	Status and Next Steps
		<ul style="list-style-type: none"> • Stakeholder submissions were published on 13 August 2025. • A Western Power Consultation Paper – User Facility Standards for grid-forming and grid-following inverters was published on 22 December 2025 on the PSSR Standards Review webpage. <ul style="list-style-type: none"> • The consultation period for the Consultation Paper closes on 6 February 2026. • EPWA is currently progressing work on the following items, anticipated for publication in the first half of 2026: <ul style="list-style-type: none"> • assessing options to propose a System Strength incentive framework, to be issued for stakeholder consultation. • an Information Paper outlining the review outcomes covering interim GFM and GFL technical requirements and prescribed roles and responsibilities for system strength, together with an Exposure Draft of ESM Amending Rules.

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"> • the potential elevation of certain content to the ESM Rules; and/or • changes to a WEM Procedure heads of power. 	<ul style="list-style-type: none"> • A revised Scope of Works 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. • On 11 September 2025, a MAC member provided EPWA with WEM Procedures that should be included in the review. • EPWA is currently reviewing Priority 1 WEM Procedures, as outlined in the Scope of Works.

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"> • 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. • The Scope of Work for the review, as approved by the Coordinator is available here Wholesale Electricity Market Procedure Change Process Review (www.wa.gov.au) • ACIL Allen has been appointed to assist with the PCP review. • 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. • 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. • On 9 August 2024, the Coordinator finished stage 1 by publishing the ACIL Allen report and his response on the Coordinator's website. • 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.

Table 2 – Market Development Forward Work Program

Review	Issues	Status and Next Steps
<p>Review of the Essential Systems Services (ESS) Framework</p>	<p>The Coordinator of Energy (Coordinator) is conducting a review of the ESS Framework (the Review), incorporating:</p> <ul style="list-style-type: none"> • a review of the ESS Process and Standards under Section 3.15 of the ESM Rules; and • a review of the Supplementary Essential Systems Services Procurement Mechanism (SESSM) under clause 2.2D.1(h). <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"> • 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 Essential System Services Framework Review Working Group including: • The Terms of Reference for the ESSFRWG, as approved by the MAC; • The list of ESSFRWG members; • Meeting papers and minutes for 6 November 2024, 26 February, 26 March and 24 July 2025 meetings. <p>The following papers have been released and are available on the ESS Framework Review webpage:</p> <ul style="list-style-type: none"> • The Scope of Work for the Review. • The Essential System Services Framework Review Consultation Paper. • An addendum (of proposed ESM Amending Rules) to the Essential System Services Framework Review – Consultation Paper • Stakeholder submissions to the Essential System Services Framework Review Consultation Paper and addendum. • The Amending Rules to relax the RoCoF Safe Limit were included in the Electricity System and Market Amendment (Tranche 9) Rules 2025 were approved by the Minister for Energy on 19 December 2025, published in the Government Gazette on 23 December 2025 and commenced on 26 February 2026.

Table 2 – Market Development Forward Work Program

Review	Issues	Status and Next Steps
		Next Step: EPWA to draft Information Paper.

<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"> (1) changing the Reserve Capacity Price (RCP) curve so it sends sharper signals for investment when demand for new capacity is stronger; (2) a 10-year RCP guarantee for new technologies, such as long-duration storage; (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; (4) emission thresholds for existing and new high emission technologies in the WEM; and (5) a 10-year exemption from the emissions thresholds for existing flexible gas plants that qualify to provide the new flexibility service. 	<ul style="list-style-type: none"> • The MAC established the WIC Review Working Group (WICRWG). Information on the WICRWG is available at Wholesale Electricity Market Investment Certainty (WIC) Review Working Group including: <ul style="list-style-type: none"> • the Terms of Reference for the WICRWG, as approved by the MAC; • the list of WICRWG members; • 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. • The following papers have been released and are available on the WIC Review webpage, including: <ul style="list-style-type: none"> • the Scope of Work for the review, as approved by the Coordinator; • the WIC Review (Initiatives 1 and 2) Consultation Paper; • the submissions received on the WIC Review (Initiatives 1 and 2) Consultation Paper; • the WIC Review (Initiatives 1 and 2) Information Paper; • The Exposure Draft of ESM Amending Rules to implement Initiatives 1 and 2; • Submissions for the Exposure Draft of WEM Investment Certainty and RCM Review Amending Rules; and • Response to Submissions for the Exposure Draft of WEM Investment Certainty and RCM Review Amending Rules. • 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) Rules 2025. The Rules were approved by the Minister for
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Table 2 – Market Development Forward Work Program

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

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"> 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); 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); whether the Demand Side Programme (DSP) Obligation Duration remains consistent with the SEO; and whether the ESR obligation intervals (ESROI), including the effectiveness of the method used by AEMO to determine the ESROI, is consistent with the SEO. 	<ul style="list-style-type: none"> The MAC established the Capability Class 2 Technologies Review Working Group (CC2TRWG). Information on the CC2TRWG is available at Capability Class 2 Technologies Review Working Group, including: <ul style="list-style-type: none"> the Terms of Reference for the CC2TRWG, as approved by the MAC; the list of CC2TRWG members; Meeting papers and minutes for the 23 October 2025, 4 December 2025, 5 February 2026, 26 March 2026 and 2 April 2026 CC2TRWG meeting; and Meeting papers for the 23 April 2026 meeting. The following papers have been released and are available on the CC2TR webpage: <ul style="list-style-type: none"> the Scope of Works.
Forecast quality	Review of Issue 9 from the MAC Issues List.	<ul style="list-style-type: none"> This review has been incorporated in the Operational Forecasting Review.
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"> The timing for this review is to be determined.

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 data-bbox="1211 347 1671 373">• This review has been deferred.

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 webpage:</p> <ul style="list-style-type: none"> • The Scope of Works • The Operation Forecasting Review Consultation Paper • Stakeholder submissions <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 9: Overview of Rule Change Proposals (as of 30 April 2026)

Market Advisory Committee (MAC) Meeting 2026_05_07

- 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

Reference	Submitted	Proponent	Title and Description	Rejected
RC_2025_01	15 October 2025	Bluwaters Power	Supplementary Reserve Capacity Amendments	The Final Rule Change Report including Amending Rules were published and the Amending Rules commenced on 1 April 2026

Rule Change Proposals Awaiting Approval by the Minister

None

Formally Submitted Rule Change Proposal

None

Pre-Rule Change Proposals

None

Rule Changes Made by the Minister since Report presented at the 19 March 2026 MAC Meeting

None

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"> Schedule 3 will commence at a time specified by the Minister in a notice published in the Gazette.
2025/113	26/09/2025	Wholesale Electricity Market Amendment (Supplementary Capacity No. 3) Rules 2024	<ul style="list-style-type: none"> Schedule 2 will commence on 1 October 2026.
2025/3	14/01/2025	Wholesale Electricity Market Amendment (RCM Reviews Sequencing) Rules 2025	<ul style="list-style-type: none"> Schedule 3 will commence 1 October 2026. Schedule 4 will commence 1 October 2027. Schedule 6 will commence immediately after the commencement of the Amending Rules in Schedule 5 of the Electricity System and Market Amendment (Tranche 8) Rules 2025. Schedule 7 will commence at a time specified by the Minister in a notice published in the Gazette.
2025/64	3/06/2025	Electricity System and Market Amendment (Tranche 8) Rules 2025	<ul style="list-style-type: none"> Schedule 4 will commence 1 October 2026.

			<ul style="list-style-type: none"> • Schedule 5 will commence 1 October 2027. • 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. • Schedule 9 will commence at a time specified by the Minister in a notice published in the Gazette.
2025/155	23/12/2025	Electricity System and Market Amendment (Tranche 9) Rules 2025	<ul style="list-style-type: none"> • Schedule 2A will commence 1 July 2026 • Schedule 3 will commence 1 October 2026 • Schedule 4 will commence 1 October 2027. • Schedule 5 will commence 1 May 2026.