

**Rule Change Panel
Activities Report 2019/20**

31 August 2020

Contents

Transmittal to the Minister	3
1. Introduction	4
1.1. The Wholesale Electricity Market and the Market Rules.....	4
1.2. Gas Information Services and the GSI Rules	4
1.3. Enabling Instruments	5
2. Organisational Structure	6
2.1. Rule Change Panel Members	6
2.2. The Executive Officer and Secretariat Support Services	8
2.3. Funding Arrangements for the Rule Change Panel	9
3. Rule Change Panel Functions	10
3.1. Rule Change Processes	10
3.2. The Minister's Rule-Making Powers.....	13
3.3. Procedure Change Process	13
3.4. Market Advisory Committee	13
3.5. Gas Advisory Board	14
4. 2019/20 Activities	15
4.1. Changes to the Market Rules.....	15
4.1.1. Market Rule Change Proposals Approved by the Rule Change Panel.....	16
4.1.2. Previously Approved Amending Rules that Commenced in 2019/20.....	17
4.1.3. Market Rule Change Proposals Rejected by the Rule Change Panel	18
4.1.4. Market Rule Change Proposals under Consideration by the Rule Change Panel	19
4.2. Changes to the GSI Rules	21
4.2.1. GSI Rule Change Proposals Approved by the Rule Change Panel.....	21
4.2.2. GSI Rule Change Proposals Rejected by the Rule Change Panel.....	21
4.2.3. GSI Rule Change Proposals under Consideration by the Rule Change Panel	21
4.3. Changes to the Market Procedures	22
4.3.1. Procedure Change Proposals Approved by the Rule Change Panel.....	22
4.3.2. Procedure Change Proposals Rejected by the Rule Change Panel.....	22
4.3.3. Procedure Change Proposals under Consideration by the Rule Change Panel	22
4.4. Changes to the Market Rules made by the Minister for Energy.....	23
4.5. Rule Change Panel Meetings	24

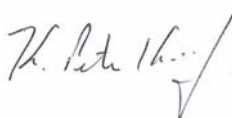
5.	Consultation Processes in 2019/20	25
5.1.	MAC Activities in 2019/20	25
5.1.1.	MAC Meetings	25
5.1.2.	Major Consultation Processes	25
5.1.3.	MAC Membership	25
5.2.	GAB Activities in 2019/20	27
5.2.1.	GAB Meetings	27
5.2.2.	Major Consultation Processes	27
5.2.3.	GAB Membership	27
6.	Other Activities Undertaken by the Rule Change Panel	29
6.1.	The Government's Electricity Market Reform Programs	29
6.1.1.	The Energy Transformation Strategy	29
6.1.2.	The Pilbara Electricity Reform Program	30
6.2.	MAC Market Rules Issues List	30
7.	Rule Change Panel Key Performance Indicators	32
Appendix:	Summary of Rule Change Proposals	42

Transmittal to the Minister

Hon Bill Johnston MLA
Minister for Energy

RULE CHANGE PANEL ACTIVITIES REPORT 2019/20

In accordance with regulation 28(1) of the *Energy Industry (Rule Change Panel) Regulations 2016*, we hereby submit for your information and presentation to Parliament the Activities Report for the Rule Change Panel for the year ending 30 June 2020.



K. Peter Kolf
Chairman



Roland Sleeman
Member



Shaun Dennison
Member

31 August 2020

1. Introduction

The Rule Change Panel was established on 24 November 2016 under the *Energy Industry (Rule Change Panel) Regulations 2016*. The Rule Change Panel is an independent body responsible for administering the rule change process and making decisions on Rule Change Proposals for the Wholesale Electricity Market Rules (**Market Rules**) and Gas Services Information Rules (**GSI Rules**).

1.1. The Wholesale Electricity Market and the Market Rules

The Market Rules govern the operation of the Wholesale Electricity Market (**WEM**) of the South West interconnected system (**SWIS**) of Western Australia. The SWIS is the largest electricity system in Western Australia, supplying Perth and most of the South West region from Albany in the south, to Kalgoorlie in the east, and Kalbarri in the north. The WEM commenced operation on 21 September 2006.

The Australian Energy Market Operator (**AEMO**) is responsible for operation of the WEM.

Any changes made to the Market Rules must be consistent with the Wholesale Market Objectives, as set out in section 122(2) of the *Electricity Industry Act 2004*. These are:

- (a) to promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the SWIS;
- (b) to encourage competition among generators and retailers in the SWIS, including by facilitating efficient entry of new competitors;
- (c) to avoid discrimination in that market against particular energy options and technologies, including sustainable energy options and technologies such as those that make use of renewable resources or that reduce overall greenhouse gas emissions;
- (d) to minimise the long-term cost of electricity supplied to customers from the SWIS; and
- (e) to encourage the taking of measures to manage the amount of electricity used and when it is used.

1.2. Gas Information Services and the GSI Rules

The GSI Rules govern the operation of three information services used to increase transparency, security, reliability and competitiveness in the Western Australian gas market. These services are provided by AEMO, and include:

- the Gas Bulletin Board (**GBB**) – a public website that tracks natural gas production, transmission, storage and usage across Western Australia;
- the Emergency Management Facility – an online information service that is part of the GBB, is activated by the Coordinator of Energy in the event of an emergency or gas supply disruption, and is accessible only by certain parties; and
- the Gas Statement of Opportunities (**GSOO**) – an annual report that projects natural gas reserves, supply and usage in Western Australia for the medium-to-long term.

The first GSOO was published in July 2013, and the GBB and Emergency Management Facility commenced operation on 1 August 2013.

Any changes made to the GSI Rules must be consistent with the objectives of the GBB and GSOO, as set out in section 6 of the *Gas Services Information Act 2012* (**GSI Objectives**), which are to promote the long-term interests of consumers of natural gas in relation to:

- (a) the security, reliability and availability of the supply of natural gas in the State;
- (b) the efficient operation and use of natural gas services in the State;
- (c) the efficient investment in natural gas services in the State; and
- (d) the facilitation of competition in the use of natural gas services in the State.

1.3. Enabling Instruments

The key roles and functions of the Rule Change Panel are set out in the following instruments:

- *Energy Industry (Rule Change Panel) Regulations 2016*;
- *Electricity Industry (Wholesale Electricity Market) Regulations 2004*;
- Wholesale Electricity Market Rules (**Market Rules**);
- *Gas Services Information Regulations 2012*; and
- Gas Services Information Rules (**GSI Rules**).

2. Organisational Structure

The Rule Change Panel consists of three members appointed by the Minister for Energy. The Rule Change Panel is the decision-making body for changes to the Market Rules and GSI Rules, and is not permitted to delegate its functions.¹

2.1. Rule Change Panel Members

Rule Change Panel members are appointed for a fixed period of no more than four years and are eligible for reappointment once after serving their initial term. Rule Change Panel members do not need to be appointed on a full-time basis.

The Minister for Energy designates one of the Rule Change Panel members to be the Chair of the Rule Change Panel. Meetings require a quorum of three Rule Change Panel members, and decisions are made by a majority vote.

The Minister for Energy determines the Rule Change Panel members' remuneration and allowances based on the recommendation of the Public Sector Commissioner.

The current members of the Rule Change Panel are Peter Kolf (Chair), Shaun Dennison and Roland Sleeman.



Peter Kolf (Chair)

Peter Kolf was appointed Chair of the Rule Change Panel on 1 January 2017 for a four-year term. Peter was also a director on the Board of the Independent Market Operator (**IMO**) from July 2014 and served as Chair of the IMO from December 2015 until it was dissolved on 28 April 2018.

Peter has extensive experience in the energy industry and in economic regulation. His professional career commenced with the Gas and Fuel Corporation of Victoria and went on to energy (electricity, oil and gas) related senior management roles at both State and Commonwealth levels of government. In addition, Peter has held senior positions in telecommunications, the regulation of national air fares, and in the water industry covering areas including market management, pricing and corporate planning.

In 1998, Peter took on the role of Executive Director of Western Australia's Office of Gas Access Regulation which led to his appointment as Chief Executive Officer of the State's Economic Regulation Authority (**ERA**) until 2010. He is currently Director, KPK Specialist Advisory Services Pty Ltd.

Peter holds a Bachelor of Commerce (Hons.) and a Master of Economics. He is a Certified Practising Accountant, a Fellow of the Australian Institute of Energy and was until 14 August 2019 President of the Economic Society of Australia (WA Branch).

¹ See regulation 8 of the *Energy Industry (Rule Change Panel) Regulations 2016*.



Shaun Dennison

Shaun Dennison was appointed as a Member of the Rule Change Panel on 1 January 2017 for a period of one year.² Shaun was a Director of the IMO from 2006 until it was dissolved on 28 April 2018.

Shaun has a finance and accounting background. In 1999, Shaun co-founded farrierswier, an advisory service that consults on policy development and implementation, energy and water sector restructuring and reform, regulation, risk analysis, governance and accountability. Shaun has over 25 years' experience in advising governments, regulators and businesses on economic regulation, energy sector reform, strategic business and risk allocation issues, and in providing specialist project management services.

Shaun has a Bachelor of Commerce and is a Graduate Member of the Australian Institute of Company Directors.



Roland Sleeman

Roland Sleeman was appointed as a Member of the Rule Change Panel on 1 January 2017 for a period of one year.² Roland was a Director of the IMO until it was dissolved on 28 April 2018.

Roland has extensive experience in the oil and gas, utilities and infrastructure sectors, having held several senior executive positions across these sectors, and has provided advice to both government and businesses involved in those sectors across Australia. Roland is presently a Director of Armour Energy Limited (Queensland) and Executive Director of Lakes Oil NL (Victoria), and provides advice to organisations including the Northern Territory Power and Water Corporation.

Roland has a Bachelor of Engineering (Mechanical), a Master of Business Administration and is a Graduate of the Australian Institute of Company Directors.

² Regulation 11 of the *Energy Industry (Rule Change Panel) Regulations 2016* states that:

- (1) a member of the Rule Change Panel holds office for a period that is not to exceed 4 years; and
- (2) a member of the Rule Change Panel whose term expires without a person having been appointed to fill the vacancy continues in office until a person is appointed to fill the vacancy.

Mr. Dennison and Mr. Sleeman's terms on the Rule Change Panel expired on 1 January 2018, but they have continued in office since that date based on Regulation 11(2).

2.2. The Executive Officer and Secretariat Support Services

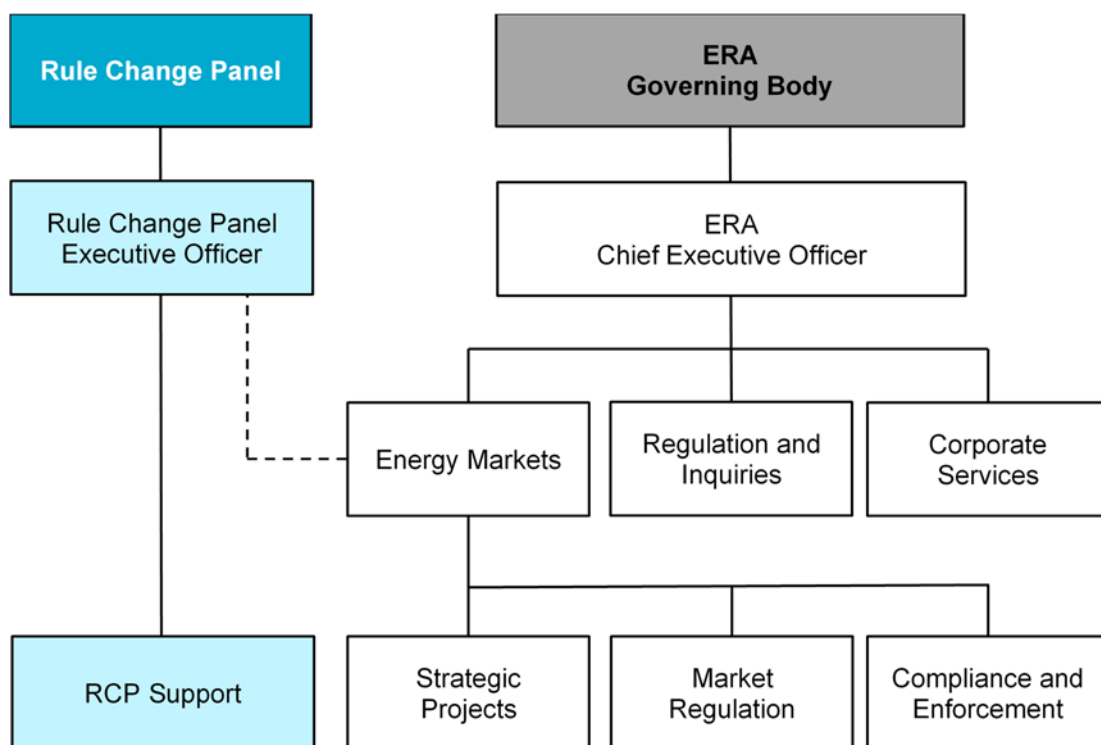
The Rule Change Panel is supported by an Executive Officer and supporting staff (referred to as RCP Support). The Executive Officer and RCP Support are responsible for administration of the rule change process and are the first point of contact for stakeholders.

The ERA provides secretariat support to the Rule Change Panel – this includes provision of the Executive Officer, RCP Support, and any other services, facilities or assistance that the Rule Change Panel requires to meet its obligations.³ This structure is designed to support the Rule Change Panel by providing a core team of dedicated staff as well as access to a broader team of resources when required.

The Executive Officer and RCP Support are employed by the ERA. However, the Executive Officer reports to the Rule Change Panel, not to the Chief Executive Office of ERA. While RCP Support staff are part of the Energy Markets Division within the ERA, their work for the Rule Change Panel is led by the Executive Officer.

Figure 1 shows the organisational structure and reporting relationships between the Rule Change Panel and the ERA.

Figure 1: Organisational structure and reporting relationships between the Rule Change Panel and the ERA



The Rule Change Panel and the ERA are separate bodies; and the Rule Change Panel and the Governing Body of the ERA are not involved in each other's decisions. The ERA's executive team and Governing Body are not involved in the assessment of Rule Change Proposals or the Executive Officer's recommendations to the Rule Change Panel.

³ The arrangement for the ERA to provide an Executive Officer and secretariat support services to the Rule Change Panel is prescribed in regulation 23 of the *Energy Industry (Rule Change Panel) Regulations 2016* and is detailed in a Terms of Agreement established by the Rule Change Panel and the ERA.

The corporate administrative functions of the Rule Change Panel and ERA are segregated, including separate financial cost centres.

The segregation arrangements do not prevent the Executive Officer and RCP Support from consulting with the ERA in the same way that the Rule Change Panel may consult with any interested parties on rule change matters.



Stephen Eliot (Executive Officer)

Stephen Eliot was appointed as the Executive Officer of the Rule Change Panel on 16 October 2017.

Stephen has over 20 years' experience in the energy industry in both Australia and Canada, and in both the private and public sector. Prior to his appointment as the Executive Officer of the Rule Change Panel, Stephen was the Chief Executive Officer of Retail Energy Market Company Limited, which was the gas retail market operator for Western Australia; and was the Director of Market and Regulatory Policy at the Office of Energy in Western Australia.

Stephen has a Bachelor of Arts (Economics) and Master of Arts (Economics) from the University of Calgary and is a Graduate of the Australian Institute of Company Directors.

2.3. Funding Arrangements for the Rule Change Panel

The costs of the Rule Change Panel and the support services provided by the ERA are recovered from:

- Market Generators and Market Customers, through Regulator Fees collected under the Market Rules; and
- Registered Shippers and Registered Production Facility Operators, through Regulator Fees collected under the GSI Rules.

Information on the Rule Change Panel's costs for 2019/20 will be presented in the ERA's Annual Report for 2019/20, which is to be tabled in Parliament by the end of September 2020.

The Regulator Fees are published annually on the AEMO website.

3. Rule Change Panel Functions

The Rule Change Panel's main functions are to:

- administer the rule change process and make decisions on Rule Change Proposals for the Market Rules and GSI Rules;
- maintain the Market Procedures assigned to it under the Market Rules; and
- publish documents relating to the Rule Change Panel's functions under the Market Rules and GSI Rules.

The Rule Change Panel also has obligations to convene and make use of the Market Advisory Committee (**MAC**) and Gas Advisory Board (**GAB**). The MAC and GAB are established under the Market Rules and GSI Rules (respectively) to provide advice to the Rule Change Panel, AEMO and the ERA.⁴

3.1. Rule Change Processes

The Rule Change Panel's primary function is to administer the rule change process and make decisions on Rule Change Proposals for the Market Rules and GSI Rules.

The Rule Change Panel may only develop Rule Change Proposals for changes that are either required to correct manifest errors in the Market Rules or GSI Rules or are of a minor or procedural nature. Anyone else can propose any kind of change to the Market Rules or GSI Rules by submitting a Rule Change Proposal to the Rule Change Panel.

In processing a Rule Change Proposal, the Rule Change Panel consults with stakeholders by calling for submissions on both the proposal and after any draft decisions. The consultation may also include convening the MAC or GAB, meeting with relevant parties, procuring technical advisers, or establishing a technical working group.

While not mandatory, the Rule Change Panel recommends stakeholders engage with the Executive Officer before formally submitting a Rule Change Proposal, to discuss the issue to be addressed and to arrange for consultation with the MAC or GAB where required.

Upon receiving a Rule Change Proposal, the Rule Change Panel must decide whether it considers that the proposal warrants progressing, and if so, whether it should be progressed under a standard or fast track rule change process.

The standard rule change process includes two rounds of public consultation and should take around 19 weeks to complete (unless the process is extended).

The fast track rule change process includes one round of stakeholder consultation and should take around five weeks (unless the process is extended). The fast track process can only be used when the Rule Change Proposal:

- is of a minor or procedural nature; or
- is required to correct a manifest error; or
- is urgently required and:
 - for Rule Change Proposals to amend the Market Rules, is essential for the safe, effective and reliable operation of the market or the SWIS; or

⁴ See sections 3.4 and 3.5 for more information on the MAC and GAB.

- for Rule Change Proposals to amend the GSI Rules, is essential for the effective operation of the GBB.

The standard and fast track rule change processes are outlined in Figure 2.

In making a decision on a Rule Change Proposal, the Rule Change Panel can:

- reject the Rule Change Proposal;
- accept the Rule Change Proposal; or
- accept the Rule Change Proposal in an amended form.

The Rule Change Panel must base its final decision on its assessment of the proposal against the Wholesale Market Objectives or GSI Objectives (as applicable) and other practical considerations, such as implementation costs and feasibility.

The Rule Change Panel's decision on whether to accept a Rule Change Proposal, and its reasons, are published in a Final Rule Change Report.

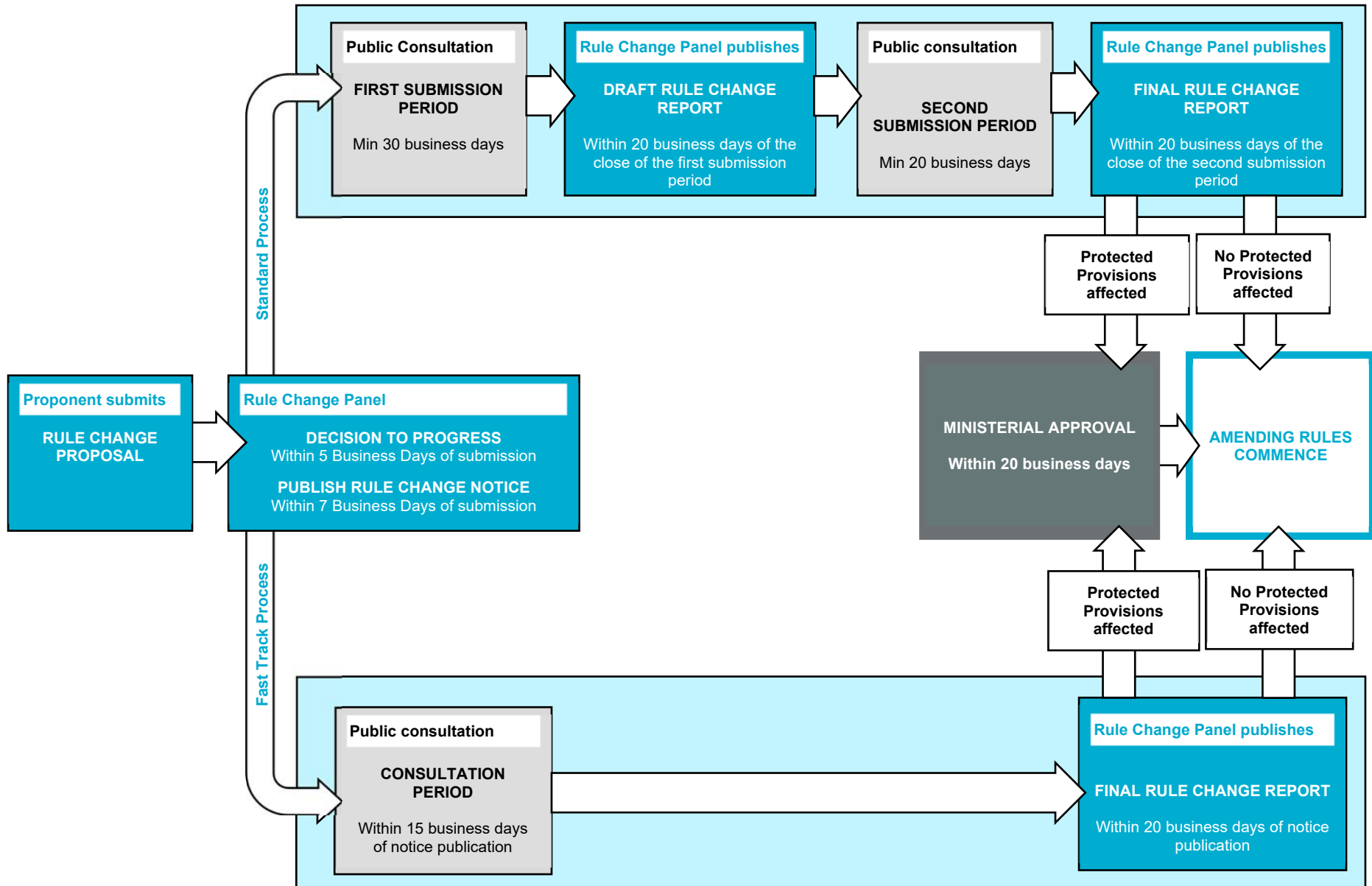
The Rule Change Panel can extend the default timeframes for progressing a Rule Change Proposal shown in Figure 2 but must publish a notice explaining the reason for the extension.

If the Rule Change Proposal relates to a Protected Provision,⁵ the Amending Rules must be approved by the Minister for Energy. The Minister has 20 Business Days from the publication of a Final Rule Change Report to make a decision but can extend this period by issuing a notice to the Rule Change Panel.

Stakeholders can appeal against the Rule Change Panel's final decisions to the Electricity Review Board, but only in the case of procedural breaches by the Rule Change Panel.

⁵ Amending Rules that modify Protected Provisions require approval by the Minister for Energy. The Protected Provisions are specified in clause 2.8.13 of the Market Rules and rule 142(2) of the GSI Rules.

Figure 2: Rule Change Process



3.2. The Minister's Rule-Making Powers

At any time, the Minister for Energy can repeal and replace the Market Rules or GSI Rules in their entirety.⁶ In addition, the Minister for Energy may make Amending Rules for the Market Rules for the period from 21 September 2019 until 1 July 2021.⁷

3.3. Procedure Change Process

The Rule Change Panel develops and maintains Market Procedures that relate to its functions under the Market Rules. The Rule Change Panel is currently responsible for two Market Procedures:⁸

- the Market Procedure: Procedure Administration – sets out the process for developing and amending Market Procedures for all administrators of Market Procedures, including AEMO and the ERA;⁹ and
- the Market Procedure: Notices and Communications (Rule Change Panel) – sets out the method by which notices and communications required under the Market Rules are to be given to or by the Rule Change Panel.

Usually the Rule Change Panel consults with the MAC before initiating a Procedure Change Proposal. The formal procedure change process includes one round of public consultation.

Only the Rule Change Panel can initiate a Procedure Change Proposal regarding one of its Market Procedures. However, Rule Participants may suggest to the Rule Change Panel that it make changes to its Market Procedures at any time.

The GSI Rules also allow for the Rule Change Panel to make procedures relating to its functions, but no procedures under the GSI Rules currently exist or are contemplated.

3.4. Market Advisory Committee

The MAC is a non-voting committee of industry representatives convened by the Rule Change Panel to advise:

- the Rule Change Panel regarding Rule Change Proposals;
- the Rule Change Panel, AEMO and the ERA regarding Procedure Change Proposals;¹⁰
- AEMO and the ERA on development of Rule Change Proposals; and
- the Rule Change Panel on matters concerning evolution of the Market Rules.

⁶ The Minister for Energy can repeal and replace the Market Rules under regulation 7(3) of the *Electricity Industry (Wholesale Electricity Market) Regulations 2004* and the GSI Rules under regulation 7(4) of the *Gas Services Information Regulations 2012*.

⁷ The Minister for Energy may amend the Market Rules until 1 July 2021 under regulation 7(5) of the *Electricity Industry (Wholesale Electricity Market) Regulations 2004*. This power was inserted into the regulations to allow the Minister to give effect to the electricity market reforms contemplated under the Energy Transformation Strategy. See section 4.4 for more information on Amending Rules made by the Minister for Energy and section 6.1.1 for more information on the Energy Transformation Strategy.

⁸ The Rule Change Panel's Market Procedures are available at <https://www.erawa.com.au/rule-change-panel/market-procedures>.

⁹ Network Operators also became administrators of Market Procedures under the Market Rules from 1 July 2020. Western Power is currently the only Network Operator in the SWIS.

¹⁰ The MAC also became responsible for advising Network Operators regarding Procedure Change Proposals from 1 July 2020.

The MAC consists of a mixture of compulsory class members and discretionary class members, as indicated in Table 8 (see section 5.1.3).

The Rule Change Panel is responsible for developing and publishing a Constitution for the MAC, which must be consistent with the Market Rules, and is available on the Rule Change Panel's website. The Executive Officer is responsible for provision of secretariat support for the MAC and must convene the MAC under certain conditions, as indicated in the Market Rules and the MAC Constitution.

The MAC can establish Working Groups to assist it in advising the Rule Change Panel, AEMO and the ERA. The MAC had three active Working Groups in 2019/20, as follows:

- Two temporary Working Groups were created in 2018/19 to support the WA Government's Energy Transformation Strategy (**ETS**):
 - the Market Design and Operations Working Group, which met on 3 July 2019; and
 - the Power System Operations Working Group, which did not meet in 2019/20.

These two Working Groups were disbanded on 29 July 2020 when Energy Policy WA commenced its own consultation process to support the ETS (see section 6.1.1).

- A permanent AEMO Procedure Change Working Group to allow AEMO to consult on Procedure Change Proposals for Market Procedures that are administered by AEMO.¹¹

In addition, the ERA advised the MAC on 16 June 2020 that it intends to review the Market Procedure that documents the methodology used to determine the Benchmark Reserve Capacity Price, and as of the end of 2019/20, the MAC was in the process of forming a Working Group to allow the ERA to consult on its proposed review.

3.5. Gas Advisory Board

The GAB is a non-voting committee of industry representatives established by the Rule Change Panel to advise:

- the Rule Change Panel in relation to:
 - Rule Change Proposals; and
 - matters concerning the development of the GSI Rules.
- the Rule Change Panel, AEMO and the ERA in relation to:
 - Procedure Change Proposals; and
 - matters concerning the development of Procedures.

The GAB consists of a mix of compulsory class members and discretionary class members, as indicated in Table 9 (see section 5.2.3).

The Executive Officer is responsible for provision of secretariat support for the GAB and must convene the GAB under certain conditions.

The GAB can establish Working Groups to assist it in advising the Rule Change Panel, AEMO and the ERA. No GAB Working Groups were active in 2019/20.

¹¹ Information on the AEMO Procedure Change Working Group is available on the AEMO website at <https://www.aemo.com.au/consultations/industry-forums-and-working-groups/list-of-industry-forums-and-working-groups/wem-aemo-procedure-change-working-group>.

4. 2019/20 Activities

Section 4 of this Activities Report provides an overview of the activities of the Rule Change Panel and RCP Support in 2019/20.

4.1. Changes to the Market Rules

Table 1 provides a summary of the Rule Change Panel's activity relating to the Market Rules since the Rule Change Panel commenced operations in 2016/17.

Table 1 – Summary of the Rule Change Panel's Activity Relating to the Market Rules				
Rule Change Proposals	2016/17	2017/18	2018/19	2019/20
Open at the start of the year	10	11	10	8
Received	3	8	5	4
Approved	2	8	7	5
Rejected	0	1	0	1
Open at the end of the year	11	10	8	6

4.1.1. Market Rule Change Proposals Approved by the Rule Change Panel

The Rule Change Panel approved five Rule Change Proposals relating to the Market Rules in 2019/20, as summarised in Table 2. The Amending Rules for three of these five Rule Change Proposals commenced in 2019/20 and the Amending Rules for the other two Rule Change Proposals commenced in July 2020. Details of all Rule Change Proposals are available on the Rule Change Panel’s website and descriptions of the approved proposals are provided in the Appendix to this report.

Table 2 – Market Rule Change Proposals Approved in 2019/20						
Reference	Title	Submitted By	Submitted	Final Rule Change Report	Ministerial Approval	Commencement
RC_2018_05	ERA access to market information and SRMC investigation process	ERA	27 September 2018	17 February 2020	7 April 2020 ¹²	21 July 2020
RC_2019_04	Administrative Improvements to Settlement	AEMO	18 November 2019	20 May 2020	17 June 2020	2 July 2020
RC_2020_03	Estimates for GIA facilities	Alinta Energy	13 May 2020	23 June 2020	N/A	24 June 2020
RC_2020_01	Market Participant Fee calculation manifest error	Rule Change Panel	24 January 2020	24 February 2020	18 March 2020	30 March 2020
RC_2013_15	Outage Planning Phase 2 – Outage Process Refinements	IMO	24 December 2013	26 August 2019	N/A	1 February 2020

¹² The Rule Change Panel published the Final Rule Change Report for RC_2018_05 on 28 June 2019 and the Minister for Energy provided his decision regarding the Amending Rules to the Rule Change Panel on 6 January 2020, where the Minister requested further changes to the Amending Rules. The Rule Change Panel published a revised Final Rule Change Report on 17 February 2020 and the Minister approved the revised Amending Rules on 7 April 2020.

4.1.2. Previously Approved Amending Rules that Commenced in 2019/20

The Amending Rules for six of the Rule Change Proposals approved by the Rule Change Panel in 2018/19 commenced in 2019/20, as summarised in Table 3. Details of all Rule Change Proposals are available on the Rule Change Panel’s website and descriptions of the commenced proposals are provided in the Appendix to this report.

Table 3 – Other Market Rule Change Proposals Commenced in 2019/20						
Reference	Title	Submitted By	Submitted	Final Rule Change Report	Ministerial Approval	Commencement
RC_2015_03	Formalisation of the Process for Maintenance Applications	IMO	27 March 2015	25 June 2019	23 July 2019	1 October 2019
RC_2018_06	Full Runway Allocation of Spinning Reserve Costs	Public Utilities Office	26 November 2018	30 April 2019	N/A	1 September 2019
RC_2015_01	Removal of Market Operation Market Procedures	IMO	3 March 2015	15 May 2019	10 June 2019	1 August 2019
RC_2018_07	Removal of constrained off compensation for Outages of network equipment	Public Utilities Office	14 December 2018	30 April 2019	N/A	1 July 2019
RC_2014_07	Omnibus Rule Change	IMO	22 December 2014	10 December 2018	8 January 2019	11 January 2019 and 1 July 2019

Table 3 – Other Market Rule Change Proposals Commenced in 2019/20

Reference	Title	Submitted By	Submitted	Final Rule Change Report	Ministerial Approval	Commencement
RC_2014_06	Removal of Resource Plans and Dispatchable Loads	IMO	28 January 2015	29 October 2018	26 November 2018	1 July 2019

4.1.3. Market Rule Change Proposals Rejected by the Rule Change Panel

The Rule Change Panel rejected one Rule Change Proposal relating to the Market Rules in 2019/20, as summarised in Table 4. Details of all Rule Change Proposals are available on the Rule Change Panel’s website and a description of the rejected proposal is provided in the Appendix to this report.

Table 4 – Market Rule Change Proposals Rejected in 2019/20

Reference	Title	Submitted By	Submitted	Final Rule Change Report
RC_2014_09	Managing Market Information	IMO	13 March 2015	13 December 2019

4.1.4. Market Rule Change Proposals under Consideration by the Rule Change Panel

The Rule Change Panel was considering six Rule Change Proposals relating to the Market Rules as at the end of 2019/20, as summarised in Table 5.

- Four of these six Rule Change Proposals were submitted after the Rule Change Panel's rule-making powers came into effect on 3 April 2017.
- Two of these six Rule Change Proposals are legacy Rule Change Proposals.¹³

Details of all Rule Change Proposals are available on the Rule Change Panel's website and descriptions of the Rule Change Proposals that were under consideration by the Rule Change Panel at the end of 2019/20 are provided in the Appendix to this report.

Table 5 – Market Rule Changes Proposals Under Consideration as at the end of 2019/20

Reference	Title	Submitted by	Submitted
RC_2019_05	Amending the Minimum STEM Price definition and determination	Synergy	25 October 2019 ¹⁴
RC_2019_01	The Relevant Demand Calculations	Enel X	21 June 2019
RC_2018_03	Capacity Credit Allocation Methodology for Intermittent Generators	Collgar Wind Farm	1 March 2018
RC_2017_02	Implementation of 30-Minute Balancing Gate Closure	Perth Energy	4 April 2017 ¹⁵

¹³ Prior to November 2015, the IMO was responsible for the rule-making functions that are now assigned to the Rule Change Panel. In May 2015, the then Minister for Energy asked the IMO to suspend processing all Rule Change Proposals that were open at the time, until the new Rule Change Panel commenced operations. While the IMO's work on Rule Change Proposals was suspended, the Minister made many changes to the Market Rules and announced plans for further material changes as part of his Electricity Market Review reforms.

The Rule Change Panel inherited responsibility for ten legacy Rule Change Proposals as a result of the suspension of the IMO's rule-making powers and was still to process six of these legacy Rule Change Proposals as of the start of 2019/20. The Rule Change Panel:

- has made decisions on four of the six legacy Rule Change Proposals: RC_2013_15, RC_2014_09, RC_2015_01 and RC_2015_03 (see Tables 2 and 4); and
- is still considering two of the six legacy Rule Change Proposals: RC_2014_03 and RC_2014_05 and (see Table 5).

¹⁴ The Final Rule Change Report for RC_2019_05 was published on 31 July 2020 and the Amending Rules commenced on 7 August 2020.

¹⁵ The Final Rule Change Report for RC_2017_029_07 was published on 21 July 2020 and the Amending Rules will commence on 1 December 2020.

Table 5 – Market Rule Changes Proposals Under Consideration as at the end of 2019/20

Reference	Title	Submitted by	Submitted
RC_2014_05	Reduced Frequency of the Review of the Energy Price Limits and the Maximum Reserve Capacity Price	IMO	2 December 2014
RC_2014_03	Administrative Improvements to the Outage Process	IMO	27 November 2014

Timeframes for the Rule Change Panel's consideration of the current Rule Change Proposals are available on the Rule Change Panel's website.

4.2. Changes to the GSI Rules

Table 6 provides a summary of the Rule Change Panel's activity relating to the GSI Rules since the Rule Change Panel commenced operations in 2016/17.

Table 6 – Summary of Rule Change Panel Activity Relating to the GSI Rules				
Rule Change Proposals	2016/17	2017/18	2018/19	2019/20
Open at the start of the year	0	0	0	0
Received	0	1	1	0
Approved	0	1	1	0
Rejected	0	0	0	0
Open at the end of the year	0	0	0	0

4.2.1. GSI Rule Change Proposals Approved by the Rule Change Panel

The Rule Change Panel did not approve any Rule Change Proposals relating to the GSI Rules in 2019/20.

4.2.2. GSI Rule Change Proposals Rejected by the Rule Change Panel

The Rule Change Panel did not reject any Rule Change Proposals relating to the GSI Rules in 2019/20.

4.2.3. GSI Rule Change Proposals under Consideration by the Rule Change Panel

The Rule Change Panel was not considering any Rule Change Proposals relating to the GSI Rules as at the end of 2019/20.

4.3. Changes to the Market Procedures

4.3.1. Procedure Change Proposals Approved by the Rule Change Panel

The Rule Change Panel did not approve any Procedure Change Proposals in 2019/20.

4.3.2. Procedure Change Proposals Rejected by the Rule Change Panel

The Rule Change Panel did not reject any Procedure Change Proposals in 2019/20.

4.3.3. Procedure Change Proposals under Consideration by the Rule Change Panel

The Rule Change Panel was not considering any Procedure Change Proposals as at the end of 2019/20.

4.4. Changes to the Market Rules made by the Minister for Energy

The Minister for Energy made five changes to the Market Rules in 2019/20 using his powers under regulation 7(5) of the *Electricity Industry (Wholesale Electricity Market) Regulations 2004*. The Rule Change Panel published notices of the Amending Rules on its website, amended the Market Rules as approved by the Minister for Energy and published the revised Market Rules.

The Amending Rules approved by the Minister for Energy in 2019/20 are summarised in Table 7. Details of these Amending Rules are available on the Rule Change Panel's website and a description of these Amending Rules is provided in the Appendix to this report.

Table 7 – Market Rule Changes Made by the Minister for Energy in 2019/20

Gazette	Gazettal Date	Name	Commencement
2020/111	30 June 2020	<i>Wholesale Electricity Market Amendment (Distributed Energy Resources Register and Roadmap Implementation – Costs) Rules 2020</i>	1 July 2020
2020/108	26 June 2020	<i>Wholesale Electricity Market Amendment (Technical Rules Change Management) Rules 2020</i>	1 January 2021
2020/95	16 June 2020	<i>Wholesale Electricity Market Amendment (Constraints Framework and Governance) Rules 2020</i>	1 July 2020
2020/24	21 February 2020	<i>Wholesale Electricity Market Amendment (Reserve Capacity Pricing Reforms) Rules 2019</i>	Tranche 1 22 February 2020 Tranche 2 1 October 2021
2019/151	21 October 2019	<i>Wholesale Electricity Market Amendment (AEMO to provide information to the Minister) Rule 2019</i>	1 November 2019

4.5. Rule Change Panel Meetings

The Rule Change Panel was scheduled to meet in person nine times in 2019/20, on a 6-weekly cycle. However, the COVID-19 pandemic made it impossible to use this meeting schedule in the second half of the year, so the Rule Change Panel revised its approach to meetings to hold smaller but more frequent meetings via videoconference. The Rule Change Panel met twelve times in 2019/20, as follows:

- 8 August 2019;
- 10 October 2019;
- 28 October 2019 (teleconference);
- 5 December 2019;
- 23 January 2020 (videoconference);
- 7 February 2020 (videoconference);
- 27 February 2020;
- 6 March 2020 (videoconference);
- 15 April 2020 (videoconference);
- 15 May 2020 (videoconference);
- 11 June 2020 (videoconference); and
- 19 June 2020 (videoconference).

The Rule Change Panel also made 26 decisions out-of-session in 2019/20 by Resolutions without Meeting.

5. Consultation Processes in 2019/20

5.1. MAC Activities in 2019/20

5.1.1. MAC Meetings

The MAC was scheduled to meet in person eight times in 2019/20, on a six-weekly cycle. However, the COVID-19 pandemic caused the MAC to switch to videoconference meetings for the second half of the year. The MAC met eight times in 2019/20 as follows:

- 29 July 2019;
- 3 September 2019;
- 15 October 2019;
- 26 November 2019;
- 11 February 2020;
- 24 March 2020 (videoconference);
- 5 May 2020 (videoconference); and
- 16 June 2020 (videoconference).

The MAC also held four workshops and special meetings in 2019/20 to discuss specific Rule Change Proposals, as follows:

- 6 September 2019, to discuss RC_2017_02: Implementation of 30-Minute Balancing Gate Closure;
- 25 October 2019, to discuss RC_2014_03: Administrative Improvements to the Outage Process;
- 18 October 2019, to discuss RC_2017_02: Implementation of 30-Minute Balancing Gate Closure; and
- 13 November 2019, to discuss RC_2019_05: Amending the Minimum STEM Price definition and determination.

Papers for all MAC meetings are available on the Rule Change Panel's website.

5.1.2. Major Consultation Processes

The major consultation processes undertaken by the MAC in 2019/20 were:

- consultation on the Rule Change Proposals listed in section 4.1, including some workshops to address specific Rule Change Proposals as listed in section 5.1.1;
- discussion of an issue relating to Spinning Reserve in the North Country, which has since been taken up by Energy Policy WA as part of the ETS; and
- providing a forum for Energy Policy WA to consult with industry representatives on the ETS (see section 6.1).

5.1.3. MAC Membership

The Rule Change Panel commenced its 2020 review of the composition of the MAC in November 2019. The Rule Change Panel published a call for nominations on 2 December 2019 to replace four discretionary class members whose tenure was due to

expire. The nomination period closed on 17 January 2020 and the Rule Change Panel made appointments to two of the four positions on 27 February 2020. Two Market Customer representative positions were left vacant due to insufficient nominations.

The Rule Change Panel commenced a second process on 6 March 2020 to fill the two vacant Market Customer representative positions. Nominations for this process closed on 3 April 2020 and the Rule Change Panel made an appointment for one position on 20 April 2020.

All documentation associated with the 2020 MAC composition review and the 2020 Review of Market Customers Vacant Positions is available on the Rule Change Panel’s website.

Table 8 lists the MAC structure and the MAC members as at the end of 2019/20.

Table 8 – MAC Structure and Membership			
Class	Members	Appointed by	Appointee
Compulsory	<ul style="list-style-type: none"> the Chair 	<ul style="list-style-type: none"> the Chair of the Rule Change Panel 	<ul style="list-style-type: none"> Stephen Eliot
	<ul style="list-style-type: none"> a member representing small-use consumers 	<ul style="list-style-type: none"> the Minister for Energy 	<ul style="list-style-type: none"> Matthew Martin
	<ul style="list-style-type: none"> a member representing AEMO 	<ul style="list-style-type: none"> AEMO 	<ul style="list-style-type: none"> Martin Maticka
	<ul style="list-style-type: none"> a member representing System Management (AEMO) 	<ul style="list-style-type: none"> AEMO 	<ul style="list-style-type: none"> Dean Sharafi
	<ul style="list-style-type: none"> a member representing Synergy 	<ul style="list-style-type: none"> Synergy 	<ul style="list-style-type: none"> Andrew Everett
	<ul style="list-style-type: none"> a member representing Western Power 	<ul style="list-style-type: none"> Western Power 	<ul style="list-style-type: none"> Zahra Jabiri¹⁶
Discretionary ¹⁷	<ul style="list-style-type: none"> 3-4 members representing Market Generators 	<ul style="list-style-type: none"> the Rule Change Panel 	<ul style="list-style-type: none"> Daniel Kurz Wendy Ng Jacinda Papps Tom Frod

¹⁶ Margaret Pyrchla was Western Power’s representative on the MAC at the start of 2019/20. On 10 February 2020, Western Power appointed Zahra Jabiri to replace Ms Pyrchla.

¹⁷ The Market Rules allow for another discretionary class member representing Network Operators, but Western Power is the only Network Operator to register in the WEM to date.

Table 8 – MAC Structure and Membership

Class	Members	Appointed by	Appointee
	<ul style="list-style-type: none"> 3-4 members representing Market Customers 	<ul style="list-style-type: none"> the Rule Change Panel 	<ul style="list-style-type: none"> Timothy Edwards Geoff Gaston Patrick Peake Vacant
	<ul style="list-style-type: none"> 1 member representing Contestable Customers 	<ul style="list-style-type: none"> the Rule Change Panel 	<ul style="list-style-type: none"> Peter Huxtable
Observers	<ul style="list-style-type: none"> 1 representative of the Minister for Energy 	<ul style="list-style-type: none"> the Minister for Energy 	<ul style="list-style-type: none"> Kate Ryan¹⁸
	<ul style="list-style-type: none"> a representative of the ERA 	<ul style="list-style-type: none"> the ERA 	<ul style="list-style-type: none"> Sara O'Connor
	<ul style="list-style-type: none"> others 	<ul style="list-style-type: none"> at the discretion of the Chair of the MAC 	<ul style="list-style-type: none"> Meeting dependent

5.2. GAB Activities in 2019/20

5.2.1. GAB Meetings

The GAB is currently scheduled to meet twice per year, with additional meetings convened as necessary. The GAB meets much less frequently than the MAC due to the lower frequency of GSI Rule Change Proposals. The GAB met twice in 2019/20 as follows:

- 26 September 2019; and
- 12 March 2020.

Papers for all GAB meetings are available on the Rule Change Panel's website.

5.2.2. Major Consultation Processes

The major issue considered by the GAB in 2019/20 was whether it is necessary for the GBB to capture gas volumes that are trucked into the state, and if so, how. Consultation on this issue was ongoing as of the end of 2019/20.

5.2.3. GAB Membership

The Rule Change Panel commenced its 2019 review of the composition of the GAB in April 2019. The Rule Change Panel published a call for nominations on 10 May 2019 to replace five discretionary class members whose tenure was due to expire. The nomination period closed on 11 June 2019 and the Rule Change Panel made appointments to six of seven positions.

¹⁸ On 17 June 2020, the Minister for Energy appointed Kate Ryan as his observer on the MAC.

Table 9 lists the GAB structure and the GAB members as at the end of 2019/20.

Table 9 – GAB Structure and Membership			
Class	Members	Appointed by	Member
Compulsory	<ul style="list-style-type: none"> the Chair 	<ul style="list-style-type: none"> the Chair of the Rule Change Panel 	<ul style="list-style-type: none"> Stephen Eliot
	<ul style="list-style-type: none"> a member representing small end use consumers 	<ul style="list-style-type: none"> the Minister for Energy 	<ul style="list-style-type: none"> Matthew Martin
	<ul style="list-style-type: none"> the Coordinator of Energy 	<ul style="list-style-type: none"> the Minister for Energy 	<ul style="list-style-type: none"> Kate Ryan
	<ul style="list-style-type: none"> a member representing AEMO 	<ul style="list-style-type: none"> AEMO 	<ul style="list-style-type: none"> Martin Maticka
Discretionary	<ul style="list-style-type: none"> 2 members representing pipeline owners and operators 	<ul style="list-style-type: none"> the Rule Change Panel 	<ul style="list-style-type: none"> John Jamieson Rachael Smith
	<ul style="list-style-type: none"> 2 members representing gas producers 	<ul style="list-style-type: none"> the Rule Change Panel 	<ul style="list-style-type: none"> Claire Quinn Alexandra Willis
	<ul style="list-style-type: none"> 2 members representing gas shippers 	<ul style="list-style-type: none"> the Rule Change Panel 	<ul style="list-style-type: none"> Michael Lauer Kathryn Sydney-Smith
	<ul style="list-style-type: none"> 2 members representing gas users 	<ul style="list-style-type: none"> the Rule Change Panel 	<ul style="list-style-type: none"> Hans Niklasson Chris Campbell
Observers	<ul style="list-style-type: none"> a representative of the Minister for Energy 	<ul style="list-style-type: none"> the Minister for Energy 	<ul style="list-style-type: none"> Vacant
	<ul style="list-style-type: none"> a representative of the ERA 	<ul style="list-style-type: none"> the ERA 	<ul style="list-style-type: none"> Lipakshi Dhar¹⁹
	<ul style="list-style-type: none"> others 	<ul style="list-style-type: none"> at the discretion of the Chair of the GAB 	<ul style="list-style-type: none"> Meeting dependent

¹⁹ Steven Kane was the ERA's observer on the GAB at the start of 2019/20. On 5 March 2020, the ERA nominated Lipakshi Dhar to replace Mr Kane.

6. Other Activities Undertaken by the Rule Change Panel

The Rule Change Panel and RCP Support provided several other services during 2019/20.

6.1. The Government's Electricity Market Reform Programs

6.1.1. The Energy Transformation Strategy

On 6 March 2019, the Minister for Energy, the Hon Bill Johnston MLA announced the development of the ETS, and the establishment of an Energy Transformation Taskforce and an Energy Transformation Implementation Unit (**ETIU**) to support the ETS. The ETS is being progressed under the following three work streams:

- the Foundation Regulatory Frameworks work stream to transition the SWIS to a constrained network access model and to deliver a number of other reforms;²⁰
- development of a Distributed Energy Resources (**DER**) Roadmap to support integration of DER into the SWIS;²¹ and
- development of a Whole of System Plan to bring together power system planning for the SWIS under a single umbrella.²²

The Rule Change Panel provided support to the ETS by:

- making the MAC and MAC working groups available to help ETIU and AEMO to consult with stakeholders on the reform program;²³ and
- participating in the consultation on the detailed development of the ETS reforms via ETIU's Transformation Design and Operation Working Group (**TDOWG**);
- reviewing draft Amending Rules developed by ETIU to implement the ETS reforms; and
- amending and publishing revised editions of the Market Rules to reflect the Amending Rules made by the Minister.

²⁰ The Foundation Regulatory Frameworks work stream will progress changes to the *Electricity Networks Access Code 2004* and to the Market Rules, to take effect from 1 October 2022 (unless otherwise noted), including:

- moving the WEM to security constrained economic dispatch;
- moving Synergy to facility bidding and dispatch;
- reducing the Balancing Gate Closure to 15 minutes, reducing to zero after 6 months;
- reducing the settlement period to 5 minutes from 1 October 2025;
- amending the Reserve Capacity Mechanism to account for constrained access to the SWIS;
- establishing a new Essential System Services framework;
- establishing new Generator Performance Standards and new Reliability Standards; and
- implementing a new regulatory and governance architecture.

Information on the ETS reforms is available on the Energy Policy WA website at <https://www.wa.gov.au/organisation/energy-policy-wa/energy-transformation-strategy>.

²¹ The DER Roadmap was published on 4 April 2020 and will result in further changes to the Market Rules. The DER Roadmap is available at https://www.wa.gov.au/sites/default/files/2020-04/DER_Roadmap.pdf.

²² The first Whole of System Plan is to be delivered to Government in 2020.

²³ ETIU provides regular updates to stakeholders at MAC meetings regarding progress of the ETS. In addition, as indicated in section 3.4, the MAC established two working groups to allow ETIU and AEMO to consult with stakeholders during the early stages of the ETS and closed these working groups on 29 July 2019 to allow ETIU and AEMO to consult directly with stakeholders via the TDOWG from August 2019.

The changes to the Market Rules that were made by the Minister and administered by the Rule Change Panel to implement the ETS are summarised in Table 7 (see section 4.4).

6.1.2. The Pilbara Electricity Reform Program

The WA Government commenced the Pilbara Electricity Reform Program in 2018/19 that will:

- establish a *Pilbara Network Access Code* to implement a new regulatory regime to facilitate third party access to the Pilbara electricity networks;
- establish an Independent System Operator for the Pilbara electricity networks; and
- establish a set of Pilbara Network Rules to govern operation of the Pilbara networks.

The *Electricity Industry Amendment Bill 2019* was passed by Parliament on 2 April 2020 and was given Royal Assent on 6 April 2020, so the *Electricity Industry Act 2004* now provides for the establishment of the *Pilbara Networks Access Code* and the Pilbara Network Rules. Energy Policy WA has commenced development of the *Pilbara Network Access Code* and the Pilbara Network Rules with the intent to complete drafting them by the end of 2020 and to commence them on 1 July 2021.

The Rule Change Panel is expected to be made responsible for administering the rule change process for the Pilbara Network Rules from one year after commencement, so the Rule Change Panel has engaged with Energy Policy WA on development of the Pilbara Network Rules and the overarching governance arrangements.

6.2. MAC Market Rules Issues List

RCP Support maintains a MAC Market Rules Issues List (**Issues List**) that lists the ‘big ticket’ items that MAC members and observers consider should be addressed in the Market Rules. The MAC reviews the Issues List at each MAC meeting to:

- gauge the level of support for particular suggestions; and
- identify opportunities for parties to work together and coordinate the development of Rule Change Proposals.

Stakeholders may raise new issues for discussion and potential inclusion in the Issues List at any time.

The Issues List is divided into three sections, as explained in Table 10.²⁴

Table 10 – Content of the Issues List		
Category	Definition	Number of Issues
Potential Rule Change Proposals	These are well-defined issues that could be addressed through the development of a Rule Change Proposal.	Five potential Rule Change Proposals are listed in the Issues List.

²⁴ The number of issues listed in Table 10 is as at the end of 2019/20.

Table 10 – Content of the Issues List

Category	Definition	Number of Issues
Broader issues	These are issues that require further discussion/review before specific changes to the Market Rules are progressed.	Ten broader issues are listed on the Issue List.
Issues on hold	These are issues that have been placed on hold pending some event, such as completion of a review by the ERA or completion of the ETS.	There are 22 issues on hold (primarily awaiting completion of the ETS).

The Issues List is available on the Rule Change Panel’s website.

7. Rule Change Panel Key Performance Indicators

The Rule Change Panel established eight Key Performance Indicators (**KPIs**) to measure its performance on an annual basis. Table 11 presents the eight KPIs and the Rule Change Panel's performance against its KPIs for 2019/20.

Table 11 – KPIs for the Rule Change Panel for 2019/20		
Category	KPI	Results
Rule change efficiency	1. The Rule Change Panel is to manage rule changes in accordance with the <i>Framework for Rule Change Proposal Prioritisation and Scheduling (Prioritisation Framework)</i> .	<p>✓ The Rule Change Panel managed the prioritisation and scheduling of all Rule Change Proposals for the Market Rules and GSI Rules in accordance with the Prioritisation Framework.</p> <p>✓ The Rule Change Panel achieved the timelines set out in the Prioritisation Framework for all Rule Change Proposals that were submitted in 2019/20.</p> <p>✗ The Rule Change Panel did not achieve the timelines set out in the Prioritisation Framework for some older Rule Change Proposals, including some legacy Rule Change Proposals that were inherited from the IMO.</p>
	2. No breaches of any of the legislation, regulations, or rules that govern the Rule Change Panel.	<p>✓ The Rule Change Panel has not identified any breaches of its governing legislation or regulations in 2019/20.</p> <p>✓ The Rule Change Panel has not identified any breaches of the Market Rules in 2019/20.</p> <p>✓ The Rule Change Panel has not identified any breaches of the GSI Rules in 2019/20.</p>
	3. No rule change processes to correct for errors in previous rule changes made by the Rule Change Panel.	<p>✓ There was no need to run any rule change processes in 2019/20 to correct for errors made by the Rule Change Panel.</p>

Table 11 – KPIs for the Rule Change Panel for 2019/20

Category	KPI	Results
	4. No procedural or legal reviews requested of the Rule Change Panel's decisions upheld. ²⁵	✓ In 2019/20, no legal reviews were sought of the Rule Change Panel's decisions.
Effective Governance	5. The Rule Change Panel is to review its Risk Register every 12 months.	✓ The Rule Change Panel finalised its first version of its Risk Register in August 2018 and reviewed the register in November 2018 and August 2019.
	6. Fully comply with the Rule Change Panel's governance structure, including the: <ul style="list-style-type: none"> • Governance Manual; • Code of Conduct; and • Meeting Rules. 	✓ The Rule Change Panel has not identified any breaches of its governance arrangements in 2019/20.
Stakeholder management ²⁶	7. Over 60% of respondents are satisfied with the level of service being provided by the Rule Change Panel.	✓ The Rule Change Panel received satisfactory ratings from over 67% of survey respondents on all eight aspects of its services.
	8. The trend in stakeholder satisfaction with the level of service being provided by the Rule Change Panel is not negative.	<p>✓ There was a positive trend in stakeholder satisfaction in six of the eight aspects of the Rule Change Panel's services over the three years from 2017/18 to 2019/20.</p> <p>✗ There was a negative trend in stakeholder satisfaction in two of the eight aspects of the Rule</p>

²⁵ The Rule Change Panel's rule change process is based on its best interpretation of its requirements for approving rule changes under the governing legislation, regulations, and rules; and is informed by legal review by qualified legal practitioners. However, the Rule Change Panel's decisions in respect of any rule change may be subject to review by the Electricity Review Board or may be challenged in the courts. Therefore, there is a need to recognise that despite the Rule Change Panel's best endeavours, a successful procedural or legal review is possible and that this should not necessarily be seen as a negative outcome.

²⁶ Stakeholder satisfaction with the Rule Change Panel is measured annually using a simple, anonymous, on-line survey. The Rule Change Panel defines a 'satisfactory' response from the stakeholder satisfaction survey as a response of 'meets expectations' or better. A summary and discussion of the results of the stakeholder satisfaction survey for 2019/20 is presented below.

Individual stakeholders' responses to surveys will likely be significantly influenced by the impact of rule changes on the individual stakeholders. A rule change that has a positive overall effect on the market, but a negative effect on a particular segment of the market will likely negatively skew survey results (the level of satisfaction and the trend) if there is a large number of participants in the segment that have been negatively impacted.

Table 11 – KPIs for the Rule Change Panel for 2019/20

Category	KPI	Results
		<p>Change Panel’s services over the three years from 2017/18 to 2019/20, including:</p> <ul style="list-style-type: none"> ○ the quality of administration of MAC meetings; and ○ the quality of administration of GAB meetings. <p>The results in these two aspects of the Rule Change Panel’s services improved in 2019/20 but remain below the levels in 2017/18.</p>

The Rule Change Panel distributed its stakeholder satisfaction survey for 2019/20 on 28 June 2020 and sought responses by 12 July 2020. The survey was an anonymous, online survey that asked eight questions; and sought ratings for stakeholder satisfaction on a scale of: poor, below expectations, meets expectations, above expectations, and excellent.

The eight questions in the survey were:

1. please rate the quality of the Rule Change Panel's decisions;
2. please rate the quality of the Rule Change Panel's reports;
3. please indicate your satisfaction with the timeliness of the Rule Change Panel's rule change processes;
4. please indicate your satisfaction with the timeliness of the Rule Change Panel's consultation processes;
5. please indicate your satisfaction with how the Rule Change Panel has set the priorities of Rule Change Proposals;
6. please rate the quality of the Rule Change Panel's communications;
7. please rate the quality of the Rule Change Panel's administration of MAC meetings; and
8. please rate the quality of the Rule Change Panel's administration of GAB meetings.

The Rule Change Panel received 15 responses to the survey, which are summarised in Table 12 and Figures 3 to 18.²⁷

²⁷ The survey was sent to 212 people that are on the RulesWatch, MAC and GAB distribution lists. The Rule Change Panel received 15 responses to the survey, which represents a 7% response rate. For comparison purposes, the response rate for the survey was 7% in 2018/19 (the survey was sent to 214 people and 17 responded) and 15% in 2017/18 (the survey was sent to 124 people and 19 responded).

Table 12 – Results of the 2019/20 Stakeholder Satisfaction Survey²⁸

Question	Poor	Below Expectations	Meets Expectations	Above Expectations	Excellent	Total
Quality of decisions	0 (0%)	2 (14%)	9 (60%)	2 (13%)	2 (13%)	15 (100%)
Quality of reports	0 (0%)	0 (0%)	7 (50%)	4 (29%)	3 (21%)	14 (100%)
Timeliness of rule change processes	0 (0%)	5 (33%)	8 (53%)	1 (7%)	1 (7%)	15 (100%)
Timeliness of consultation processes	0 (0%)	1 (7%)	11 (73%)	2 (13%)	1 (7%)	15 (100%)
Setting of priorities	0 (0%)	3 (22%)	8 (57%)	3 (21%)	0 (0%)	14 (100%)
Quality of communications	0 (0%)	1 (7%)	4 (28%)	4 (29%)	5 (36%)	14 (100%)
Quality of administration of MAC meetings	0 (0%)	2 (16%)	7 (54%)	2 (15%)	2 (15%)	13 (100%)
Quality of administration of GAB meetings	0 (0%)	0 (0%)	5 (83%)	1 (17%)	0 (0%)	6 (100%)

²⁸ The stakeholder satisfaction survey allowed respondents to provide a N/A response because WEM participants would not necessarily have an interest in the gas market, and gas market participants would not necessarily have an interest in the WEM. However, the N/A responses obscure the survey results to some extent, so the results in Table 12 and Figures 3 to 18 exclude the N/A responses.

Figures 3 to 10 provide a graphical representation of the results of the stakeholder satisfaction survey for 2019/20.

Figure 3: Quality of Decisions

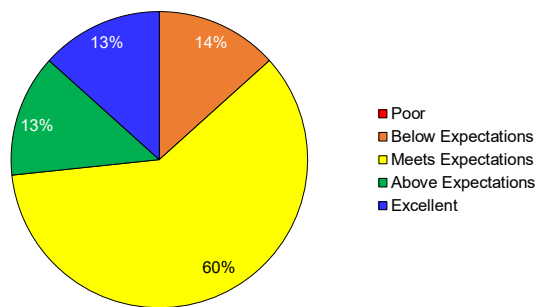


Figure 4: Quality of Reports

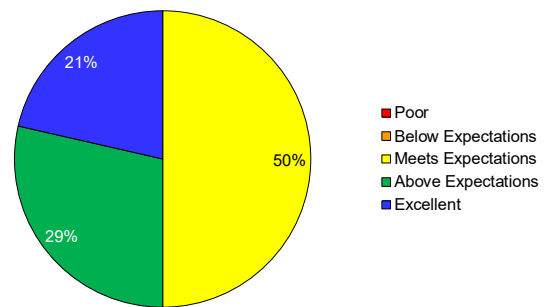


Figure 5: Timeliness of Rule Change Processes

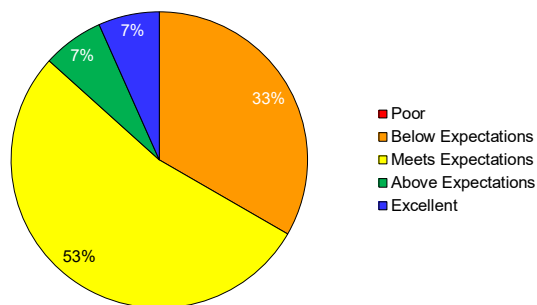


Figure 6: Timeliness of Consultation Processes

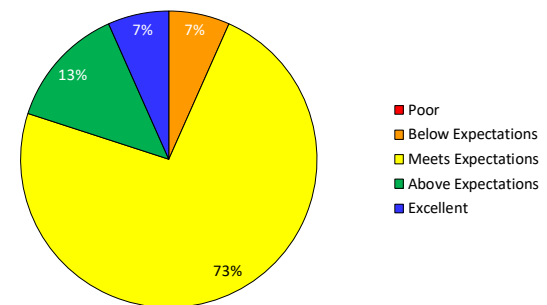


Figure 7: Setting of Priorities

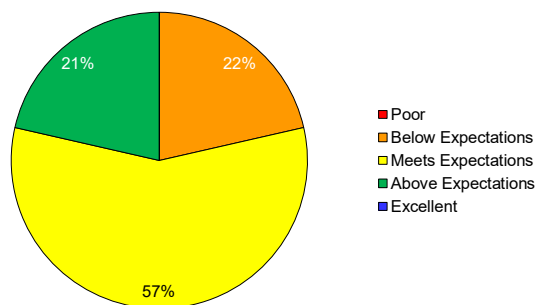


Figure 8: Quality of Communications

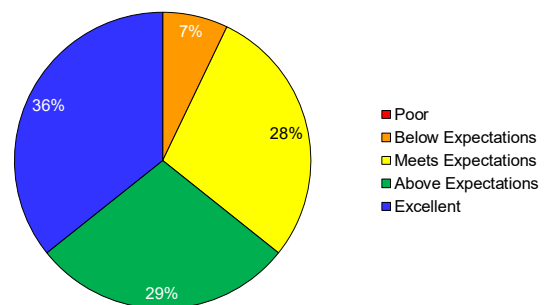


Figure 9: Quality of Administration of MAC Meetings

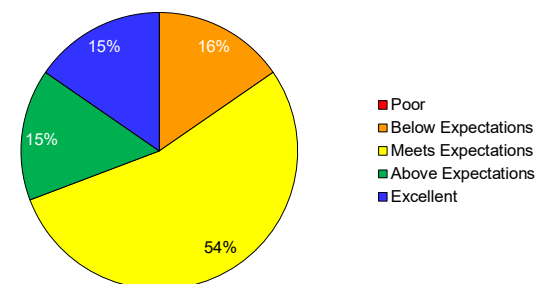
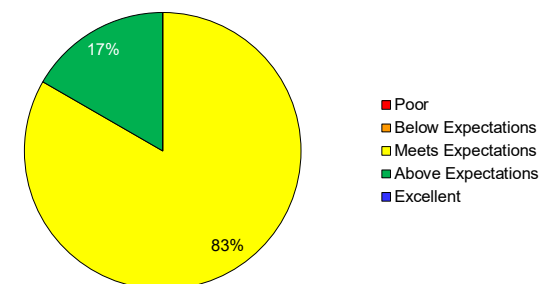


Figure 10: Quality of Administration of GAB Meetings



Figures 11 to 18 show the trend in the weighted average score for each of the aspects of the Rule Change Panel's performance from the stakeholder satisfaction surveys from 2017/18 to 2019/20. The dashed line on each chart shows the trend in the Rule Change Panel's performance.

Figure 11: Trend in Quality of Decisions

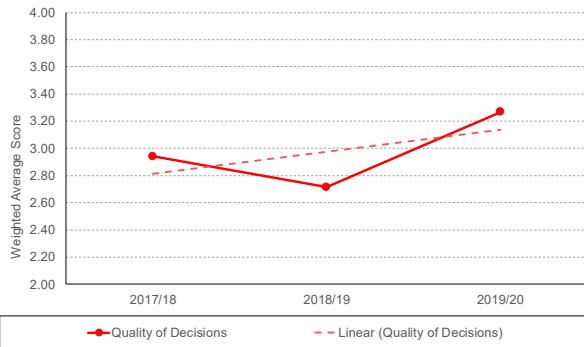


Figure 12: Trend in Quality of Reports

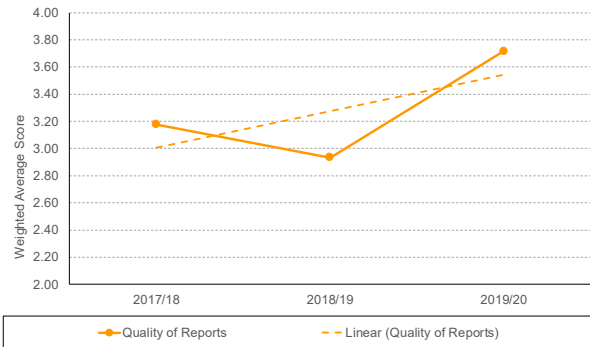


Figure 13: Trend in Timeliness of Rule Change Processes

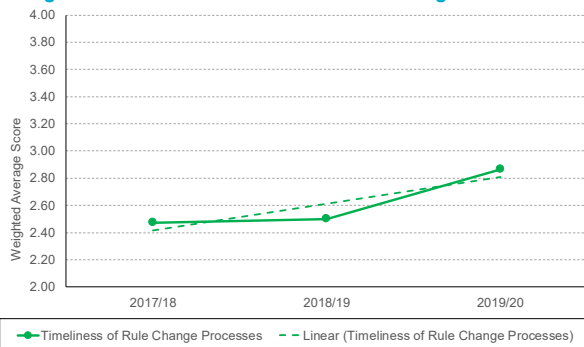


Figure 14: Trend in Timeliness of Consultation Processes

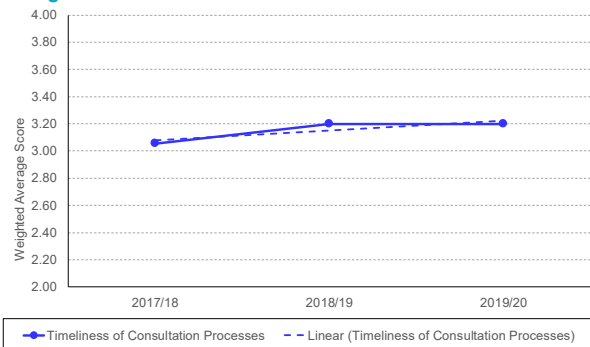


Figure 15: Trend in Setting of Priorities

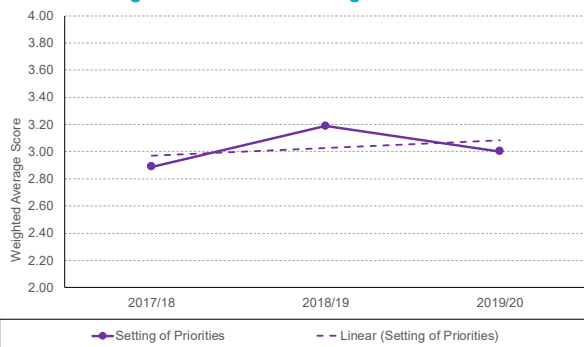


Figure 16: Trend in Quality of Communications

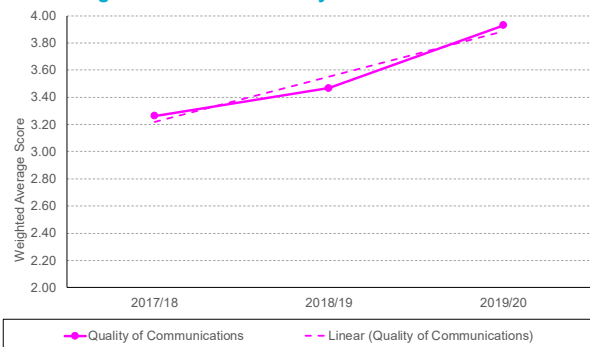


Figure 17: Trend in Quality of Administration of MAC Meetings

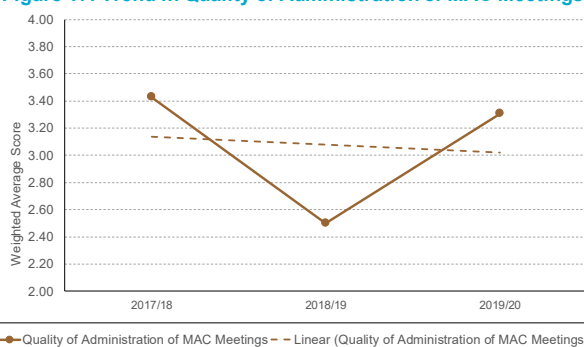


Figure 18: Trend in Quality of Administration of GAB Meetings

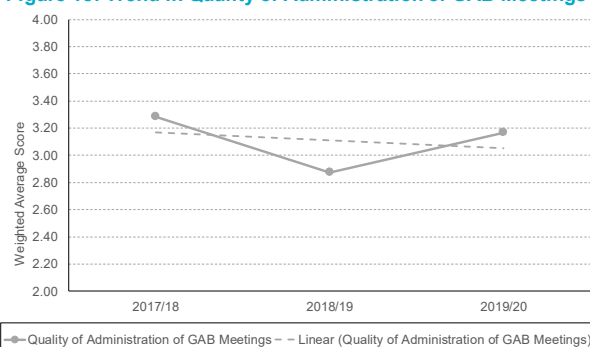


Table 12 and figures 3 to 18 show that the Rule Change Panel and RCP Support performed well in 2019/20:

- The Rule Change Panel generally met or exceeded stakeholder expectations in all aspects of its performance in 2019/20.
- The Rule Change Panel's performance has improved in all aspects of its performance from 2018/19 to 2019/20, except setting priorities. The largest improvements in performance from 2018/19 to 2019/20 were in:
 - quality of administration of MAC meetings;
 - quality of the Rule Change Panel's reports; and
 - quality of the Rule Change Panel's decisions.
- There was a positive trend in all aspects of the Rule Change Panel's performance over the last three years, except in quality of administration of MAC and GAB meetings, where the 2019/20 performance ratings, while better than the 2018/19 ratings, were still below the 2017/18 ratings.

However, based on stakeholder comments, there still appear to be some concerns with some aspects of the Rule Change Panel's services:

(1) Quality of Decisions

Two of fifteen stakeholders (14%) indicated that the quality of the Rule Change Panel's decisions was below expectations. Comments regarding the quality of the Rule Change Panel's decisions suggested that:

- decisions seem to have been held up by minutiae that do not need to be specified in the Market Rules; and
- decisions are supported by thorough analysis and assessment, but it is questionable whether this level of effort is necessary for all Rule Change Proposals.

The Rule Change Panel notes that it tries to tailor the level of effort and detail that goes into its decisions to the materiality of the associated Rule Change Proposals. That is, the Rule Change Panel tries to put more effort and analysis into Rule Change Proposals that will have a material impact on the markets. While the Rule Change Panel is required to respond to all issues raised by stakeholders during consultation on Rule Change Proposals, which can lead to the Rule Change Panel putting more effort into analysing less material proposals and paying more attention to minutiae, the Rule Change Panel will look to further improve its decision-making processes.

(2) Quality of Reports

Stakeholder ratings of the quality of the Rule Change Panel's reports were very positive, but there were several comments to the effect that, while the reports are well reasoned and thorough, they are too long and it can be difficult to identify key points in the reports. Some comments suggested that detail can be provided in hyperlinked documents, while others suggested that use of hyperlinked documents made reports difficult to follow. The Rule Change Panel will continue to refine the structure of its reports to make them more reader friendly while still meeting the requirements for reports as specified in the Market Rules and GSI Rules.

(3) Timeliness of Rule Change Processes

There was a significant improvement in stakeholders' satisfaction with the timeliness of the rule change processes from previous years, but five of fifteen stakeholders (33%) still indicated that timeliness of the rule change process was below expectations.

Stakeholder comments suggested that the timeliness of the processes seems to have been impacted by a focus on minutiae and by delays in AEMO providing input into the rule change processes.

As indicated above, the Rule Change Panel is required to respond to all issues raised by stakeholders during consultation on Rule Change Proposals, which can lead the Rule Change Panel to put more effort into analysing less material proposals and to pay more attention to minutiae.

The Rule Change Panel has faced challenges with the timeliness of its rule change processes for older Rule Change Proposals for the Market Rules (submitted prior to 2019/20), but has generally met the timelines in the Prioritisation Framework for newer proposals for the Market Rules (2019/20) and for proposals for the GSI Rules.

The Rule Change Panel agrees with stakeholders that delays in AEMO providing input on some rule change processes have contributed to delays in progressing some Rule Change Proposals. AEMO appears to have found some older and more complex Rule Change Proposals challenging, such as RC_2014_03 (Administrative Improvements to the Outage Process) and RC_2017_02 (Implementation of 30-Minute Balancing Gate Closure).

AEMO has also faced significant resource constraints in the second half of 2019/20 due to its requirement to support the ETS and the impacts from the COVID-19 pandemic. The MAC discussed AEMO's resourcing constraints at its meetings on 5 May 2020 and 16 June 2020, where the MAC indicated that it did not want to defer any Rule Change Proposals but acknowledged that AEMO may have different priorities for its resources and that AEMO's resourcing constraints may impact the timing of some Rule Change Proposals.

The Rule Change Panel notes that AEMO and RCP Support are cooperating to refine the process for AEMO to provide support to the Rule Change Panel so that AEMO has better clarity about the timing and resource requirements for each Rule Change Proposal. This process has worked well for newer proposals submitted in 2019/20 which, as indicated above, have progressed in a timely manner.

(4) Timeliness of the Consultation Processes

One of fifteen stakeholders (7%) indicated that the timeliness of the Rule Change Panel's consultation processes was below expectations. Comments suggested that the timeliness of the consultation processes was impacted by delays in waiting for input from AEMO. The Rule Change Panel's comments in point (3) above regarding the impact of AEMO resourcing constraints on the rule change processes are relevant to the timeliness of the consultation process.

(5) Setting of Priorities

Three of fourteen stakeholders (21%) indicated that the setting of priorities was below expectations. Comments acknowledged that there were challenges in prioritising Rule Change Proposals in the context of the ETS.

As indicated under point (3) above, the MAC has discussed the impact of resourcing constraints on AEMO due to its requirement to support the ETS and impacts from the COVID-19 pandemic. The MAC indicated that it did not want to defer any Rule Change Proposals but acknowledged AEMO may have different priorities for its resources and that AEMO resourcing constraints may impact the timeliness of rule change processes.

The Rule Change Panel will continue to liaise with Energy Policy WA regarding any overlap between the ETS and any existing or new Rule Change Proposals. RCP Support will also continue to discuss with AEMO, the MAC and the GAB the impact of any resource constraints on AEMO or Market Participants on their ability to support Rule Change Proposals.

(6) Quality of Communications

Stakeholder feedback on the quality of Rule Change Panel communications was positive and has been improving over time, but one of fourteen stakeholders (7%) still indicated that the quality of communications was below expectations. However, no specific feedback was provided on what aspects of the Rule Change Panel's communications require improvement.

(7) Quality of Administration of MAC meetings

Two of thirteen stakeholders (16%) indicated that the quality of administration of MAC meetings was below expectations. Comments suggested that the move to online MAC meetings in response to the COVID-19 pandemic was helpful, as meetings are now more orderly and participants have greater opportunity to be heard.

The main criticism of the administration of the MAC was that the MAC sometimes struggles to resolve issues, such as the North Country Spinning Reserve issue.

The Rule Change Panel notes that the MAC is an advisory body, not a decision-making body; and that the Rule Change Panel and the Chair of the MAC do not have any authority to require Market Participants, AEMO, or Energy Policy WA to take any action to develop/submit Rule Change Proposals in response to MAC discussions. Further, the Panel only has authority to develop a Proposal in response to MAC discussions in the limited circumstances specified in clause 2.5.4 of the Market Rules (i.e. to correct a manifest error). The legislated role of the Panel is not analogous to that of the Australian Energy Market Commission (**AEMC**) in the National Energy Market.²⁹

²⁹ The AEMC is an independent statutory body with two key roles:

- (1) Making and amending the National Electricity Rules (**NER**), National Gas Rules (**NGR**) and National Energy Retail Rules (**NERR**).

The AEMC's role in making and amending the NER, NGR and NERR is roughly analogous to the Rule Change Panel's role to make and amend the Market Rules and GSI Rules.

- (2) Providing strategic and operational advice to the Council of Australian Governments (**COAG**) Energy Council.

The AEMC's reviews and advice take a long-term view of what needs to be done to deliver reliable, secure energy at the best price for consumers. The AEMC usually undertakes reviews and provides advice in accordance with terms of reference provided by the COAG Energy Council, but the AEMC can also formally initiate its own reviews on matters related to the NER, NGR and NERR.

The Rule Change Panel does not have an analogous advisory role to the Western Australian Government.

Note that on 12 June 2020, Prime Minister Morrison announced that COAG will cease and a new National Federation Reform Council (**NFRC**) will be formed, with a National Cabinet at the centre of the NFRC. The COAG Energy Council has been replaced with the Resource Ministers Roundtable.

Nevertheless, the Rule Change Panel acknowledges that the MAC can be better used to provide leadership on resolution of issues in the WEM for the issues that are not already covered by the ETS.

(8) Quality of Administration of GAB meetings

No concerns were raised with the administration of GAB meetings.

Appendix: Summary of Rule Change Proposals

Table 13 summarises all:

- Market Rule Change Proposals that were considered by the Rule Change Panel in 2019/20;³⁰ and
- Amending Rules made by the Minister for Energy in 2019/20.

Table 13 – Summary of Rule Change Proposals		
Reference	Description	Status as at 30 June 2020
Market Rule Change Proposals Considered by the Panel		
RC_2020_03	<p>Estimates for GIA facilities</p> <p>Alinta Energy proposed to amend Appendix 9 (Relevant Level Determination) to require AEMO to estimate a Facility’s output under the Relevant Level Methodology for intervals where an Operating Instruction to reduce output has been issued in accordance with a Network Control Service Contract.</p>	The Final Rule Change Report was published on 23 June 2020 and the Amending Rules commenced on 24 June 2020.
RC_2020_01	<p>Market Participant Fee calculation manifest error</p> <p>AEMO identified a manifest error in clause 9.13.1 of the Market Rules relating to the calculation of Market Participant Fees that would result in Market Customers being paid Market Participant Fees. The Rule Change Panel developed a Rule Change Proposal to address the manifest error.</p>	The Final Rule Change Report was published on 24 February 2020, the Minister for Energy approved the Amending Rules on 18 March 2020 and the Amending Rules commenced on 30 March 2020.

³⁰ The Market Rule Change Proposals that were considered by the Rule Change Panel in 2019/20 include those that were approved, commenced or rejected during the year or were still under consideration as at the end of the year. The current status of all Rule Change Proposals is available on the Rule Change Panel’s website at <https://www.erawa.com.au/rule-change-panel/market-rule-changes>.

Table 13 – Summary of Rule Change Proposals

Reference	Description	Status as at 30 June 2020
RC_2019_05	<p>Amending the Minimum STEM Price definition and determination</p> <p>Synergy proposed to:</p> <ul style="list-style-type: none"> • amend the definition of the Minimum STEM Price from -\$1,000/MWh to a value based on AEMO’s estimate of the highest price that would induce all generators absent of non-market-related externalities to decommit; • expand the annual review process for the Maximum STEM Price and Alternative Maximum STEM Price to cover the Minimum STEM Price; and • set the Minimum STEM Price to -\$200/MWh until a new value is determined and approved through the expanded annual review process. 	<p>This Rule Change Proposal was submitted on 25 October 2019 and a Draft Rule Change Report was published on 13 March 2020. While this Rule Change Proposal was still under consideration as of the end of 2019/20, the Final Rule Change Report was published on 31 July 2020 and the Amending Rules commenced on 7 August 2020.</p>
RC_2019_04	<p>Administrative Improvements to Settlement</p> <p>AEMO proposed changes to the Market Rules to:</p> <ul style="list-style-type: none"> • allow AEMO to use updated input data for settlement, including data produced by AEMO and Theoretical Energy Schedule values; • provide more time for Rule Participants to lodge a Notice of Disagreement in relation to a Non-STEM Settlement Statement and subsequent adjusted Settlement Statements; • include Ancillary Service Providers (who are not Market Participants) in the settlement process; 	<p>The Final Rule Change Report was published on 20 May 2020, the Minister for Energy approved the Amending Rules on 17 June 2020 and the Amending Rules commenced on 2 July 2020.</p>

Table 13 – Summary of Rule Change Proposals

Reference	Description	Status as at 30 June 2020
	<ul style="list-style-type: none"> • move some operational and procedural administration detail from the Market Rules to a Market Procedure; • remove the requirement for AEMO to acknowledge receipt of metering data, and Metering Data Agents to subsequently notify AEMO when it has not acknowledged receipt within the specified timeframe; • move documentation of the processes relating to Meter Data Submissions to a Market Procedure; and • remove the requirement to pay settlement amounts over \$1 and move the determination of the minimum amount payable for the purpose of settlements to a Market Procedure. 	
RC_2019_01	<p>The Relevant Demand calculation</p> <p>Enel X proposed to:</p> <ul style="list-style-type: none"> • define Relevant Demand; • implement a dynamic baseline methodology for determining Relevant Demand; and • remove availability monitoring. 	<p>This Rule Change Proposal was submitted on 21 June 2019 and was still under consideration as of the end of 2019/20.</p> <p>The Rule Change Panel deferred consideration of this Rule Change Proposal due to resourcing restrictions and competing priorities, but the proposal was under active consideration as of the end of 2019/20.</p>
RC_2018_07	<p>Removal of constrained off compensation for Outages of network equipment</p> <p>The Public Utilities Office proposed to remove payment of compensation to generators for Outages of network equipment.</p>	<p>The Final Rule Change Report was published on 30 April 2019 and the Amending Rules commenced on 1 July 2019.</p>

Table 13 – Summary of Rule Change Proposals

Reference	Description	Status as at 30 June 2020
RC_2018_06	<p>Full Runway Allocation of Spinning Reserve Costs</p> <p>The Public Utilities Office proposed to replace the current modified runway approach to allocate spinning reserve costs with a full runway approach.</p>	<p>The Final Rule Change Report was published on 30 April 2019 and the Amending Rules commenced on 1 September 2019.</p>
RC_2018_05	<p>ERA access to market information and SRMC investigation process</p> <p>The ERA proposed changes to:</p> <ul style="list-style-type: none"> • give it access to additional information; • remove restrictions on its use of information; and • provide it with authority to bring proceedings to the Electricity Review Board following an investigation under clause 2.16.9B. 	<p>The Final Rule Change Report was published 28 June 2019, and the Minister for Energy provided his decision regarding the Amending Rules to the Rule Change Panel on 6 January 2020, where the Minister requested further changes to the Amending Rules. The Rule Change Panel published a revised Final Rule Change Report on 17 February 2020 and the Minister approved the revised Amending Rules on 7 April 2020. The Amending Rules commenced on 21 July 2020.</p>
RC_2018_03	<p>Capacity Credit Allocation Methodology for Intermittent Generators</p> <p>Collgar Wind Farm proposed to replace the use of peak Load for Scheduled Generation Trading Intervals in the Relevant Level Methodology (which AEMO uses to determine the level of Certified Reserve Capacity assigned to Intermittent Generators) with the use of actual system peak Trading Intervals.</p>	<p>This Rule Change Proposal was submitted on 1 March 2018 and was still under consideration as of the end of 2019/20.</p> <p>The Rule Change Panel put consideration of this issue on hold while the ERA conducted its review of the method used to assign capacity to Intermittent Generators in 2019. The ERA completed this review on 31 March 2019³¹ and is now developing a Rule Change Proposal to implement the recommendations from its review. The Rule Change Panel will consider RC_2018_03 alongside the ERA's proposal, once it is submitted.</p>

³¹ Further information on ERA's review of the method used to assign capacity credits to intermittent generators is available at <https://www.erawa.com.au/electricity/wholesale-electricity-market/methodology-reviews/review-of-method-used-to-assign-capacity-to-intermittent-generators-2018>.

Table 13 – Summary of Rule Change Proposals

Reference	Description	Status as at 30 June 2020
RC_2017_02	<p>Implementation of 30-Minute Balancing Gate Closure</p> <p>Perth Energy proposed to reduce the length of the Balancing Gate Closure period from two hours to no more than 30 minutes, to allow Market Participants to better react to forecast changes and bid as accurately as possible.</p>	<p>This Rule Change Proposal was submitted on 4 April 2017 and a Draft Rule Change Report was published on 18 May 2020. This Rule Change Proposal was still under consideration as of the end of 2019/20. The Final Rule Change Report was published on 21 July 2020 and the Amending Rules are to commence on 1 December 2020.</p>
RC_2015_03	<p>Formalisation of the Process for Maintenance Applications</p> <p>The IMO proposed to formalise the process for a Market Customer to apply to the IMO (now AEMO) to replace or disregard a period that is unrepresentative of the consumption of a Load for the purposes of determining the Relevant Demand for a Demand Side Programme, or assessing a Load's status as a Non-Temperature Dependent Load. The IMO also proposed to introduce an Application Fee for these applications.</p>	<p>The Final Rule Change Report was published on 25 June 2019, the Minister for Energy approved the Amending Rules on 23 July 2019 and the Amending Rules commenced on 1 October 2019.</p>
RC_2015_01	<p>Removal of Market Operation Market Procedures</p> <p>The IMO proposed to update several market operations Market Procedures to reflect the current market arrangements and to consolidate some Market Procedures to streamline the documentation with respect to particular processes.</p>	<p>The Final Rule Change Report was published on 15 May 2019, the Minister for Energy approved the Amending Rules on 10 June 2019 and the Amending Rules commenced on 1 August 2019.</p>

Table 13 – Summary of Rule Change Proposals

Reference	Description	Status as at 30 June 2020
RC_2014_09	<p>Managing Market Information</p> <p>The IMO proposed to introduce a more practical approach to managing market information with a focus on maximising the number of parties to which information is available.</p>	This Rule Change Proposal was rejected on 13 December 2019.
RC_2014_07	<p>Omnibus Rule Change</p> <p>The IMO proposed to correct language and punctuation, update and delete redundant references and titles, and correct several incorrect clauses in the Market Rules.</p>	The final tranche of Amending Rules commenced on 1 July 2019.
RC_2014_06	<p>Removal of Resource Plans and Dispatchable Loads</p> <p>The IMO proposed to remove Resource Plans, the Dispatchable Load Facility Class and several other unnecessary concepts and obligations in the Market Rules. The IMO also proposed to extend the STEM Submission window by one hour, allow forecast output quantities in Non-Scheduled Generator Balancing Submissions to be updated after Balancing Gate Closure and make several other minor amendments to improve the clarity and integrity of the Market Rules.</p>	The Amending Rules commenced on 1 July 2019.

Table 13 – Summary of Rule Change Proposals

Reference	Description	Status as at 30 June 2020
RC_2014_05	<p>Reduced Frequency of the Review of the Energy Price Limits and the Maximum Reserve Capacity Price</p> <p>The IMO proposed to move to a five-yearly review of the Energy Price Limits and Maximum Reserve Capacity Price³²; and to index the Energy Price Limits monthly and quarterly as applicable and the Maximum Reserve Capacity Price annually between the reviews.</p>	<p>This Rule Change Proposal was submitted on 2 December 2014 and was still under consideration as of the end of 2019/20.</p> <p>This is a legacy Rule Change Proposal that was submitted by the IMO. The IMO deferred consideration of the proposal because, in May 2015, the then Minister for Energy asked the IMO to suspend processing all Rule Change Proposals that were open at the time, until the new Rule Change Panel commenced operations.</p> <p>Responsibility for this Rule Change Proposal was transferred to the Rule Change Panel in April 2017.</p> <p>The Rule Change Panel has put this Rule Change Proposal on hold until the ERA completes its Benchmark Reserve Capacity Price and Energy Price Limits Review. The ERA recently suspended its Benchmark Reserve Capacity Price and Energy Price Limits Review because there is a significant overlap between that review and the ETS.³³</p>

³² Note that the Maximum Reserve Capacity Price is now known as the Benchmark Reserve Capacity Price.

³³ Further information on ERA's Benchmark Reserve Capacity Price and Energy Price Limits Review is available at <https://www.erawa.com.au/electricity/wholesale-electricity-market/methodology-reviews/benchmark-reserve-capacity-price-and-energy-price-limits-review-2019>.

Table 13 – Summary of Rule Change Proposals

Reference	Description	Status as at 30 June 2020
RC_2014_03	<p>Administrative Improvements to the Outage Process</p> <p>The IMO proposed to streamline the Consequential Outage process and make several administrative amendments to the outage process to provide greater outage transparency to the market as well as greater certainty to Market Participants with respect to their existing obligations.</p>	<p>This Rule Change Proposal was submitted on 27 November 2014 and was still under consideration as of the end of 2019/20.</p> <p>This is a legacy Rule Change Proposal that was submitted by the IMO. The IMO deferred consideration of the proposal because, in May 2015, the then Minister for Energy asked the IMO to suspend processing all Rule Change Proposals that were open at the time, until the new Rule Change Panel commenced operations.</p> <p>Responsibility for this Rule Change Proposal was transferred to the Rule Change Panel in April 2017.</p> <p>There have been significant subsequent delays in processing this Rule Change Proposal due to:</p> <ul style="list-style-type: none"> • the complexity of the issues covered in the proposal; • resource restrictions at AEMO and RCP Support and competing priorities; and • complexities from overlapping issues with the ETS.
RC_2013_15	<p>Outage Planning Phase 2 – Outage Process Refinements</p> <p>The IMO proposed to clarify the obligations of Rule Participants around the outage planning process, provide greater flexibility for Rule Participants in outage planning, and improve the transparency and consistency of processes in the Market Rules.</p>	<p>The Final Rule Change Report was published on 26 August 2019 and the Amending Rules commenced on 1 February 2020.</p>

Table 13 – Summary of Rule Change Proposals

Reference	Description	Status as at 30 June 2020
Amending Rules Made by the Minister for Energy		
N/A	<p>Wholesale Electricity Market Amendment (Distributed Energy Resources Register and Roadmap Implementation – Costs) Rules 2020</p> <p>The Minister for Energy amended the Market Rules to:</p> <ul style="list-style-type: none"> • give the AEMO the power to develop a DER Register; • define the content of, and the process to develop a DER Register; and • allow AEMO to recover any costs associated with delivering the DER Roadmap, including the DER Register. 	<p>The notice that the Minister had made the Amending Rules was published in Gazette No. 2020/111 and the Amending Rules were published on the Rule Change Panel’s website on 30 June 2020. The Amending Rules commenced on 1 July 2020.</p>
N/A	<p>Wholesale Electricity Market Amendment (Technical Rules Change Management) Rules 2020</p> <p>The Minister for Energy amended the Market Rules to give AEMO the power to participate in the Technical Rules Committee and to recover its costs for participating in that committee.</p>	<p>The notice that the Minister had made the Amending Rules was published in Gazette No. 2020/108 and the Amending Rules were published on the Rule Change Panel’s website on 26 June 2020. The Amending Rules are to commence on 1 January 2021.</p>

Table 13 – Summary of Rule Change Proposals

Reference	Description	Status as at 30 June 2020
N/A	<p>Wholesale Electricity Market Amendment (Constraints Framework and Governance) Rules 2020</p> <p>The Minister for Energy amended the Market Rules to implement a new governance framework for managing constraints in the SWIS, including:</p> <ul style="list-style-type: none"> • requirements for Western Power to develop limit advice and for AEMO to develop constraint equations to support the implementation of security constrained economic dispatch; • a requirement for AEMO to prepare a Congestion Information Resource; • requirements for AEMO and Western Power to develop Market Procedures for their new functions; • a requirement for the ERA to conduct a periodic review of limit advice and constraint equations; and • relocation of the Reference Node from Muja to Southern Terminal. 	<p>The notice that the Minister had made the Amending Rules was published in Gazette No. 2020/95 and the Amending Rules were published on the Rule Change Panel’s website on 16 June 2020. The Amending Rules commenced on 1 July 2020.</p>
N/A	<p>Wholesale Electricity Market Amendment (Reserve Capacity Pricing Reforms) Rules 2019</p> <p>The Minister for Energy amended the Market Rules to implement the Reserve Capacity Mechanism pricing reforms set out in the Final Report – Improving Reserve Capacity Pricing Signals.³⁴</p>	<p>The notice that the Minister had made the Amending Rules was published in Gazette No. 2020/24 and the Amending Rules were published on the Rule Change Panel’s website on 21 February 2020. Tranche 1 of the Amending Rules commenced on 22 February 2020 and Tranche 2 is to commence on 1 October 2021.</p>

³⁴ The Final Report is available at <https://www.wa.gov.au/government/document-collections/improving-reserve-capacity-pricing-signals>.

Table 13 – Summary of Rule Change Proposals

Reference	Description	Status as at 30 June 2020
N/A	<p>Wholesale Electricity Market Amendment (AEMO to provide information to the Minister) Rule 2019</p> <p>The Minister for Energy amended the Market Rules to give the Minister the power to require AEMO to provide information to the Minister for the purposes of delivering the ETS.</p>	<p>The notice that the Minister had made the Amending Rules was published in Gazette No. 2019/151 and the Amending Rules were published on the Rule Change Panel’s website on 21 October 2019. The Amending Rules commenced on 1 November 2019.</p>