

Meeting Agenda

Meeting Title: Gas Advisory Board

Meeting Number: 2020_11_17

Date: Tuesday 17 November 2020

Time: 2:30 PM to 3:30 PM

Location: Online meeting

Persons who would like to attend the online GAB meeting are asked to register with RCP Support (Support@rcpwa.com.au) by close of business on Friday 13 November 2020.

RCP Support will then send an invite to all of the registered attendees on Monday 16 November 2020 with a link to allow attendees to log into the meeting.

Item	Item	Responsibility	Duration
1	Welcome	Chair	2 min
2	Meeting Apologies/Attendance	Chair	3 min
3	Minutes of Meeting 2020_09_17	Chair	3 min
4	Actions Arising	Chair	5 min
5	Overview of Rule Change Proposals	Chair	2 min
6	Rule Change Governance – Consultation on Changes to the GSI Rules and Regulations	EPWA	40 min
7	General Business	Chair	5 min

Next Meeting: 25 March 2021

Please note this meeting will be recorded.

Minutes

Meeting Title:	Gas Advisory Board (GAB)
Date:	17 September 2020
Time:	1:00 PM – 2:00 PM
Location:	Virtual – Microsoft Teams

Attendees	Class	Comment
Stephen Eliot	Chair	
Martin Maticka	AEMO	
Matthew Martin	Small-Use Consumer Representative	Minister's Appointee
Kate Ryan	Energy Policy WA (EPWA)	
Sam Clark	Gas Producers	Proxy for Ms Willis
Hamish Wagner	Pipeline Owners and Operators	Proxy for Mr Jamieson
Michael Lauer	Gas Shippers	
Debra Rizzi	Gas Shippers	Proxy for Ms Sydney-Smith
Jana O'Kane	Gas Users	
Chris Campbell	Gas Users	
Lipakshi Dhar	Economic Regulation Authority (ERA)	Observer

Apologies	Class	Comment
Alexandra Willis	Gas Producers	Proxy attended
Kathryn Sydney-Smith	Gas Shippers	Proxy attended
Rachael Smith	Pipeline Owners and Operators	
John Jamieson	Pipeline Owners and Operators	Proxy attended

Also in attendance	From	Comment
Peter Ryan	Strike Energy	Observer
Adnan Hayat	RCP Support	Minutes
Laura Koziol	RCP Support	Observer
Vijeshni Ashna Nand	RCP Support	Observer

Item	Subject	Action
1	<p>Welcome</p> <p>The Chair opened the meeting at 1:00 PM and welcomed members and observers to the 17 September 2020 GAB meeting.</p> <p>The Chair advised that the Rule Change Panel (Panel) has completed the 2020 GAB composition review, and has:</p> <ul style="list-style-type: none"> • re-appointed Mr Mike Lauer as a Gas Shipper representative; • re-appointed Ms Rachel Smith as a Pipeline Owner and Operator representative; and • appointed Ms Jana O’Kane as a Gas User representative. <p>The Chair also advised that the Panel has received a nomination for the vacant Gas Producer representative position on the GAB and is currently considering this nomination.</p>	
2	<p>Meeting Apologies/Attendance</p> <p>The Chair noted proxies and observers, as listed above.</p>	
3	<p>Review of Minutes from previous meeting</p> <p>The GAB accepted the tabled minutes of the GAB meeting on 12 March 2020 as a true and accurate record of the meeting.</p>	
4	<p>Actions Arising</p> <p>The Chair noted that the following two items were closed:</p> <ul style="list-style-type: none"> • Item 93 – Woodside to provide feedback on the feasibility and cost of providing a monthly report on its trucked Liquefied Natural Gas (LNG) volumes for the Gas Bulletin Board (GBB). • Item 94 – RCP Support to circulate Woodside’s feedback to the GAB via email. <p><u>LNG Trucking Issue:</u></p> <p>The GAB noted that Action Items 93-95 dealt with the issue publishing trucked LNG volumes on the GBB and further discussed this issue as follows:</p> <ul style="list-style-type: none"> • The Chair briefed the GAB on the issue and the actions undertaken to date: <ul style="list-style-type: none"> ○ The GAB noted that including trucked LNG volumes on the GBB fit the policy intent for the GBB. ○ AEMO’s cost estimate to provide daily trucked LNG volume data on the GBB was \$65,000, but Woodside questioned the value and practicality of providing information on daily basis. 	

Item	Subject	Action
	<ul style="list-style-type: none"> ○ Based on this, the GAB considered the possibility of monthly reporting of trucked LNG volume on GBB and AEMO indicated that monthly reporting can be implemented at minimal cost. ○ Woodside indicated that it can report trucked LNG volumes on a monthly basis but proposed that all truck volumes are reported on an aggregated basis. ● Mr Maticka considered that monthly reporting and aggregating the data and presenting it as a static number can be implemented under business as usual at minimal cost. Mr. Maticka agreed with Woodside that data should be reported in aggregated form to address issues around confidentiality. ● Mr Maticka suggested that the reporting aspects can be considered in detail during the rule development. The Chair agreed with this view. ● Ms. O’Kane asked how presenting aggregated data on the GBB will provide a clear indication of Woodside’s trucked LNG volumes and ensure that there is no double counting of other trucked LNG volumes. ● Mr. Sam Clark indicated that the current information available on the GBB does not segregate the trucked LNG volumes from other volumes, for example Wesfarmers’ trucked volumes. Mr Clark suggested that the rules should be applied equitably across all of the LNG producers so that the market participants are able to understand how much trucked LNG is used outside of the pipeline network. ● Mr Lauer pointed that there are two issues with aggregating trucked LNG volumes on the GBB. <ul style="list-style-type: none"> ○ Firstly, LNG trucked by Wesfarmers is already counted on the GBB, so if we aggregate these volumes with Woodside’s trucked LNG, there will be issue of double counting. There is no confidentiality gain by publishing two numbers as a single aggregate because, to keep the GBB useful, we would need to be able to see how much is coming from each site. ○ Secondly, the GBB is spatially oriented, with visibility of gas going into the Pilbara, Karratha and Southeast, etc., and we will lose this spatial orientation if the trucked LNG volumes are displayed in aggregate form. <p>Mr Lauer advised that, in his opinion, aggregating trucked LNG volume on the GBB is not a workable solution.</p>	

Item	Subject	Action
	<ul style="list-style-type: none"> • In response to a question from the Chair, Mr Clark indicated that there are three companies that truck LNG: Woodside, Wesfarmers and EDL. • Ms O’Kane stated that the Wesfarmers and EDL volumes would be double counted if all trucked LNG volumes were aggregated on the GBB. • Mr Clark clarified that it is Woodside’s trucked LNG that is used in the state but does not enter in the pipelines and is not reported on the GBB. • The Chair questioned the benefit of reporting the data on the GBB if the questions around confidentiality can be addressed and considering the suggested low implementation costs. • Mr Ryan indicated that he agrees with Mr Lauer’s comments on aggregation and suggested that to address the issue of double counting we may use the analogy of virtual gas pipeline for trucked LNG. Mr Ryan also informed the GAB that another party, Clean Energy Fuels Australia (CEFA), is planning to start LNG trucking operations in the Midwest. • Mr Ryan further advised that he understands that the trucked LNG volume are currently around 15-25 TJ/day, which is not significant on a day-to-day basis. However, it will be useful to understand these volumes on a monthly or annual basis. Mr Ryan suggested that reporting trucked LNG volume is a good initiative in terms of informing the extent and breadth of gas penetration in WA. • The Chair questioned about the threshold for LNG trucking volume that should be reported. • Ms O’Kane indicated that Waitsia and Beharra Springs current production rates are analogous to the volumes from trucked LNG. • Mr Lauer agreed that data on trucked LNG volumes is necessary to complete the information on the market. Mr Lauer questioned the feasibility of aggregating LNG volumes of various regional markets and citing it as a single LNG volume and suggested that for this information to be useful, it should be cited in same market spaces. Regarding the question about threshold, Mr Lauer suggested that a threshold of 5-8 TJ/day may be appropriate, as 8 TJ/day is current threshold for a major user. Mr Lauer also suggested that trucked LNG volumes that are not currently being accounted for on the GBB may be taken out and reported as trucked LNG volumes. 	

Item	Subject	Action
	<ul style="list-style-type: none"> • The Chair asked whether there is any reason that trucked LNG volume should not be reported on the GBB and no GAB members indicated any reasons. • Ms O’Kane noted that she is supportive of reporting trucked LNG on the GBB but is not supportive of aggregating the data as suggested by Woodside. • The Chair noted that there is general support from the GAB that trucked LNG volumes should be reported on the GBB, and we are looking for something like monthly rather than daily reporting. The remaining issues are around what data is to be reported and how to report it. The Chair suggested that RCP Support and AEMO work together to prepare a discussion paper for feedback from the GAB, and that a Rule Change Proposal can be developed if we get agreement. Mr Maticka agreed that AEMO can work with RCP Support on the options. • Ms O’Kane indicated that the solution proposed should also be economical and easy to implement. • Mr Lauer suggested that an option could be for LNG plants to report trucked LNG volumes to AEMO on a disaggregated basis in such a way that AEMO could manage and report the data to avoid double counting. The shortfall with this approach is that Woodside represents additional domestic production which is not being captured on the GBB. This maybe a low-cost option without trying to rebuild whole group of reporting volumes in the GBB. • Mr Clark indicated that Woodside had investigated and found monthly reporting to be feasible, but believe that the same reporting rules should apply to all LNG producers because the information regarding other trucked LNG volumes will also be useful to the market. Mr Clark indicated that he understands the double counting issue and that Woodside will consider the GAB’s feedback regarding reporting of trucked LNG data on an aggregated basis and will provide further views to the GAB. <p>Actions:</p> <ul style="list-style-type: none"> • Woodside to respond to the GAB on the GAB’s views regarding reporting trucked LNG data on the GBB on an aggregated basis. • RCP Support and AEMO to develop a discussion paper regarding reporting of trucked LNG volumes on the GBB. 	<p>Woodside (30/10/2020)</p> <p>RCP Support/ AEMO (30/10/2020)</p>

Item	Subject	Action
	<p><u>Outage Reporting by Production Facilities:</u></p> <p>The GAB noted that Action Items 96 and 97 arose out discussions at the GAB meeting on 12 March 2020 regarding some linepack adequacy events. The GAB further discussed this issue as follows:</p> <ul style="list-style-type: none"> • The Chair summarised that AEMO presented some information online pack adequacy events which led to a discussion about whether some form of outage notification is required from production facilities. The GAB agreed that the issue is worth considering. Action Item 96 was for GAB members to provide some information to AEMO on what sort of information they would find useful and what they would use it for. • Mr Maticka indicated that AEMO received only one submission so AEMO has not progressed this issue any further. Mr Maticka indicated that if the GAB is still interested in pursuing this matter, then they should provide a response on Action Item 96 to AEMO as soon as possible. The GAB agreed that the matter is still of interest and GAB Members indicated that they would provide a response on this Action Item. 	
5	<p>Overview of Rule Change Proposals</p> <p>The Chair noted that there were no open Rule Change Proposals.</p>	
6	<p>RCP Support and Rule Change Panel KPIs for 2019/20</p> <p>The Chair advised that the Panel is required to annually develop and submit an Activities Report to the Minister for Energy by the end of August, and the Minister must table that report in Parliament within 21 business days. The Panel is not required by any legislation, regulations or rules to report on KPIs, but does so in the Activities Report as a matter of good practice. The Panel will publish the Activities Report on its website once it has been tabled, and RCP Support separately reports on the Panel's and RCP Support's KPIs to the GAB and the Market Advisory Committee.</p> <p>The GAB noted the RCP Support and Rule Change Panel KPIs Report for 2019/20 and had no further feedback for the Panel.</p>	
7	<p>Gas Advisory Board Review and Appointment Process</p> <p>The GAB noted discussion paper tabled for Agenda Item 7 regarding changes to the GAB review and appointment process, which was developed by RCP Support and Energy Policy WA (EPWA) following discussions at the GAB meeting on</p>	

Item	Subject	Action
	<p>12 March 2020. The discussion paper proposed a way to implement the changes to the GAB review and appointment process that were previously discussed by the GAB.</p> <p>The GAB generally supported the discussion paper and the commencement of a process to amend the GSI Rules, GAB Constitution and GAB Appointment Guidelines to reflect the content of the discussion paper.</p> <p>RCP Support and EPWA agreed to discuss development and submission of a Rule Change Proposal.</p>	
	<p>Actions:</p> <ul style="list-style-type: none"> • RCP Support and EPWA to develop and submit a Rule Change Proposal to extend the timing of the GAB review and appointment process. 	<p>RCP Support/ EPWA 30/11/2020</p>
8	<p>GAB Meeting Schedule for 2021</p> <p>The GAB agreed to 25 March and 23 September meeting dates for the GAB for 2021. The Chair pointed out that additional meetings can be held if a Rule Change Proposal need to be discussed.</p>	
	<p>The Chair noted that next meeting is scheduled for 25 March 2021.</p>	

The meeting was closed at 1:42 PM.

Agenda Item 4: GAB Action Items

Meeting 2020_11_17

Shaded	Shaded action items are actions that have been completed since the last GAB meeting.
Unshaded	Unshaded action items are still being progressed.
Missing	Action items missing in sequence have been completed from previous meetings and subsequently removed from log.

Item	Action	Responsibility	Meeting Arising	Status/Progress
95	GAB members to provide RCP Support with their views of the costs and benefits of a monthly report on trucked LNG volumes.	GAB members (21/05/2020)	12/03/2020	Closed Action Item 95 was discussed at the GAB meeting on 17/09/2020. The GAB agreed to progress this issue further as indicated in Action Items 98 and 99.
96	GAB members to email Mr Martin Maticka (AEMO) regarding the information that would be useful for outage notifications, and what it is that they are trying to address.	GAB members (17/04/2020)	12/03/2020	Open AEMO is still waiting on information from GAB members. Given the lack of response, GAB members are asked whether this action should be closed?

Item	Action	Responsibility	Meeting Arising	Status/Progress
97	AEMO to develop a discussion paper regarding information reporting for outage notification, for consideration at the next GAB meeting.	AEMO 10/09/2020	12/03/2020	Open AEMO is waiting on a response to Action Item 96 before progressing Action Item 97.
98	Woodside to respond to the GAB on the GAB's views regarding reporting trucked LNG data on the GBB on an aggregated basis.	Woodside 30/10/2020	17/09/2020	Open On 28 October 2020, Woodside indicated that it will need until 30 November 2020 to develop its response on Action 98.
99	RCP Support and AEMO to develop a discussion paper regarding reporting of trucked LNG volumes on the GBB.	RCP Support / AEMO 30/10/2020	17/09/2020	Open RCP Support and AEMO have not commenced developing a discussion paper, pending a response from Woodside on Action 98 and pending discussions with Energy Policy WA regarding governance changes for the Rule Change Panel (see Agenda Item 6).
100	RCP Support and Energy Policy WA to develop and submit a Rule Change Proposal to extend the timing of the GAB review and appointment process.	RCP Support / EPWA 30/10/2020	17/09/2020	Open RCP Support and Energy Policy WA have not commenced developing a Rule Change Proposal pending discussions with Energy Policy WA regarding governance changes for the Rule Change Panel (see Agenda Item 6).

Agenda Item 5: Overview of Rule Change Proposals (as at 10 November 2020)

Meeting 2020_11_17

- Changes to the report provided at the previous GAB meeting are shown in **red font**.
- The next steps and the timing for the next steps are provided for Rule Change Proposals that are currently being actively progressed by the Rule Change Panel.

Rule Change Proposals Commenced since the last GAB Meeting

Reference	Submitted	Proponent	Title	Commenced
None				

Approved Rule Change Proposals Awaiting Commencement

Reference	Submitted	Proponent	Title	Commencement
None				

Rule Change Proposals Rejected since the last GAB Meeting

Reference	Submitted	Proponent	Title	Rejected
None				

Rule Change Proposals Awaiting Approval by the Minister

Reference	Submitted	Proponent	Title	Approval Due Date
None				

Formally Submitted Rule Change Proposals

Reference	Submitted	Proponent	Title	Urgency	Next Step	Date
-----------	-----------	-----------	-------	---------	-----------	------

Fast Track Rule Change Proposals with Consultation Period Closed

None						
------	--	--	--	--	--	--

Fast Track Rule Change Proposals with Consultation Period Open

None						
------	--	--	--	--	--	--

Standard Rule Change Proposals with Second Submission Period Closed

None						
------	--	--	--	--	--	--

Standard Rule Change Proposals with Second Submission Period Open

None						
------	--	--	--	--	--	--

Standard Rule Change Proposals with First Submission Period Closed

None						
------	--	--	--	--	--	--

Standard Rule Change Proposals with the First Submission Period Open

None						
------	--	--	--	--	--	--

Pre-Rule Change Proposals

Reference	Proponent	Description	Next Step	Submitted
-----------	-----------	-------------	-----------	-----------

None				
------	--	--	--	--



Government of Western Australia
Energy Policy WA

Energy Sector Governance: Proposed Changes to the Regulatory Framework

Consultation Paper

10 November 2020

An appropriate citation for this paper is: Energy Sector Governance: Proposed Changes to the Regulatory Framework

Energy Policy WA

Level 1, 66 St Georges Tce

Perth WA 6000

Locked Bag 11 Cloisters Square WA 6850

Main Switchboard: 08 6551 4600

www.energy.wa.gov.au

ABN 84 730 831 715

Contents

Abbreviations	iv
1. Introduction.....	1
1.1 Proposed changes	1
1.2 Further review	2
2. Transfer of responsibility for administration of the WEM and GSI Rules from the RCP	3
3. Transfer of reviews of a policy or technical nature from the ERA to the Coordinator	4
3.1 Reviews to be conducted by the ERA	4
3.2 Reviews to be conducted by the Coordinator.....	5
4. Responsibility for the development of WOSPs	6
5. Drafting instructions – changes to relevant regulations	7
5.1 Electricity Industry (Rule Change Panel) Regulations.....	7
5.2 Electricity Industry (Wholesale Electricity Market) Regulations)	7
5.2.1 WEM Rules may confer functions on Coordinator.....	7
5.2.2 Other amendments to the WEM Regulations	7
5.3 Gas Services Information Regulations	8
5.3.1 Minister to make rules	8
5.3.2 GSI Rules to confer functions on Coordinator	8
6. Next Steps	9
Appendix A Draft WEM Rules Amendments– Transfer of Functions from the RCP to the Coordinator	A-1
Appendix B Draft GSI Rules Amendments– Transfer of Functions from the RCP to the Coordinator	B-1
Appendix C Draft WEM Rules Amendments – Transfer of Functions from the ERA to the Coordinator	C-2
Appendix D Drafting instructions - Rule change panel abolition and related changes	D-3

Abbreviations

The following table provides a list of abbreviations and acronyms used throughout this document. Defined terms are identified in this document by capitals.

Term	Definition
AEMO	Australian Energy Market Operator
ERA	Economic Regulation Authority
ESS	Essential System Services
Coordinator	The Coordinator of Energy
GSI	Gas Services Information
RCP	Rule Change Panel
RLM	Relevant Level Methodology
STEM	Short Term Energy Market
Taskforce	Energy Transformation Taskforce
the Act	<i>Electricity Industry Act 2004</i>
WEM	Wholesale Electricity Market
WOSP	Whole of System Plan

1. Introduction

The Western Australian energy sector is experiencing an unprecedented change, which is re-shaping every aspect of the sector, and the rate of this change is increasing. New technologies and business models are rapidly displacing the traditional means of producing and consuming energy, which requires dynamic response by the governance arrangements.

In recognition of the changes underway and the need to modernise Western Australia's electricity market and regulatory arrangements, in May last year the Government established the Energy Transformation Taskforce, which will be in place until May 2021.

While the Taskforce is delivering a substantial package of reforms within its two-year remit, the need for the market and regulatory arrangements to evolve will continue well beyond the Taskforce's life.

This evolution will require careful coordination and management, to ensure the energy transformation delivers effective reforms that enable a secure, reliable, sustainable and affordable energy supply for all customers.

Stakeholders have continued to raise concerns about the potential gap in the development and evolution of the market beyond the Taskforce, which Government is now looking to address.

Alongside the work of the Taskforce, Government has considered the overall governance of the energy sector and has decided to make some modifications to ensure it is up to the ongoing reform challenge. The changes seek to rationalise and clarify governance roles to reduce existing overlaps and address ongoing gaps.

These changes will also make better use of the different skills across the governance bodies by clarifying their focus, and seek to ease the pressure on administration costs across the sector as a whole over the medium to longer term.

The changes are about addressing the deficiencies in the current governance arrangements, they are not a reflection on the performance of any of the existing governance bodies.

They also acknowledge the need for strategic leadership and coordination by Government, beyond the life of the Taskforce, in the delivery of essential energy services.

The Government has agreed to clarify and enhance the governance arrangements whereby:

- the Coordinator of Energy (the Coordinator), supported by Energy Policy WA, will undertake policy, market development, strategic planning and overall coordination;
- the Economic Regulation Authority (ERA) will undertake economic regulation and price setting, licencing and compliance; and
- the Australian Energy Market Operator (AEMO) will undertake system operation, market operation and associated market administration (e.g. registration, settlement etc.).

1.1 Proposed changes

To give effect to this, as a first step, Government has agreed to:

- transfer responsibility for administration of the Wholesale Electricity Market (WEM) Rules and Gas Services Information (GSI) Rules from the Rule Change Panel (RCP), as well as allocate responsibility for the new rules for the North West Interconnected System, to the Coordinator;
- transfer responsibility for WEM and GSI market development functions, in particular some reviews of a policy or technical nature, from the ERA to the Coordinator; and

- allocate responsibility for the development of future, periodic Whole of System Plans (WOSPs) to the Coordinator.

Government has supported 1 July 2021 as the proposed commencement date for these changes, with this date to be confirmed as part of implementation planning by Energy Policy WA in consultation with the ERA and RCP.

[Note to stakeholders: In the proposed draft rules at appendices A and C we have not replicated changes related to the generator performance standards (Tranche 1 Rules) administrative changes being proposed as part of the Energy Transformation Strategy. These will be incorporated at a later date as necessary to suit the timing of the various rules packages]

1.2 Further review

Over the coming 12 months, Energy Policy WA will also review the energy governance framework more broadly and consider other improvements, including those that may require legislative change.

This will likely consider, for example:

- the development of an objective for the *Electricity Industry Act 2004* (the Act), which will guide the development and operation of all subordinate instruments made under the Act;
- the licensing and exemptions framework, to develop a robust framework for emerging business models and address deficiencies in compliance with exemptions (work has been underway on this for some time¹);
- the allocation of the costs of administering and operating the State's energy markets, including to new business models;
- the arrangements relating to disputes, reviews and compliance matters heard by the Energy Disputes Arbitrator and Electricity Review Board; and
- the change management processes for the various subordinate instruments made under the Act (in particular) to identify opportunities for more consistent and coordinated development of those instruments.

Some further changes may be proposed to the allocation of governance responsibilities as a result of this work, consistent with the general governance approach outlined above.

Planning for this work is underway, including how and when consultation, with both the existing governance bodies and stakeholders more broadly, will occur. More information will be made available in 2021.

¹ See the information on Energy Policy WA's *Review of licensing and exemption regulatory framework* at <https://www.wa.gov.au/organisation/energy-policy-wa/review-of-licensing-and-exemption-regulatory-framework>

2. Transfer of responsibility for administration of the WEM and GSI Rules from the RCP

Amendments to the WEM and GSI Rules are proposed to implement necessary modifications to the rule change and review processes to accommodate the transfer of functions from the RCP to the Coordinator as outlined in section 1.1 above.

Appendix A contains the proposed changes to the WEM Rules and Appendix B contains the proposed changes to the GSI Rules.

There are also some proposed changes to the role and composition of the Market Advisory Committee (MAC) and Gas Advisory Board (GAB) to enable these to operate more independently from the rule maker. It is important to enhance the role of industry participants to inform and influence the decision making by the Coordinator, as doing so will provide greater confidence in both decision making and the fair operation of the sector.

The following proposed changes to the current arrangements for the MAC and the GAB are aimed at achieving this:

- The Minister will appoint independent chairpersons of the MAC and the GAB, who in the opinion of the Minister, must be demonstrably free of conflicts of interest. Currently, these two bodies are not chaired independently from the rule maker.
- It is also proposed that the independent chairperson recommends to the Coordinator the members who should be appointed to the MAC and the GAB. Currently, the RCP appoints members at its discretion.
- It is proposed that the MAC and the GAB must endeavour to provide a consensus position and note any dissenting views when providing advice to the Coordinator on the evolution of the market, and the Coordinator must take these views into account. This is a new requirement.
- It is also proposed that the Coordinator must have regard to any advice received from the MAC and GAB regarding matters concerning the evolution of the WEM Rules.
- It is proposed that the independent chairpersons of the MAC and the GAB may make Rule Change Proposals based on advice received from the MAC and the GAB regarding matters concerning the evolution of the WEM Rules or the GSI Rules.
- It is proposed that the Coordinator must, before commencing the development of a Rule Change Proposal, consult with the MAC and the GAB, respectively, and take into account any advice, comments or objections provided by the MAC and the GAB. All Rule Changes commenced by the Coordinator must be approved by the Minister for Energy.

Protected Provisions will continue to be a feature of the WEM and GSI Rules, meaning the Minister will be responsible for approving certain changes to the rules, including those relating to the functions of the Coordinator.

The funding for the administration of the WEM Rules and the GSI Rules, will continue to be collected from market participants by the AEMO, and will be transferred to the Coordinator.

The proposed amendments also implement a number of consequential changes to facilitate the transfer of functions.

3. Transfer of reviews of a policy or technical nature from the ERA to the Coordinator

Appendix C contains proposed changes to transfer a number of reviews of a policy or technical nature, from the ERA to the Coordinator. In summary, the intent of the proposed changes is to:

- provide for reviews of a technical (power system related) or policy nature to be undertaken by the Coordinator, with reviews of an economic nature, including for setting various prices in the WEM, to be undertaken by the ERA;
- remove the requirement for some price related reviews to be undertaken by AEMO and then approved by the ERA – with the ERA to be responsible for the review and AEMO’s role removed; and
- implement a number of consequential changes to facilitate the transfer of functions.

Other reviews are being proposed and modified as part of the Energy Transformation Strategy. The above principles are also expected to apply to these reviews, that is, reviews of a technical or policy nature will be undertaken by the Coordinator, and reviews of an economic nature will be undertaken by the ERA. The proposed provisions for these have been, or will be, included in draft rules released for consultation by the Taskforce.

3.1 Reviews to be conducted by the ERA

Following the implementation of the proposed changes, the following reviews will be undertaken by the ERA:

- Monitoring market behaviour – The ERA will continue to have responsibility for investigating any market behaviour if it considers that the behaviour has resulted in the market not functioning effectively. It must provide to the Minister a report dealing with the matters identified in its investigations where the ERA considers that any specific events, or systemic behaviour or matters have impacted on the effectiveness of the market.
- Essential System Services (ESS) procurement – The ERA will also review the criteria and processes used by AEMO for the procurement of ESS through the Real-Time Market, the Supplementary ESS Mechanism, and under any contracts entered into by AEMO.
- Network Operator Outages – At least once in every five years, the ERA must conduct an economic study on the impact of Network Operator Outages on the market.
- Energy and reserve capacity prices – At least once in every five years, the ERA must review the methodology for setting the Benchmark Reserve Capacity Price (as well as the Reserve Capacity Price Factors) and the Energy Price Limits.
 - To avoid duplication of functions, the ERA will assume the responsibility, from AEMO, for the annual review of the Benchmark Reserve Capacity Price as well as the values of the Maximum Short Term Energy Market (STEM) Price and Alternative Maximum STEM Price.
- Relevant Level Methodology (RLM) – For each three-year period, beginning with the period commencing on 1 January 2015, the ERA must, by 1 April of the first year of that period, conduct a review of the RLM.

Under section 128 of the Act, every three years the ERA also reviews the operation of the market to assess the extent to which the Market Objectives are being achieved. However, if in the performance of its functions the ERA identifies a market design problem or inefficiency, the ERA may provide to the Coordinator and the Minister a report describing the problem or inefficiency.

3.2 Reviews to be conducted by the Coordinator

Following the implementation of the proposed changes, the following reviews will be undertaken by the Coordinator:

- Monitoring the market – To support its market development role, the Coordinator will be responsible for monitoring the market for design problems or inefficiencies. The Coordinator must provide to the Minister a report at least once in every three years and the report must contain any recommended measures to increase the effectiveness of the market in meeting the Wholesale Market Objectives to be considered by the Minister.
 - As part of its market development role, the Coordinator must also monitor the effectiveness of: (i) the Coordinator’s WEM Rule change process, and ERA, AEMO and Coordinator’s Procedure Change Processes; (ii) the effectiveness of the compliance monitoring and enforcement measures; and (iii) the effectiveness of AEMO in carrying out its functions.
- ESS standards and requirements – At least once in every three years, the Coordinator, with the assistance of AEMO, must carry out a review on the ESS Standards and the basis for setting ESS requirements.
- Outage Planning and Planning Criterion – At least once in every five-year period, starting from 1 July 2021, the Coordinator, with the assistance of AEMO, must conduct a review of the outage planning process and the Planning Criterion (including the process by which AEMO forecasts SWIS peak demand). These two reviews do not need to be done at the same time.

Stakeholder views are sought, in particular, on whether the proposed arrangements regarding the ERA’s economic study of the impact of Network Operator Outages on the market and the Coordinator’s review of the outage planning process would be expected to be efficient and effective. The intent is to separate the economic aspects of this review (to be undertaken by the ERA), from the technical aspects (to be undertaken by the Coordinator), consistent with the Government’s decision on roles and responsibilities.

4. Responsibility for the development of WOSPs

Given the role that the WOSP will play in informing future policy and market evolution in Western Australia, as well as the fact that the South West Interconnected System has just one network to model, the Government has decided that responsibility for developing future periodic WOSPs should be undertaken by the Coordinator.

Government will continue to meet some of the cost of developing the WOSP, with Energy Policy WA's costs to be shared between Government and industry fees, at least initially.

Both AEMO and Western Power have very important roles to play in providing information and expertise in the development of the WOSP and will be required to support the development of WOSPs. The Taskforce is undertaking a separate public consultation on the overall regulatory framework for future WOSPs².

² <https://www.wa.gov.au/government/publications/tranche-3-amending-rules-and-explanatory-memorandum>

5. Drafting instructions – changes to relevant regulations

Appendix D contains the drafting instructions for changes the relevant regulations to give effect the transfer of functions from the RCP to the Coordinator and other related changes.

5.1 Electricity Industry (Rule Change Panel) Regulations

The proposed drafting instructions are to repeal the Electricity Industry (Rule Change Panel) Regulations 2016 with effect as of 1 July 2021, and make such other amendments to regulations under the Act as may be necessary or desirable to provide for the orderly winding up of the RCP.

Despite the repeal, the obligation on members and former members of the panel in relation to confidential information (regulation 34) is to continue to apply.

Energy Policy WA is continuing to liaise with the ERA and RCP Support team on transitional arrangements that may be required to support the orderly transfer of the functions and further provisions may be incorporated in the regulations as they are drafted.

5.2 Electricity Industry (Wholesale Electricity Market) Regulations

5.2.1 WEM Rules may confer functions on Coordinator.

Proposed changes have already been progressed to the Electricity Industry (Wholesale Electricity Market) Regulations 2004 (WEM Regulations) ³ through the transitional arrangement for arbitration of Generator Performance Standards related disputes. The functions that may be conferred on the Coordinator are not confined to the making of Rules as was done in relation to the Panel under regulation 12B. These recent changes also provide for the ability of the Coordinator to recover fees.

5.2.2 Other amendments to the WEM Regulations

It is proposed to amend the WEM Regulations to remove the ability of the WEM Rules to confer functions on the RPC (e.g. under regulation 12B) and make such other changes as are necessary or desirable to reflect the abolition of the RCP.

It is also proposed to amend the WEM Regulations to continue the ability of the Minister to make market rules in relation to the wholesale electricity market until 31 March 2023. This proposed change is not directly related to the transfer of powers to the Coordinator. It is aimed at continuing the ability of the Minister to make rules for six months after the planned commencement of the rules for the new security constrained, economic dispatch energy market so that any necessary amendments identified in the implementation of the new market can be progressed in a timely manner.

The drafting instructions also include some administrative amendments to the WEM Regulations – principally to replace references to System Management with AEMO. This will improve consistency with how AEMO is proposed to be referred to with respect to its other functions under the WEM Rules, with similar amendments to the WEM Rules being developed by the Energy Transformation Taskforce.

³ The Electricity Industry (Wholesale Electricity Market Amendment) Regulations 2020 are available at [https://www.legislation.wa.gov.au/legislation/prod/filestore.nsf/FileURL/mrdoc_43341.pdf/\\$FILE/Electricity%20Industry%20\(Wholesale%20Electricity%20Market\)%20Amendment%20Regulations%202020%20-%20%5B00-00-00%5D.pdf?OpenElement](https://www.legislation.wa.gov.au/legislation/prod/filestore.nsf/FileURL/mrdoc_43341.pdf/$FILE/Electricity%20Industry%20(Wholesale%20Electricity%20Market)%20Amendment%20Regulations%202020%20-%20%5B00-00-00%5D.pdf?OpenElement)

Other amendments also deal with related matters such as the treatment of confidential information by the Coordinator and the requirement for the Coordinator to make available a copy of the WEM Rules.

5.3 Gas Services Information Regulations

5.3.1 Minister to make rules

It is proposed to amend the Gas Services Information Regulations 2012 (GSI Regulations) to give the Minister for Energy an ability to make rules to amend the GSI Rules. It is proposed that the Minister's rule making power commences as soon as practicable after gazettal (i.e. the day after) and continue until a sunset date in line with that proposed under the WEM Regulations (see section 5.2.2 above).

The amendment should be comparable to the relevant portions of regulations 6 and 7 of the WEM Regulations that enable the Minister to make rules in relation to the WEM.

The Gas Services Information Amendment Regulations (No. 3) 2015 might also serve as an example of the type of amendment to the GSI Regulations that is desired.

5.3.2 GSI Rules to confer functions on Coordinator

It is proposed to amend the GSI Regulations to enable the GSI Rules to confer functions on the Coordinator and enable the recovery of fees by the Coordinator for the performance of functions under the Act. The form of these amendments will generally follow and correspond with the comparable amendments made to the WEM Regulations (to the extent relevant or applicable).

The GSI Regulations are to provide that any GSI Rules made, amended or repealed that confer functions on the Coordinator must be approved by the Minister for Energy before they are made.

Other amendments also deal with related matters such as the treatment of confidential information by the Coordinator and the requirement for the Coordinator to make available a copy of the GSI Rules.

6. Next Steps

Energy Policy WA welcomes feedback on the proposed changes the regulatory framework outlined in this consultation paper and its Attachments. Feedback can be submitted in any of the following ways:

1. Email your written submission to submissions@energy.wa.gov.au
2. Contact info@energy.wa.gov.au to arrange a one-on-one discussion
3. Post your written submission to Energy Policy WA at Locked Bag 11, Cloisters Square, WA 6850

Consultation on this paper closes at **5.00pm (AWST), 11 December 2020**. Late submissions may not be considered.

In the interests of transparency and to promote informed discussion, submissions will be made publicly available on www.energy.wa.gov.au unless requested otherwise. Accordingly, stakeholders should clearly specify if the information they provide is confidential and, where possible, should separate confidential information from non-confidential information.

Persons making any claim for confidentiality should familiarise themselves with the provisions of the *Freedom of Information Act 1992* (Western Australia), which imposes obligations on Energy Policy WA in respect to the release of documents.

Following consultation, Energy Policy WA proposes to finalise the proposed amendments to the rules and regulations for consideration by the Minister for Energy in December 2020. Subject to approval, it is proposed that the changes commence from 1 July 2021, with transitional provisions commenced earlier as required.

Appendix A

Draft WEM Rules Amendments– Transfer of Functions from the RCP to the Coordinator

Appendix A

DRAFT WEM RULES AMENDMENTS

TRANSFER FROM RCP TO COE

[Note to stakeholders: In the proposed draft rules at appendices A and C we have not replicated changes related to the generator performance standards (Tranche 1 Rules) administrative changes being proposed as part of the Energy Transformation Strategy. These will be incorporated at a later date as necessary to suit the timing of the various rules packages]

Disclaimer

This copy of the Wholesale Electricity Market Rules is provided in accordance with regulation 8 of the *Electricity Industry (Wholesale Electricity Market) Regulations 2004*. Every attempt has been made to ensure that it is accurate. However, no warranty is given that it is free from error or omission nor as to the accuracy of any information in it. The ~~Economic Regulation Authority, Rule Change Panel~~ Coordinator and each of its officers and employees disclaim any responsibility for, or liability arising from, any act or omission done in reliance on the document or for any consequences of any such act or omission.

1.4. Other rules of interpretation

1.4.1. In these Market Rules, unless the contrary intention appears:

...

- (n) (**amendments**): if the ~~Rule Change Panel~~ Coordinator, AEMO, System Management, the Economic Regulation Authority or a Network Operator has the power to make, prescribe, determine, compile, establish or develop a document, instrument, matter or thing, then the ~~Rule Change Panel~~ Coordinator, AEMO, System Management, the Economic Regulation Authority or the Network Operator, as applicable, also has the power to amend, replace or revoke the whole or part of that document, instrument, matter or thing exercisable in like manner and subject to like conditions (if any);

...

1.4.2. In these Market Rules, unless the contrary intention appears, any notice or confirmation required to be issued by the ~~Rule Change Panel~~ Coordinator, AEMO or the Economic Regulation Authority may be issued by an automated software system employed by the ~~Rule Change Panel~~ Coordinator, AEMO or the Economic Regulation Authority, as applicable.

...

1.5. Subservient Documents

1.5.1. The following documents are subservient to the Market Rules:

- (a) Market Procedures; and
- (b) any other document or instrument issued, made or given by the ~~Rule Change Panel~~Coordinator, AEMO, the Economic Regulation Authority or a Network Operator under the Market Rules.

1.5.2. In the event of conflict between the Market Rules and other documents, then the order of precedence is to be, in the following order:

...

- (dC) any other document or instrument issued, made or given by the ~~Rule Change Panel~~Coordinator under these Market Rules.

...

1.6. Notices

1.6.1. The ~~Rule Change Panel~~Coordinator must develop a Market Procedure which sets out the method by which notices and communications required under, contemplated by or relating to, these Market Rules are to be given to or by the ~~Rule Change Panel~~Coordinator.

...

1.7.3. Where the Economic Regulation Authority ~~or the Rule Change Panel~~ is required by these Market Rules to publish or release a document or information, then:—

- (a) the Economic Regulation Authority must make that document or information available on its web site, in a place which is generally accessible by members of the class of persons entitled to access that document or information given AEMO's determination of its confidentiality status in accordance with clause 10.2; and
- (b) if these Market Rules require that document or information to be published on the Market Web Site—
 - i. the Economic Regulation Authority must promptly notify AEMO when the document or information is published on the Economic Regulation Authority's web site; and
 - ii. AEMO must, at a minimum, promptly publish a link to the relevant area of the Economic Regulation Authority's web site on the Market Web Site; and
 - iii. the Economic Regulation Authority ~~or the Rule Change Panel (as appropriate)~~ is deemed to have published or released the document or information once the Economic Regulation Authority has

published the document or information on its own web site, and has notified AEMO.

1.7.3A. Where the Coordinator is required by these Market Rules to publish or release a document or information, the Coordinator must make that document or information available on the Coordinator's Website, in a place which is generally accessible by members of the class of persons entitled to access that document or information given its confidentiality status in accordance with section 10.2.

...

~~1.14 Transition of functions to AEMO~~

~~1.14.1. On and from the AEMO Transition Date:~~

- ~~(f) the Market Procedure that the IMO developed under clause 1.6.1 prior to the AEMO Transition Date is deemed to be both the Market Procedure—~~
- ~~i. that the Rule Change Panel is required to develop under clause 1.6.1; and~~

...

1.18 [Note to stakeholders: Section 1.18 will remain as is.]

1.18A. Transition of certain IMO Rule Change Panel functions to the Rule Change Panel Coordinator

[Note to stakeholders: The transition from RCP to the Coordinator will be effected by a new rule 1.18A. This will be modelled on existing rule 1.18, which effected the transfer from the IMO to the RCP.]

1.18A.1. On and from the Coordinator Transfer Date:

- (a) where the Coordinator is required to do an act, matter or thing under a provision of these Market Rules, and that act, matter or thing was done by the Rule Change Panel prior to the Coordinator Transfer Date, then the act, matter or thing is deemed to have been done by the Coordinator in accordance with the relevant provision;
- (b) where the Coordinator is required to do an act, matter or thing under a provision of a Market Procedure, and that act, matter or thing was done by the Rule Change Panel prior to the Coordinator Transfer Date, then the act, matter or thing is deemed to have been done by the Coordinator in accordance with the relevant provision;
- (c) notwithstanding the operation of clauses 1.18A.1(a) and 1.18A.1(b), the Coordinator is not liable for any act, matter or thing done by the Rule Change Panel prior to the Coordinator Transfer Date in breach of these Market Rules or any Market Procedure;

- (d) where the Coordinator is required to develop or maintain a Market Procedure, and that Market Procedure was developed or maintained by the Rule Change Panel prior to the Coordinator Transfer Date, then—
- i. the Market Procedure is deemed to have been developed or maintained by the Coordinator in accordance with these Market Rules;
 - ii. a reference to the Rule Change Panel in that Market Procedure that should be a reference to the Coordinator having regard to the Coordinator's functions, powers, rights and obligations under these Market Rules and the other Market Procedures is deemed to be a reference to the Coordinator;
 - iii. the Coordinator may amend the Market Procedure to refer to the Coordinator instead of the Rule Change Panel (where appropriate) and make any necessary consequential amendments without undertaking the Procedure Change Process; and
 - iv. any Market Procedure which is amended by the Coordinator in accordance with this clause 1.18A.1(d) may commence operation on the date and time determined by the Coordinator and published on the Market Web Site;
- (e) where the Coordinator is required to publish or release any information or document (other than a Market Procedure) (including, without limitation, a form, protocol, instrument or other thing) and that information or document was published or released by the Rule Change Panel prior to the Coordinator Transfer Date, then—
- i. the information or document is deemed to have been published or released by the Coordinator in accordance with these Market Rules; and
 - ii. any reference to the Rule Change Panel in that information or document that should be a reference to the Coordinator having regard to the Coordinator's functions, powers, rights and obligations under these Market Rules and the Market Procedures is deemed to be a reference to the Coordinator;
- (f) where a person (including, without limitation, a Rule Participant) is required to provide information to, or do an act, matter or thing for the Coordinator under these Market Rules or a Market Procedure and the person has provided that information to, or done that act, matter or thing for the Rule Change Panel prior to the Coordinator Transfer Date, then the information, act, matter or thing, is deemed to have been provided to, or done for, the Coordinator in accordance with the relevant Market Rules or Market Procedure; and
- (g) if, by operation of this clause 1.18A.1, the Coordinator is deemed to have made a Reviewable Decision that was made by the Rule Change Panel,

then, on and from the Coordinator Transfer Date any application to the Electricity Review Board for a review of the Reviewable Decision that might have been brought or continued by a Rule Participant against the Rule Change Panel may be brought or continued against the Coordinator as if all references to the Rule Change Panel as the relevant decision-maker are references to the Coordinator.

~~[Note: No equivalent is needed for clause 1.18.2.]~~

~~1.18A.23.~~ On and from the ~~Rule Change Panel~~Coordinator Transfer Date:—

- (a) any Rule Change Proposal that has, prior to the ~~Rule Change Panel~~Coordinator Transfer Date, been developed by or submitted to the ~~IMORule Change Panel~~ (and in respect of which the rule change process under ~~clause sections 2.4, and clauses 2.5 to 2.8.13~~ is not, as at the ~~Rule Change Panel~~Coordinator Transfer Date, complete) will be deemed to have been developed by or submitted to the ~~Rule Change Panel~~Coordinator; and
- (b) notwithstanding any other provision of these Market Rules, a Market Procedure or any document referred to in these Market Rules or a Market Procedure (including a Draft Rule Change Report), the normal timeframes for the ~~Rule Change Panel~~Coordinator or any other person to do any act, matter or thing in relation to a Rule Change Proposal referred to in clause 1.18A.23(a) (including any extended timeframe determined by the ~~IMORule Change Panel~~ under clause 2.5.10 in respect of any such proposal) will be automatically extended for such period as determined by the ~~Rule Change Panel~~Coordinator (which determination may be made at a date after the date of the expiry of the normal, or previously extended, timeframe).

~~1.18A.34.~~ The ~~Rule Change Panel~~Coordinator must publish a notice of the extended timeframe(s) determined in accordance with clause 1.18A.23(b), and must update any information already published in accordance with clause 2.5.7(f) (if applicable).

1.18A.4. Notwithstanding clause 2.24.6A, the date by which the Coordinator must notify AEMO of the dollar amount that the Coordinator may recover under clause 2.24.5B in the Financial Year beginning on 1 July 2021, is 15 July 2021.

1.19. Amendments to Market Procedures to reflect transfer of functions

1.19.1. In addition to the amendments to Market Procedures referred to in clauses 1.14.1, 1.16.1, 1.16.2, 1.17.1, 1.18.1 ~~and~~ 1.18.2 ~~and~~ 1.18A.1, AEMO, System Management, the Economic Regulation Authority or the ~~Rule Change Panel~~Coordinator (as applicable) (each a **Transferee**) may make the minimum necessary amendments to a Market Procedure required to be developed or maintained by the Transferee to:—

- (a) reflect the transfer of functions, powers, rights and obligations from the IMO, Western Power or AEMO or the Rule Change Panel to the Transferee or another Transferee; or
- (b) maintain consistency between the Market Procedure and these Market Rules, without undertaking the Procedure Change Process.

...

1.19.3. Until such time as the relevant Transferee makes the amendments referred to in clause 1.19.1, any reference in any Market Procedure:—

...

- (d) ... ; ~~and~~
- (e) ... ; and
- (f) to the IMO, AEMO or Rule Change Panel that should be a reference to the Coordinator having regard to the Coordinator's functions, powers, rights and obligations under these Market Rules and the other Market Procedures is deemed to be a reference to the Coordinator.

...

2.1A. Australian Energy Market Operator

...

2.1A.2 ...

...

- (IA) to contribute to the development and improve the effectiveness of the operation and administration of the Wholesale Electricity Market, by:

...

- iii. providing information to the ~~Rule Change Panel~~Coordinator as required to support the ~~Rule Change Panel~~Coordinator's functions under the Market Rules; and

...

2.2A. The Economic Regulation Authority

2.2A.1. The following functions are conferred on the Economic Regulation Authority under these Market Rules:—

...

(bA) ~~[blank]to provide the RCP Secretariat Support Services to the Rule Change Panel in accordance with the Panel Regulations;~~

(bB) to contribute to the development and improve the effectiveness of the operation and administration of the Wholesale Electricity Market, by developing Rule Change Proposals;

...

2.2B. [Blank]Rule Change Panel

~~2.2B.1. The Rule Change Panel is conferred functions in respect of the Wholesale Electricity Market under the WEM Regulations and the Panel Regulations.~~

~~2.2B.2. The WEM Regulations also provide for the Market Rules to confer functions on the Rule Change Panel. Subject to clause 2.2B.3, the functions conferred on the Rule Change Panel are to—~~

~~(a) administer these Market Rules;~~

~~(b) develop amendments to these Market Rules and replacements for them;(c) — develop Market Procedures, and amendments and replacements for them, where required by these Market Rules;~~

~~(d) do anything that the Rule Change Panel determines to be conducive or incidental to the performance of the functions set out in this clause 2.2B.2; and~~

~~(e) carry out any other functions conferred, and perform any obligations imposed, on it under these Market Rules.~~

~~2.2B.3. Clause 2.2B.2(b) of these Market Rules commences operation on and from 08:00AM on 3 April 2017, in accordance with regulation 2(b) of the *Electricity Industry (Wholesale Electricity Market) Amendment Regulations (No.2) 2016*.~~

...

2.2D. Coordinator of Energy

2.2D.1. The Coordinator is conferred functions in respect of the Wholesale Electricity Market under the WEM Regulations.

2.2D.2. The WEM Regulations also provide for the Market Rules to confer functions on the Coordinator. Subject to clause 2.2D.3, the functions conferred on the Coordinator are to:

(a) administer these Market Rules;

(b) develop amendments to these Market Rules and replacements for them;

- (c) develop Market Procedures, and amendments and replacements for them, where permitted or required by these Market Rules;
- (d) consider and, in the Coordinator's discretion and in consultation with the Market Advisory Committee, progress the development of the Wholesale Electricity Market and these Market Rules;
- (e) provide MAC Secretariat services to the Market Advisory Committee and support its independent Chair;
- (f) undertake reviews and consultation as required under these Market Rules;
- (g) do anything that the Coordinator determines to be conducive or incidental to the performance of the functions set out in this clause 2.2D.2; and
- (h) carry out any other functions conferred, and perform any obligations imposed, on it under these Market Rules.

...

2.3. The Market Advisory Committee

2.3.1. The Market Advisory Committee is a committee of industry representatives convened by the ~~Rule Change Panel~~Coordinator:

- (a) to advise the ~~Rule Change Panel~~Coordinator regarding Rule Change Proposals;
- (b) to advise the ~~Rule Change Panel~~Coordinator, AEMO ~~(including in its capacity as System Management)~~ and the Economic Regulation Authority regarding Procedure Change Proposals;
- (c) to advise the Coordinator, AEMO and the Economic Regulation Authority on the development of Rule Change Proposals where requested by the Coordinator, AEMO or the Economic Regulation Authority in accordance with clauses 2.5.1A or 2.5.1B or 2.5.1C; ~~and~~
- (d) to advise the Coordinator ~~Rule Change Panel~~ regarding matters concerning, and the Coordinator's plans for, the evolution of the Wholesale Electricity Market and these Market Rules; and
- (e) to provide assistance to the Coordinator in its monitoring role under clauses 2.16.13A and 2.16.13B.

2.3.1A. The Market Advisory Committee is a non-voting committee.

2.3.1B. The Market Advisory Committee must endeavour where practicable to reach a consensus position on any issue before it.

2.3.1C If, after allowing a reasonable time for discussion, the independent Chair of the Market Advisory Committee determines that a consensus position either will not be achieved, or is unlikely to be achieved within a time which is reasonable in the circumstances, then the independent Chair must provide advice to the Coordinator

which reflects any majority view and which includes or is accompanied by the dissenting views.

2.3.2. The ~~Rule Change Panel~~Coordinator must develop and publish a constitution for the Market Advisory Committee detailing:

- (a) the process for convening the Market Advisory Committee;
- (b) the terms of reference of the Market Advisory Committee;
- (c) the membership terms of Market Advisory Committee members;
- (d) the process for appointing and replacing Market Advisory Committee members by the ~~Rule Change Panel~~Coordinator;
- (e) the conduct of Market Advisory Committee meetings;
- (f) the role of the ~~RCP-MAC~~ Secretariat in respect of the Market Advisory Committee;
- (g) the interaction between the Market Advisory Committee and the ~~Rule Change Panel~~Coordinator;
- (h) the ability of the Market Advisory Committee to delegate any of the roles described in clause 2.3.1 to a Working Group; and
- (i) the governance arrangements to apply between the Market Advisory Committee and any Working Groups where the Market Advisory Committee delegates any of the roles described in clause 2.3.1 to a Working Group.

2.3.3. The constitution of the Market Advisory Committee must be consistent with the Market Rules.

2.3.4. The ~~Rule Change Panel~~Coordinator must invite public submissions when developing or amending the constitution of the Market Advisory Committee.

2.3.5. Subject to clause 2.3.13, the Market Advisory Committee must comprise:

- (a) at least ~~three~~six and not more than ~~eight~~four members representing ~~Market Generators~~Participants, excluding Synergy;
- (b) at least one member representing Contestable Customers;
- (c) at least one and not more than two members representing Network Operators, of whom one must represent Western Power;
- (d) ~~[blank]at least three and not more than four members representing Market Customers;~~
- (e) at least two~~one~~ members nominated by the Minister to represent small-use consumers;
- (f) ~~[blank]one member representing System Management;~~
- (g) ~~one~~two members representing AEMO;

- (h) one member representing Synergy; and
 - (i) an independent Chairperson, who must be a person to be appointed by the chairperson of the Rule Change Panel/Minister under clause 2.3.8A.
- 2.3.5A. Subject to clause 2.3.13, when appointing or removing members of the Market Advisory Committee of the class described in clause 2.3.5(a), the Rule Change Panel/Coordinator must use its reasonable endeavours to ensure equal representation of Market Generators and Market Customers.
- 2.3.5B The same organisation cannot be represented by more than one member on the Market Advisory Committee simultaneously.
- 2.3.5C Candidates for appointment under clause 2.3.5(c), (g) and (h) may be proposed to the Coordinator by Western Power, AEMO and Synergy respectively.
- 2.3.6. The Minister may appoint a representative to attend Market Advisory Committee meetings as an observer.
- 2.3.7. The Economic Regulation Authority may appoint a representative to attend Market Advisory Committee meetings as an observer.
- 2.3.7A The Coordinator or the independent Chair of the Market Advisory Committee may invite a person to attend Market Advisory Committee meetings as an observer, either for a specified meeting or meetings or until further notice.
- 2.3.8. The ~~Rule Change Panel~~Coordinator may appoint and remove members of the Market Advisory Committee in consultation with the independent Chair appointed in accordance with clause 2.3.8A.
- 2.3.8A. The Minister must appoint an independent Chair of the Market Advisory Committee, who in the opinion of the Minister:
- (a) is free from any business or other relationship that could materially interfere with the independent exercise of the independent Chair's judgment; and
 - (b) has the skills and experience necessary to carry out the responsibilities and functions of the independent Chair of the Market Advisory Committee.
- 2.3.8B. The Minister may remove an independent Chair of the Market Advisory Committee at any time in the following circumstances:
- (a) the person becomes an undischarged bankrupt; or
 - (b) the person becomes of unsound mind or his or her estate is liable to be dealt with in any way under law relating to mental health; or
 - (c) in the Minister's opinion the person no longer adequately meets the criterion in clause 2.3.8A.

- 2.3.9. The ~~Rule Change Panel~~Coordinator must annually review the composition of the Market Advisory Committee in consultation with the independent Chair of the Market Advisory Committee and may remove and appoint members following the review.
- 2.3.10. When appointing and removing members of the Market Advisory Committee, the ~~Rule Change Panel~~Coordinator must consult with the independent Chair of the Market Advisory Committee, and take nominations from Rule Participants and industry groups, that it considers relevant to the Wholesale Electricity Market, and, if practicable, must choose members from persons nominated.
- 2.3.11. The ~~Rule Change Panel~~Coordinator may remove a member of the Market Advisory Committee at any time in the following circumstances:
- (a) the person becomes an undischarged bankrupt;
 - (b) the person becomes of unsound mind or his or her estate is liable to be dealt with in any way under law relating to mental health; or
 - (c) an event specified for this purpose in the constitution for the Market Advisory Committee occurs; or
 - (d) in the ~~Rule Change Panel~~Coordinator's opinion the person no longer adequately represents the person or class of persons that they were appointed to represent in accordance with clause 2.3.5.
- 2.3.12. A member of the Market Advisory Committee may resign by giving notice to the ~~Rule Change Panel~~Coordinator in writing.
- 2.3.13. Where a position on the Market Advisory Committee is vacant at any time, the ~~Rule Change Panel~~Coordinator must use its reasonable endeavours to appoint a person to fill the position, but the Market Advisory Committee may continue to perform its functions under this clause 2.3 despite any vacancy.
- 2.3.14. [Blank]
- 2.3.15. The ~~RCP~~MAC Secretariat must convene the Market Advisory Committee:
- (a) on any occasion where these Market Rules require a meeting to discuss a Rule Change Proposal;
 - (aA) on any occasion where these Market Rules require a meeting to discuss a Procedure Change Proposal;
 - (b) [Blank]; and
 - (c) on any occasion when ~~two or more members~~the independent Chair of the Market Advisory Committee hasve informed the ~~RCP~~MAC Secretariat in writing that ~~they~~she or he wishes to bring a matter regarding, the evolution of these Market Rules or the operation of these Market Rules before the Market Advisory Committee for discussion.

- 2.3.16. Subject to ~~its~~ her or his obligations of confidentiality under these Rules and otherwise ~~and the Panel Regulations~~, the ~~Rule Change Panel~~ Coordinator must use reasonable endeavours to provide the members of the Market Advisory Committee any information in its ~~the~~ Coordinator's possession obtained in the course of performing a function under these Market Rules that is pertinent to the issues being addressed by the Market Advisory Committee.
- 2.3.17. The Market Advisory Committee may:
- (a) establish one or more Working Groups comprising Representatives of Rule Participants and other interested ~~stakeholders~~ persons, to assist the Market Advisory Committee in advising the ~~Rule Change Panel~~ Coordinator, Economic Regulation Authority and AEMO on any of the matters listed in clause 2.3.1 of these Market Rules; and
 - (b) disband any Working Groups where it considers that the Working Group is no longer required, or will no longer be required, to assist the Market Advisory Committee in advising the ~~Rule Change Panel~~ Coordinator, Economic Regulation Authority and AEMO on any of the matters listed in clause 2.3.1 of these Market Rules.

Market Documents

2.4. Market Rules made by the Rule Change Panel Coordinator

- 2.4.1. The ~~Rule Change Panel~~ Coordinator:
- (a) is responsible for maintaining and publishing the Market Rules; and
 - (b) is responsible for ensuring the development of amendments of, and replacements for, the Market Rules; and
 - (c) may make amending rules (as defined in the Regulations) ("**Amending Rules**") in accordance with this Chapter.
- 2.4.1A. ~~[blank] This clause 2.4, clauses 2.5 to 2.8.13 (inclusive) and clause 3.8.4 of these Market Rules commence on and from 08:00AM on 3 April 2017, being the date on which the Rule Change Panel is conferred the function to develop amendments of and replacements for these Market Rules in accordance with regulation 2(b) of the Electricity Industry (Wholesale Electricity Market) Amendment Regulations (No.2) 2016.~~
- 2.4.2. The ~~Rule Change Panel~~ Coordinator must not make Amending Rules unless it is satisfied that the Market Rules, as proposed to be amended or replaced, are consistent with the Wholesale Market Objectives.
- 2.4.3. In deciding whether ~~or not~~ to make Amending Rules, the ~~Rule Change Panel~~ Coordinator must have regard to the following:
- (a) any applicable statement of policy principles given to the ~~Rule Change Panel~~ Coordinator under clause 2.5.2;

- (aA) any views expressed by the Market Advisory Committee regarding the development of the Wholesale Electricity Market or these Market Rules;
 - (b) the practicality and cost of implementing the Rule Change Proposal;
 - (c) the views expressed in any submissions on the Rule Change Proposal;
 - (d) the views expressed by the Market Advisory Committee where the Market Advisory Committee met to consider the Rule Change Proposal; ~~and~~
 - (dA) in connection with clauses 2.4.3(aA) and 2.4.3(d), whether the advice from the Market Advisory Committee reflects a consensus view or a majority view, and, if the latter, any dissenting views included in or accompanying the advice;
 - (e) any technical studies that the ~~Rule Change Panel~~Coordinator considers are necessary to assist in assessing the Rule Change Proposal.
- 2.4.3A. Without limiting clause 2.4.3, in deciding whether or not to make Amending Rules, the ~~Rule Change Panel~~Coordinator may request the ~~RCP Secretariat~~ to seek advice, and the ~~Rule Change Panel~~Coordinator may have regard to that advice, from any person that the ~~Rule Change Panel~~Coordinator considers is appropriate to assist it in assessing the relevant Rule Change Proposal.
- 2.4.4. The ~~Rule Change Panel~~Coordinator must maintain on the ~~Market Web Site~~Coordinator's website a Rule Change Proposal form which must include:
- (a) contact details for proposing rule changes; and
 - (b) information that must be provided in proposing a change, including:
 - i. the name of the person submitting the Rule Change Proposal, and where relevant, details of the organisation that person represents;
 - ii. the issue to be addressed;
 - iii. the degree of urgency of the proposed change;
 - iv. any proposed specific changes to particular rules;
 - v. a description of how the rule change would allow the Market Rules to better address the Wholesale Market Objectives; and
 - vi. any identifiable costs and benefits of the change.

2.5. Rule Change Proposals

- 2.5.1. Any person may make a Rule Change Proposal by completing a Rule Change Proposal form and submitting it to the ~~Rule Change Panel~~Coordinator.
- 2.5.1A. AEMO must, before commencing the development of a Rule Change Proposal or providing material support or assistance to another party to develop a Rule Change Proposal, consult with the Market Advisory Committee on:

- (a) the matters to be addressed by the Rule Change Proposal and if applicable the nature and scope of the support or assistance requested by the other party;
- (b) what options exist to resolve the matters to be addressed by the Rule Change Proposal;
- (c) AEMO's estimated costs of developing the Rule Change Proposal or providing the support or assistance requested by the other party;
- (d) whether and when AEMO should develop the Rule Change Proposal or if AEMO should provide the support or assistance requested by the other party; and
- (e) whether and how the Market Advisory Committee will be consulted during the development of the Rule Change Proposal,

and take into account any advice, comments or objections provided by any member or observer of the Market Advisory Committee in deciding whether, when and how to develop the Rule Change Proposal or provide material support or assistance to another party to develop the Rule Change Proposal.

2.5.1B. The Economic Regulation Authority must, before commencing the development of a Rule Change Proposal or providing material support or assistance to another party to develop a Rule Change Proposal, consult with the Market Advisory Committee on:

- (a) the matters to be addressed by the Rule Change Proposal and if applicable the nature and scope of the support or assistance requested by the other party;
- (b) what options exist to resolve the matters to be addressed by the Rule Change Proposal;
- (c) the Economic Regulation Authority's estimated costs of developing the Rule Change Proposal or providing the support or assistance requested by the other party;
- (d) whether and when the Economic Regulation Authority should develop the Rule Change Proposal or if the Economic Regulation Authority should provide the support or assistance requested by the other party; and
- (e) whether and how the Market Advisory Committee will be consulted during the development of the Rule Change Proposal,

and take into account any advice, comments or objections provided by any member or observer of the Market Advisory Committee in deciding whether, when and how to develop the Rule Change Proposal or provide material support or assistance to another party to develop the Rule Change Proposal.

2.5.1C. The Coordinator must, before commencing the development of a Rule Change Proposal or providing material support or assistance to another party to develop a Rule Change Proposal, consult with the Market Advisory Committee on:

- (a) the matters to be addressed by the Rule Change Proposal and if applicable the nature and scope of the support or assistance requested by the other party;
- (b) what options exist to resolve the matters to be addressed by the Rule Change Proposal;
- (c) the Coordinator's estimated costs to be recovered through Coordinator Fees of developing the Rule Change Proposal or providing the support or assistance requested by the other party;
- (d) whether and when the Coordinator should develop the Rule Change Proposal or if the Coordinator should provide the support or assistance requested by the other party; and
- (e) whether and how the Market Advisory Committee will be consulted during the development of the Rule Change Proposal,
- and take into account any advice, comments or objections provided by any member or observer of the Market Advisory Committee in deciding whether, when and how to develop the Rule Change Proposal or provide material support or assistance to another party to develop the Rule Change Proposal.
- 2.5.2. The Minister may issue a statement of policy principles to the ~~Rule Change Panel~~Coordinator with respect to the development of the market. The statement of policy principles must not be inconsistent with the Wholesale Market Objectives. Before giving a statement of policy principles, the Minister may provide a draft of the proposed statement to the ~~Rule Change Panel~~Coordinator and seek the ~~Rule Change Panel~~Coordinator's views on it.
- ~~2.5.3. The Rule Change Panel must have regard to any statement of policy principles given by the Minister in making Amending Rules in accordance with this Chapter.~~
- 2.5.3A The Coordinator must have regard to any advice received from the Market Advisory Committee regarding the evolution of the Wholesale Electricity Market or these Market Rules.
- 2.5.3B The independent Chair of the Market Advisory Committee may develop and submit Rule Change Proposals based on advice received from the Market Advisory Committee regarding the development of the Wholesale Electricity Market or these Market Rules.
- 2.5.4. Where the ~~Rule Change Panel~~Coordinator considers that a change to the Market Rules is:—
- (a) ~~required to correct a manifest error in the Market Rules; or~~
- (b) ~~of a minor or procedural nature,~~
- the ~~Rule Change Panel~~Coordinator may develop a Rule Change Proposal and must publish it in accordance with clause 2.5.7.

- 2.5.5. Where necessary, the ~~Rule Change Panel~~Coordinator may contact the person submitting a Rule Change Proposal and request clarification of any aspect of the Rule Change Proposal. Any clarification received is to be deemed to be part of the Rule Change Proposal.
- 2.5.6. Within five Business Days of the later of:
- (a) receiving the Rule Change Proposal; and
 - (b) any clarification under clause 2.5.5,
- the ~~Rule Change Panel~~Coordinator must:
- (c) decide whether or not to progress the Rule Change Proposal any further; and
 - (d) notify the person who submitted the Rule Change Proposal whether or not the ~~Rule Change Panel~~Coordinator will progress the Rule Change Proposal any further.
- 2.5.7. When it has developed a Rule Change Proposal, or within seven Business Days of receiving a Rule Change Proposal under clause 2.5.1, the ~~Rule Change Panel~~Coordinator must publish notice of the Rule Change Proposal on the ~~Market Web Site~~Coordinator's Website. The notice must include:
- (a) the date that the Rule Change Proposal was submitted, if applicable;
 - (b) the name, and where relevant, the organisation, of the person who made the Rule Change Proposal;
 - (c) details of the Rule Change Proposal, including relevant references to clauses of the Market Rules and any proposed specific changes to those clauses;
 - (d) the description of how the rule change would allow the Market Rules to better address the Wholesale Market Objectives given by the person submitting the proposed rule change;
 - (e) whether the Rule Change Proposal will be progressed and the reason why the Rule Change Proposal will or will not be progressed; and
 - (f) if the Rule Change Proposal will be progressed further:
 - i. whether the Rule Change Proposal is to be subject to the Fast Track Rule Change Process in accordance with clause 2.5.9 and the reasons for this decision;
 - ii. if the Rule Change Proposal is subject to the Fast Track Rule Change process, and the Rule Change Proposal did not include proposed specific changes to clauses, the ~~Rule Change Panel~~Coordinator's proposed Amending Rules to implement the Rule Change Proposal; and

- iii. if the Rule Change is not subject to the Fast Track Rule Change process, a call for submissions in relation to the Rule Change Proposal. The due date for submissions must be:
 - 1. 30 Business Days after the notification; or
 - 2. if a longer timeframe is determined in accordance with clause 2.5.10, at a time that is consistent with that timeframe.
- 2.5.8. Where a Rule Change Proposal that will be progressed relates to a Protected Provision the ~~Rule Change Panel~~Coordinator must notify the Minister at the same time as it gives the notice described in clause 2.5.7.
- 2.5.8A. All rule changes resulting from a Rule Change Proposal initiated by the Coordinator must be approved by the Minister.
- 2.5.9. The ~~Rule Change Panel~~Coordinator may subject a Rule Change Proposal to the Fast Track Rule Change Process if, in its opinion, the Rule Change Proposal:
 - (a) is of a minor or procedural nature; or
 - (b) is required to correct a manifest error; or
 - (c) is urgently required and is essential for the safe, effective and reliable operation of the market or the SWIS.
- 2.5.10. Subject to clause 2.5.12, the ~~Rule Change Panel~~Coordinator may at any time after deciding to progress a Rule Change Proposal decide to extend the normal timeframe for processing Rule Change Proposals. If the ~~Rule Change Panel~~Coordinator decides to do so, then it may modify the times and time periods under ~~clauses sections~~ 2.6 or 2.7 in respect of the Rule Change Proposal and publish details of the modified times and time periods.
- 2.5.11. If a Rule Change Proposal was subject to the Fast Track Rule Change Process, and the ~~Rule Change Panel~~Coordinator decides to extend the timeframe, it must either:
 - (a) extend the timeframe by no more than 15 Business Days; or
 - (b) reclassify the Rule Change Proposal as not being subject to the Fast Track Rule Change Process, and must progress it in accordance with ~~clause~~ section 2.7.
- 2.5.12. The ~~Rule Change Panel~~Coordinator must publish a notice of an extension determined in accordance with clause 2.5.10, and must update any information already published in accordance with clause 2.5.7(f).
- 2.5.13. A notice of extension must include:
 - (a) the reasons for the proposed extension;
 - (b) the views of any Rule Participants consulted on the extension;

- (c) the proposed length of any extension; and
 - (d) the proposed work program.
- 2.5.14. A Rule Change Proposal that the ~~Rule Change Panel~~Coordinator decides is subject to the Fast Track Rule Change Process is to be progressed in accordance with ~~clause section 2.6~~, and ~~clause section 2.7~~ does not apply.
- 2.5.15. A Rule Change Proposal that the ~~Rule Change Panel~~Coordinator decides is not subject to the Fast Track Rule Change Process is to be progressed in accordance with ~~clause section 2.7~~, and ~~clause section 2.6~~ does not apply.

2.6. Fast Track Rule Change Process

- 2.6.1. Within five Business Days of publishing the notice referred to in clause 2.5.7, the ~~Rule Change Panel~~Coordinator must notify those Rule Participants that it considers have an interest in the Rule Change Proposal of its intention to consult with them concerning the Rule Change Proposal.
- 2.6.2. Within five Business Days of publishing the notice referred to in clause 2.5.7, a Rule Participant may notify the ~~Rule Change Panel~~Coordinator that they wish to be consulted concerning the Rule Change Proposal.
- 2.6.3. Within 15 Business Days of publishing the notice referred to in clause 2.5.7, the ~~Rule Change Panel~~Coordinator must have completed such consultation as the ~~Rule Change Panel~~Coordinator considers appropriate in the circumstances with the Rule Participants described in clauses 2.6.1 and 2.6.2.
- 2.6.3A. Within 20 Business Days of publishing the notice referred to in clause 2.5.7, the ~~Rule Change Panel~~Coordinator must:
- (a) decide whether to:
 - i. accept the Rule Change Proposal in the proposed form; or
 - ii. accept the Rule Change Proposal in a modified form; or
 - iii. reject the Rule Change Proposal; and
 - (b) prepare and publish a Final Rule Change Report on the Rule Change Proposal.
- 2.6.4. The Final Rule Change Report must contain:
- (a) the information in the notice of the Rule Change Proposal under clause 2.5.7;
 - (b) any analysis of the Rule Change Proposal that the ~~Rule Change Panel~~Coordinator has carried out;
 - (c) the identities of Rule Participants that were consulted;

- (d) information on any objections expressed by the Rule Participants consulted, and the ~~Rule Change Panel~~Coordinator's response to the objections;
- (e) the ~~Rule Change Panel~~Coordinator's assessment of the Rule Change Proposal in light of clauses 2.4.2 and 2.4.3;
- (f) the decision made by the ~~Rule Change Panel~~Coordinator under clause 2.6.3A(a) on the Rule Change Proposal;
- (g) the ~~Rule Change Panel~~Coordinator's reasons for the decision; and
- (h) if the ~~Rule Change Panel~~Coordinator decides to make Amending Rules arising from the Rule Change Proposal:
 - i. the wording of the Amending Rules; and
 - ii. the proposed date and time that the Amending Rules will commence.

2.7. Standard Rule Change Process

- 2.7.1. Any person may make a submission to the ~~Rule Change Panel~~Coordinator relating to a Rule Change Proposal within the time frame specified under clause 2.5.7(f)(iii).
- 2.7.2. Subject to its obligations of confidentiality under these Rules and ~~the Panel Regulations otherwise~~, the ~~Rule Change Panel~~Coordinator must release to the public all information submitted under clause 2.7.1 ~~to the public~~.
- 2.7.3. The ~~Rule Change Panel~~Coordinator may hold public forums or workshops concerning a Rule Change Proposal.
- 2.7.4. Within one Business Day after the publication of a notice of a Rule Change Proposal in accordance with clause 2.5.7, the ~~Rule Change Panel~~Coordinator must notify the members and observers of the Market Advisory Committee as to whether the ~~Rule Change Panel~~Coordinator considers the Rule Change Proposal requires convening a meeting of the Market Advisory Committee and the reasons why.
- 2.7.5. The ~~Rule Change Panel~~MAC Secretariat must convene a meeting of the Market Advisory Committee concerning a Rule Change Proposal before the due date for submissions in relation to the Rule Change Proposal if:
 - (a) the ~~Rule Change Panel~~Coordinator considers that advice on the Rule Change Proposal is required from the Market Advisory Committee; or
 - (b) ~~two or more members~~the independent Chair of the Market Advisory Committee ~~have~~has informed the ~~Rule Change Panel~~Coordinator in writing that ~~they~~she or he considers that advice on the Rule Change Proposal is required from the Market Advisory Committee.

2.7.6. Within 20 Business Days following the close of submissions, the ~~Rule Change Panel~~Coordinator must:

- (a) prepare and publish a Draft Rule Change Report on the Rule Change Proposal; and
- (b) publish a deadline for further submissions in relation to the Rule Change Proposal, where that deadline must be at least 20 Business Days after the date the deadline is published.

2.7.7. The Draft Rule Change Report must contain:

- (a) the information in the notice of the Rule Change Proposal under clause 2.5.7;
- (b) all submissions received before the due date for submissions, a summary of those submissions, and the ~~Rule Change Panel~~Coordinator's response to issues raised in those submissions (and the report may in the Coordinator's discretion contain any or all of this material in respect of a submission received after the due date);
- (c) a summary of any public forums or workshops held;
- (d) a summary of the views expressed by the members of the Market Advisory Committee where the Market Advisory Committee met to consider the Rule Change Proposal and, if the Market Advisory Committee has delegated its role to consider the Rule Change Proposal to a Working Group under clause 2.3.17(a), a summary of the views expressed by that Working Group;
- (e) the ~~Rule Change Panel~~Coordinator's assessment of the Rule Change Proposal in light of clauses 2.4.2 and 2.4.3;
- (f) a proposal as to whether the Rule Change Proposal should be accepted in the form proposed. The proposal may be that:
 - i. the Rule Change Proposal be accepted in the proposed form; or
 - ii. the Rule Change Proposal be accepted in a modified form; or
 - iii. the Rule Change Proposal be rejected; and
- (g) if the ~~Rule Change Panel~~Coordinator proposes to make Amending Rules arising from the Rule Change Proposal:
 - i. the wording of the proposed Amending Rules; and
 - ii. a proposed date and time the proposed Amending Rules will commence.

2.7.7A. Within 20 Business Days of the deadline specified under clause 2.7.6(b), the ~~Rule Change Panel~~Coordinator must:

- (a) decide whether to:
 - i. accept the Rule Change Proposal in the proposed form; or

- ii. accept the Rule Change Proposal in a modified form; or
 - iii. reject the Rule Change Proposal; and
- (b) prepare and publish a Final Rule Change Report on the Rule Change Proposal.

2.7.8. The Final Rule Change Report must contain:

- (a) the information in the Draft Rule Change Report;
- (b) all submissions received before the deadline for submissions specified in relation to the relevant Draft Rule Change Report under clause 2.7.6(b), a summary of those submissions, and the ~~Rule Change Panel~~Coordinator's response to the issues raised in those submissions (and the report may in the Coordinator's discretion contain any or all of this material in respect of a submission received after the deadline);
- (c) any further analysis or modification to the Rule Change Proposal;
- (d) the ~~Rule Change Panel~~Coordinator's assessment of the Rule Change Proposal in light of clauses 2.4.2 and 2.4.3;
- (e) the decision made by the ~~Rule Change Panel~~Coordinator under clause 2.7.7A(a) on the Rule Change Proposal;
- (f) the ~~Rule Change Panel~~Coordinator's reasons for the decision; and
- (g) if the ~~Rule Change Panel~~Coordinator decides to make Amending Rules arising from the Rule Change Proposal:
 - i. the wording of the Amending Rules; and
 - ii. the proposed date and time that the Amending Rules will commence.

2.8. **Review of ~~Rule Change Panel~~Coordinator Rule Amendment Decisions, Ministerial Approval and Coming into Force of Rule Amendments**

- 2.8.1. A Rule Participant may apply to the Electricity Review Board for a Procedural Review of a decision by the ~~Rule Change Panel~~Coordinator contemplated by clause 2.5.6(c), 2.5.9, 2.6.3A(a) or 2.7.7A(a) within the time specified in regulation 44 of the WEM Regulations, on the grounds that the ~~Rule Change Panel~~Coordinator has not followed the rule change process set out in ~~clauses~~ sections 2.5, 2.6 and 2.7.
- 2.8.2. Following an application for a Procedural Review under clause 2.8.1, if the Electricity Review Board finds that the ~~Rule Change Panel~~Coordinator has not followed the rule change process set out in ~~clauses~~ sections 2.5, 2.6 and 2.7 the Electricity Review Board may set aside the ~~Rule Change Panel~~Coordinator's decision and direct the ~~Rule Change Panel~~Coordinator to reconsider the relevant Rule Change Proposal in accordance with the process set out in ~~clauses~~ sections 2.5, 2.6 and 2.7.

- 2.8.3. The ~~Rule Change Panel~~Coordinator must submit a Rule Change Proposal, together with the Final Rule Change Report, to the Minister for approval where Amending Rules in the Final Rule Change Report:
- (a) ~~_____~~ amend or replace a Protected Provision, or, in the ~~Rule Change Panel~~Coordinator's opinion, would have the effect of changing the meaning or effect of one or more Protected Provisions;
 - (b) ~~_____~~ are subject to the requirements in clause 2.5.8A.
- 2.8.4. Subject to clause 2.8.6, the Minister must consider the Rule Change Proposal within 20 Business Days and decide whether the Market Rules, as amended or replaced by the proposed Amending Rules, are consistent with the Wholesale Market Objectives.
- 2.8.5. Where a Rule Change Proposal is submitted under clause 2.8.3, the Minister may:
- (a) approve the proposed Amending Rules;
 - (b) not approve the proposed Amending Rules; or
 - (c) send back to the ~~Rule Change Panel~~Coordinator the proposed Amending Rules with any revisions the Minister considers are required to ensure the Market Rules, as amended or replaced by the proposed Amending Rules, are consistent with the Wholesale Market Objectives.
- 2.8.6. The Minister may extend the time for a decision on a Rule Change Proposal under clause 2.8.4 by a further period of up to 20 Business Days by notice to the ~~Rule Change Panel~~Coordinator. The Minister may extend the time for a decision in respect of a Rule Change Proposal more than once.
- 2.8.7. The ~~Rule Change Panel~~Coordinator must publish notice of any extension under clause 2.8.6 on the Market Web Site.
- 2.8.8. Where the Minister does not make a decision by the original date determined in accordance with clause 2.8.4, or by an extended date determined in accordance with clause 2.8.6, as applicable, then the proposed Amending Rules will be taken to have been approved by the Minister.
- 2.8.9. Where the Minister does not approve the proposed Amending Rules or sends proposed Amending Rules back to the ~~Rule Change Panel~~Coordinator under clause 2.8.5(c), the Minister must give reasons, and the ~~Rule Change Panel~~Coordinator must publish a notice of the Minister's decision and the reasons given by the Minister.
- 2.8.10. Where the Minister sends proposed Amending Rules back to the ~~Rule Change Panel~~Coordinator in accordance with clause 2.8.5(c), the ~~Rule Change Panel~~Coordinator must:

- (a) publish the revised Amending Rules and call for submissions on the revised Amending Rules within 15 Business Days of publication; and
 - (b) provide a revised Final Rule Change Report, including any submissions received on the Minister's revised Amending Rules to the Minister within 25 Business Days of the close of the consultation period and clauses 2.8.4 to this clause 2.8.10 apply to the revised Final Rule Change Report.
- 2.8.11. Amending Rules are made:
- (a) for Rule Change Proposals to which clause 2.8.3 applies, when the Minister has either approved, or is taken by clause 2.8.8 to have approved, the Amending Rules; and
 - (b) for Rule Change Proposals to which clause 2.8.3 does not apply, when the ~~Rule Change Panel~~Coordinator has decided to make the Amending Rules as notified under clause 2.6.3A(b) or clause 2.7.7A(b).
- 2.8.12. Subject to clause 2.8.2, -Amending Rules commence at the time and date determined by the ~~Rule Change Panel~~Coordinator. The ~~Rule Change Panel~~Coordinator must publish notice of the time and date Amending Rules commence.
- 2.8.13. The following clauses are Protected Provisions:
- (a) clauses 1.1 to 1.3 and 1.5 to 1.9, 1.17A;
 - (b) clauses 2.1 to 2.25, 2.28, 2.31.1, 2.31.3, 2.31.6, 2.34.1 and 2.36.1;
 - (c) clauses 3.8.4, 3.15, 3.18.18 and 3.18.19;
 - (d) clauses 4.1.4 to 4.1.12, 4.1.15 to 4.1.19, 4.1.21, 4.1.24, 4.5.10, 4.5.11, 4.5.15 to 4.5.20, 4.5A, 4.13.10, 4.13.10A, 4.13.10B, 4.13.11, 4.13.11A, 4.13A.15, 4.13A.16 4.16, 4.24.1, 4.24.2 and 4.24.12, 4.24.19;
 - (e) [Blank]
 - (f) clauses 9.13.1, 9.16.3, 9.16.4 and 9.20.2;
 - (g) clauses 10.1.1, 10.1.2, 10.2.1, 10.2, 10.3 and 10.4.; and
 - (h) any other clauses of these Market Rules that must not be amended, repealed or replaced without the approval of the Minister in accordance with the WEM Regulations.

2.9. Market Procedures

...

- 2.9.2C. The ~~Rule Change Panel~~Coordinator must manage the development of, amendment of, and replacement for Market Procedures which these Market Rules require be developed by the ~~Rule Change Panel~~Coordinator.

...

2.9.5. The ~~Rule Change Panel~~Coordinator must develop a Market Procedure setting out the procedure for developing and amending Market Procedures.

...

2.9.7C. The ~~Rule Change Panel~~Coordinator must comply with Market Procedures applicable to it.

2.10. Procedure Change Process

2.10.1. The ~~Rule Change Panel~~Coordinator, AEMO, System Management, the Economic Regulation Authority or a Network Operator, as applicable, may initiate the Procedure Change Process by developing a Procedure Change Proposal.

2.10.2. Rule Participants may notify the ~~Rule Change Panel~~Coordinator, AEMO, System Management, the Economic Regulation Authority or the relevant Network Operator, as applicable, where they consider an amendment to or replacement of a Market Procedure would be appropriate.

2.10.2A. Within 20 Business Days of receipt of a notification under clause 2.10.2, the ~~Rule Change Panel~~Coordinator, AEMO, System Management, the Economic Regulation Authority or the Network Operator, as applicable, must:

- (a) determine whether the suggested amendment to or replacement of a Market Procedure is appropriate; and
- (b) publish on the Market Web Site details of whether a Procedure Change Proposal will be progressed with respect to the suggested amendment to or replacement of a Market Procedure and the reasons for that decision.

2.10.3. If an Amending Rule requires the ~~Rule Change Panel~~Coordinator, AEMO, System Management, the Economic Regulation Authority or a Network Operator to develop new Market Procedures or to amend or replace existing Market Procedures, then the ~~Rule Change Panel~~Coordinator, AEMO, System Management, the Economic Regulation Authority or the Network Operator, as applicable, is responsible for the development of, amendment of or replacement for, Market Procedures so as to comply with the Amending Rule.

2.10.4. [Blank]

2.10.5. [Blank]

2.10.5A. AEMO must publish Procedure Change Proposals that AEMO develops (including in its capacity as System Management).

2.10.5B. The Economic Regulation Authority must publish Procedure Change Proposals that the Economic Regulation Authority develops.

2.10.5C. The ~~Rule Change Panel~~Coordinator must publish Procedure Change Proposals that the ~~Rule Change Panel~~Coordinator develops.

- 2.10.5D. A Network Operator must publish Procedure Change Proposals that the Network Operator develops.
- 2.10.6. A Procedure Change Proposal must include:
- (a) a proposed Market Procedure or an amendment to or replacement for a Market Procedure-, indicating the proposed amended words, or a proposed Market Procedure; and
 - (b) the reason for the proposed Market Procedure or an amendment to or replacement for a Market Procedure or proposed Market Procedure.
- 2.10.7. At the same time as it publishes a Procedure Change Proposal notice, the ~~Rule Change Panel~~Coordinator, AEMO, the Economic Regulation Authority or the Network Operator, as applicable, must publish a call for submissions on that proposal. The due date for submissions must be 20 Business Days from the date the call for submissions is published. Any person may make a submission to the ~~Rule Change Panel~~Coordinator, AEMO, the Economic Regulation Authority or the Network Operator, as applicable, relating to a Procedure Change Proposal. A Procedure Change Submission may be made using the Procedure Change Submission form maintained on the Market Web Site in accordance with clause 2.9.4.
- 2.10.8. [blank]
- 2.10.9. The ~~Rule Change Panel~~Coordinator must convene a meeting of the Market Advisory Committee concerning any Procedure Change Proposal before the due date for submissions in relation to the Procedure Change Proposal if:
- (a) the ~~Rule Change Panel~~Coordinator, AEMO or the Economic Regulation Authority considers that advice on the Procedure Change Proposal is required from the Market Advisory Committee;
 - (aA) a Network Operator considers that advice on the Procedure Change Proposal prepared by a Network Operator is required from the Market Advisory Committee; or
 - (b) ~~two or more members~~the independent Chair of the Market Advisory Committee ~~have~~has informed the ~~Rule Change Panel~~Coordinator in writing that ~~they~~she or he considers that advice on the Procedure Change Proposal is required from the Market Advisory Committee.
- 2.10.10. Following the closing date for submissions, the ~~Rule Change Panel~~Coordinator, AEMO, System Management or the Economic Regulation Authority, as applicable, must prepare a Procedure Change Report on the Procedure Change Proposal.
- 2.10.11. [Blank]
- 2.10.12. [Blank]

2.10.12A. AEMO must publish Procedure Change Reports that AEMO prepares (including in its capacity as System Management).

2.10.12B. The Economic Regulation Authority must publish Procedure Change Reports that the Economic Regulation Authority prepares.

2.10.12C. The ~~Rule Change Panel~~Coordinator must publish Procedure Change Reports that the ~~Rule Change Panel~~Coordinator prepares.

2.10.12D. A Network Operator must publish Procedure Change Reports that the Network Operator prepares.

2.10.13. The Procedure Change Report must contain:

- (a) the wording of the proposed Market Procedure or amendment to or replacement for the Market Procedure;
- (b) the reason for the proposed Market Procedure or amendment to or replacement for the Market Procedure;
- (c) all submissions received before the due date for submissions, a summary of those submissions, and the response of the ~~Rule Change Panel~~Coordinator, AEMO, System Management or the Economic Regulation Authority, as applicable, to the issues raised in those submissions;
- (d) a summary of the views expressed by the Market Advisory Committee and, if the Market Advisory Committee has delegated its role to consider the Procedure Change Proposal to a Working Group under clause 2.3.17(a), a summary of the views expressed by that Working Group;
- (dA) whether any advice from the Market Advisory Committee regarding the Procedure Change Proposal reflects a consensus view or a majority view, and, if the latter, any dissenting views included in or accompanying the advice;
- (e) [Blank]
- (f) in the case of a Procedure Change Proposal developed by the ~~Rule Change Panel~~Coordinator, a proposed date and time for the Market Procedure or amendment or replacement to commence, which must, in the ~~Rule Change Panel~~Coordinator's opinion, allow sufficient time after the date of publication of the Procedure Change Report for Rule Participants to implement changes required by it;
- (g) in the case of a Procedure Change Proposal developed by AEMO (including in its capacity as System Management), a proposed date and time for the Market Procedure or amendment or replacement to commence, which must, in AEMO's opinion, allow sufficient time after the date of publication of the Procedure Change Report for Rule Participants to implement changes required by it;

- (h) in the case of a Procedure Change Proposal developed by the Economic Regulation Authority, a proposed date and time for the Market Procedure or amendment or replacement to commence, which must, in the Economic Regulation Authority's opinion, allow sufficient time after the date of publication of the Procedure Change Report for Rule Participants to implement changes required by it; and
- (i) in the case of a Procedure Change Proposal developed by a Network Operator, a proposed date and time for the Market Procedure or amendment or replacement to commence, which must, in the Network Operator's opinion, allow sufficient time after the date of publication of the Procedure Change Report for Rule Participants to implement changes required by it.

2.10.14. [Blank]

2.10.15. [Blank]

2.10.16. [Blank]

2.10.17. If the ~~Rule Change Panel~~Coordinator, AEMO, the Economic Regulation Authority or a Network Operator, as applicable, considers, at any time after publishing a Procedure Change Proposal, that it is necessary to extend the normal timeframes for processing the Procedure Change Proposal because:

- (a) issues of sufficient complexity or difficulty have been identified relating to the Procedure Change Proposal; or
- (b) further public consultation on an issue associated with the Procedure Change Proposal is required; or
- (c) the Procedure Change Proposal cannot be dealt with adequately without an extension because of any other special circumstance,

then the ~~Rule Change Panel~~Coordinator, AEMO, the Economic Regulation Authority or the Network Operator, as applicable, may modify the times and time periods under clause 2.10.7 in respect of the Procedure Change Proposal and publish details of the modified times and time periods.

2.10.18. The ~~Rule Change Panel~~Coordinator, AEMO, the Economic Regulation Authority or a Network Operator, as applicable, must publish a notice of an extension determined in accordance with clause 2.10.17 and must update any information already published in accordance with clause 2.10.7.

2.10.19. A notice of extension under clause 2.10.18 must include:

- (a) the reasons for the proposed extension;
- (b) the views of any Rule Participant consulted on the extension;
- (c) the proposed length of any extension; and
- (d) the proposed work program.

2.11. Coming into Force of Procedure Amendments

- 2.11.1. A Rule Participant may apply to the Electricity Review Board for a Procedural Review of a decision by the ~~Rule Change Panel~~Coordinator, AEMO, System Management, the Economic Regulation Authority or a Network Operator, as applicable, contemplated by clauses 2.10.2A(a) or 2.10.13 within the time specified in regulation 44 of the WEM Regulations, on the grounds that the ~~Rule Change Panel~~Coordinator, AEMO, System Management, the Economic Regulation Authority or the Network Operator, as applicable, has not followed the process set out in section 2.10 or the Market Procedure specified in clause 2.9.5.
- 2.11.2. Following an application for a Procedural Review under clause 2.11.1, if the Electricity Review Board finds that the ~~Rule Change Panel~~Coordinator, AEMO, System Management, the Economic Regulation Authority or a Network Operator has not followed the process set out in section 2.10 or the Market Procedure specified in clause 2.9.5, the Electricity Review Board may set aside the ~~Rule Change Panel~~Coordinator's decision, AEMO's decision, System Management's decision, the Economic Regulation Authority's decision or the Network Operator's decision and direct the ~~Rule Change Panel~~Coordinator, AEMO, System Management, the Economic Regulation Authority or the Network Operator to reconsider the relevant Procedure Change Proposal in accordance with section 2.10 and the Market Procedure specified in clause 2.9.5.
- 2.11.3. Subject to clauses 2.11.2 and 2.11.4, a Market Procedure or an amendment of or replacement for a Market Procedure commences at the time and date specified under clauses 2.10.13(f), 2.10.13(g), 2.10.13(h) or 2.10.13(i) (as applicable).
- 2.11.4. If at any time, the ~~Rule Change Panel~~Coordinator, AEMO, the Economic Regulation Authority or a Network Operator considers that Rule Participants will not have sufficient time to implement any necessary changes required by the Market Procedure that the ~~Rule Change Panel~~Coordinator, AEMO, the Economic Regulation Authority or the Network Operator, as applicable, are required to publish, or amendment or replacement of the Market Procedure, then the ~~Rule Change Panel~~Coordinator, AEMO, the Economic Regulation Authority or the Network Operator, as applicable, may extend the time and date when that Market Procedure, amendment or replacement commences by publishing notice of the revised time and date when the amendment of or replacement for that Market Procedure commences.

...

2.16. Monitoring the Effectiveness of the Market

...

- 2.16.2. AEMO must develop a Market Surveillance Data Catalogue, which identifies data to be compiled concerning the market. The Market Surveillance Data Catalogue must identify the following data items:

...

- (o) the number of Rule Change Proposals received, and details of Rule Change Proposals that the ~~Rule Change Panel~~Coordinator has decided not to progress under clause 2.5.6; and
- (p) such other items of information as AEMO considers relevant to the functions of the ~~Rule Change Panel~~Coordinator, AEMO and the Economic Regulation Authority under this ~~clause~~section 2.16.

...

2.16.6. Where the Economic Regulation Authority considers that it is necessary or desirable for the performance of its functions, or the functions of AEMO under this ~~clause~~section 2.16, the Economic Regulation Authority may collect additional information from Rule Participants or the ~~Rule Change Panel~~Coordinator as follows:

- (a) the Economic Regulation Authority may issue a notice to one or more Rule Participants or the ~~Rule Change Panel~~Coordinator requiring them to provide specified data to the Economic Regulation Authority by a date (which the Economic Regulation Authority considers to be reasonable);
- (b) Market Participants ~~or the Rule Change Panel (as applicable)~~ must provide any information requested by the Economic Regulation Authority by the date specified in the notice; and
- (bA) subject to its obligations of confidentiality under these Rules or otherwise, the Coordinator must use reasonable endeavours to provide any information requested by the Economic Regulation Authority by the date specified in the notice; and
- (c) the Economic Regulation Authority must provide this information to AEMO where the Economic Regulation Authority considers that it is necessary or desirable for the performance of AEMO's functions under this ~~clause~~section 2.16.

...

2.17. Reviewable Decisions

2.17.1. Decisions by the ~~Rule Change Panel~~Coordinator, AEMO, System Management, the Economic Regulation Authority or a Network Operator, as applicable, made under the following clauses are Reviewable Decisions:

...

2.17.2. Decisions by the ~~Rule Change Panel~~Coordinator, AEMO, System Management, the Economic Regulation Authority or a Network Operator, as applicable, made under the following clauses may be subject to a Procedural Review:

- (a) clauses 2.5.6(c), 2.5.9, 2.6.3A(a) and 2.7.7A(a); and

- (b) clauses 2.10.2A(a) and 2.10.13.

...

2.18. Disputes

2.18.1. The dispute process set out in clauses 2.18, 2.19 and 2.20 applies to any dispute concerning:

- (a) the application or interpretation of these Market Rules;
- (b) the failure of Rule Participants to reach agreement on a matter where these Market Rules require agreement or require the Rule Participants to negotiate in good faith with a view to reaching agreement;
- (c) payment of moneys under, or the performance of any obligation under, these Market Rules,

but does not apply to:

- (d) any matter that is identified as a Reviewable Decision or is subject to Procedural Review; or
- (e) a matter that arises under a contract between Rule Participants, unless AEMO is a party to the contract and the contract provides that the dispute process applies.

...

2.18.3. At any time during the course of resolving a dispute a Dispute Participant may refer a question of law to a court of competent jurisdiction.

...

2.21. Market Consultation

...

2.21.7. The ~~Rule Change Panel~~Coordinator must consult on such matters with such persons and over such timeframes as are specified in these Market Rules.

2.21.8. The ~~Rule Change Panel~~Coordinator must—

- (a) conduct its consultation processes in good faith; and
- (b) ensure that these consultation processes allow a reasonable opportunity for relevant stakeholders to present their views.

...

2.22A Determination of AEMO's budget

2.22A.1. For the purposes of this section 2.22A, the services provided by AEMO are:

...

- (c) market administration services, including AEMO's performance of the Procedure Change Process, support for the ~~Rule Change Panel~~Coordinator in carrying out its functions under these Market Rules, participation in the Market Advisory Committee and other consultation, support for monitoring and reviews by the Economic Regulation Authority, audit, registration related functions and other functions under these Market Rules;

...

2.24. Determination of Market Fees

2.24.1. The fees charged by AEMO are:

- (a) Market Fees, System Management Fees, Coordinator Fees and Regulator Fees determined in accordance with clause 2.24.2;
- (b) Application Fees described in clauses 2.33.1(a), 2.33.2(a), 2.33.3(a), 2.33.4(a), 2.33.5(a), 4.9.3(c), 4.26.2CC and 4.28.9B; and
- (c) a Reassessment Fee described in clause 4.11.11.

2.24.2. Before 30 June each year, AEMO must determine and publish the level of the Market Fee rate, System Management Fee rate, Coordinator Fee rate and Regulator Fee rate, and the level of each of the Application Fees, and the level of the Reassessment Fee to apply over the year starting 1 July in accordance with AEMO's budget published under clause 2.22A.4, ~~and information provided by the Economic Regulation Authority under clause 2.24.6 (if any) and information provided by the Coordinator under clause 2.24.6A (if any).~~ Where the Economic Regulation Authority has not provided AEMO with the information required under clause 2.24.6 by the date which is five Business Days prior to 30 June, AEMO will determine and publish the expected level of Regulator Fee rate based on the most recent information provided to AEMO by the Economic Regulation Authority under clause 2.24.6. Where the Coordinator has not provided AEMO with the information required under clause 2.24.6A by the date which is five Business Days prior to 30 June, AEMO will determine and publish the expected level of Coordinator Fee rate based on the most recent information provided to AEMO by the Coordinator under clause 2.24.6A.

2.24.2A. AEMO must determine and publish a level of revised Market Fee rate, System Management Fee rate, Coordinator Fee rate -or Regulator Fee rate (as applicable) within five Business Days of making any adjustment to AEMO's budget and receiving the information, if in any year the Economic Regulation Authority provides AEMO with the information required under clause 2.24.6 later than the date which is five Business Days prior to 30 June or the Coordinator provides AEMO with the information required under clause 2.24.6A later than the date which is five Business Days prior to 30 June.

- 2.24.2B A revised Market Fee rate, System Management Fee rate, Coordinator Fee rate and Regulator Fee rate will supersede any expected Market Fee rate, System Management Fee rate, Coordinator Fee rate and Regulator Fee rate and are recoverable from Market Participants in arrears with effect from the start of the Financial Year to which they apply.
- 2.24.3. At the same time as AEMO publishes a level of revised Market Fee rate, System Management Fee rate, Coordinator Fee rate or Regulator Fee rate (as applicable), AEMO must also publish an estimate of the total amount of revenue to be earned from—
- (a) Market Fees collected for—
- i. [Blank]
 - ii. AEMO's—
 1. market operation services;
 2. system planning services; and
 3. market administration services,

where the amounts to be earned for each service is equal to the relevant costs in AEMO's budget published in accordance with clause 2.22A.4 or as adjusted under clause 2.24.2A;
- (b) System Management Fees collected for AEMO's system management services where the amount to be earned is equal to the relevant costs in AEMO's budget published in accordance with clause 2.22A.4 or as adjusted under clause 2.24.2A; and
- (c) Regulator Fees collected for—
- i. ~~the Economic Regulation Authority's monitoring, compliance, enforcement and regulation services, and RCP Secretariat Support Services; and~~
 - ii. ~~the Rule Change Panel's market administration services, where the amount to be earned for those services is equivalent to the costs identified by the Economic Regulation Authority as costs incurred in the performance of the Rule Change Panel's functions under these Market Rules or the WEM Regulations,~~
- ~~and in each case, where the amount must be consistent with the relevant amount notified in accordance with clause 2.24.6; and~~
- (d) Coordinator Fees collected for:
- i. the Coordinator's functions under these Market Rules; and
 - ii. the costs associated with the remuneration and other expenses for the independent Chair of the Market Advisory Committee,
- where the amount to be earned for those services is equivalent to the costs identified by the Coordinator as costs incurred in the performance of the Coordinator's functions under these Market Rules or the WEM Regulations, where

- the amount must be consistent with the relevant amount notified in accordance with clause 2.24.6A.
- 2.24.4. The Market Fee rate, System Management Fee rate, the Coordinator Fee rate and Regulator Fee rate should be set at a level that AEMO estimates will earn revenue equal to the relevant estimate of revenue under clause 2.24.3.
- 2.24.5. The Economic Regulation Authority may recover a portion of its budget determined by the Minister responsible for the Economic Regulation Authority which corresponds to the costs of the Economic Regulation Authority in undertaking its Wholesale Electricity Market related functions and other functions under these Market Rules, the WEM Regulations and the Electricity Industry Act Panel Regulations from the collection of Regulator Fees under these Market Rules. The Economic Regulation Authority must identify in its budget the proportion of its costs that relate to the performance of its Wholesale Electricity Market related functions and its other functions.
- 2.24.5A Where the revenue earned via Regulator Fees in the previous Financial Year is greater than or less than the Economic Regulation Authority expenditure related to the functions described in clause 2.24.5 for that Financial Year, the current year's budget must take this into account by decreasing the budgeted revenue by the amount of the surplus or adding to the budgeted revenue the amount of any shortfall, as the case may be.
- 2.24.5B. The Coordinator may recover a portion of its budget determined by the Minister responsible for the Coordinator which corresponds to the costs of the Coordinator in undertaking its functions under these Market Rules from the collection of Coordinator Fees under these Market Rules. The Coordinator must identify in its budget the proportion of its costs that relate to the performance of its functions under these Market Rules.~~The Economic Regulation Authority may recover, on behalf of the Rule Change Panel, the costs identified by the Economic Regulation Authority as costs incurred in the performance of the Rule Change Panel's functions under these Market Rules or the WEM Regulations, from the collection of Regulator Fees under these Market Rules.~~
- 2.24.5C Where the revenue earned via Coordinator Fees in the previous Financial Year is greater than or less than the Coordinator expenditure related to the functions described in clause 2.24.5B for that Financial Year, the current year's budget must take this into account by decreasing the budgeted revenue by the amount of the surplus or adding to the budgeted revenue the amount of any shortfall, as the case may be.
- 2.24.6. By the date which is five Business Days prior to 30 June each year, the Economic Regulation Authority must notify AEMO of—
- (a) —the dollar amount that the Economic Regulation Authority may recover under clause 2.24.5; and

~~(b) the dollar amount that the Economic Regulation Authority may recover under clause 2.24.5B (to the extent such amount is not already included in the dollar amount referred to in clause 2.24.6(a)).~~

2.24.6A. By the date which is five Business Days prior to 30 June each year, the Coordinator must notify AEMO of the dollar amount that the Coordinator may recover under clause 2.24.5B.

2.24.7. The level of each Application Fee:

- (a) must reflect the estimated average costs to AEMO of processing that type of application;
- (b) must be consistent with the Allowable Revenue approved by the Economic Regulation Authority; and
- (c) may be different for different classes of Rule Participant and different classes of facility.

2.25. Payment of Market Participant Fees

2.25.1. AEMO must charge a Market Participant the relevant payment amount for Market Fees, System Management Fees, Coordinator Fees and Regulator Fees for a Trading Month in accordance with clause 9.13.

2.25.1A. AEMO is an agent for the collection of Coordinator Fees and Regulator Fees payable by Market Participants to AEMO.

2.25.1B. The Economic Regulation Authority must, if requested by AEMO, do all things reasonably necessary (including entering into any agreements) to enable AEMO to give effect to clause 2.25.1A.

2.25.1C. The Coordinator must, if requested by AEMO, use reasonable endeavours to cooperate with AEMO, as AEMO endeavours to give effect to clause 2.25.1A.

2.25.2. Each Market Participant must pay the relevant payment amount for Market Fees, System Management Fees, Coordinator Fees and Regulator Fees in accordance with Chapter 9.

2.25.3. Following receipt of a payment contemplated by clause 2.25.2, AEMO must:

- (a) pay to the Economic Regulation Authority in accordance with Chapter 9 an amount corresponding to the part of the payment received multiplied by the relevant proportionality factor; and
- (aA) pay to the Coordinator in accordance with Chapter 9 an amount corresponding to the part of the payment received multiplied by the relevant proportionality factor; and
- (b) transfer to the fund established under clause 9.22.9 in accordance with Chapter 9 an amount corresponding to the part of the payment received multiplied by the relevant proportionality factor.

2.25.4. The relevant proportionality factor for AEMO, AEMO in its capacity as System Management, the Coordinator -or the Economic Regulation Authority for a Financial Year is:

- (a) the estimate of the total amount to be earned from Market Fees, System Management Fees, Coordinator Fees or Regulator Fees (as applicable) in respect of the relevant services published for the relevant year under clause 2.24.3; divided by
- (b) the estimate of the total amount to be earned from Market Fees, System Management Fees, Coordinator Fees and Regulator Fees in respect of all services published for the relevant year under clause 2.24.3.

~~2.25.4A. The Economic Regulation Authority recovers the proportion of the payment referred to in clause 2.25.3(a) that relates to the costs contemplated in clause 2.24.5B on behalf of the Rule Change Panel.~~

...

9.1.2. With respect to the treatment of GST:

...

- (g) if AEMO determines that:
 - i. a party is entitled to payment of any costs or expenses by way of reimbursement or indemnity; or
 - ii. a price, fee or other charge payable under these Market Rules (other than System Management Fees, the Coordinator Fees and Regulator Fees) is calculated with reference to a cost or expense incurred by a party,

then the payment or cost or expense (as the case may be) must exclude any part of the cost or expense which is attributable to GST for which the party (or a representative member of any GST group of which the party is a member) is entitled to an input tax credit.

...

9.13. The Market Participant Fee Settlement Calculations for a Trading Month

9.13.1. The applicable Market Participant Fee settlement amount for Market Participant p for Trading Month m is:

$$\text{MPFSA}(p,m) = (-1) \times (\text{Market Fee rate} + \text{System Management Fee rate} + \text{Coordinator Fee rate} + \text{Regulator Fee rate}) \times (\text{Monthly Participant Load}(p,m) + \text{Monthly Participant Generation}(p,m))$$

Where

...

Coordinator Fee rate is the charge per MWh for funding the Coordinator's activities under these Market Rules determined in accordance with clause 2.24.2 for the year in which Trading Month m falls;

Regulator Fee rate is the charge per MWh for funding the Economic Regulation Authority's ~~and the Rule Change Panel's~~ activities with respect to the Wholesale Electricity Market and other functions under these Market Rules and the Regulations determined in accordance with clause 2.24.2 for the year in which Trading Month m falls;

...

10.2. Information Confidentiality Status

...

10.2.2. The classes of confidentiality status are:

...

- (c) Rule Participant Market Restricted, in which case the relevant information or documents may only be made available to:

...

iiC. the ~~Rule Change Panel~~Coordinator;

...

- (d) Rule Participant Dispatch Restricted, in which case the relevant information or documents may only be made available to:

...

iiC. the ~~Rule Change Panel~~Coordinator;

...

- (e) System Management Confidential, in which case the relevant information or documents may only be made available to:

...

iiA. the ~~Rule Change Panel~~Coordinator;

...

- (f) AEMO Confidential, in which case the relevant information or documents may only be made available to:

...

iiB. the ~~Rule Change Panel~~Coordinator;

...

iv. ... ; and

- (g) Rule Participant Network Restricted, in which case the relevant information or documents may only be made available to:

...

ivA. ~~the Rule Change Panel~~Coordinator;

...

vii. ... ~~;~~ and

- (h) Coordinator Restricted, in which case the relevant information or documents may only be made available with the Coordinator's written consent.

...

- 10.2.3. In setting the confidentiality status of a type of market related information or document under clause 10.2.1, and subject to clauses 10.3.2B and 10.3.2BA, AEMO must have regard to the following principles:

...

- (cb) ~~the Rule Change Panel~~Coordinator may make available to a person information if the ~~Rule Change Panel~~Coordinator is required or permitted to do so by law or these Market Rules;

...

- 10.2.3A. AEMO must consult with the Economic Regulation Authority and obtain the Economic Regulation Authority's consent, prior to setting the confidentiality status of a type of market related information or document under clause 10.2.1 relating to functions of the Economic Regulation Authority under these Market Rules.

- 10.2.3B. AEMO must consult with the ~~Rule Change Panel~~Coordinator and obtain the ~~Rule Change Panel~~Coordinator's written consent, prior to setting the confidentiality status of a type of market related information or document under clause 10.2.1 relating to functions of the ~~Rule Change Panel~~Coordinator under these Market Rules, and in the absence of such consent must set its confidentiality status as Coordinator Restricted.

- 10.2.3BA To the extent information or a document relates to the Coordinator's functions under any written law other than these Market Rules, AEMO must set its confidentiality status as Coordinator Restricted unless the Coordinator in her or his absolute discretion agrees otherwise in writing.

...

- 10.3.2. Subject to clause 10.4.2, the ~~Rule Change Panel~~Coordinator, AEMO, the Economic Regulation Authority or a Network Operator must not require a fee for information or documents released or published by the ~~Rule Change Panel~~Coordinator, AEMO, the Economic Regulation Authority or the Network

Operator via the Market Web Site, or via AEMO's web site, the Coordinator's Website, the Economic Regulation Authority's web site or the Network Operator's web site in accordance with the Market Rules or Market Procedures.

...

10.5. Public Information

10.5.1. AEMO must set the class of confidentiality status for the following information under clause 10.2.1 as Public and AEMO must make each item of information available from or via the Market Web Site after that item of information becomes available to AEMO:

...

- (r) public reports pertaining to the Wholesale Electricity Market issued by:
 - i. the ~~Rule Change Panel~~Coordinator;

...

- (v) summary information pertaining to the account maintained by AEMO for market settlement for the preceding 24 calendar months, including:
 - i. the end of month balance;
 - ii. the total income received for transactions in each of the Reserve Capacity Mechanism, the STEM, Balancing Settlement, Market Fees, System Management Fees, Regulator Fees and a single value for all other income;
 - iii. the total outgoings paid for transactions in each of the Reserve Capacity Mechanism (excluding Supplementary Capacity Contracts), Supplementary Capacity Contracts, the STEM, Balancing Settlement and a single value for all other expenses; and
 - iv. Service Fee Settlement Amount paid to AEMO and the Economic Regulation Authority;

...

Coordinator: The Coordinator referred to in section 4 of the Energy Coordination Act 1994.

Coordinator Fees: The fees determined by AEMO in accordance with section 2.24, and payable by Market Participants to AEMO for the services provided by the Coordinator in undertaking its functions under these Market Rules.

Coordinator's Website: A website or portion of a website maintained by, or on behalf of, the Coordinator.

Coordinator Transfer Date: Means 08:00AM on the date the amending rules made under the *Electricity Industry (Wholesale Electricity Market) Regulations 2004 (WA)*, regulation 7(4)

giving effect to the transfer of functions from the Rule Change Panel to the Coordinator commence operation.¹

Draft Rule Change Report: The draft report described in clause 2.7.7 and published by the ~~Rule Change Panel~~Coordinator under clause 2.7.6(a) in relation to a Rule Change Proposal.

...

Final Rule Change Report: In respect of a Rule Change Proposal to which the Fast Track Rule Change Process applies, the report described in clause 2.6.4 and published by the ~~Rule Change Panel~~Coordinator in accordance with clause 2.6.3A(b). In respect of a Rule Change Proposal to which the Standard Rule Change Process applies, the report described in clause 2.7.8 and published by the ~~Rule Change Panel~~Coordinator in accordance with clause 2.7.7A(b).

...

MAC Secretariat: The services, facilities and assistance made available by the Coordinator to the Market Advisory Committee.

...

Market Advisory Committee: An advisory body to the ~~Rule Change Panel~~Coordinator, Economic Regulation Authority and AEMO comprising industry representatives established under clause 2.3.1.

...

Market Procedure: The procedures developed by the ~~Rule Change Panel~~Coordinator, AEMO, System Management, the Economic Regulation Authority and a Network Operator, as applicable, in accordance with section 2.9 (including the Power System Operation Procedures developed by System Management) as amended in accordance with the Procedure Change Process.

...

Panel Regulations: Means the *Energy Industry (Rule Change Panel) Regulations 2016*.

...

Procedure Change Proposal: A proposal developed by the ~~Rule Change Panel~~Coordinator, AEMO, System Management, the Economic Regulation Authority or a Network Operator to initiate a Procedure Change Process.

Procedure Change Report: A final report prepared by the ~~Rule Change Panel~~Coordinator, AEMO, System Management, the Economic Regulation Authority or a Network Operator in relation to a Procedure Change Proposal, containing the information described in clause 2.10.13.

¹ The amending rules referred to in this definition commenced operation on 26 November 2016.

...

RCP Secretariat: Means the executive officer of the Rule Change Panel made available by the Economic Regulation Authority in accordance with the Panel Regulations.

RCP Secretariat Support Services: Means the RCP Secretariat and such staff members, services, facilities and assistance as are made available by the Economic Regulation Authority to the Rule Change Panel in accordance with the Panel Regulations.

...

Regulations: Any regulations made under the *Electricity Industry Act 2004* (WA) including the WEM Regulations, AEMO Regulations, the Panel Regulations and the *Electricity Industry (Independent Market Operator) Repeal Regulations 2018*.

...

Regulator Fees: The fees determined by AEMO in accordance with clause 2.24, and payable by Market Participants to AEMO for the services provided by the Economic Regulation Authority and the Rule Change Panel in undertaking their respective its Wholesale Electricity Market related functions and other functions under these Market Rules.

...

Reviewable Decision: Decisions made by the Rule Change Panel Coordinator, AEMO, the Economic Regulation Authority or a Network Operator, in respect of which an eligible person may apply to the Electricity Review Board in accordance with section 125 of the Electricity Industry Act and the Regulations, and does not include any decisions of a class specified for this purpose in the Regulations under section 125 of that Act.

Rule Change Panel: Has the meaning given to it in the Panel Regulations.

Rule Change Panel Transfer Date: Means 08:00AM on the date the amending rules made under the *Electricity Industry (Wholesale Electricity Market) Regulations 2004* (WA), regulation 7(4) giving effect to the transfer of functions from the IMO to the Rule Change Panel commence operation.²

Rule Change Proposal: A proposal made in accordance with clause 2.5 proposing that the Rule Change Panel Coordinator makes Amending Rules.

² The amending rules referred to in this definition commenced operation on 26 November 2016.

Appendix B

Draft GSI Rules Amendments– Transfer of Functions from the RCP to the Coordinator

Appendix B

DRAFT GSI RULES AMENDMENTS

TRANSFER FROM RCP TO COE

...

3 Duty to act in good faith

- (1) A Gas Market Participant must perform the obligations imposed by the Rules in good faith.
- (2) The ~~Rule Change Panel~~Coordinator, AEMO and the ERA must exercise their powers and discharge their duties under the Rules in good faith.

3A GSI Website Publication

- (1) [Blank]
- (2) Where the ERA ~~or the Rule Change Panel~~ is required by the Rules to publish or release a document or information or maintain a document or information on the GSI Website, then—
 - (a) the ERA must make that document or information available on its website;
 - (b) the ERA must promptly notify AEMO when the document or information is published on the ERA's website;
 - (c) AEMO must, as a minimum, promptly publish a link to the relevant area of the ERA's website on the GSI Website; and
 - (d) the ERA ~~or the Rule Change Panel (as applicable)~~ is deemed to have published or released the document or information, and maintained it on the GSI Website, once the ERA has published or released the document or information on its own website, and has notified AEMO.
- (3) Where the Coordinator is required by the Rules to publish or release a document or information the Coordinator must make that document or information available on the Coordinator's Website.

...

5 Single documentation

- (1) This rule applies if the ~~Rule Change Panel~~Coordinator, AEMO or the ERA is authorised to prepare a document under the GSI Act, the GSI Regulations, ~~the Panel Regulations~~ or the Rules for a purpose and is also authorised to prepare a document for the same or a similar, related or corresponding purpose, under the Electricity Laws.
- (2) The ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) may satisfy the requirements of the GSI Act, the GSI Regulations, ~~the Panel Regulations~~ and the Rules regarding the document under the GSI Act, the GSI Regulations, ~~the Panel Regulations~~ or the Rules, by preparing and making (and where relevant, publishing) a single document.

...

Division 3 Procedure for consultation

7 GSI Consultation Procedure

- (1) If the Rules require the ~~Rule Change Panel~~Coordinator, AEMO or the ERA to make an instrument (however described) in accordance with the GSI Consultation Procedure, the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must proceed in accordance with this rule.
- (2) The ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must proceed as follows:
 - (a) the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must, after such consultation (if any) as the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) considers appropriate, prepare a draft instrument;
 - (b) the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must publish, on the GSI Website and in any other way the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) considers appropriate, the draft instrument together with a notice:
 - (i) stating why the instrument is required;
 - (ii) giving reasonable details of the context in which the draft instrument has been prepared, the issues involved and the possible effects of the instrument; and
 - (iii) inviting written submissions on the draft instrument within a period (at least 20 Business Days) stated in the notice;

- (c) the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must publish submissions received on the GSI Website, subject to the requirements relating to Protected Information; and
 - (d) the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must, as soon as reasonably practicable after the end of the period allowed for making submissions on the draft instrument, consider all relevant submissions made within the time allowed and make the instrument in its final form.
- (3) The ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must prepare a written notice stating the reasons for making the instrument in its final form.
- (4) After making an instrument, the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must, without delay, publish the instrument and the written notice under subrule (3) relating to it on the GSI Website.
- (5) Subject to any other provisions in the Rules, an instrument made in accordance with this rule takes effect on the date provided for its commencement under the terms of the instrument or, if no date is so provided, 10 Business Days after the date the instrument was made.

Division 4 Functions and powers of the ~~Rule Change Panel~~Coordinator, AEMO and ERA

8 Functions and powers of the ~~Rule Change Panel~~Coordinator, AEMO and ERA

- (1) AEMO has the following functions and powers—
- (a) to establish, operate and maintain the GBB;
 - (b) to register certain Gas Market Participants as Registered Participants;
 - (c) to register certain Facilities as Registered Facilities, and to exempt certain facilities from the requirement to be registered;
 - (d) to prepare and publish the GSOO;
 - (e) [blank];
 - (f) Procedure making functions, to the extent to which the Procedures relate to its functions under the Rules;
 - (g) [blank];
 - (h) [blank];
 - (i) [blank];

-
- (j) information gathering and disclosure functions, to the extent to which the information gathering and disclosure functions relate to its other functions conferred on AEMO under the GSI Regulations and the Rules;
 - (ja) to support—
 - (i) the ERA's monitoring of persons' compliance with the Rules or Procedures;
 - (ii) the ERA's investigation of breaches or possible breaches of the Rules or the Procedures (including by reporting possible breaches to the ERA); and
 - (iii) any enforcement action taken by the ERA under the GSI Regulations or Rules;
 - (jb) to provide information to and assist the Coordinator as required to support the Coordinator's functions under the Rules; and
 - (k) any other functions conferred on AEMO under the GSI Act, the GSI Regulations and the Rules.
- (1A) [Blank]
- (1B) The ERA has the following functions and powers—
- (a) Procedure making functions, to the extent to which the Procedures relate to its functions under the Rules;
 - (b) to monitor compliance by persons with the Rules or Procedures;
 - (c) to investigate breaches or possible breaches of the Rules or the Procedures;
 - (d) to take enforcement action under the GSI Regulations and Rules;
 - (e) information gathering and disclosure functions, to the extent to which the information gathering and disclosure functions relate to its other functions conferred on the ERA under the GSI Regulations and the Rules;
 - (f) [Blank]
 - (fa) ~~[blank] to provide the RCP Secretariat Support Services to the Rule Change Panel in accordance with the Panel Regulations; and~~
 - (g) any other functions conferred on the ERA under the GSI Act, the GSI Regulations, ~~the Panel Regulations~~ and the Rules.

- (1C) Subject to subrule (1D), the ~~Rule Change Panel~~Coordinator has the following functions and powers—
- (a) ~~r~~Rule making functions;
 - (aA) to consider, and in the Coordinator’s discretion and in consultation with the Gas Advisory Board, progress the evolution of the Rules;
 - (b) Procedure making functions, to the extent to which the Procedures relate to its ~~the Coordinator’s~~ functions under the Rules;
 - (c) information gathering and disclosure functions, to the extent to which the information gathering and disclosure functions relate to its other functions conferred on the ~~Rule Change Panel~~Coordinator under the GSI Regulations, ~~the Panel Regulations~~ and the Rules; and
 - (d) any other functions conferred on the ~~Rule Change Panel~~Coordinator under the GSI Act, the GSI Regulations, ~~the Panel Regulations~~ and the Rules.
- (1D) ~~[blank]Subrule (1C)(a) commences operation on and from 08:00AM on 3 April 2017, in accordance with regulation 2(b) of the Gas Services Information Amendment Regulations (No.2) 2016.~~
- (2) Each of the ~~Rule Change Panel~~Coordinator, AEMO and the ERA has the power to do all things necessary or convenient to be done for or in connection with the performance of its respective functions as specified in subrule (1), subrule (1B) and subrule (1C) (as applicable).

Division 5 Information provision and disclosure

9 Provision of information to ~~Rule Change Panel~~Coordinator, AEMO and ERA

Where the Rules require a Gas Market Participant to submit information to the ~~Rule Change Panel~~Coordinator, AEMO or the ERA, the participant must do so in the manner and form (including by the date or dates) specified by the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable).

10 [Blank]Use and disclosure of information by Coordinator

- (1) The Coordinator must take all reasonable measures to protect Confidential Information from unauthorised use or disclosure.
- (2) The Coordinator is authorised to use any information, including Confidential Information, obtained in the course of performing a function under these Rules for the purposes of performing any function conferred on the Coordinator under these

Rules, the GSI Regulations, s4A of the *Energy Coordination Act 1994* (WA) or another written law.

- (3) For the purposes of subrule (1), authorised disclosure of Confidential Information includes the following—
- (a) disclosure with the written consent of the person to whom the information relates;
 - (b) disclosure that is authorised or required under —
 - (i) these Rules; or
 - (ii) the GSI Regulations; or
 - (iii) a written law; or
 - (c) disclosure required for the purposes of —
 - (i) civil or criminal proceedings; or
 - (ii) proceedings before a tribunal or review body established under a written law or a law of the Commonwealth, a State or a Territory;
 - (d) disclosure of statistical or other information that could not reasonably be expected to lead to the identification of any person to whom the information relates;
 - (e) disclosure of information if the information is in the public domain;
 - (f) disclosure of information to the Minister responsible for administering the GSI Act.

Division 6 Gas Advisory Board

11 ~~Rule Change Panel~~Coordinator to establish Gas Advisory Board

- (1) The ~~Rule Change Panel~~Coordinator must establish a non-voting advisory board to be known as the Gas Advisory Board.
- (2) The role of the Gas Advisory Board is to advise—
 - (a) the ~~Rule Change Panel~~Coordinator in relation to Rule Change Proposals and the ~~Rule Change Panel~~Coordinator, AEMO and the ERA in relation to Procedure Change Proposals;
 - (b) the ~~Rule Change Panel~~Coordinator in relation to matters concerning the development of the Rules and the ~~Rule Change Panel~~Coordinator, AEMO and the ERA in relation to matters concerning the development of Procedures; and
 - (ba) the Coordinator regarding matters concerning, and the Coordinator's plans for, the evolution of these Rules.

- (c) [Blank]; and
 - (d) [Blank].
- (3) The ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must, subject to applicable requirements relating to Protected Information under the GSI Act, the GSI Regulations and these ~~Rules Panel Regulations~~, provide the members of the Gas Advisory Board with any information in its possession that is pertinent to the issues being addressed by the Gas Advisory Board.
- (4) Subject to subrule (5), the Gas Advisory Board must endeavour to provide a consensus position and note any dissenting views when providing advice to the Coordinator.
- (5) If, after allowing a reasonable time for discussion, the Chair of the Gas Advisory Board determines that a consensus position either will not be achieved, or is unlikely to be achieved within a time which is reasonable in the circumstances, then the Chair must provide advice to the Coordinator which reflects any majority view and which includes or is accompanied by the dissenting views.

12 Composition of the Gas Advisory Board

- (1) The Gas Advisory Board must consist of:
- (a) ~~an independent chairperson~~Chair, who must be a person appointed by the ~~chairperson of the Rule Change Panel~~Minister in accordance with subrule (3);
 - (b) one person from AEMO;
 - (c) ~~one~~two persons nominated by the Minister representing small end use customers;
 - (d) a representative of the Coordinator in the capacity of Hazard Management Agency under the Emergency Management Regulations 2006; and
 - (e) persons appointed by the ~~Rule Change Panel~~Coordinator, ~~such persons to include~~including:
 - (i) two persons representing pipeline operators and owners;
 - (ii) two persons representing gas producers;
 - (iii) two persons representing gas shippers; and
 - (iv) two persons representing gas users.
- (2) The Minister and the ERA may each appoint a representative to attend meetings of the Gas Advisory Board as an observer.

- (3) The Minister must appoint an independent Chair of the Gas Advisory Board, who in the opinion of the Minister:
- (a) is free from any business or other relationship that could materially interfere with the independent exercise of the Chair's judgment; and
 - (b) has the skills and experience necessary to carry out the responsibilities and functions of the Chair of the Gas Advisory Board.
- (4) The Minister may remove an independent Chair of the Gas Advisory Board at any time in the following circumstances:
- (a) the person becomes an undischarged bankrupt; or
 - (b) the person becomes of unsound mind or his or her estate is liable to be dealt with in any way under law relating to mental health; or
 - (c) in the Minister's opinion the person no longer adequately meets the criterion in subrule (3).
- (5) The same organisation cannot be represented by more than one member on the Gas Advisory Board simultaneously.
- (6) The Coordinator or the Chair of the Gas Advisory Board may invite a person to attend Gas Advisory Board meetings as an observer, either for a specified meeting or meetings or until further notice.

13 Appointment matters for the Gas Advisory Board

- (1) ~~The Rule Change Panel~~Coordinator may appoint and remove members of the Gas Advisory Board in accordance with the Rules and the Constitution, and in consultation with the independent Chair.
- (2) When appointing members of the Gas Advisory Board, the ~~Rule Change Panel~~Coordinator must consult with the independent Chair, and take nominations from Gas Market Participants and gas industry groups that it considers have an interest in the information published on the GBB and in the GSOO, and, if practicable, must choose members from persons nominated.
- (3) ~~The Rule Change Panel~~Coordinator must ~~annually~~ review the composition of the Gas Advisory Board every two years in consultation with the independent Chair and may remove and appoint members following the review.
- (4) ~~The Rule Change Panel~~Coordinator may remove a member of the Gas Advisory Board at any time in the following circumstances:
- (a) the person becomes an undischarged bankrupt;
 - (b) the person becomes of unsound mind or his or her estate is liable to be dealt with in any way under a law relating to mental health;

- (c) an event specified for this purpose in the Constitution for the Gas Advisory Board occurs; or
 - (d) in the ~~Rule Change Panel~~Coordinator's opinion the person no longer adequately represents the interests of the person or class of persons that he or she was appointed to represent in accordance with rule 12.
- (5) A member of the Gas Advisory Board may resign by giving notice to the ~~Rule Change Panel~~Coordinator in writing.
- (6) Where a position on the Gas Advisory Board is vacant at any time, the ~~Rule Change Panel~~Coordinator must use its reasonable endeavours to appoint a person to fill the position, but the Gas Advisory Board may continue to perform its functions under the Rules despite any vacancy.

14 Constitution for the Gas Advisory Board

- (1) The ~~Rule Change Panel~~Coordinator must, in accordance with the GSI Consultation Procedure, develop and publish on the GSI Website a Constitution for the Gas Advisory Board which is consistent with the Rules.
- (2) The Constitution must provide for matters such as:
- (a) the process for appointing, replacing or removing members of the Gas Advisory Board by the ~~Rule Change Panel~~Coordinator;
 - (b) any terms of reference of the Gas Advisory Board;
 - (c) the terms and conditions for members of the Gas Advisory Board;
 - (d) the process for convening the Gas Advisory Board;
 - (e) the conduct of meetings of the Gas Advisory Board; and
 - (f) any governance matters where the Gas Advisory Board establishes a working group.

15 ~~ERA~~Coordinator to make available ~~RCP~~GAB Secretariat for the Gas Advisory Board

- (1) The ~~ERA~~Coordinator must make available the ~~RCP~~GAB Secretariat, who will provide secretariat and other services to the Gas Advisory Board, ~~in accordance with the Panel Regulations.~~
- (2) The ~~Rule Change Panel~~, ~~through the~~ ~~RCP~~ Secretariat, ~~must~~ convene the Gas Advisory Board in accordance with the Constitution:
- (a) if the Rules require a meeting in relation to a Rule Change Proposal or a Procedure Change Proposal;
 - (b) [Blank]; and

-
- (c) on any occasion when ~~two or more members~~ the independent Chair of the Gas Advisory Board ~~have~~ has informed the ~~RCP~~ GAB Secretariat in writing that they wish to bring a matter relating to the matters listed in subrule 11(2) before the Gas Advisory Board for discussion; and
- (d) on any occasion when the independent Chair of the Gas Advisory Board or the Coordinator wishes to bring a matter regarding the evolution of these Rules or the operation of these Rules before the Gas Advisory Board for discussion.

16 Gas Advisory Board may establish working groups

- (1) The Gas Advisory Board may establish working groups, which may comprise members of the Gas Advisory Board, Registered Participants and other interested persons, to assist it in advising the ~~Rule Change Panel~~ Coordinator, AEMO or the ERA on any of the matters arising in the performance of their respective roles under the Rules.
- (2) The Gas Advisory Board may disband any working group it considers to be no longer required.

...

Division 2A ERA Regulator Fees

110A Regulator Fees

- (1) The ERA may recover a portion of its budget determined by the Minister responsible for the ERA which corresponds to the costs of the ERA in undertaking its functions under the Rules and, the GSI Regulations ~~and the Panel Regulations~~, from the collection of Regulator Fees under these Rules. The ERA must identify in its budget the proportion of its costs that relates to the performance of its functions under the Rules and the GSI Regulations and its other functions.
- (2) Where the revenue earned via Regulator Fees in the previous Financial Year is greater than or less than the ERA expenditure related to the functions described in subrule (1) for that Financial Year, the current year's budget must take this into account by decreasing the budgeted revenue by the amount of the surplus or adding to the budgeted revenue the amount of any shortfall, as the case may be.
- (2A) ~~[Blank] The ERA may recover, on behalf of the Rule Change Panel, the costs identified by the ERA as costs incurred in the performance of the Rule Change Panel's functions under the Rules or the GSI Regulations, from the collection of Regulator Fees under these Rules.~~
- (3) By the date which is five Business Days prior to 30 June each year, the ERA must notify AEMO of—
 - (a) the dollar amount that the ERA may recover under subrule (1); and
 - (b) the dollar amount that the ERA may recover under subrule (2A) (to the extent such amount is not already included in the dollar amount referred to in subrule (3)(a)).
- (4) AEMO must publish on the GSI Website the amount of the Regulator Fees for each Financial Year by 30 June each year in accordance with the information provided by the ERA under subrule (3).
- (5) If the ERA has not provided AEMO with the information required under subrule (3) by the date which is five Business Days prior to 30 June, AEMO will publish on the GSI Website the expected amount of Regulator Fees based on the most recent information provided to AEMO by the ERA under subrule (3).
- (6) AEMO must publish on the GSI Website a revised amount for Regulator Fees within five Business Days of receiving the information, if in any year, the ERA

provides AEMO with the information required under subrule (3) later than the date which is five Business Days prior to 30 June.

- (7) A revised amount for Regulator Fees will supersede any expected amount for Regulator Fees and is recoverable from Registered Shippers and Registered Production Facility Operators in arrears with effect from the start of the Financial Year to which it applies.

...

Division 2B Coordinator Fees

110B Coordinator Fees

- (1) The Coordinator may recover a portion of its budget determined by the Minister responsible for the Coordinator which corresponds to the costs of the Coordinator in undertaking its functions under the Rules and the GSI Regulations, from the collection of Coordinator Fees under these Rules. The Coordinator must identify in its budget the proportion of its costs that relates to the performance of its functions under the Rules and the GSI Regulations and its other functions.
- (2) Where the revenue earned via Coordinator Fees in the previous Financial Year is greater than or less than the Coordinator expenditure related to the functions described in subrule (1) for that Financial Year, the current year's budget must take this into account by decreasing the budgeted revenue by the amount of the surplus or adding to the budgeted revenue the amount of any shortfall, as the case may be.
- (3) By the date which is five Business Days prior to 30 June each year, the Coordinator must notify AEMO of the dollar amount that the Coordinator may recover under subrule (1).
- (4) AEMO must publish on the GSI Website the amount of the Coordinator Fees for each Financial Year by 30 June each year in accordance with the information provided by the Coordinator under subrule (3).
- (5) If the Coordinator has not provided AEMO with the information required under subrule (3) by the date which is five Business Days prior to 30 June, AEMO will publish on the GSI Website the expected amount of Coordinator Fees based on the most recent information provided to AEMO by the Coordinator under subrule (3).
- (6) AEMO must publish on the GSI Website a revised amount for Coordinator Fees within five Business Days of receiving the information, if in any year, the Coordinator provides AEMO with the information required under subrule (3) later than the date which is five Business Days prior to 30 June.

- (7) A revised amount for Coordinator Fees will supersede any expected amount for Coordinator Fees and is recoverable from Registered Shippers and Registered Production Facility Operators in arrears with effect from the start of the Financial Year to which it applies.

...

118A Payment of GSI Fees to ERA

- (1) AEMO is an agent for the ERA for the collection of the Regulator Fees each Financial Year and payable by Registered Shippers and Registered Production Facility Operators to AEMO.
- (2) The ERA must, if requested by AEMO, do all things reasonably necessary (including entering into any agreements) to enable AEMO to give effect to subrule (1).
- (3) Following receipt of a payment of GSI Fees in accordance with rule 118 or rule 119, AEMO must pay to the ERA an amount corresponding to the proportion of the GSI Fees attributable to the Regulator Fees for the relevant Financial Year.
- (4) ~~[blank]The ERA recovers the proportion of the payment referred to in subrule (3) that relates to the costs contemplated in subrule 110A(2A) on behalf of the Rule Change Panel.~~

118B Payment of GSI Fees to Coordinator

- (1) AEMO is an agent for the Coordinator for the collection of the Coordinator Fees each Financial Year and payable by Registered Shippers and Registered Production Facility Operators to AEMO.
- (2) The Coordinator must, if requested by AEMO, use reasonable endeavours to cooperate with AEMO, as AEMO endeavours to give effect to subrule (1).
- (3) Following receipt of a payment of GSI Fees in accordance with rule 118 or rule 119, AEMO must pay to the Coordinator an amount corresponding to the proportion of the GSI Fees attributable to the Coordinator Fees for the relevant Financial Year.

...

Part 8 Rule Making

Division 1 General

125 Rule making by the ~~Rule Change Panel~~Coordinator

- (1) The ~~Rule Change Panel~~Coordinator, in accordance with the GSI Act, the GSI Regulations, ~~the Panel Regulations~~ and the Rules, may make Amending Rules for or with respect to any matter or thing referred to in the GSI Act ~~and~~, the GSI Regulations ~~and the Panel Regulations~~, after the initial Rules have been made by the Minister.
- (2) The ~~Rule Change Panel~~Coordinator:
 - (a) is responsible for maintaining the Rules;
 - (b) is responsible for ensuring the development of amendments of, and replacements for, the Rules; and
 - (c) may make Amending Rules in accordance with this Part 8.
- (3) ~~[not used] This rule 125 and the remainder of Part 8 of the Rules (other than rule 125A) commence operation on and from 08:00AM on 3 April 2017X XX XXX, being the date on which the Rule Change Panel is conferred the function to develop amendments of and replacements for the Rules in accordance with regulation 2(b) of the Gas Services Information Amendment Regulations (No.2) 2016.~~

~~125A. Rule making by the Minister~~

- ~~(1) This rule 125A applies from the Rule Change Panel Transfer Date until 08:00AM on 1 July 2017, being the date on which until the Minister's power to make Amending Rules under regulation 7(5) of the GSI Regulations ends.~~
- ~~(2) Despite anything in the Rules, the Minister may develop and make Amending Rules in accordance with regulation 7(5) of the GSI Regulations.~~

126 Ministerial policy statements

- (1) The Minister may issue a statement of policy principles to the ~~Rule Change Panel~~Coordinator with respect to the GBB or the GSOO. The statement of policy principles must not be inconsistent with the GSI Objectives.
- (2) The Minister may provide the ~~Rule Change Panel~~Coordinator with a draft of the proposed statement of policy principles and seek the ~~Rule Change Panel~~Coordinator's views on it.

- (3) The ~~Rule Change Panel~~Coordinator must have regard to the statement of policy principles given by the Minister in making Amending Rules under this Part.

127 Rule making test

The ~~Rule Change Panel~~Coordinator must not make Amending Rules unless it is satisfied that the Rules, as proposed to be amended or replaced, are consistent with the GSI Objectives.

128 Factors for ~~Rule Change Panel~~Coordinator consideration

- (1) In deciding whether ~~or not~~ to make Amending Rules, the ~~Rule Change Panel~~Coordinator must have regard to the following:
- (a) any applicable statement of policy principles given to the ~~Rule Change Panel~~Coordinator under rule 126;
 - (aa) any views expressed by Gas Advisory Board regarding the evolution of these Rules;
 - (b) the practicality and cost of implementing the Rule Change Proposal;
 - (c) the relevant views expressed in any submissions received by the ~~Rule Change Panel~~Coordinator on the Rule Change Proposal;
 - (d) the relevant views expressed at any public forums or workshops, or in other consultation with Gas Market Participants, held by the ~~Rule Change Panel~~Coordinator on the Rule Change Proposal;
 - (e) the relevant views expressed by the Gas Advisory Board where it met to consider the Rule Change Proposal; and
 - (ea) in connection with subrules (aa) and (e) of this rule 129(1), whether the advice from the Gas Advisory Board reflects a consensus view or a majority view, and, if the latter, any dissenting views included in or accompanying the advice;
 - (f) any information that the ~~Rule Change Panel~~Coordinator considers necessary to assess the Rule Change Proposal.
- (2) Without limiting subrule (1), in deciding whether or not to make Amending Rules, the ~~Rule Change Panel~~Coordinator may request the ~~RCP-GAB~~ Secretariat to seek advice, and the ~~Rule Change Panel~~Coordinator may have regard to that advice, from any person that the ~~Rule Change Panel~~Coordinator considers is appropriate to assist it in assessing the relevant Rule Change Proposal.

Division 2 Initiating changes to the Rules

129 Initiating a Rule Change Proposal

- (1) Any person may make a Rule Change Proposal by completing a Rule Change Proposal Form.
- (2) A person other than the ~~Rule Change Panel~~Coordinator who wishes to make a Rule Change Proposal must submit a completed Rule Change Proposal Form to the ~~Rule Change Panel~~Coordinator using the contact details provided in the form.
- (3) Where the ~~Rule Change Panel~~Coordinator considers it to be necessary, it may contact a person submitting a Rule Change Proposal and request written clarification of any aspect of the proposal.
- (4) Information clarifying a Rule Change Proposal received by the ~~Rule Change Panel~~Coordinator forms part of the Rule Change Proposal.
- (4a) The Coordinator must, before commencing the development of a Rule Change Proposal or providing material support or assistance to another party to develop a Rule Change Proposal, consult with the Gas Advisory Board on:
 - (a) the matters to be addressed by the Rule Change Proposal and if applicable the nature and scope of the support or assistance requested by the other party;
 - (b) what options exist to resolve the matters to be addressed by the Rule Change Proposal;
 - (c) the Coordinator's estimated costs to be recovered through Coordinator Fees of developing the Rule Change Proposal or providing the support or assistance requested by the other party;
 - (d) whether and when the Coordinator should develop the Rule Change Proposal or if the Coordinator should provide the support or assistance requested by the other party; and
 - (e) whether and how the Gas Review Board will be consulted during the development of the Rule Change Proposal,
and take into account any advice, comments or objections provided by any member or observer of the Gas Review Board in deciding whether, when and how to develop the Rule Change Proposal or provide material support or assistance to another party to develop the Rule Change Proposal.
- (5) Where the ~~Rule Change Panel~~Coordinator considers that a change to the Rules is:—
 - (a) ~~required to correct a manifest error in the Rules; or~~

(b) [blank] of a minor or procedural nature, the ~~Rule Change Panel~~Coordinator may develop a Rule Change Proposal and must publish it in accordance with subrule 132(2)(a).

~~(6) The Coordinator must have regard to any advice received from the Gas Review Advisory Board regarding the evolution of the Rules.~~

~~(7) The independent Chair of the Gas Advisory Board may develop and submit Rule Change Proposals based on advice received from the Gas Advisory Board regarding the evolution of the Rules.~~

130 Rule Change Proposal Form

(1) The ~~Rule Change Panel~~Coordinator must publish on the GSI Website a Rule Change Proposal Form.

(2) The form must include:

- (a) contact details for proposing rule changes; and
- (b) information that must be provided in a Rule Change Proposal, including:
 - (i) the name of the person submitting the Rule Change Proposal and, where relevant, details of the organisation that person represents;
 - (ii) the issue to be addressed;
 - (iii) the degree of urgency of the proposed change;
 - (iv) any proposed specific changes to particular rules;
 - (v) an explanation of how the proposed rule change would allow the Rules to better address the GSI Objectives; and
 - (vi) any identifiable costs and benefits of the change.

131 ~~Rule Change Panel~~Coordinator decision to progress a Rule Change Proposal

(1) Within five Business Days of the later of receiving a Rule Change Proposal or any clarification information requested under subrule 129(3), the ~~Rule Change Panel~~Coordinator must:

- (a) decide whether ~~or not~~ to progress the Rule Change Proposal any further; and
- (b) notify the person who submitted the Rule Change Proposal whether ~~or not~~ the ~~Rule Change Panel~~Coordinator will progress the proposal and the reasons for the decision.

-
- (2) The ~~Rule Change Panel~~Coordinator may decide to progress a Rule Change Proposal under the Fast Track Rule Change Process if, in the opinion of the ~~Rule Change Panel~~Coordinator, the proposal:
- (a) is of a minor or procedural nature;
 - (b) is required to correct a manifest error; or
 - (c) is urgently required and is essential for the effective operation of the GBB.

132 Rule Change Notice

- (1) The ~~Rule Change Panel~~Coordinator must publish notice of a Rule Change Proposal on the GSI Website in accordance with this rule (a Rule Change Notice).
- (2) A Rule Change Notice must be published:
- (a) in the case where the Rule Change Proposal has been developed by the ~~Rule Change Panel~~Coordinator, as soon as practicable after the proposal is developed; or
 - (b) in the case where the Rule Change Proposal was submitted by any other person, within seven Business Days of the later of receiving:
 - (i) the Rule Change Proposal; or
 - (ii) any information or clarification requested by the ~~Rule Change Panel~~Coordinator under subrule 129(3).
- (3) A Rule Change Notice must include:
- (a) the date that the Rule Change Proposal was submitted, if applicable;
 - (b) the name, and where relevant, the organisation, of the person who proposed the Rule Change Proposal;
 - (c) the Rule Change Proposal, including relevant references to provisions of the Rules and any proposed specific changes to those provisions;
 - (d) a description of how the person submitting the Rule Change Proposal considers the rule change would allow the Rules to better address the GSI Objectives; and
 - (e) whether the Rule Change Proposal will be progressed and the reasons why the Rule Change Proposal will or will not be progressed.
- (4) Where a Rule Change Proposal will be progressed, the Rule Change Notice must state whether the Rule Change Proposal is subject to the Fast Track Rule Change Process and the reasons for this decision.
- (5) Where the Rule Change Proposal will be progressed under the Fast Track Rule Change Process, the Rule Change Notice must include:

- (a) an invitation to make written submissions on the Rule Change Proposal and the closing date for making those submissions; and
 - (b) in the case where the Rule Change Proposal did not include Amending Rules to implement the proposal, the proposed Amending Rules to implement the Rule Change Proposal.
- (6) Where the Rule Change Proposal will be progressed under the Standard Rule Change Process, the Rule Change Notice must include an invitation to make written submissions on the Rule Change Proposal and the closing date for making those submissions, which must be at least 30 Business Days after the date the notice is published.

Division 3 Fast Track Rule Change Process

133 Consultation for Fast Track Rule Change Process

- (1) Within five Business Days of publishing a Rule Change Notice, the ~~Rule Change Panel~~Coordinator must notify AEMO and those Gas Market Participants that it considers have an interest in the Rule Change Proposal, of its intention to consult with them concerning the Rule Change Proposal.
- (2) Within five Business Days of publishing the Rule Change Notice, AEMO or an interested Gas Market Participant may notify the ~~Rule Change Panel~~Coordinator that it wishes to be consulted in relation to the Rule Change Proposal.
- (3) The ~~Rule Change Panel~~Coordinator must complete such consultation as the ~~Rule Change Panel~~Coordinator considers appropriate in the circumstances with AEMO and the relevant Gas Market Participants (as applicable) within 15 Business Days of publishing the Rule Change Notice.

134 Final Rule Change Report for Fast Track Rule Change Process

- (1) Within 20 Business Days of publishing a Rule Change Notice for a Rule Change Proposal to be progressed under the Fast Track Rule Change Process, the ~~Rule Change Panel~~Coordinator must:
 - (a) decide whether to:
 - (i) accept the Rule Change Proposal in the proposed form;
 - (ii) accept the Rule Change Proposal in a modified form; or
 - (iii) reject the Rule Change Proposal; and
 - (b) publish on the GSI Website a Final Rule Change Report.
- (2) A Final Rule Change Report must contain:

- (a) the decision made by the ~~Rule Change Panel~~Coordinator under subrule (1)(a) on the Rule Change Proposal; and
 - (b) the reasons of the ~~Rule Change Panel~~Coordinator as to whether ~~or not~~ it should make the proposed Amending Rules, having regard to:
 - (i) the rule making test in rule 127; and
 - (ii) the factors for consideration listed in subrule 128(1).
- (3) If the ~~Rule Change Panel~~Coordinator decides to make Amending Rules, the Final Rule Change Report must contain:
- (a) the Amending Rules; and
 - (b) the proposed date and time that the Amending Rules will commence.

Division 4 Standard Rule Change Process

135 Gas Advisory Board advice

- (1) The ~~Rule Change Panel~~Coordinator must, within one Business Day after the publication of the Rule Change Notice, notify the members and observers of the Gas Advisory Board whether the ~~Rule Change Panel~~Coordinator considers the Rule Change Proposal requires convening a meeting of the Gas Advisory Board and the reasons why.
- (2) The ~~Rule Change Panel~~Coordinator must convene a meeting of the Gas Advisory Board concerning a Rule Change Proposal if:
 - (a) the ~~Rule Change Panel~~Coordinator considers that advice on the Rule Change Proposal is required from the Gas Advisory Board; or
 - (b) ~~two or more members~~the independent Chair of the Gas Advisory Board has ~~have~~ informed the ~~Rule Change Panel~~Coordinator in writing that ~~they~~ she or he ~~considers~~ that advice on the Rule Change Proposal is required from the Gas Advisory Board.

136 Draft Rule Change Report

- (1) Within 20 Business Days after the closing date for making submissions, as set out in the Rule Change Notice, the ~~Rule Change Panel~~Coordinator must publish on the GSI Website:
 - (a) a Draft Rule Change Report on the Rule Change Proposal; and
 - (b) an invitation to make written submissions on the Draft Rule Change Report by the closing date which must be at least 20 Business Days after the date of publication of the Draft Rule Change Report.

- (2) A Draft Rule Change Report must contain the reasons of the ~~Rule Change Panel~~Coordinator as to whether ~~or not~~ it should make the proposed Amending Rules, having regard to:
- (a) the rule making test in rule 127; and
 - (b) the factors for consideration listed in subrule 128(1).
- (3) A Draft Rule Change Report must indicate whether the proposed decision of the ~~Rule Change Panel~~Coordinator is to:
- (a) accept the Rule Change Proposal in the proposed form;
 - (b) accept the Rule Change Proposal in a modified form; or
 - (c) reject the Rule Change Proposal.
- (4) If the ~~Rule Change Panel~~Coordinator is considering the making of Amending Rules, the Draft Rule Change Report must contain:
- (a) the draft Amending Rules; and
 - (b) a proposed date and time on which the draft Amending Rules would commence.

137 Final Rule Change Report

- (1) Within 20 Business Days of the closing date for making submissions on the Draft Rule Change Report, the ~~Rule Change Panel~~Coordinator must:
- (a) decide whether to:
 - (i) accept the Rule Change Proposal in the proposed form;
 - (ii) accept the Rule Change Proposal in a modified form; or
 - (iii) reject the Rule Change Proposal; and
 - (b) publish on the GSI Website a Final Rule Change Report.
- (2) A Final Rule Change Report must contain:
- (a) the decision made by the ~~Rule Change Panel~~Coordinator under subrule (1)(a) on the Rule Change Proposal; and
 - (b) the reasons of the ~~Rule Change Panel~~Coordinator as to whether ~~or not~~ it should make the proposed Amending Rules, having regard to:
 - (i) the rule making test in rule 127; and
 - (ii) the factors for consideration listed in subrule 128(1).
- (3) If the ~~Rule Change Panel~~Coordinator decides to make Amending Rules, the Final Rule Change Report must contain:
- (a) the Amending Rules; and

- (b) a proposed date and time on which the Amending Rules will commence.

Division 5 Submissions and public forums

138 Right to make submissions

- (1) Any person or body, within the period specified in a Rule Change Notice or an invitation to make a submission in relation to a Draft Rule Change Report, may make a written submission in relation to the Rule Change Proposal to which the request for submissions relates.
- (2) In determining whether ~~or not~~ to make Amending Rules, the ~~Rule Change Panel~~Coordinator:
- (a) must take into account all relevant comments in written submissions received by the closing date for submissions; and
- (b) may, but is not required to, take into account any comments in written submissions received after that date.

139 ~~Rule Change Panel~~Coordinator must publish submissions

Subject to applicable requirements relating to Protected Information under the GSI Act, the GSI Regulations and these ~~Rules~~ Panel Regulations, the ~~Rule Change Panel~~Coordinator must publish all written submissions received under this Part.

140 Public forums or workshops

The ~~Rule Change Panel~~Coordinator may hold public forums or workshops concerning a Rule Change Proposal.

Division 6 Extension of rule change timeframes

141 ~~Rule Change Panel~~Coordinator may extend timeframes

- (1) The ~~Rule Change Panel~~Coordinator may at any time after deciding to progress a Rule Change Proposal extend the prescribed timeframe for a Fast Track Rule Change Process or a Standard Rule Change Process in accordance with this rule.
- (2) If a Rule Change Proposal is subject to the Fast Track Rule Change Process, and the ~~Rule Change Panel~~Coordinator decides to extend the timeframe, it must either:
- (a) extend the timeframe by no more than 15 Business Days; or
- (b) reclassify the Rule Change Proposal as not being subject to the Fast Track Rule Change Process, and must progress it in accordance with the Standard Rule Change Process.

-
- (3) The ~~Rule Change Panel~~Coordinator must publish on the GSI Website a notice of extension of timeframe where it has decided to extend the prescribed timeframe, and must update any information already published.
 - (4) A notice of extension of timeframe must include:
 - (a) the reasons for the proposed extension;
 - (b) views of Gas Market Participants (if any) consulted on the extension;
 - (c) the proposed length of any extension; and
 - (d) the proposed work program.
 - (5) The ~~Rule Change Panel~~Coordinator may only extend a prescribed timeframe under this rule before the expiry of that timeframe.

Division 7 Protected Provisions

142 Definition of Protected Provisions

- (1) In this Division, “modify” includes an addition, an omission or a substitution or any change that, in the ~~Rule Change Panel~~Coordinator’s opinion, would have the effect of changing the meaning of a Protected Provision.
- (2) The following rules are Protected Provisions:
 - (a) rules 1 to 20, excluding rule 10;
 - (b) rules 21 to 51;
 - (c) rules 92 to 95;
 - (d) rules 107 to 114, and rules 116, 118A, 118B and 120;
 - (e) rules 125 to 153;
 - (f) rules 154 to 164;
 - (g) rules 165 to 174;
 - (h) rules listed in Schedule 1 of the GSI Regulations as Civil Penalty Provisions;
 - (i) rules listed in Schedule 2 of the GSI Regulations as Reviewable Decisions; and
 - (j) any other rules that must not be amended, repealed or replaced without the approval of the Minister in accordance with the GSI Regulations.

143 ~~Rule Change Panel~~Coordinator to notify Minister at start of Rule Change Process

Where the ~~Rule Change Panel~~Coordinator decides to progress a Rule Change Proposal that relates to or affects a Protected Provision or a Rule Change Proposal in accordance with subrule 129(4a), the ~~Rule Change Panel~~Coordinator must notify the Minister at the same time as it publishes the Rule Change Notice under rule 132.

144 Minister must approve changes to Protected Provisions

- (1) The Minister must approve Amending Rules that modify a Protected Provision.
- (2) The ~~Rule Change Panel~~Coordinator must, as soon as practicable after publishing a Final Rule Change Report that relates to a Protected Provision Amendment, submit to the Minister the following documents:
 - (a) the relevant Rule Change Proposal; and
 - (b) the Final Rule Change Report, including the Amending Rules to be made.
- (3) Subject to rule 145, the Minister must, within 20 Business Days of the submission of a Protected Provision Amendment by the ~~Rule Change Panel~~Coordinator, decide whether the Amending Rules should be made, having regard to the GSI Objectives.
- (4) For a Protected Provision Amendment, the Minister may:
 - (a) approve the making of the Amending Rules;
 - (b) not approve the making of the Amending Rules; or
 - (c) send back to the ~~Rule Change Panel~~Coordinator the proposed Amending Rules with any revisions the Minister considers are required to ensure the Rules, as amended or replaced by the proposed Amending Rules, are consistent with the GSI Objectives.
- (5) Where the Minister approves a Protected Provision Amendment, the ~~Rule Change Panel~~Coordinator must publish on the GSI Website the Minister's approval and the date of the decision.

145 Minister may extend time to approve Protected Provision Amendment

- (1) The Minister may extend the time for a decision under rule 144 on a Protected Provision Amendment by a further period of up to 20 Business Days by notice to the ~~Rule Change Panel~~Coordinator, and may do so more than once.
- (2) The Minister may only extend a timeframe for a decision under subrule (1) before the expiry of that timeframe.

- (3) The ~~Rule Change Panel~~Coordinator must publish notice of any extension by the Minister on the GSI Website, as soon as practicable.

146 Approval of Minister may be deemed for Protected Provision Amendment

If the Minister does not make a decision under this Division by the original date or by an extended date, as applicable, then the Protected Provision Amendment is taken to have been approved by the Minister.

147 Minister to give reasons where Protected Provision Amendment not approved

Where the Minister does not approve or sends back a Protected Provision Amendment under subrule 144(4)(c), the Minister must give reasons, and the ~~Rule Change Panel~~Coordinator must publish a notice of the Minister's decision and the reasons given by the Minister on the GSI Website.

148 Consultation where Minister proposes revisions to Protected Provision Amendment

- (1) Where the Minister sends a Protected Provision Amendment back to the ~~Rule Change Panel~~Coordinator with revisions in accordance with subrule 144(4)(c), the ~~Rule Change Panel~~Coordinator must publish on the GSI Website the revised Amending Rules and invite written submissions within 15 Business Days of publication.

- (2) The ~~Rule Change Panel~~Coordinator must, within 25 Business Days after the close of submissions:

- (a) submit to the Minister a revised Final Rule Change Report, including any submissions received on the revised Amending Rules; and
- (b) publish on the GSI Website the revised Final Rule Change Report and all submissions received,

and this Division applies to the revised Final Rule Change Report.

Division 7A Coordinator-initiated rule changes

148A Minister to approve Coordinator-initiated rule changes

All rule changes resulting from a Rule Change Proposal initiated by the Coordinator, other than a Rule Change Proposal to which rule 131(2) applies, must be approved by the Minister.

Division 8 Making and commencement of Amending Rules

149 Making of Amending Rules

Amending Rules are made:

- (a) in the case where the Final Rule Change Report does not relate to a Protected Provision Amendment, when the ~~Rule Change Panel~~Coordinator publishes the Final Rule Change Report in relation to those Amending Rules; or
- (b) in the case where the Final Rule Change Report relates to a Protected Provision Amendment, when the Minister approves, or is taken to approve, the Amending Rules under Division 7.

150 Operation and commencement of Amending Rules

- (1) Amending Rules commence operation on the date and time determined by the ~~Rule Change Panel~~Coordinator.

Note: A Final Rule Change Report includes a proposed date and time for commencement of the Amending Rules.

- (2) The ~~Rule Change Panel~~Coordinator must, on or before the date on which Amending Rules commence, publish on the GSI Website a notice of the commencement of the Amending Rules.
- (3) The ~~Rule Change Panel~~Coordinator may amend a proposed date and time for commencement of Amending Rules as published in a Final Rule Change Report (and may do so on more than one occasion), provided that:
 - (a) the first amended commencement date and time is published on the GSI Website before the proposed commencement date and time referred to in the Final Rule Change Report;
 - (b) subsequent amendments to the proposed commencement date and time are published on the GSI Website before the most recently published proposed commencement date and time; and
 - (c) the ~~Rule Change Panel~~Coordinator publishes reasons for the change.

151 ~~ERA~~Coordinator to publish up to date version of Rules

The ~~ERA~~Coordinator must, at all times, maintain on the ~~Coordinator's W~~website maintained by the ERA a copy of the Rules, as in force from time to time.

Note: Regulation 9 of the GSI Regulations contains further requirements for making the Rules available.

152 Evidence of the Rules

A document purporting to be a copy of the Rules endorsed with a certificate to which the seal of the Coordinator~~ERA~~ has been duly affixed, certifying the document is such a copy, is evidence that the document is such a copy.

153 ~~Rule Change Panel~~Coordinator to publish historical Rule Change Proposals

The ~~Rule Change Panel~~Coordinator must publish on the GSI Website documents relevant to previous Rule Change Proposals that are no longer current, whether or not those proposals were accepted or rejected.

Part 9 Procedures

154 ~~Rule Change Panel~~Coordinator, AEMO and ERA may make Procedures

- (1) [Blank]
- (1A) AEMO may make Procedures to the extent to which the Procedures relate to its functions under the Rules, and must do so in accordance with this Part.
- (1B) The ERA may make Procedures to the extent to which the Procedures relate to its functions under the Rules, and must do so in accordance with this Part.
- (1C) The ~~Rule Change Panel~~Coordinator may make Procedures to the extent to which the Procedures relate to its functions under the Rules, and must do so in accordance with this Part.
- (2) Procedures must be consistent with the GSI Objectives.
- (3) The ~~Rule Change Panel~~Coordinator, AEMO and the ERA and each person to whom the Procedures are applicable must comply with those Procedures.

155 Matters about which Procedures may be made

- (1) Procedures may deal with any subject dealt with under the GSI Act, the GSI Regulations, ~~the Panel Regulations~~ or the Rules.
- (2) Without limiting subrule (1), the Procedures may deal with the following matters:
 - (a) the manner in which AEMO maintains, and publishes information on, the GBB including the format of any registers or reports required or permitted by the Rules;
 - (b) the content, manner and form of a Registration Application and an application to deregister a Registered Participant or a Registered Facility;
 - (c) the content, manner and form of an application for transfer of a Registered Facility;
 - (d) the content, manner and form of an Exemption Application;
 - (e) the time, manner and form for providing AEMO with information in connection with the GBB and the collection and collation of that information;
 - (f) the content, manner and form of an application for exemption from providing specified information for the GBB;
 - (g) any terms and conditions of use of the GBB;
 - (h) the meaning of symbols used for the purposes of the GBB;

-
- (i) the definition of terms or the designation of status for the purposes of the rules governing the operation of the GBB;
 - (j) the times at which, or frequency by which, AEMO will update the reports and information published on the GBB;
 - (k) the determination of any matter the ~~Rule Change Panel~~Coordinator, AEMO and the ERA is required or allowed to determine under the Rules including forecasts for the purposes of the GSOO;
 - (l) the time, manner and form for providing AEMO with information in connection with the GSOO and the collection and collation of that information;
 - (m) the ERA's and AEMO's monitoring processes for assessing compliance with the Rules and Procedures by Gas Market Participants;
 - (n) processes for Gas Market Participants to report alleged breaches of the Rules or Procedures;
 - (o) processes for investigations into alleged breaches of the Rules or Procedures;
 - (p) guidelines for the ERA when issuing Warning Notices for alleged breaches of the Rules or Procedures to Gas Market Participants;
 - (q) the procedure for dealing with Category A Civil Penalty Provision breaches;
 - (r) the procedure for bringing proceedings in respect of alleged breaches of the Rules or Procedures before the Board;
 - (s) any additional matters or reports that the ERA intends to include in published compliance reports; and
 - (t) any matter consequential or related to any of the above.
- (3) Without limiting subrule (1) and subrule 154(1A), AEMO—
- (a) may make Procedures dealing with the matters referred to in subrule 155(2)(a) to (j) (inclusive) and subrule 155(2)(l) and any matter consequential or related to those matters;
 - (b) may make Procedures dealing with the matters referred to in subrule 155(2)(k) and subrule 155(2)(m), to the extent the Procedures relate to its functions under the Rules; and
 - (c) must not make Procedures dealing with the matters referred to in subrule 155(2)(n) to (s) (inclusive) and any matter consequential or related to those matters.
- (4) [Blank]
- (5) Without limiting subrule (1) and subrule 154(1B), the ERA—

- (a) may make Procedures dealing with the matters referred to in subrule 155(2)(n) to (s) (inclusive) and any matter consequential or related to those matters;
 - (b) may make Procedures dealing with the matters referred to in subrule 155(2)(k) and subrule 155(2)(m), to the extent the Procedures relate to its functions under the Rules; and
 - (c) must not make Procedures dealing with the matters referred to in subrule 155(2)(a) to (j) (inclusive) and subrule 155(2)(l) and any matter consequential or related to those matters.
- (6) Without limiting subrule (1) and subrule 154(1C), the ~~Rule Change Panel~~Coordinator—
- (a) may make Procedures dealing with the matters referred to in subrule 155(2)(k), to the extent the Procedures relate to its functions under the Rules; and
 - (b) must not make Procedures dealing with the matters referred to in subrule 155(2)(a) to (j) (inclusive) and subrule 155(2)(l) to (s) (inclusive) and any matter consequential or related to those matters.

156 ~~Rule Change Panel~~Coordinator, AEMO and ERA may initiate a Procedure Change Proposal

- (1) The ~~Rule Change Panel~~Coordinator, AEMO or the ERA may initiate a proposal to make a Procedure relating to its functions under these Rules (a Procedure Change Proposal).
- (2) A Gas Market Participant may notify in writing the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) where it considers a change to a Procedure or a new Procedure would be appropriate.
- (3) Within 20 Business Days of receipt of a notification under subrule (2), the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must—
 - (a) determine whether a change to a Procedure or a new Procedure is appropriate; and
 - (b) publish on the GSI Website details of whether a Procedure Change Proposal will be progressed with respect to the suggested change and the reasons for that decision.
- (4) If an Amending Rule requires the ~~Rule Change Panel~~Coordinator, AEMO or the ERA to make changes to Procedures, then the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must develop an appropriate Procedure Change Proposal consistent with the Amending Rule.

157 Procedure Change Proposal

A Procedure Change Proposal developed by the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must be published on the GSI Website and must include:

- (a) a description of the proposed Procedure (or change to a Procedure);
- (b) the reasons for the proposed Procedure (or change to a Procedure);
- (c) a draft of the proposed Procedure (or change to a Procedure); and
- (d) an invitation to make written submissions on the Procedure Change Proposal and the closing date for making those submissions, which must be at least 20 Business Days after the date the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) publishes the Procedure Change Proposal on the GSI Website.

158 Submissions

- (1) Any person may make a submission to the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) in relation to a Procedure Change Proposal in the form published on the GSI Website.
- (2) In determining whether or not to make Procedures under the Rules, the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable):
 - (a) must take into account all relevant comments in written submissions that it receives by the closing date for submissions; and
 - (b) may, but is not required to, take into account any comments in written submissions that it receives after that date.

159 Gas Advisory Board advice

- (1) [Blank]
- (2) The ~~Rule Change Panel~~GAB Secretariat must convene a meeting of the Gas Advisory Board concerning a Procedure Change Proposal if—
 - (a) the Procedure Change Proposal relates to the ~~Rule Change Panel~~Coordinator's functions under the Rules and the ~~Rule Change Panel~~Coordinator considers that advice on the Procedure Change Proposal is required from the Gas Advisory Board;
 - (b) ~~two or more members~~ the Chair of the Gas Advisory Board ~~has~~ has informed the ~~Rule Change Panel~~Coordinator in writing that ~~they~~ she or he ~~considers~~ considers that advice on the Procedure Change Proposal is required from the Gas Advisory Board;
 - (c) AEMO requests the ~~Rule Change Panel~~Coordinator to convene a meeting under subrule (3); ~~or~~

- (d) the ERA requests the ~~Rule Change Panel~~Coordinator to convene a meeting under subrule (4); or
- (e) the Coordinator requests a meeting of the Gas Advisory Board.
- (3) AEMO may request the ~~Rule Change Panel~~Coordinator to convene a meeting of the Gas Advisory Board concerning a Procedure Change Proposal if the Procedure Change Proposal relates to AEMO's functions under the Rules.
- (4) The ERA may request the ~~Rule Change Panel~~Coordinator to convene a meeting of the Gas Advisory Board concerning a Procedure Change Proposal if the Procedure Change Proposal relates to the ERA's functions under the Rules.

160 Procedure Change Report

- (1) Within 20 Business Days after the closing date for submissions specified in the Procedure Change Proposal, the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must publish a Procedure Change Report on the GSI Website.
- (2) The ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must decide whether to:
- make the proposed Procedure in the proposed form;
 - make the proposed Procedure in a modified form; or
 - not make the proposed Procedure.
- (3) A Procedure Change Report must contain:
- a summary of any comments received on the proposed Procedure, including advice from the Gas Advisory Board and any working groups established by the Gas Advisory Board;
 - the reasons of the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) for making or not making the proposed Procedure, including an explanation of how the proposed Procedure is consistent with the GSI Objectives;
 - if the decision is to make the proposed Procedure – the proposed date and time on which the Procedure is to commence operation; and
 - the proposed Procedure and, if it has been modified, a description of how and why it has been revised.
- (4) The date and time for commencement of the new or amended Procedure must be determined by the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable), having regard to the need to allow sufficient time for Gas Market Participants to implement any changes required.

161 Extension of timeframes

- (1) The ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) may, at any time after deciding to progress a Procedure Change Proposal, extend the prescribed timeframe for processing a Procedure Change Proposal in accordance with this rule.
- (2) The ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must publish on the GSI Website a notice of extension of timeframe where it has decided to extend the prescribed timeframe, and must update any information already published.
- (3) A notice of extension of timeframe must include:
 - (a) the reasons for the proposed extension;
 - (b) the views of Gas Market Participants (if any) consulted on the extension;
 - (c) the proposed length of any extension; and
 - (d) the proposed work program.
- (4) The ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) may only extend a prescribed timeframe under this rule before the expiry of that timeframe.

162 Operation and commencement of Procedures

- (1) A Procedure (including an amended Procedure) commences operation on the date and time determined by the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable).

Note: A Procedure Change Report includes a proposed date and time for commencement of the proposed Procedure as determined by the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable).

- (2) Where the proposed commencement date and time specified in a Procedure Change Report published on the GSI Website is later than the date of publishing that Procedure Change Report, the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) must, on or before the date on which the new or amended Procedure commences, publish on the GSI Website a notice of the commencement of the new or amended Procedure.
- (3) The ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) may amend a proposed date and time for commencement of a new or amended Procedure as published in a Procedure Change Report (and may do so on more than one occasion), provided that:
 - (a) the first amended commencement date and time is published on the GSI Website before the proposed commencement date and time referred to in the Procedure Change Report;

- (b) subsequent amendments to the proposed commencement date and time are published on the GSI Website before the most recently published proposed commencement date and time; and
- (c) the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) publishes reasons for the change.

163 ~~Rule Change Panel~~Coordinator, AEMO and ERA to publish up to date version of Procedures

The ~~Rule Change Panel~~Coordinator, AEMO and the ERA (as applicable) must, at all times, maintain on the GSI Website a copy of all Procedures that relate to its functions under the Rules, as in force from time to time.

164 ~~Rule Change Panel~~Coordinator, AEMO and ERA to publish historical Procedure Change Proposals

The ~~Rule Change Panel~~Coordinator, AEMO and the ERA (as applicable) must publish on the GSI Website documents relevant to previous Procedure Change Proposals that relate to its functions under the Rules that are no longer current, whether or not those proposals were accepted or rejected.

...

Confidential Information means information given to the Coordinator under an obligation under a written law or these Rules—

- (a) that is specified to be confidential by the person who provided it (unless it is not reasonable in the circumstances to so specify the information); or
- (b) that by its nature is confidential; or
- (c) that is classified as confidential under these Rules or the GSI Regulations.

...

Coordinator means the Coordinator of Energy referred to in section 4 of the Energy Coordination Act 1994.

Coordinator's Website means a website or portion of a website maintained by, or on behalf of, the Coordinator.

...

Draft Rule Change Report means a report prepared by the ~~Rule Change Panel~~Coordinator under rule 136.

...

Final Rule Change Report means—

- (a) for a Fast Track Rule Change Process, a report published by the ~~Rule Change Panel~~Coordinator under rule 134 and includes a revised Final Rule Change Report published under subrule 148(2); and
- (b) for a Standard Rule Change Process, a report published by the ~~Rule Change Panel~~Coordinator under rule 137, and includes a revised Final Rule Change Report published under subrule 148(2).

...

GAB Secretariat means the services, facilities and assistance made available by the Coordinator to the Gas Advisory Board.

Gas Advisory Board means the board established by the ~~Rule Change Panel~~Coordinator under rule 11.

...

GSI Consultation Procedure means the consultation procedure set out in rule 7 that the ~~Rule Change Panel~~Coordinator, AEMO and the ERA must follow when any of those entities are required to make an instrument (however described) under the Rules in accordance with the GSI Consultation Procedure.

...

Panel Regulations means the *Energy Industry (Rule Change Panel) Regulations 2016* as they were in effect immediately before their repeal.

...

Procedure Change Report means a report published by the ~~Rule Change Panel~~Coordinator, AEMO or the ERA (as applicable) under rule 160.

...

Protected Information has the meaning given in the GSI Act and includes any Confidential Information as defined in the Panel Regulations.

...

~~**RCP Secretariat** means the executive officer of the Rule Change Panel made available by the ERA in accordance with the Panel Regulations.~~

~~**RCP Secretariat Support Services** means the RCP Secretariat and such staff members, services, facilities and assistance as are made available by the ERA to the Rule Change Panel in accordance with the Panel Regulations.~~

...

Rule Change Notice means a notice issued by the ~~Rule Change Panel~~Coordinator in accordance with rule 132.

Rule Change Panel has the meaning given in the Panel Regulations.

...

Rule Change Proposal means a proposal made in accordance with rule 129 requesting that the ~~Rule Change Panel~~Coordinator make Amending Rules.

Rule Change Proposal Form means a form published by the ~~Rule Change Panel~~Coordinator on the GSI Website for the purposes of initiating a Rule Change Proposal (see rule 130).

~~**Rule Change Panel Transfer Date** means 8:00AM on the date the amending rules made under the GSI Regulations, regulation 7(5) giving effect to the transfer of functions from the IMO to the Rule Change Panel commence operation.~~

...

[Note to stakeholders: The transition from RCP to the Coordinator will be implemented by a new rule Part 6 of Schedule 3. This will be modelled on existing Part 4 of Schedule 3, which implemented the transfer from the IMO to the RCP. To assist readers who may be familiar with existing rule Part 4, we have presented the new Part as a markup from that Part.]

Part 46—Transitional rules for conferral of functions on ~~Rule Change Panel~~Coordinator

Division 1—Definitions

1 Definitions

In this Part—

~~**Rule Change Panel**~~Coordinator **Transfer Date** has the meaning given in Schedule 1.

Division 2—Transitional Rules

2 Validation of acts, instruments and decisions of ~~Rule Change Panel~~Coordinator

(1) On and from the ~~Rule Change Panel~~Coordinator Transfer Date—

-
- (a) where the ~~Rule Change Panel~~Coordinator is required to do an act, matter or thing under a provision of the Rules, and that act, matter or thing was done by the ~~IMORule Change Panel~~ prior to the ~~Rule Change Panel~~Coordinator Transfer Date, then the act, matter or thing is deemed to have been done by the ~~Rule Change Panel~~Coordinator in accordance with the relevant provision;
- (b) where the ~~Rule Change Panel~~Coordinator is required to do an act, matter or thing under a provision of a Procedure, and that act, matter or thing was done by the ~~IMORule Change Panel~~ prior to the ~~Rule Change Panel~~Coordinator Transfer Date, then the act, matter or thing is deemed to have been done by the ~~Rule Change Panel~~Coordinator in accordance with the relevant provision;
- (c) notwithstanding the operation of subrules 2(1)(a) and 2(1)(b), the ~~Rule Change Panel~~Coordinator is not liable for any act, matter or thing done by the ~~IMORule Change Panel~~ prior to the ~~Rule Change Panel~~Coordinator Transfer Date in breach of the Rules or any Procedure;
- (d) where the ~~Rule Change Panel~~Coordinator is required to develop or maintain a Procedure, and that Procedure was developed or maintained by the ~~IMORule Change Panel~~ prior to the ~~Rule Change Panel~~Coordinator Transfer Date, then—
- (i) the Procedure is deemed to have been developed or maintained by the ~~Rule Change Panel~~Coordinator in accordance with the Rules;
 - (ii) a reference to the ~~IMORule Change Panel~~ in that Procedure that should be a reference to the ~~Rule Change Panel~~Coordinator having regard to the ~~Rule Change Panel~~Coordinator's functions, powers, rights and obligations under the Rules and the other Procedures is deemed to be a reference to the ~~Rule Change Panel~~Coordinator;
 - (iii) the ~~Rule Change Panel~~Coordinator may amend the Procedure to refer to the ~~Rule Change Panel~~Coordinator instead of the ~~IMORule Change Panel~~ (where appropriate) and make any necessary consequential amendments to the Procedure, and the provisions of rules 156 to 162 will not apply to the ~~Rule Change Panel~~Coordinator to the extent to which it amends Procedures in accordance with this subrule 2(1)(d); and
 - (iv) any Procedure which is amended by the ~~Rule Change Panel~~Coordinator in accordance with this subrule 2(1)(d) may commence operation on the date and time determined by the ~~Rule Change Panel~~Coordinator and published on the GSI Website;
- (e) where the ~~Rule Change Panel~~Coordinator is required to publish or release any information or document (other than a Procedure) (including, without limitation, a form, protocol, instrument or other thing and the Constitution) and that information or document was published or released by the

~~IMORule Change Panel~~ prior to the ~~Rule Change Panel~~Coordinator Transfer Date, then—

- (i) the information or document is deemed to have been published or released by the ~~Rule Change Panel~~Coordinator in accordance with the Rules; and
 - (ii) any reference to the ~~IMORule Change Panel~~ in such information or document that should be a reference to the ~~Rule Change Panel~~Coordinator having regard to the ~~Rule Change Panel~~Coordinator's functions, powers, rights and obligations under the Rules and the Procedures is deemed to be a reference to the ~~Rule Change Panel~~Coordinator; and
- (f) where a person (including, without limitation, a Gas Market Participant) is required to provide information to, or do an act, matter or thing for the ~~Rule Change Panel~~Coordinator under the Rules or a Procedure and the person has provided that information to, or done that act, matter or thing for the ~~IMORule Change Panel~~ prior to the ~~Rule Change Panel~~Coordinator Transfer Date, then the information, act or thing, is deemed to have been provided to, or done for, the ~~Rule Change Panel~~Coordinator in accordance with the relevant Rules or Procedure.
- (2) If, by operation of subrule 2(1), the ~~Rule Change Panel~~Coordinator is deemed to have made a Reviewable Decision that was made by the ~~IMORule Change Panel~~, then, on and from the ~~Rule Change Panel~~Coordinator Transfer Date, any application to the Board for a review of the Reviewable Decision that might have been brought or continued by a Gas Market Participant against the ~~IMORule Change Panel~~ may be brought or continued against the ~~Rule Change Panel~~Coordinator as if all references to the ~~IMORule Change Panel~~ as the relevant decision-maker are references to the ~~Rule Change Panel~~Coordinator.

3 Coordinator's first budget

Notwithstanding subrule 110B(3), the date by which the Coordinator must notify AEMO of the dollar amount that the Coordinator may recover under subrule 110B(1) in the Financial Year beginning on 1 July 2021, is 15 July 2021.

Appendix C

Draft WEM Rules Amendments – Transfer of Functions from the ERA to the Coordinator

Appendix C**DRAFT WEM RULES AMENDMENTS****TRANSFER FROM ERA to COE, and AEMO to ERA**

[Note to stakeholders: In the proposed draft rules at appendices A and C we have not replicated changes related to the generator performance standards (Tranche 1 Rules) administrative changes being proposed as part of the Energy Transformation Strategy. These will be incorporated at a later date as necessary to suit the timing of the various rules packages]

1.17A. Transition of certain Economic Regulation Authority ~~IMO~~ functions to the Economic Regulation Authority ~~Coordinator~~

[Note: Section 1.17 will be retained in its current form, and an entirely new section 1.17A will be inserted. However, we have marked-up the new clause to show how it has been adapted from section 1.17]

1.17A.1. On and from the ERA ~~Coordinator~~ Transfer Date:

- (a) where the Economic Regulation Authority ~~Coordinator~~ is required to do an act, matter or thing under a provision of these Market Rules, and that act, matter or thing was done by the ~~IMO~~ Economic Regulation Authority prior to the ERA ~~Coordinator~~ Transfer Date, then the act, matter or thing is deemed to have been done by the Economic Regulation Authority ~~Coordinator~~ in accordance with the relevant provision;
- (b) where the Economic Regulation Authority ~~Coordinator~~ is required to do an act, matter or thing under a provision of a Market Procedure, and that act, matter or thing was done by the ~~IMO~~ Economic Regulation Authority prior to the ERA ~~Coordinator~~ Transfer Date, then the act, matter or thing is deemed to have been done by the Economic Regulation Authority ~~Coordinator~~ in accordance with the relevant provision;
- (c) notwithstanding the operation of clauses 1.17A.1(a) and 1.17A.1(b), the Economic Regulation Authority ~~Coordinator~~ is not liable for any act, matter or thing done by the ~~IMO~~ Economic Regulation Authority prior to the ERA ~~Coordinator~~ Transfer Date in breach of these Market Rules or any Market Procedure;
- ~~(d) where the Economic Regulation Authority is required to develop or maintain a Market Procedure (including the Market Procedure that is required to be maintained in accordance with clause 2.15.1), and that Market Procedure was developed or maintained by the IMO prior to the ERA Transfer Date, then:~~
 - ~~i. the Market Procedure is deemed to have been developed or maintained by the Economic Regulation Authority in accordance with these Market Rules;~~

- ii. ~~a reference to the IMO in that Market Procedure that should be a reference to the Economic Regulation Authority having regard to the Economic Regulation Authority's functions, powers, rights and obligations under these Market Rules and the other Market Procedures is deemed to be a reference to the Economic Regulation Authority;~~
- iii. ~~the Economic Regulation Authority may amend the Market Procedure to refer to the Economic Regulation Authority instead of the IMO (where appropriate) and make any necessary consequential amendments without undertaking the Procedure Change Process; and~~
- iv. ~~any Market Procedure which is amended by the Economic Regulation Authority in accordance with this clause 1.17.1(d) may commence operation on the date and time determined by the Economic Regulation Authority and published on the Market Web Site;~~

(ed) where the ~~Economic Regulation Authority~~Coordinator is required to publish or release any information or document (other than a Market Procedure) (including, without limitation, a form, protocol, instrument or other thing) and that information or document was published or released by the ~~IMO~~Economic Regulation Authority prior to the ~~ERA~~Coordinator Transfer Date, then—

- i. the information or document is deemed to have been published or released by the ~~Economic Regulation Authority~~Coordinator in accordance with these Market Rules; and
- ii. any reference to the ~~IMO~~Economic Regulation Authority in that information or document that should be a reference to the ~~Economic Regulation Authority~~Coordinator having regard to the ~~Economic Regulation Authority~~Coordinator's functions, powers, rights and obligations under these Market Rules and the Market Procedures is deemed to be a reference to the ~~Economic Regulation Authority~~Coordinator; and

(fe) where a person (including, without limitation, a Rule Participant) is required to provide information to, or do an act, matter or thing for the ~~Economic Regulation Authority~~Coordinator under these Market Rules or a Market Procedure and the person has provided that information to, or done that act, matter or thing for the ~~IMO~~Economic Regulation Authority prior to the ~~ERA~~Coordinator Transfer Date, then the information, act, matter or thing, is deemed to have been provided to, or done for, the ~~Economic Regulation Authority~~Coordinator in accordance with the relevant Market Rules or Market Procedure.

1.17.2. ~~[Blank]~~

1.17.3. If, by operation of clause 1.17.1, the Economic Regulation Authority is deemed to have made a Reviewable Decision that was made by the IMO, then, on and from the ERA Transfer Date any application to the Electricity Review Board for a review of the Reviewable Decision that might have been brought or continued by a Rule Participant against the IMO may be brought or continued against the Economic Regulation Authority as if all references to the IMO as the relevant decision-maker are references to the Economic Regulation Authority.

1.17.4. [Blank]

1.17.5. The operation of—

- (a) — clause 3.15.1 is modified so that the Economic Regulation Authority is not required to conduct the next study on the Ancillary Service Standards and the basis for setting Ancillary Service Requirements before 31 October 2017;
- (b) — clause 3.18.18 is modified so that the Economic Regulation Authority is not required to conduct the next review of the outage planning process before 31 October 2017; Chapter 1
- (c) — clause 4.5.15 is modified so that the Economic Regulation Authority is not required to conduct a review of the Planning Criterion and the process by which it forecasts SWIS peak demand before 31 October 2017;
- (d) — clause 4.11.3C is modified so that the Economic Regulation Authority is not required to conduct the first review of the Relevant Level Methodology before 1 April 2019, and:
 - i. — the values of the parameters K and U in Step 17 of Appendix 9 to be applied for the 2018 Reserve Capacity Cycle are deemed to be the K and U values determined for the 2017 Reserve Capacity Cycle as published on the Market Web Site; and
 - ii. — in conducting the first review of the Relevant Level Methodology, the Economic Regulation Authority must determine the values of the parameters K and U to be applied for the 2019 and 2020 Reserve Capacity Cycles; and
- (e) — clause 4.16.9 is modified so that the Economic Regulation Authority is not required to carry out the next review of the Market Procedure referred to in clause 4.16.3 (including any public consultation process in respect of the outcome of the review) before 31 October 2017.

...

2.1A. Australian Energy Market Operator

...

2.1A.2. The WEM Regulations also provide for the Market Rules to confer additional functions on AEMO. The functions conferred on AEMO are:

...

- (k) to support the Economic Regulation Authority in its market surveillance role, including providing any market related information required by the Economic Regulation Authority;
- (l) to support the Coordinator and the Economic Regulation Authority in ~~its~~ their roles of monitoring market effectiveness, including providing any market related information required by the Coordinator or the Economic Regulation Authority;
- (IA) to contribute to the development and improve the effectiveness of the operation and administration of the Wholesale Electricity Market, by:
 - i. developing Rule Change Proposals;
 - ii. providing support and assistance to other parties to develop Rule Change Proposals;
 - iii. providing information to the Coordinator ~~Rule Change Panel~~ as required to support the Coordinator ~~Rule Change Panel~~'s functions under the Market Rules; and
 - iv. providing information and assistance to the Coordinator and the Economic Regulation Authority as required to support the reviews they carry ~~carried out by the Economic Regulation Authority~~ under the Market Rules;

...

...

[Note: For the readers convenience the mark-up to 2.16 below includes some changes that will not commence until 1 Oct 2022]

2.16. Monitoring the Effectiveness of the Market

- 2.16.1. AEMO is responsible for collection and primary analysis of data in accordance with this clause 2.16. AEMO must:
 - (a) compile the data identified in the Market Surveillance Data Catalogue and provide that data to the Coordinator and the Economic Regulation Authority; and
 - (b) analyse the compiled data in accordance with clause 2.16.4 and provide the results of the analysis to the Coordinator and the Economic Regulation Authority.
- 2.16.2. AEMO must develop a Market Surveillance Data Catalogue, which identifies data to be compiled concerning the market. The Market Surveillance Data Catalogue must identify the following data items:
 - (a) the number of Market ~~Generators and Market Customers~~ Participants in the market;
 - (b) [blank] ~~the number of participants in each Reserve Capacity Auction;~~

- (c) clearing prices in each ~~Reserve Capacity Auction~~ and STEM Auction;
- (d) ~~LFAS-ESS~~ Submissions;
- (dA) ~~[blank]~~all ~~Reserve Capacity Auction~~ offers;
- (e) all bilateral quantities scheduled;
- (f) all STEM Offers and STEM Bids, including both quantity and price terms;
- (g) ~~Balancing Real-Time Market~~ Submissions, including associated Real-Time Market ~~Balancing~~ Price-Quantity Pairs and Ramp Rate Limits;
- (gA) all Fuel Declarations;
- (gB) all Availability Declarations;
- (gC) all ~~Ancillary Service~~ Declarations (blank);
- (gD) Offers of Frequency Co-optimised Essential System Services in the Real-Time Market;
- (h) any substantial variations in STEM Offer and STEM Bid prices or quantities relative to recent past behaviour;
- (hA) any evidence that a Market Customer has significantly over-stated its consumption as indicated by its Net Contract Position with a regularity that cannot be explained by a reasonable allowance for forecast uncertainty or the impact of Loss Factors;
- (hB) the information in clause 7A.2.18(c);
- (hC) any substantial variations in Real-Time Market ~~Balancing~~ Prices, ~~Non-Balancing Facility Dispatch Instruction~~ Constrained On Payments or Metered Real-Time Market ~~Balancing~~ Quantities relative to recent past behaviour;
- (i) the capacity available from ~~Balancing~~ Facilities through the Real-Time ~~Balancing~~ Market and from Demand Side Programmes ~~specified in the Non-Balancing Dispatch Merit Order~~;
- (j) the frequency and nature of Dispatch Instructions and Operating Instructions to Market Participants;
- (k) the number and frequency of outages of Scheduled Generators, Semi-Scheduled Generators and Non-Scheduled Generators, and Market Participants' compliance with the outage scheduling process;
- (l) the performance of Market Participants with Reserve Capacity Obligations in meeting their obligations;
- (m) details of ~~Ancillary Service~~ Supplementary ESS Contracts and any System Restart Service Contracts that it enters into ~~as System Management~~;
- (n) all ~~LFAS-ESS~~ Prices;

- (o) ~~the number of Rule Change Proposals received, and details of Rule Change Proposals that the Rule Change Panel has decided not to progress under clause 2.5.6(blank);~~ and
 - (p) such other items of information as AEMO considers relevant to the functions of the ~~Rule Change Panel~~Coordinator, AEMO and the Economic Regulation Authority under this clause 2.16.
- 2.16.2A. [Blank]
- 2.16.3. AEMO must publish the Market Surveillance Data Catalogue, and must republish this document whenever it changes.
- 2.16.4. AEMO must undertake the following analysis of the data identified in the Market Surveillance Data Catalogue to calculate relevant summary statistics:
- (a) where applicable, calculation of the means and standard deviations of values in the Market Surveillance Data Catalogue;
 - (b) monthly, quarterly and annual moving averages of STEM Clearing Prices, Real-Time Market Balancing Prices and ~~LFAS-ESS~~ Prices;
 - (c) statistical analysis of the volatility of STEM Clearing Prices, Real-Time Market Balancing Prices and ~~LFAS-ESS~~ Prices;
 - (cA) any consistent or significant variations between the Fuel Declarations, Availability Declarations, ~~and Ancillary Service Declarations for~~, and the actual operation of, a Market Participant facility in real-time;
 - (d) the proportion of time STEM Clearing Prices and Real-Time Market Balancing Prices are at each Energy Price Limit;
 - (e) correlation between capacity offered into the STEM Auctions and the incidence of high STEM Clearing Prices;
 - (f) correlation between capacity offered into and made available in the Real-Time Market Balancing Market and the incidence of high Real-Time Market Balancing Prices;
 - (fA) correlation between capacity offered into and made available in the ~~LFAS-ESS~~ Market and the incidence of high ~~LFAS-ESS~~ Prices;
 - (g) exploration of the key determinants for high STEM Clearing Prices, Real-Time Market Balancing Prices and ~~LFAS-ESS~~ Prices, including determining correlations or other statistical analysis between explanatory factors that AEMO considers relevant and price movements; and
 - (h) such other analysis as AEMO considers appropriate or is requested of AEMO by the Coordinator or the Economic Regulation Authority (as applicable).
- 2.16.5. AEMO must, on request from the Coordinator or the Economic Regulation Authority (as applicable), and in any event at least once each month, provide the

- Coordinator or the Economic Regulation Authority (as applicable) with the data identified in the Market Surveillance Data Catalogue and the results of the analysis on that data referred to in clause 2.16.4.
- 2.16.6. Where the Coordinator or the Economic Regulation Authority (as applicable) considers that it is necessary or desirable for the performance of its functions under these Market Rules, the WEM Regulations or the Electricity Industry Act, or the functions of AEMO under this clause 2.16, the Coordinator or the Economic Regulation Authority (as applicable) may collect additional information from Rule Participants ~~or the Rule Change Panel~~ as follows:
- (a) the Coordinator or the Economic Regulation Authority (as applicable) may issue a notice to one or more Rule Participants ~~or the Rule Change Panel~~ requiring them to provide specified data to the Coordinator or the Economic Regulation Authority (as applicable) by a date (which the Coordinator or the Economic Regulation Authority (as applicable) considers to be reasonable);
 - (b) Market Participants ~~or the Rule Change Panel (as applicable)~~ must provide any information requested by the Coordinator or the Economic Regulation Authority (as applicable) by the date specified in the notice; and
 - (c) the Coordinator or the Economic Regulation Authority (as applicable) must provide this information to AEMO where the Coordinator or the Economic Regulation Authority (as applicable) considers that it is necessary or desirable for the performance of AEMO's functions under this clause 2.16.
- 2.16.7. Without limitation, additional information that can be collected by the Coordinator or the Economic Regulation Authority (as applicable) includes:
- (a) cost data for Synergy, including actual fuel costs by Trading Interval;
 - (b) System Management's operational records (whether held by System Management or which System Management may require from another person under these Market Rules), including SCADA records, of the level of utilisation and fuel related data for each of Synergy's Registered Facilities by Trading Interval; and
 - (c) the terms of Bilateral Contracts entered into by Synergy.
- 2.16.8. Rule Participants may notify AEMO or the Economic Regulation Authority of behaviour that they consider reduces the effectiveness of the market, including behaviour related to market power, and the Economic Regulation Authority, with the assistance of AEMO, must investigate the behaviour identified in each relevant notification.
- 2.16.8A. AEMO must notify the Economic Regulation Authority of any behaviour a Rule Participant notifies it about under clause 2.16.8.
- 2.16.9. The Economic Regulation Authority ~~is responsible for monitoring the effectiveness of the market in meeting the Wholesale Market Objectives and~~ must investigate

any market behaviour if it considers that the behaviour has resulted in the market not functioning effectively. The Economic Regulation Authority, with the assistance of AEMO, must monitor:

[Note: For the readers convenience the mark-up to 2.16.9(a) below includes changes that will not commence until 1 Oct 2022]

- (a) the criteria and processes used by AEMO for the procurement of Essential System Services through the Real-Time Market, the Supplementary Essential System Service Mechanism, and under any contracts entered into by AEMO Ancillary Service Contracts that System Management enters into and the criteria and process that System Management uses to procure Ancillary Services from other persons; and
- (b) inappropriate and anomalous market behaviour, including behaviour related to market power and the exploitation of shortcomings in the Market Rules or Market Procedures by Rule Participants, ~~including, but not limited to:~~
 - i. ~~prices offered by a Market Generator in its Portfolio Supply Curve that do not reflect the Market Generator's reasonable expectation of the short run marginal cost of generating the relevant electricity;~~
 - ii. ~~prices offered by a Market Generator in its Balancing Submission that exceed the Market Generator's reasonable expectation of the short run marginal cost of generating the relevant electricity;~~
 - iii. ~~prices offered by a Market Generator in its LFAS Submission that exceed the Market Generator's reasonable expectation of the incremental change in short run marginal cost incurred by the LFAS Facility in providing the relevant LFAS;~~
 - iv. ~~Availability Declarations that may not reflect the reasonable expectation of a Facility's availability, beyond outages of which System Management has been notified;~~
 - v. ~~Ancillary Service Declarations that may not reflect the reasonable expectation of the Ancillary Services to be provided by a Facility; and~~
 - vi. ~~Fuel Declarations that may not reflect the reasonable expectation of the fuel that a Facility will be run on in real time;~~
- (c) ~~market design problems or inefficiencies; and~~
- (d) ~~problems with the structure of the market.~~

2.16.9A. The Economic Regulation Authority must, in carrying out the monitoring activities identified in clauses 2.16.9(b)(i), 2.16.9(b)(ii) and 2.16.9(b)(iii) relating to any prices offered by a Market Generator, examine prices in:

- (a) ...

...

- 2.16.10. ~~[Blank]The Economic Regulation Authority must also review:~~
- ~~(a) — the effectiveness of the Market Rule change process and Procedure Change Process;~~
 - ~~(b) — the effectiveness of the compliance monitoring and enforcement measures in the Market Rules and Regulations; and~~
 - ~~(c) — the effectiveness of AEMO (including in its capacity as System Management) in carrying out its functions under the Regulations, the Market Rules and Market Procedures.~~
 - ~~(d) — the effectiveness of System Management in carrying out its functions under the Regulations, the Market Rules and Market Procedures.~~
- 2.16.11. The Economic Regulation Authority must provide to the Coordinator and the Minister a report on the effectiveness of the market and dealing with the matters identified in clauses 2.16.9 and 2.16.10, if the Economic Regulation Authority considers that any specific events, or systemic behaviour or matters have impacted on the effectiveness of the market.
- (a) — at least annually; and
 - (b) — more frequently where the Economic Regulation Authority considers that the market is not effectively meeting the Wholesale Market Objectives.
- 2.16.12. ~~[Blank]A report referred to in clause 2.16.11 must contain but is not limited to the following:~~
- ~~(a) — a summary of the information and data compiled by AEMO and the Economic Regulation Authority under clause 2.16.1;~~
 - ~~(b) — the Economic Regulation Authority's assessment of the effectiveness of the market, including the effectiveness of AEMO (including in its capacity as System Management) in carrying out its functions, with discussion of each of:~~
 - ~~i. — the Reserve Capacity Mechanism;~~
 - ~~ii. — the market for bilateral contracts for capacity and energy;~~
 - ~~iii. — the STEM;~~
 - ~~iv. — the Balancing Market;~~
 - ~~v. — the dispatch process;~~
 - ~~vi. — planning processes;~~
 - ~~vii. — the administration of the market, including the Market Rule change process; and~~
 - ~~viii. — Ancillary Services;~~
 - ~~(c) — an assessment of any specific events, behaviour or matters that impacted on the effectiveness of the market; and~~

~~(d) any recommended measures to increase the effectiveness of the market in meeting the Wholesale Market Objectives to be considered by the Minister.~~

2.16.13. In carrying out its responsibilities under clause 2.16.9(b), the Economic Regulation Authority must:

- (a) estimate the prevalence of such behaviour;
- (b) estimate the cost to end users of such behaviour;
- (c) estimate the impact of such behaviour on the effectiveness of the market in meeting the Wholesale Market Objectives;
- (d) consult with Market Participants on the impacts of such behaviour;
- (e) estimate the benefits and costs of any recommended measure to reduce such behaviour. The Economic Regulation Authority:
 - i. may use market simulation tools to estimate the benefits and costs;
 - ii. must give consideration to:
 - 1. the probability of success of the measure in reducing the behaviour;
 - 2. the implications on the efficiency of the market of implementing the measure; and
 - 3. the costs of compliance as a result of implementing the measure;
- (f) where the benefits of any change are estimated to exceed the cost, make recommendations to the Coordinator and the Minister for implementing the measures in a report under clause 2.16.11; and
- (g) provide details of its findings in a report to the Coordinator and the Minister under clause 2.16.11.

2.16.13A. The Coordinator is responsible for the development of the market, and with the assistance of the Economic Regulation Authority and AEMO, must monitor market design problems or inefficiencies.

2.16.13B. In carrying out its responsibilities under clause 2.16.13A, the Coordinator must also monitor:

- (a) the effectiveness of the Market Rule change process and Procedure Change Process;
- (b) the effectiveness of the compliance monitoring and enforcement measures in the Market Rules and Regulations;
- (c) the effectiveness of AEMO in carrying out its functions under the Regulations, the Market Rules and Market Procedures; and

- (d) the effectiveness of Network Operators in carrying out their functions under the Market Rules and Market Procedures.
- 2.16.13C. If in the performance of its functions under these Market Rules the Economic Regulation Authority identifies a market design problem or inefficiency, the Economic Regulation Authority may provide to the Coordinator and the Minister a report describing the problem or inefficiency and must publish the report on its website.
- 2.16.13D. The Coordinator must provide to the Minister a report dealing with the matters identified in clause 2.16.13A and 2.16.13B at least once in every three years.
- 2.16.13E. A report referred to in clause 2.16.13D must contain but is not limited to the following:
- (a) market trends, which may include:
 - (i) a summary of the information and data compiled by AEMO and the Economic Regulation Authority under clause 2.16.1; and
 - (ii) any other matter or information the Coordinator considers relevant and appropriate to include;
 - (b) any recommended measures to increase the effectiveness of the market in meeting the Wholesale Market Objectives to be considered by the Minister.
- 2.16.14. The Coordinator or the Economic Regulation Authority (as applicable) may use any information collected under this section 2.16, including information provided to it by AEMO, for the purpose of carrying out any of its functions under the Market Rules. The Coordinator or the Economic Regulation Authority (as applicable) must treat information collected under this section 2.16 as confidential and must not publish any of that information other than in accordance with this section 2.16 or where required in the performance of the Coordinator or the Economic Regulation Authority's (as applicable) functions under the Market Rules. AEMO must use information provided to it by the Coordinator or the Economic Regulation Authority (as applicable) under clause 2.16.6(c) only for the purpose of carrying out its functions under this section 2.16. AEMO must treat information provided to it by the Coordinator or the Economic Regulation Authority (as applicable) under clause 2.16.6(c) as confidential and must not publish any of that information other than in accordance with this section 2.16.
- 2.16.15. Where the Economic Regulation Authority provides a report to the Minister in accordance with clause 2.16.11, it must, after consultation with the Minister, publish a version of the report which has confidential or sensitive data aggregated or removed. An assessment of the results of the Economic Regulation Authority's monitoring under clause 2.16.9(b) must be included in the published version of the report.

2.16.15A. Where the Coordinator provides a report to the Minister in accordance with clause 2.16.13C, it must, after consultation with the Minister, publish a version of the report which has confidential or sensitive data aggregated or removed.

2.16.16. In respect of any reports published under this clause 2.16, only aggregate or summary statistics of confidential data may be published. The aggregation must be at a level sufficient to ensure the underlying data cannot be identified. Where aggregated data is derived from confidential data collected from three or less Market Participants, then this data should not be published.

...

Administered Prices and Loss Factors

2.26. Economic Regulation Authority Review of Methodology for Setting Approval of Administered Prices

2.26.1. ~~[Blank] Where AEMO has proposed a revised value for the Benchmark Reserve Capacity Price in accordance with section 4.16 or a change in the value of one or both of the Maximum STEM Price and the Alternative Maximum STEM Price in accordance with section 6.20, the Economic Regulation Authority must:~~

- ~~(a) — review the report provided by AEMO, including all submissions received by AEMO in preparation of the report;~~
- ~~(b) — decide whether to approve the revised value for the Benchmark Reserve Capacity Price or any value comprising the Energy Price Limits;~~
- ~~(c) — in making its decision, only consider:

 - ~~i. — whether the proposed revised value for the Benchmark Reserve Capacity Price or Energy Price Limit proposed by AEMO reasonably reflects the application of the method and guiding principles described in sections 4.16 or 6.20 (as applicable);~~
 - ~~ii. — whether AEMO has carried out an adequate public consultation process; and~~~~
- ~~(d) — notify AEMO whether it has approved the revised or recommended value.~~

2.26.2. ~~[Blank] Where the Economic Regulation Authority rejects a revised Benchmark Reserve Capacity Price or the Energy Price Limits submitted by AEMO it must give reasons and may direct AEMO to carry out all or part of the review process under section 4.16 or 6.20 (as applicable) again in accordance with any directions or recommendations of the Economic Regulation Authority.~~

2.26.3. ~~At least once in every five years, t~~The Economic Regulation Authority must review the methodology for setting the Benchmark Reserve Capacity Price and the Energy Price Limits ~~not later than the fifth anniversary of the first Reserve Capacity Cycle and, subsequently, not later than the fifth anniversary of the completion of the preceding review under this clause 2.26.3.~~ A review must examine:

- (a) the level of competition in the market;
- (b) the level of market power being exercised and the potential for the exercise of market power;
- (c) the effectiveness of the methodology in curbing the use of market power;
- (d) ~~historical Reserve Capacity Offers and the proportion of Reserve Capacity Offers with prices equal to the Benchmark Reserve Capacity Price, in the case of Reserve Capacity Cycles up to and including the 2014 Reserve Capacity Cycle~~(blank);
- (dA) ~~historical Reserve Capacity Offers and the proportion of Reserve Capacity Offers with prices equal to 110 percent of the Benchmark Reserve Capacity Price, in the case of Reserve Capacity Cycles from the 2015 Reserve Capacity Cycle up to and including the 2018 Reserve Capacity Cycle~~(blank);
- (dB) ~~historical Reserve Capacity Offers and the proportion of Reserve Capacity Offers with prices equal to 130 percent of the Benchmark Reserve Capacity Price, in the case of Reserve Capacity Cycles from the 2019 Reserve Capacity Cycle onwards~~(blank);
- (e) historical STEM Bids and STEM Offers and the proportion of STEM Bids and Offers with prices equal to the Energy Price Limits;
- (eA) the Bids and Offers with prices equal to the Energy Price Limits submitted for Facilities which have received Constraint On payments in the Trading Intervals to which the Bids and Offers applied;
- (f) the appropriateness of the parameters and methodology in section 4.16 and the Market Procedure referred to in-clause 4.16.3 for recalculating the Benchmark Reserve Capacity Price;
- (g) the appropriateness of the parameters and methodology in section 6.20 for recalculating the Energy Price Limits;
- (h) ~~[blank]the performance of Reserve Capacity Auctions, STEM Auctions and the Balancing Market in meeting the Wholesale Market Objectives;~~ and
- (i) other matters which the Economic Regulation Authority considers relevant.

2.26.3A. The Economic Regulation Authority must review the Reserve Capacity Price Factors at the same time as each review of the Benchmark Reserve Capacity Price under clause 2.26.3. A review must examine:

- (a) whether the Reserve Capacity Price Factors efficiently signal the long-term economic value of incremental or excess Reserve Capacity in the Wholesale Electricity Market;
- (b) whether the Reserve Capacity Price calculated using the Reserve Capacity Price Factors is consistent with the Wholesale Market Objectives; and
- (c) any other matters the Economic Regulation Authority considers to be relevant.

2.26.4. The Economic Regulation Authority must provide a report to the Minister on the reviews conducted under clauses 2.26.3 and 2.26.3A.

...

2.32. Rule Participant Suspension and Deregistration

...

2.32.7A. ~~The Economic Regulation Authority or AEMO may at any time review whether a Rule Participant registered in the classes outlined in clause 2.28.1(b) or (c) continues to meet all of the criteria specified in clause 2.28.19.~~

...

...

[Note: For the readers convenience the mark-up to 3.11 below includes some changes that will not commence until 1 Oct 2022]

3.11. Determining & Procuring Ancillary Service Requirements

...

~~3.11.8B System Management must obtain the approval of the Economic Regulation Authority before entering into an Ancillary Service Contract for Dispatch Support Ancillary Services.~~

~~3.11.8C The Economic Regulation Authority must only review whether an Ancillary Service Contract, to which 3.11.8B applies, would achieve the lowest practicably sustainable cost of delivering the services.~~

~~3.11.8D The Economic Regulation Authority may undertake a public consultation process in determining whether to approve the Ancillary Service Contract for Dispatch Support Service. In determining whether to undertake a public consultation process, the Economic Regulation Authority must have regard to the terms of the Ancillary Service Contract, including the length of its intended operation and whether a need exists to expedite the approval process.~~

...

...

[Note: For the readers convenience the mark-up to 3.13 below includes some changes that will not commence until 1 Oct 2022]

3.13. Payment for Ancillary Services

3.13.1. The total payments by AEMO for Ancillary Services in accordance with Chapter 9 comprise:

- (a) [Blank]
- (aA) for Load Following Service for each Trading Month:
 - i. a capacity payment LF_Capacity_Cost, calculated in accordance with clause 9.9.2(q) for that Trading Month; and
 - ii. an amount LF_Market_Cost calculated in accordance with clause 9.9.2(o) for that Trading Month;
- (b) an amount SR_Availability_Cost for Spinning Reserve Service for each Trading Month, which is calculated in accordance with clause 9.9.2(m) for that Trading Month; and
- (c) Cost_LRD, the monthly amount for Load Rejection Reserve Service and System Restart Service, determined in accordance with the process described in clauses 3.13.3B and 3.13.3C; and Dispatch Support Service determined in accordance with clause 3.11.8B

...

~~3.13.3A. For each Financial Year, by 31 March prior to the start of that Financial Year, the Economic Regulation Authority must determine values for the parameters Margin_Peak and Margin_Off-Peak, taking into account the Wholesale Market Objectives and in accordance with the following:~~

- ~~(a) by 30 November prior to the start of the Financial Year, AEMO must submit a proposal for the Financial Year to the Economic Regulation Authority:~~
 - ~~i. for the reserve availability payment margin applying for Peak Trading Intervals, Margin_Peak, AEMO must take account of:

 - ~~1. the margin Synergy could reasonably have been expected to earn on energy sales forgone due to the supply of Spinning Reserve Service during Peak Trading Intervals; and~~
 - ~~2. the loss in efficiency of Synergy's Scheduled Generators that System Management has scheduled (or caused to be scheduled) to provide Spinning Reserve Service during Peak Trading Intervals that could reasonably be expected due to the scheduling of those reserves;~~~~
 - ~~ii. for the reserve availability payment margin applying for Off-Peak Trading Intervals, Margin_Off-Peak, AEMO must take account of:~~

1. ~~the margin Synergy could reasonably have been expected to earn on energy sales forgone due to the supply of Spinning Reserve Service during Off-Peak Trading Intervals; and~~
2. ~~the loss in efficiency of Synergy's Scheduled Generators that System Management has scheduled (or caused to be scheduled) to provide Spinning Reserve Service during Off-Peak Trading Intervals that could reasonably be expected due to the scheduling of those reserves; and~~

~~(b) the Economic Regulation Authority must undertake a public consultation process, which must include publishing an issues paper and issuing an invitation for public submissions.~~

~~3.13.3B. For each Review Period, by 31 March of the year in which the Review Period commences, the Economic Regulation Authority must determine values for Cost_LR, taking into account the Wholesale Market Objectives and in accordance with the following:~~

- ~~(a) by 30 November of the year prior to the start of the Review Period, System Management must submit a proposal for the Cost_LR parameter for the Review Period to the Economic Regulation Authority. Cost_LR must cover the costs for providing the Load Rejection Reserve Service and System Restart Service and Dispatch Support Service except those provided through clause 3.11.8B;~~
- ~~(b) the Economic Regulation Authority must undertake a public consultation process, which must include publishing an issues paper and issuing an invitation for public submissions.~~

~~3.13.3C. For any year within a Review Period if System Management determines Cost_LR for the following Financial Year to be materially different than the costs provided under clause 3.13.3B, then the Economic Regulation Authority must determine the revised values for Cost_LR, taking into account the Wholesale Market Objectives and in accordance with the following:~~

- ~~(a) by 30 November of the year prior to the start of the relevant Financial Year, System Management must submit an updated proposal for the Cost_LR parameter to the Economic Regulation Authority. Cost_LR must cover the costs for providing the Load Rejection Reserve Service and System Restart Service and Dispatch Support Service except those provided through clause 3.11.8B;~~
- ~~(b) the Economic Regulation Authority may undertake a public consultation process and:

 - ~~i. if a public consultation process is undertaken, the Economic Regulation Authority must publish an issues paper and issue an invitation for public submissions; and~~~~

- ii. ~~if a public consultation process is not undertaken, the Economic Regulation Authority must publish the reasons behind the decision.~~

...

[Note: For the readers convenience the mark-up to section 3.15 below includes changes that will not commence until 1 Oct 2022]

3.15. Review of ~~Ancillary~~ Essential System Service Requirements Process and Standards

[Note: Grey text shows changes being made in other work streams.]

3.15.1. ~~Economic Regulation Authority~~ The Coordinator, with the assistance of AEMO, must carry out a ~~study~~ review on the ~~Ancillary~~ Essential System Service Standards and the basis for setting ~~Ancillary~~ Essential System Service Requirements requirements. ~~The study must include:~~

- (a) ~~technical analyses determining the relationship between the level of Ancillary Services provided and the SWIS Operating Standards set out in clause 3.1;~~
- (b) ~~identification of the expected costs that would result from an increase in the requirements for Ancillary Services due to additional Facilities connecting to the SWIS;~~
- (c) ~~a cost benefit study on the effects on stakeholders of providing and using a variety of levels of each Ancillary Service; and~~
- (d) ~~a public consultation process.~~

3.15.1A. ~~The Coordinator~~ Economic Regulation Authority must conduct the first review under clause 3.15.1 within two and a half years of the New WEM Commencement Day and then, subject to clause 3.15.1B, at least once in every three year period from completion of the previous review.

3.15.1B. ~~The Coordinator~~ Economic Regulation Authority may conduct a review contemplated by clause 3.15.1 earlier than the time referred to in clause 3.15.1A if it reasonably forms the opinion that any of the metrics developed under clause 3.15.2 are significantly departing from the targets set in the previous review.

3.15.1C. A review conducted pursuant to clause 3.15.1A or clause 3.15.1B must include:

- (a) technical analyses determining the relationship between the quantity of Essential System Service scheduled and dispatched against the technical parameters in the Frequency Operating Standards;
- (b) economic analyses determining the relationship between technical parameters (including, without limitation, frequency operating bands and Oscillation Control Constraint parameters) and overall cost of supply of energy and Essential System Services;

- (c) a cost-benefit study on the effects on the Network and Market Participants of providing and using higher or lower levels of each Essential System Service;
- (d) identification of the costs and benefits of changing technical parameters, including the potential for increasing or decreasing the overall cost to supply energy and Essential System Services;
- (e) a review of the processes and effectiveness of the SESSM if it was triggered during the review period; and
- (f) a public consultation process.

3.15.2. As part of each review under clause 3.15.1A or clause 3.15.1B, the ~~Coordinator~~Economic Regulation Authority, with the support of AEMO, must determine and publish a set of metrics to be used for ongoing monitoring of Essential System Services, which must include:

- (a) technical outcomes, such as dispatched Essential System Service quantities, number of accredited Facilities, number of capable Facilities and the historical performance of those Facilities;
- (b) financial outcomes, such as Market Clearing Prices and Essential System Service costs; and
- (c) economic outcomes, such as the overall electricity costs faced by consumers.

3.15.23. The ~~Coordinator~~Economic Regulation Authority must publish a report containing:

- (a) the inputs and results of the technical ~~reviews conducted pursuant to clause 3.15.1A and clause 3.15.1B~~ and cost-benefit studies;
- (b) the submissions received by the ~~Coordinator~~Economic Regulation Authority in the consultation process, a summary of those submissions, and any responses to issues raised in those submissions; and
- (c) any ~~recommended changes to Ancillary~~ Essential System Service Standards and the basis for setting ~~Ancillary~~ Essential System Service Requirements requirements; and
- (d) the metrics and targets to be used for ongoing monitoring of Essential System Services.

3.15.4. The ~~Coordinator~~Economic Regulation Authority must publish the report referred to in clause 3.15.3 no later than:

- (a) for the first report, two and a half years of the New WEM Commencement Day; and
- (b) thereafter, three years after publishing the previous review.

~~3.15.35. If the Coordinator Economic Regulation Authority recommends any changes in a the report published under in clause 3.15.2 3.15.3, the Economic Regulation Authority must, as relevant:~~

- ~~(a) draftmake a Rule-Change Proposal in accordance with clause 2.5.1 to implement those changes;~~
- ~~(b) draft a suitable Procedure Change Proposal and progress it using the Procedure Change Process in section 2.10; or~~
- ~~(c) recommend to AEMO that it amend a WEM Procedure which these WEM Rules contemplate will be developed by AEMO, in which case AEMO must draft a suitable Procedure Change Proposal and progress it using the Procedure Change Process in section 2.10.~~

...

3.18. Outage Scheduling

...

~~3.18.18. From time to time, and at least once in every five year period starting from Energy Market Commencement, the Economic Regulation Authority, with the assistance of System Management, must conduct a review of the outage planning process against the Wholesale Market Objectives. The review must include a technical study of the effectiveness of the criteria in clause 3.18.11 and a broad consultation process with Rule Participants.~~

3.18G. Economic Regulation Authority Study of the Impact of Network Operator Outages on the Market

3.18G.1. At least once in every five year period starting from 1 July 2021, the Economic Regulation Authority must conduct an economic study on the impact of Network Operator Outages on the market.

3.18G.2. At the conclusion of a review under clause 3.18G.1, Economic Regulation Authority must publish:

- (a) the inputs and results of the economic study;
- (b) all submissions received by Rule Participants as part of a consultation process conducted by the Economic Regulation Authority and any responses to issues raised in those submissions; and
- (c) a report containing any recommended changes, formulated as one or more WEM Rule changes, recommended WEM Procedure changes or recommended changes to other relevant instruments (e.g. Access Code).

3.18G.3. If the Economic Regulation Authority recommends any changes to the WEM Rules or WEM Procedures in a report published under clause 3.18G.2(c), the Economic Regulation Authority must either submit a Rule Change Proposal in accordance

with clause 2.5.1 or initiate a Procedure Change Process in accordance with section 2.10 to effect the change, as the case may be.

3.18HG. Economic Regulation Authority Coordinator Review of Outage Planning Process

3.18HG.1. At least once in every five year period starting the New WEM Commencement Day, the Coordinator Economic Regulation Authority, with the assistance of AEMO, must conduct a review of the Outage planning process against the Wholesale Market Objectives. At a minimum, the review must include:

- (a) a technical study of the effectiveness of the Outage Evaluation Criteria;
- (b) an economic study on the impact of Network Operator Outages on the market; and
- (be) a public consultation process with Rule Participants.

3.18HG.2. At the conclusion of a review under clause 3.18HG.1, the Coordinator Economic Regulation Authority must publish:

- (a) the inputs and results of the technical study and economic study;
- (b) all submissions received by Rule Participants as part of the consultation process and any responses to issues raised in those submissions; and
- (c) a report containing any recommended changes to the Outage planning process, formulated as one or more WEM Rule changes, recommended WEM Procedure changes or recommended changes to other relevant instruments (e.g. Access Code).

3.18HG.3. If the Coordinator Economic Regulation Authority recommends any changes to the WEM Rules or WEM Procedures in a report published under clause 3.18HG.2(c), the Coordinator Economic Regulation Authority must either submit a Rule Change Proposal in accordance with clause 2.5.1 or initiate a Procedure Change Process in accordance with section 2.10 to effect the change, as the case may be.

...

4.5. Long Term Projected Assessment of System Adequacy

...

4.5.14. AEMO must document the procedure it follows in conducting the Long Term PASA, ~~and which the Economic Regulation Authority must follow in conducting reviews under clause 4.5.15,~~ in a Market Procedure.

4.5.15. From time to time, and at least once in every five year period starting from ~~Energy Market Commencement~~ 1 July 2021, the ~~Economic Regulation Authority~~ Coordinator, with the assistance of AEMO, must conduct a review of the

Planning Criterion and the process in the Market Procedure specified in clause 4.5.14 by which AEMO forecasts SWIS peak demand. This review must include:

- (a) a review of the technical analysis; and
- (b) a cost-benefit study on the effects on stakeholders of a variety of levels of generation adequacy.

4.5.16. In conducting a review under clause 4.5.15, the ~~Economic Regulation Authority~~ Coordinator must invite submissions ~~in accordance with the Market Procedure specified in clause 4.5.14~~ on the performance of the Planning Criterion and the process by which AEMO forecasts SWIS peak demand from Rule Participants, and must specify a reasonable time by which submissions must be lodged, and ~~The Coordinator~~ must take any submissions into account in the review any submissions received within the time specified, and may take into account any late submission.

4.5.17. ~~In accordance with the Market Procedure specified in clause 4.5.14, the Economic Regulation Authority~~ The Coordinator must make available a draft of the report described in clause 4.5.18 to Rule Participants for comment and invite submissions on the draft report. The Coordinator must specify a reasonable time by which submissions must be lodged, and must take into account any submissions received within the time specified, and may take into account any late submission.

4.5.18. After concluding the review described in clause 4.5.15, the ~~Economic Regulation Authority~~ Coordinator must publish a final report containing:

- (a) issues identified by the ~~Economic Regulation Authority~~ Coordinator;
- (b) assumptions made by the ~~Economic Regulation Authority~~ Coordinator in undertaking the review;
- (c) submissions received by the Coordinator ~~Economic Regulation Authority~~ from Rule Participants in accordance with clause 4.5.16;
- (d) the Coordinator's ~~Economic Regulation Authority's~~ responses to the issues raised in those submissions;
- (e) the results of the technical and cost-benefit studies;
- (f) the submissions on the draft report received by the Coordinator ~~Economic Regulation Authority~~ from Rule Participants in accordance with clause 4.5.17;
- (g) the Coordinator's ~~Economic Regulation Authority's~~ responses to the issues raised in those submissions; and
- (h) any recommended changes to the Planning Criterion.

4.5.19. Where the Coordinator ~~Economic Regulation Authority~~ finds that a change to the process by which AEMO forecasts SWIS peak demand would be beneficial in light of the Wholesale Market Objectives, it must:

- (a) make a Rule Change Proposal to implement the change; and/or
 - (b) make a Procedure Change Proposal to implement the change.
- 4.5.20. If the ~~Coordinator or Economic Regulation Authority~~ contracts with a third party to conduct ~~the any~~ analysis required under this clause 4.5, then:
- (a) the ~~Coordinator Economic Regulation Authority~~ must ensure that the third party is familiar with the methodology employed in conducting the analysis required under this clause 4.5 in previous years; and
 - (b) the ~~Coordinator Economic Regulation Authority~~ must approve any variations in the process to be used by that third party, where and variations may only be accepted if not inconsistent with the requirements specified in the Market Rules or a Market Procedure.

...

4.11. Setting Certified Reserve Capacity

...

- 4.11.1E. ~~The Economic Regulation Authority, in consultation with AEMO, must undertake a review, to be completed by 31 December 2020, of the operation of clause 4.11.1(h) in which it must consider the appropriate thresholds under clause 4.11.1D for Capacity Years from and including the 2022 Capacity Year. The review must include, at a minimum, an assessment of—~~
- ~~(a) the availability performance of the generation sector in the Wholesale Electricity Market compared with analogous generating plants in other markets;~~
 - ~~(b) the number of Facilities in the SWIS to which the criteria in clause 4.11.1(h) have applied in each of the previous five Capacity Years; and~~
 - ~~(c) the impact on the Wholesale Electricity Market of decisions made by AEMO under clause 4.11.1(h) in the previous five Capacity Years.~~
- 4.11.1F. ~~If the Economic Regulation Authority recommends a rule change resulting from the review in clause 4.11.1E, the Economic Regulation Authority must submit a Rule Change Proposal to implement the change.~~

...

- 4.11.3C. For each three year period, beginning with the period commencing on 1 January 2015, the Economic Regulation Authority must, by 1 April of the first year of that period, conduct a review of the Relevant Level Methodology. In conducting the review, the Economic Regulation Authority must:
- (a) examine the effectiveness of the Relevant Level Methodology in meeting the Wholesale Market Objectives; and

- (b) determine the values of the parameters K and U in step 17 of the Relevant Level Methodology to be applied for each of the three Reserve Capacity Cycles commencing in the period,

and the Economic Regulation Authority may examine any other matters that the Economic Regulation Authority considers to be relevant.

...

...

4.16. The Benchmark Reserve Capacity Price

- 4.16.1. For all Reserve Capacity Cycles, the Economic Regulation Authority~~AEMO~~ must publish a Benchmark Reserve Capacity Price as determined in accordance with this section 4.16 prior to the time specified in section 4.1.4.
- 4.16.2. The Benchmark Reserve Capacity Price to apply for the first Reserve Capacity Cycle is \$150,000 per MW per year.
- 4.16.3. The Economic Regulation Authority must develop a Market Procedure documenting: the methodology ~~AEMO~~it must use and the process ~~AEMO~~it must follow in determining the Benchmark Reserve Capacity Price, and—
- (a) the Economic Regulation Authority, AEMO and Rule Participants must follow that documented Market Procedure when conducting any review and consultations in accordance with that Market Procedure and clause 4.16.6; and
- (b) the Economic Regulation Authority~~AEMO~~ must follow that documented Market Procedure to annually review the value of the Benchmark Reserve Capacity Price in accordance with this section 4.16 and in accordance with the timing requirements specified in section 4.1.19.
- 4.16.4. [Blank]
- 4.16.5. ~~AEMO~~The Economic Regulation Authority must ~~propose a revised~~ the value for of the Benchmark Reserve Capacity Price using the methodology described in the Market Procedure referred to in clause 4.16.3.
- 4.16.6. The Economic Regulation Authority~~AEMO~~ must prepare a draft report describing how it has arrived at a proposed revised value for the Benchmark Reserve Capacity Price under clause 4.16.5. The Economic Regulation Authority~~AEMO~~ must publish the report on the Market Web Site and advertise the report in newspapers widely distributed in Western Australia and request submissions from all sectors of the Western Australia energy industry, including end-users.
- 4.16.7. After considering of the submissions on the draft report described in clause 4.16.6 the Economic Regulation Authority~~AEMO~~ must propose a final revised value for

the Benchmark Reserve Capacity Price and publish that value and its final report, including submissions received on the draft report on the Market Web Site.

- 4.16.8. A proposed revised value for the Benchmark Reserve Capacity Price becomes the Benchmark Reserve Capacity Price after the Economic Regulation Authority AEMO has posted a notice on the Market Web Site of the new value of the Benchmark Reserve Capacity Price with effect from the date and time specified in the Economic Regulation Authority AEMO's notice.
- 4.16.9. At least once in every five year period, the Economic Regulation Authority must review the Market Procedure referred to in clause 4.16.3 and must undertake a public consultation process in respect of the outcome of the review.
- 4.16.10. If the Economic Regulation Authority recommends changes as a result of the review in clause 4.16.9, the Economic Regulation Authority must either submit a Rule Change Proposal or initiate a Procedure Change Process, as the case may be, to implement those changes.

...

4.24. Supplementary Reserve Capacity

...

- 4.24.19. Following each call for tenders for supplementary capacity or otherwise acquiring Eligible Services, ~~AEMO~~ the Coordinator must review the Supplementary Reserve Capacity provisions of this section 4.24 of the Market Rules with regard to the Wholesale Market Objectives and must undertake a public consultation process in respect of the outcome of the review.

...

4.26. Financial Implications of Failure to Satisfy Reserve Capacity Obligations

...

- ~~4.26.1D. The Economic Regulation Authority, in consultation with AEMO, must undertake a review, to be completed by 31 December 2020 of whether the limit for the Refund Exempt Planned Outage Count referred to in clause 4.26.1C should be modified to better address the Wholesale Market Objectives. The review must include, at a minimum, an assessment of—~~
- ~~(a) — variations in Planned Outage rates and Forced Outage rates of Scheduled Generators since the introduction of the limit on Refund Exempt Planned Outages;~~
 - ~~(b) — for each Scheduled Generator and each year since the introduction of the limit on Refund Exempt Planned Outages—~~

- i. ~~the number of Equivalent Planned Outage Hours for which Facility Reserve Capacity Deficit Refunds were payable; and~~
 - ii. ~~the total amount of Facility Reserve Capacity Deficit Refunds associated with Refund Payable Planned Outages; and~~
 - (c) ~~the level of participation by Scheduled Generators in the Reserve Capacity Mechanism in each year since the introduction of the limit on Refund Exempt Planned Outages; and~~
 - (d) ~~changes in the mix of Scheduled Generators that have participated in the Reserve Capacity Mechanism in each year since the introduction of the limit on Refund Exempt Planned Outages.~~
- 4.26.1E. ~~If the Economic Regulation Authority recommends changes in the review in clause 4.26.1D, the Economic Regulation Authority must submit a Rule Change Proposal to implement those changes.~~

...

6.20. Energy Price Limits

...

- 6.20.6. ~~AEMO~~ The Economic Regulation Authority must annually review the appropriateness of the value of the Maximum STEM Price and Alternative Maximum STEM Price.
- 6.20.7. In conducting the review required by clause 6.20.6 the Economic Regulation Authority~~AEMO~~:
- (a) may propose revised values for the following:
 - i. the Maximum STEM Price, where this is to be based on AEMO's estimate of the short run marginal cost of the highest cost generating works in the SWIS fuelled by natural gas and is to be calculated using the formula in paragraph (b); and
 - ii. the Alternative Maximum STEM Price, where this is to be based on the Economic Regulation Authority~~AEMO~~'s estimate of the short run marginal cost of the highest cost generating works in the SWIS fuelled by distillate and is to be calculated using the formula in paragraph (b);
 - (b) must calculate the Maximum STEM Price or Alternative Maximum STEM Price using the following formula:

$$(1 + \text{Risk Margin}) \times (\text{Variable O\&M} + (\text{Heat Rate} \times \text{Fuel Cost})) / \text{Loss Factor}$$
 Where
 - i. Risk Margin is a measure of uncertainty in the assessment of the mean short run average cost for a 40 MW open cycle gas turbine generating station, expressed as a fraction;

- ii. Variable O&M is the mean variable operating and maintenance cost for a 40 MW open cycle gas turbine generating station, expressed in \$/MWh, and includes, but is not limited to, start-up related costs;
- iii. Heat Rate is the mean heat rate at minimum capacity for a 40 MW open cycle gas turbine generating station, expressed in GJ/MWh;
- iv. Fuel Cost is the mean unit fixed and variable fuel cost for a 40 MW open cycle gas turbine generating station, expressed in \$/GJ; and
- v. Loss Factor is the marginal loss factor for a 40 MW open cycle gas turbine generating station relative to the Reference Node.

Where ~~the Economic Regulation Authority~~AEMO must determine appropriate values for the factors described in paragraphs (i) to (v) as applicable to the Maximum STEM Price and Alternative Maximum STEM Price.

6.20.8. [Blank]

6.20.9. In conducting the review required by clause 6.20.6 ~~the Economic Regulation Authority~~AEMO must prepare a draft report describing how it has arrived at a proposed revised value of one or both of the Maximum STEM Price and Alternative Maximum STEM Price. The draft report must also include details of how ~~the Economic Regulation Authority~~AEMO determined the appropriate values to apply for the factors described in clauses 6.20.7 (b)(i) to 6.20.7(b)(v). ~~The Economic Regulation Authority~~AEMO must publish the draft report on the Market Web Site and advertise the report in newspapers widely published in Western Australia and request submissions from all sectors of the Western Australia energy industry, including end-users, within six weeks of the date of publication.

6.20.9A. Prior to proposing a final revised for one or both of the Maximum STEM Price and Alternative Maximum STEM Price in accordance with clause 6.20.10, ~~the Economic Regulation Authority~~AEMO may publish a request for further submissions on the Market Web Site. Where ~~the Economic Regulation Authority~~AEMO publishes a request for further submissions in accordance with this clause, it must request submissions from all sectors of the Western Australia energy industry, including end-users.

6.20.10. ~~The Economic Regulation Authority must consider in-time~~After considering the submissions on the draft report described in clause 6.20.9, and any in-time submissions received under clause 6.20.9A, and may consider any late submissions, and after considering the submissions ~~AEMO~~AEMO must propose a final revised value for ~~any proposed change to~~ one or both of the Maximum STEM Price and Alternative Maximum STEM Price ~~and submit those values and its final~~

~~report, including any submissions received, to the Economic Regulation Authority for approval.~~

6.20.11. A proposed revised value for the Maximum STEM Price and the Alternative Maximum STEM Price replaces the previous value after:

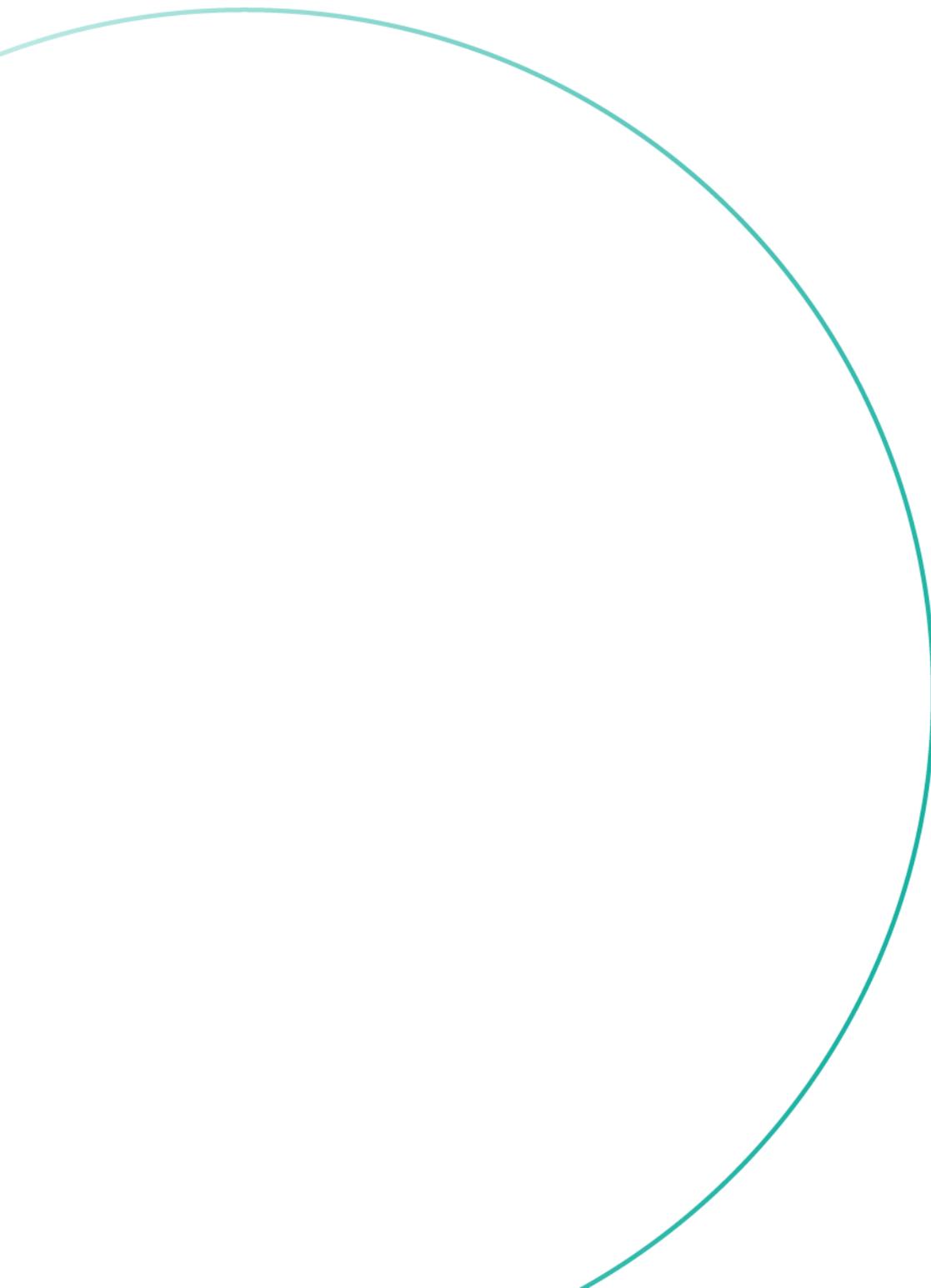
(a) ~~[blank] the Economic Regulation Authority has approved that value in accordance with clause 2.26; and~~

(b) ~~_____~~ AEMO has posted a notice on the Market Web Site of the new value of the applicable Energy Price Limit,

with effect from the time specified in AEMO's notice.

Appendix D

Drafting instructions - Rule change panel abolition and related changes



Appendix D

DRAFTING INSTRUCTIONS

ABOLITION OF RULE CHANGE PANEL AND RELATED CHANGES

Electricity Industry (Rule Change Panel) Regulations

Electricity Industry (Wholesale Electricity Market) Regulations

Gas Services Information Regulations

ELECTRICITY INDUSTRY (RULE CHANGE PANEL) REGULATIONS)

Please repeal the *Electricity Industry (Rule Change Panel) Regulations (Panel Regulations)* effective as of 1 July 2021.

On repeal:

- a) the Rule Change Panel (**Panel**) is to cease to exist;
- b) all members of the Panel are to go out of office;
- c) the Executive Officer for the Panel (as defined in these regulations) is to go out of office; and
- d) the Economic Regulation Authority (**ERA**) is to no longer have any functions in relation to the Panel, save as to the transitional or consequential arrangement described below.

Despite the repeal, the obligation on members and former members of the Panel in relation to confidential information (regulation 34) is to continue to apply.

It is to be a function of the ERA to undertake such activities as may be necessary or desirable to provide for the orderly wind up of the Panel including, but not limited to:

- a) such reporting or other arrangements as may necessary or desirable for the purposes of the *Financial Management Act 2006* or under any other another written law as a consequence of the Panel's cessation; and
- b) the provision of all documents, materials and information (in whatever form) relating to the panel and its operations that were held by the Panel or by the ERA on the Panel's behalf, to the Coordinator of Energy.

ELECTRICITY INDUSTRY (WHOLESALE ELECTRICITY MARKET) REGULATIONS)

WEM Rules may confer functions on Coordinator.

This change has already been progressed through regulation 6 of the proposed Electricity Industry (Wholesale Electricity Market) Amendment Regulations 2020.

The following information is provided for context and completeness only (no additional drafting changes required):

“Changes are being sought to also allow functions to be conferred on the Coordinator for Energy under the WEM Rules. Under section 4 of the *Energy Coordination Act 1994*, the Coordinator’s functions include performing the functions vested in the Coordinator by or under the *Energy Coordination Act 1994* or any other written law.”

The WEM Regulations should allow:

- a) WEM Rules to confer functions and impose requirements on the Coordinator of Energy;
- b) The Coordinator of Energy to develop, amend and/or replace WEM Procedures that relate to its functions; and
- c) The WEM Rules to allow the Coordinator to recover costs associated with its functions from Market Participants.

The Regulations should provide that any Rules made, amended or repealed that confer functions on the Coordinator of Energy must be approved by the Minister for Energy before they are made. [refer regulation 7(3)(b)].”

Abolition of Panel

Please make such amendments to the *Electricity Industry (Wholesale Electricity Market) Regulations (WEM Regulations)* as may be necessary or desirable to reflect the abolition of the Panel including, for example:

- a) remove the ability of the market rules (**WEM Rules**) to confer functions on the Panel (eg under regulation 12B);
- b) inclusion of a provision enabling the WEM Rules to deal with transitional matters relating to the transfer of the functions of the Panel under the WEM Rules to the Coordinator – comparable to regulation 17B, but expressed in slightly broader terms to accommodate not only a situation where the transfer of functions is “like for like”, but also a situation where the Coordinator is being given a comparable or similar function;
- c) repeal of existing regulation 17B (alternatively, removal of references to the Panel in that clause);
- d) removal of references to the Panel in regulation 21;
- e) removal of references to the Panel and its regulations (and the ERA in connection with the Panel) and substitution of the Coordinator as relevant (e.g. replace regulation 21(2A) with a provision requiring the Coordinator’s costs under this regulation to be kept separate from its GSI costs).

The Panel need not be removed from the list of persons identified in regulation 51 (Persons exempt from 126(3)(a) of the Act).

Confidential information

[Note that the Coordinator has obligations of confidence under s24(1) of the Energy Coordination Act]

- a) Please include a provision similar to regulation 33 of the Panel Regulations, such that the Coordinator may use and disclose information obtained in the course of performing functions under the WEM Regulations or WEM Rules as follows:
 - i. as authorised or required by the WEM Regulations or the WEM Rules;
 - ii. with the consent of the person to whom the information relates;
 - iii. as authorised or required by a written law;

- iv. for the purposes of court, tribunal or similar (eg Electricity Review Board) proceedings;
 - v. the information is disclosed in a summary or statistical form, or is combined or aggregated with other information in such a way that the information could not reasonably be ascertained in isolation from the other information (see comparable provision re “trade secrets” in s24AA of the *Energy Coordination Act*);
 - vi. the information is in the public domain;
 - vii. for the purposes of performing the Coordinator’s functions under s4A of the *Energy Coordination Act*, or
 - viii. the information is provided to the Coordinator’s legal and other professional advisers, consultants and contractors under conditions of confidentiality
- b) Please include a provision confirming that functions conferred on the Coordinator under the WEM Rules are to be taken as a function performed under a written law. Alternatively, please include a provision confirming that it is a function of the Coordinator to perform functions conferred on the Coordinator by the WEM Rules.

[Note: the provision described in para (b) is desirable for the purposes of providing clarity in the application of provisions of the Energy Coordination Act, including s24(1): which allows the Coordinator to disclose information obtained in the course of performing functions (duties) “as required or allowed... under a written law.”

The WEM Rules are not a written law for the purposes of the Interpretation Act (s123(2) of the Electricity Industry Act). This may also mean they are not a written law for the purposes of the Energy Coordination Act although this matter is not free from all argument. EPWA will provide Parliamentary Counsel with additional information and advice on this issue as may be required.

In any event, WEM Regulations are, beyond any doubt, a written law and certainty on the application of relevant portions of the Energy Coordination Act are desired. The objective is to have the Coordinator’s use/disclosure of information obtained under the WEM Rules/WEM Regulations to be recognised as use under a written law for the purposes of the Energy Coordination Act.]

Administrative amendments

Please make the following amendments to allow for removal of System Management.

WEM Regulation	Proposed Action Required	Reason / Comment
Reg 3	Delete the definition of “System Management”.	No longer required.
Reg 13	Amend heading to reflect reg 13 is deleted.	No longer required.

WEM Regulation	Proposed Action Required	Reason / Comment
Reg 13(1)	Move reg 13(1) to new reg 12(5).	Regulation 12 sets out AEMO's functions (referred to as "operator" in the WEM Regulations). The function of System Management in reg 13(1) should be moved to reg 12, as new reg 12(5) as a function of the "operator".
Reg 13(2)	Delete reg 13(2).	No longer required.
Reg 13(2a)	Delete reg 13(2a).	No longer required. As AEMO's liability under the civil liability scheme in the Act as a <i>market governance participant</i> or a <i>system management participant</i> is the same, the continued distinction between the two is redundant.
Reg 13(3)	Delete reg 13(3).	No longer required. Reg 12(1) provides the head of power for the market rules to confer functions and impose requirements on AEMO.
Reg 13(4)	Delete reg 13(4).	No longer required. It is implicit in AEMO's obligations under the WEM Rules that it must act consistently, or not inconsistently, with the Wholesale Market Objectives.
Reg 13(5)	Delete reg 13(5).	No longer required. Reg 12(4) contains a similar head of power for the "operator" i.e. AEMO.
Reg 13(6)	Move reg 13(6) to new reg 12(7).	Move reg 13(6) to new reg 12(7) and amend the wording to refer to the performance of AEMO's functions under the market rules with respect to system operations.
Reg 15(2)	Delete the reference to System Management by deleting the words ", System Management".	No longer required to refer to System Management. AEMO will continue to have a head of power to issue directions pursuant to the regulation.
Reg 19(2)	Delete the reference to System Management by deleting the words "or System Management".	No longer required. AEMO is already excluded from the operation of reg 14(e)
Reg 52(3A)	Delete the reference to System Management by deleting the words "(including in relation to its system management function)".	This proposed amendment is for completeness, as reg 52(3A) is now redundant as the period of 12 months referred to in the regulation has lapsed.

Other amendments

- a) Please extend the date in regulation 7(5) for the Minister's transitional rule-making power to 31 March 2023.
- b) Please amend the regulations (eg regulation 8) to:

- i. remove the obligation on the ERA to make a copy of the WEM Rules available for inspection at its office during working hours; and
- ii. confer an obligation on the Coordinator to make a copy of the WEM Rules available on a website maintained by, or on behalf of the Coordinator.

GAS SERVICES INFORMATION REGULATIONS

Minister to make rules.

Please amend the *Gas Services Information Regulations (GSI Regulations)* to give the Minister for Energy an ability to make rules to amend the Gas Services Information Rules (**GSI Rules**).

The Minister's rule making power should commence as soon as practicable after gazettal (ie the day after) and continue until a sunset date. The sunset date is 31 March 2023.

The amendment should be comparable to the relevant portions of regulations 6 and 7 of the *Electricity Industry (Wholesale Electricity Market) Regulations* that enable the Minister to make market rules (WEM Rules).

The *Gas Services Information Amendment Regulations (No. 3) 2015* may also serve as a relevant example.

GSI Rules to confer functions on Coordinator

In summary, the form of the following amendments should generally follow and correspond with comparable amendments made to the WEM Regulations (to the extent relevant and applicable).

To this end, please amend the GSI Regulations to allow the:

- a) GSI Rules to confer functions and impose requirements on the Coordinator of Energy and those functions are not to be limited just to rule making (cf. the current limitation for the RCP in regulation 8);
- b) Coordinator of Energy to develop, amend and/or replace GSI Procedures that relate to its functions (refer regulation 11);
- c) GSI Rules to allow the Coordinator to recover costs associated with its functions from Market Participants (refer regulation 8);

The amendments should provide that any Rules made, amended or repealed that confer functions on the Coordinator of Energy must be approved by the Minister before they are made.

Other amendments

In summary, the form of the following amendments should generally follow and correspond with comparable amendments to be made to the WEM Regulations to reflect the abolition of the Panel as described in clause 2.2 above (to the extent relevant and applicable). For example:

- a) removal of the ERA's obligation to make a copy of the GSI Rules available for inspection at its office and conferral of an obligation on the Coordinator to make a copy of the GSI Rules available on a website maintained by or on behalf of the Coordinator (regulation 9);
- b) inclusion of a provision enabling the GSI Rules to deal with transitional matters relating to the transfer of the functions of the Panel under the WEM Rules to the Coordinator – comparable to regulation 8A but expressed in slightly broader terms as per item 2.2(b) above;
- c) repeal of existing regulation 8A (alternatively, removal of references to the Panel in that clause);
- d) confirmation that the GSI Rules may deal with the fees and charges to be payable by registered gas market participants in relation to the functions of the Coordinator (see item d) above);
- e) removal of references to and provisions relating to the Panel (and the ERA in connection with the Panel) and substitution of the Coordinator as relevant, for example:
 - i. regulations 7(4)(b), 8(2)(d)(i) and 11(5) – replace with equivalent provisions for Coordinator;
 - ii. regulation 8(2)(c) – remove reference to the Panel;
- f) include a provision enabling the Coordinator to use information obtained by the Coordinator in the course of performing functions under the GSI Rules, for the purposes of performing the Coordinator's functions under s4A of the Energy Coordination Act.
- g) amend regulation 8(2)(l) to enable the GSI Rules to provide for the use and disclosure of protected information by the Coordinator;

[Note: Section 8(4) of the *Gas Services Information Act 2012* states that “The *Interpretation Act 1984* sections 42 and 43(6) do not apply to the rules.” Unlike the position under the *Electricity Industry Act* in relation to the status of the WEM Rules, the GSI Act does not go on to state that the GSI Rules are not subsidiary legislation for the purposes of the Interpretation Act and so the issue described above as to whether or not the WEM Rules are a written law for the purposes of the *Energy Coordination Act* does not arise in relation to the GSI Rules.

