



Notice

11 September 2023

New market guidance

Published: Offer construction guideline and Trading conduct guideline

The ERA has developed the Offer construction guideline and Trading conduct guideline to provide regulatory guidance on the general trading obligations which apply in the new Wholesale Electricity Market (WEM) to all real-time market and short-term energy market participants. This includes the energy and the Frequency Co-optimised Essential System Services (FCES) markets.

The Wholesale Electricity Market (WEM) is being reformed through the Government's [Energy Transformation Strategy](#). The [revised WEM Rules](#) include new responsibilities for the ERA and rule participants from new market commencement on 1 October 2023.

The two new guidelines are principles-based documents providing general guidance on how the ERA currently proposes to interpret the relevant WEM Rules. Examples in each guideline illustrate the principles in a range of situations for different generator types.

The Offer construction guideline provides information on how market participants can comply with the price offer obligations in the WEM Rules. This includes guidance on how to recover all efficient variable costs of producing the relevant electricity,. The Offer construction guideline also outlines the ERA's obligations to consider prices offered and to assess inefficient market outcomes.

The Trading conduct guideline provides information on how market participants can avoid the conduct prohibited under the general trading obligations, including conduct that is false, dishonest, or has the purpose or the effect of distorting or manipulating prices in the WEM.

The ERA's development of the two new guidelines was informed by a public consultation, which closed on 18 July 2023. All submissions received, a final report summarising stakeholder feedback, and the two new guidelines are available on the [ERA's website](#).

Further information

General enquiries

Bruce Layman
Ph: 08 6557 7965
info@erawa.com.au

Media enquiries

Danielle Asarpota
Ph: +61 428 859 826
media@erawa.com.au