



NOTICE

Invitation for Public Submissions

2010 ANNUAL WHOLESALE ELECTRICITY MARKET REPORT TO THE MINISTER FOR ENERGY

The Authority has a dual obligation to report to the Minister for Energy on the effectiveness of the Wholesale Electricity Market (**WEM**), one under the *Electricity Industry Act 2004* (**Act**) and the other under the *Wholesale Electricity Market Rules* (**Market Rules**), and it has decided to incorporate the two reporting requirements into the one report to be submitted to the Minister for Energy.

In the course of conducting the review under the Act, and having previously consulted with interested parties with respect to the reporting requirements of the Market Rules, the Authority is now inviting any further submissions from interested parties on the extent to which the WEM objectives have been or are being achieved. These objectives are:

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

Public Submissions

In fulfilling its reporting requirements under the Act, the Authority will give full consideration to the [nine public submissions](#) that have already been received in response to the Authority's [Discussion Paper](#), which was published on the Authority's website on 25 June 2010. However, the Authority invites any further submissions on the extent to which the WEM objectives have been or are being achieved. Interested parties are referred to the [Discussion Paper](#), which outlines the matters on which the Authority invited submissions from interested parties.

Interested parties are invited to make submissions in print and electronic form on the review of the operation of the WEM by **4:00 pm (WST) on Tuesday, 11 January 2011**.

Submissions should be addressed to:

Review of the operation of the Wholesale Electricity Market.

Postal address: PO Box 8469, PERTH BC WA 6849
Office address: Level 6, 197 St Georges Terrace, PERTH WA 6000
Email address: publicsubmissions@erawa.com.au

Confidentiality

Submissions made to the Authority will be treated as in the public domain and placed on the Authority's website unless confidentiality is claimed. The submission or parts of the submission in relation to which confidentiality is claimed should be clearly marked. Any claim of confidentiality will be dealt with in the same way as is provided for in section 55 of the *Economic Regulation Authority Act 2003*.

The receipt and publication of a submission shall not be taken as indicating that the Authority has knowledge either actual or constructive of the contents of a particular submission and, in particular, where the submission in whole or part contains information of a confidential nature and no duty of confidence will arise for the Authority in these circumstances.

Background

Section 128 of the Act requires the Authority to review the operation of the WEM as soon as practicable after the expiration of three years from the commencement of Part 9 of the Act, and thereafter not later than three years after a report has been laid before each House of Parliament under subsection (5)(a) of the Act. The purpose of the review is to assess the extent to which the objectives set out in section 122(2) of the Act have been or are being achieved.

Section 128 of the Act also requires the Authority to provide the Minister for Energy with a report based on this review not later than three years and six months after the last report was laid before each House of Parliament. The Authority is required to provide this written report to the Minister for Energy by 19 September 2011.

In addition to its reporting requirements under section 128 of the Act, the Authority has reporting requirements under the Market Rules. Clause 2.16.11 of the Market Rules requires the Authority to provide a report to the Minister for Energy, at least annually, on the effectiveness of the WEM. The report is to include an assessment of the effectiveness of the WEM in meeting the objectives set out in clause 1.2.1 of the Market Rules. These objectives are identical to the objectives set out in section 122(2) of the Act.

For further information contact:

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LYNDON ROWE
CHAIRMAN

6 December 2010