



Economic Regulation Authority

Wholesale Electricity Market Rules and Gas Services Information Rules

Compliance report for the period 1 July 2024 to
31 December 2024

31 January 2025

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Acknowledgement of Country

At the ERA we value our cultural diversity and respect the traditional custodians of the land and waters on which we live and work.

We acknowledge their continuing connection to culture and community, their traditions, and stories. We commit to listening, continuously improving our performance, and building a brighter future together.

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Contents

1. Purpose	1
2. Summary	2
2.1 Enforcement actions	3
2.1.1 Warnings	3
2.1.2 Civil penalties	3
2.1.3 Electricity Review Board matters	3
3. WEM compliance update	4
3.1 WEM breach allegations resolved	4
3.2 WEM breach allegations received	5
4. WEM Rules changes	7
4.1 Review of the Monitoring Protocol WEM Procedure	7
5. GSI compliance update	8
6. Stakeholder engagement and compliance reports	9
6.1 ERA Energy Markets Stakeholder Forum 2024	9
6.2 Reports to the Minister for Energy	9
6.2.1 ERA compliance 2023/24	9
6.2.2 AEMO's compliance	9
6.2.3 Network Operator's compliance	9

1. Purpose

This report satisfies the Wholesale Electricity Market (WEM) and Gas Services Information (GSI) Rules requirements for the Economic Regulation Authority to publish every six months a report on its compliance activities for the preceding six months.¹

The WEM Rules specify that the report must include a summary of:

- investigations completed by the ERA
- breaches or contraventions of the WEM Rules that the ERA concludes have occurred
- warnings issued by the ERA
- proceedings that have been brought before the Electricity Review Board (ERB)
- findings of the ERB on matters referred to them
- orders made by the ERB
- matters brought before the ERB, and details of any civil penalties imposed by the ERA.

The GSI Rules specify that the report must include:

- proceedings that have been brought before the ERB
- findings of the ERB on matters referred to them
- orders made by the ERB
- civil penalties imposed by the ERA and not set aside by the ERB.

Terms capitalised in this report include terms defined under Chapter 11 of the WEM Rules and Schedule 1 of the GSI Rules.

¹ Wholesale Electricity Market Rules (WA), 20 November 2024, clause 2.13.45, ([online](#)); Gas Services Information Rules (WA), 1 December 2022, Rule 167(1), ([online](#)).

2. Summary

This report summarises the ERA's compliance activities for the reporting period 1 July 2024 to 31 December 2024.

The ERA's compliance activities include:

- monitoring participants' compliance with the WEM Rules and GSI Rules
- investigating alleged breaches of these rules
- undertaking enforcement actions where appropriate.^{2 3}

Since the new WEM design commenced on 1 October 2023, the focus of the ERA's compliance activities has been on refining our new risk-based approach to investigations, monitoring the operations of the WEM to identify areas of high risk of non-compliance and supporting the Rule Participants in their new obligation to self-report suspected breaches.

Reducing the backlog of investigations remains a priority for the ERA. By 31 December 2024, the ERA resolved 63 matters and reduced the backlog of pre-1 October 2023 WEM matters to 28 investigations.

At the end of this reporting period the total backlog of all outstanding compliance matters is 342, including 177 WEM and 165 GSI matters.

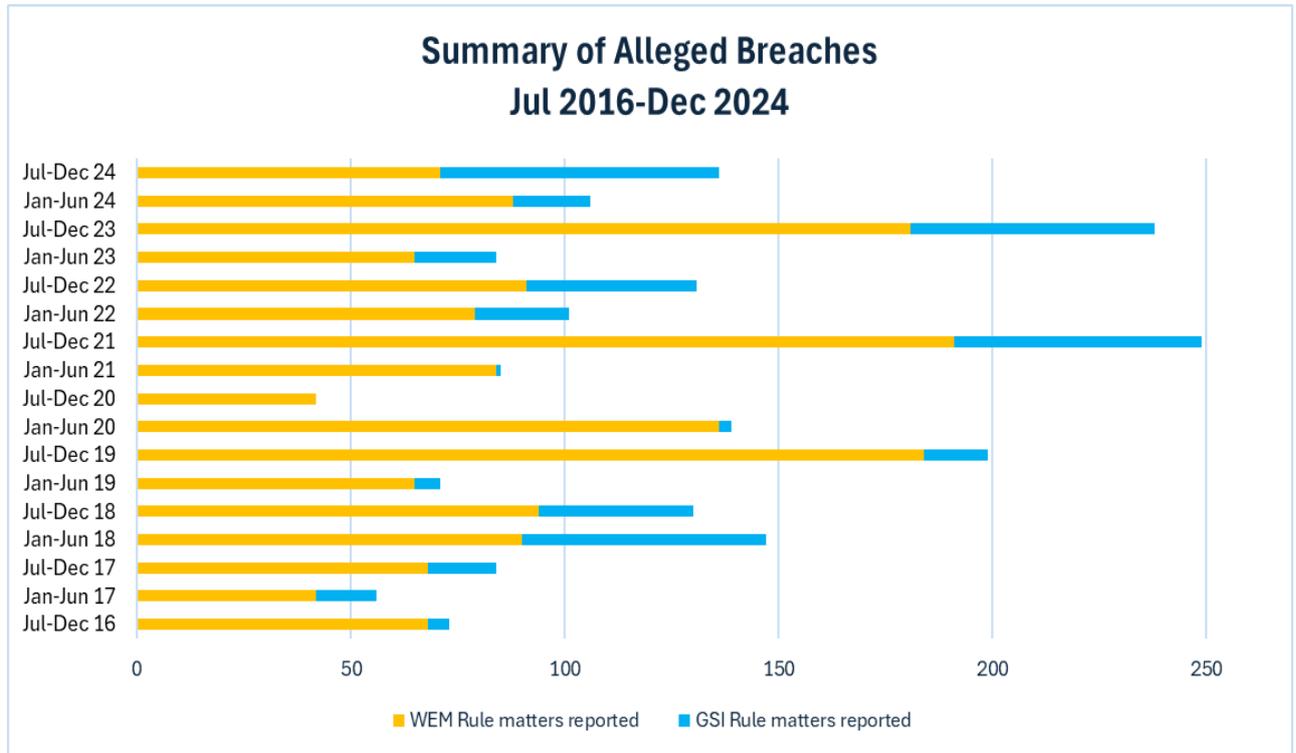
Table 1: Backlog of alleged contraventions to the WEM and GSI Market	Recorded by the ERA as of 31 December 2024
GSI	165
WEM (pre-1 October 2023)	28
WEM (post-1 October 2023)	149
Total	342

² Wholesale Electricity Market Rules (WA), 20 November 2024, clause 2.13.36. ([online](#))

³ Gas Services Information Rules (WA), 1 December 2022, rule 165, ([online](#)).

Figure 1 below shows the numbers of breach allegations recorded by the ERA in each reporting period since 1 July 2016.

Figure 1: Summary of alleged breaches 2016 to 2024



2.1 Enforcement actions

2.1.1 Warnings

The ERA did not issue any warning notices during the reporting period.

2.1.2 Civil penalties

The ERA did not issue any civil penalties during the reporting period.

2.1.3 Electricity Review Board matters

The ERA did not refer any matters to the ERB during the reporting period.

3. WEM compliance update

3.1 WEM breach allegations resolved

During this reporting period the ERA resolved 116 alleged breaches of the WEM Rules.

The ERA conducted a thorough assessment of 63 breaches alleged to have occurred before 1 October 2023:

- Three of the matters were found not to be breaches of the WEM Rules.
- 60 of the matters were determined to be minor and none were considered to have had a material effect on the functioning of the WEM at the time they occurred. The ERA decided not to investigate these matters further.

The ERA closed the 60 minor non-compliances related to pre-1 October 2023 WEM Rules without performing a full-scale investigation as per the *Electricity Industry (Wholesale Electricity Market) Regulations 2004 (the Regulations) Regulation 38(3)(a)*.⁴ The relevant Rule Participants were notified of the ERA's decisions.

The ERA completed one investigation on its own non-compliances with WEM Rules clauses 1.62.1 and 2.16C.2. The ERA reported the conclusion of the investigation to the Minister for Energy on 17 December 2024.⁵

The ERA also reviewed 52 self-reported alleged breaches of post-1 October 2023 WEM Rules. The ERA has conducted a breach risk assessment for each of the 52 allegations; and decide not to investigate them as they were assessed as being low risk matters posing little risk to the functioning of the WEM.

⁴ Electricity Industry (Wholesale Electricity Market) Regulations 2004, ([online](#)).

⁵ Report to the Minister for Energy on the Economic Regulation Authority's compliance 2023/24, 17 December 2024 ([online](#)).

Table 2: Matters resolved between 1 July 2024 and 31 December 2024

Reporting category	Pre-1 Oct 2023	Post-1 Oct 2023	Total
Balancing Submission Requirements	8		8
Dispatch Instruction Requirements	6	3	9
Generator Monitoring Plan	3		3
Late Payment of Invoice		1	1
Market Effectiveness		4	4
Market Information Requirements	23	24	47
Others	20	11	31
Outage Requirements	2	7	9
RTM Submissions		3	3
STEM Submissions	1		1
Total	63	53	116

During this reporting period, the ERA opened five other investigations of alleged breaches of post-1 October 2023 WEM Rules. These five other alleged breaches are still under investigation and determinations will be made in the proper time. Reference to these can be found on the ERA's public register of investigations.⁶

3.2 WEM breach allegations received

From 1 October 2023, the WEM Rules require Rule Participants to self-report any suspected breaches that they become aware of.

During this reporting period the ERA recorded 136 alleged breach matters including:

- 67 related to the post-1 October 2023 WEM Rules
- four related to the pre-1 October 2023 WEM Rules
- 65 related to the GSI Rules.

Out of 67 post-1 October 2023 alleged WEM breaches or contraventions, 53 were self-reported. The remaining 14 were identified and reported by the Australian Energy Market Operator (AEMO) or the ERA. The ERA assessed some of the 67 WEM matters as potentially high-risk breaches that have been prioritised for analysis and investigation.

⁶ Public Register of Investigations ([online](#))

Table 3: Alleged breaches or contraventions of the WEM Rules 1 July 2024 to 31 December 2024

Reporting category	GSI	WEM (pre-1 Oct 2023)	WEM (post-1 Oct 2023)	Total
Dispatch Instruction Requirements			18	18
General Trading Obligations			2	2
Generator Monitoring Plan			3	3
Late Payment of Invoice	35		1	36
Market Information Requirements	27	2	8	37
Others	2	2	19	23
Outage Requirements			11	11
Registration Requirements	1			1
RTM Submissions			5	5
Total	65	4	67	136

4. WEM Rules changes

4.1 Review of the Monitoring Protocol WEM Procedure

The ERA reviewed and updated the Monitoring Protocol WEM Procedure to reflect changes to the WEM Rules.

On 5 September 2024, the ERA released the draft Monitoring Protocol WEM Procedure and a Procedure Change Proposal detailing proposed changes and the rationale behind them. The ERA required stakeholder feedback by 3 October 2024 and received two submissions. The ERA published the submissions, Procedure Change EEPC_2024_02: Review of the Monitoring Protocol WEM Procedure and Monitoring Protocol WEM Procedure (version 7) on 4 November 2024.^{7,8}

⁷ Procedure Change EEPC_2024_02: Review of the Monitoring Protocol WEM Procedure ([online](#))

⁸ WEM Procedure Monitoring Protocol 20 November 2024 ([online](#))

5. GSI compliance update

During this reporting period the ERA continued an existing investigation. The ERA is currently in the conclusion phase of this investigation and expects to complete it during the next reporting period.

The ERA commenced an investigation in relation to GSI participants' registration obligations. The initial analysis indicated a possible need to better align the GSI Rules with the latest developments in the Western Australian domestic and export gas industries. The ERA will continue investigating the circumstances of the alleged breach and will be working with AEMO and Energy Policy WA to identify if any policy decisions or GSI Rule changes are required.

As of 31 December 2024, the ERA has a backlog of 165 outstanding GSI breach allegations. Most outstanding breach allegations were assessed as low impact, low risk to the market and low priority for investigation.

However, some of the matters relate to behaviours that may put an avoidable administrative burden on AEMO due to high recurrence. These include late payments of GSI fee invoices (82 cases in the last 24 months) and non-compliances with Gas Statement of Opportunity information provision obligations (26 cases during the last round of that process). High recurrence levels indicate that corrective actions are required. The ERA will focus on these types of breaches and prioritise instances where corrective actions have not been put in place.

6. Stakeholder engagement and compliance reports

6.1 ERA Energy Markets Stakeholder Forum 2024

The ERA held its annual Energy Markets Forum 2024 on 14 November 2024. The forum was an information session for Rule Participants to provide a summary of ERA activities in response to WEM Rules changes, other key projects across the ERA's Energy Markets division, and a market update.

6.2 Reports to the Minister for Energy

6.2.1 ERA compliance 2023/24

The ERA must annually prepare a report for the Minister on its own compliance with the WEM Rules and WEM Procedures.⁹ The ERA reported to the Minister that it had complied with the WEM Rules and WEM Procedures for the period 1 July 2023 to 30 September 2023. From 1 October 2023, the ERA reported complying in all material respects except for two minor matters, as outlined in the report published on 17 December 2024.¹⁰

6.2.2 AEMO's compliance

The ERA must annually prepare a report for the Minister on AEMO's compliance with the WEM Rules and WEM Procedures.¹¹ The ERA prepared and published its annual report to the Minister on AEMO's compliance with the WEM Rules and the GSI Rules on 8 August 2024.¹²

6.2.3 Network Operator's compliance

The ERA must annually prepare a report for the Minister on each Network Operator's self-reported compliance with the WEM Rules and WEM Procedures.¹³ The report must contain the results of any investigations of each Network Operator's compliance with the WEM Rules and WEM Procedures carried out by the ERA. The ERA's report to the Minister on the Network Operator's self-reported compliance covered the period from 1 October 2023 to 30 September 2024 and was published on 20 December 2024.¹⁴

⁹ Wholesale Electricity Market Rules, 22 May 2024, clause 2.14.5A ([online](#)).

¹⁰ Report to the Minister for Energy on the ERA's compliance 2023/24 ([online](#)).

¹¹ Wholesale Electricity Market Rules, 22 May 2024, clause 2.14.5B ([online](#)).

¹² Report to the Minister for Energy on AEMO's compliance 2022/23 ([online](#)).

¹³ Wholesale Electricity Market Rules, 22 May 2024, clause 2.14.6 ([online](#)).

¹⁴ Report to Minister for Energy on Western Power's self-reported compliance 30 September 2024 ([online](#)).