



Economic Regulation Authority

Portfolio Identification and Material Portfolio

Determination

14 October 2025

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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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Executive summary

The commencement of the new Wholesale Electricity Market (WEM) on 1 October 2023 included the implementation of a Market Power Mitigation Framework.¹ This Framework has been incorporated into the Energy System and Market (ESM) Rules and is further detailed in several WEM Procedures.

Under the Framework, the Economic Regulation Authority (ERA) must conduct a Portfolio assessment on an annual basis, undertaken in two stages.² The first stage assigns registered Facilities to Portfolios based on registration, ownership or control. The second stage identifies those Portfolios that are material and may exert market power in the Short-Term Energy Market (STEM) and Real Time Market (RTM).

The ERA's assessment is guided by the method and process outlined in both the ESM Rules and *WEM Procedure – Portfolio Determination*.³

Allocation to a Material Portfolio places governance obligations on Market Participants with Facilities within a Material Portfolio to maintain records. It also places an obligation on the ERA to monitor offers into the RTM from Facilities within a Material Portfolio. However, the ERA's monitoring and surveillance activities are not confined only to these facilities.

The ERA's determination process is dependent on the information provided by Market Participants. The WEM Procedure sets a deadline of 1 August each year for Market Participants to provide the ERA with their Declaration of Control for each Facility defined in the ESM Rules.⁴

This document reports on the ERA's findings based on information provided by Market Participants on 1 August 2025.

This year, one Market Participant did not complete a Declaration of Control form nor respond to attempts to make contact. Failure to comply with the Market Power Mitigation Framework is a breach of the ESM Rules and will be treated accordingly. In future years, the ERA may consider applying additional penalties to Market Participants who fail to comply with the ESM Rules in respect to Portfolio determinations.

¹ Electricity System and Market Rules (WA), 4 June 2025, sections 2.16A – 2.16E (inclusive) ([online](#))

² Ibid, Rule 2.16B.1, ([online](#))

³ Economic Regulation Authority, *WEM Procedure – Portfolio Determination*, 1 October 2024, ([online](#))

⁴ Electricity System and Market Rules (WA), 4 June 2025, Rule 2.16B.1(a)(i), ([online](#))

1. Introduction

The *WEM Procedure – Portfolio Determination* sets out the process and method used to identify Portfolios and Material Portfolios.⁵ Analysis is undertaken in two stages. In the first stage, the ERA identifies Portfolios for all Facilities identified in clauses 3.1.4 and 3.1.5 of the WEM Procedure. In the second stage, the ERA applies a Materiality Test to the identified portfolios to determine which (if any) meet the threshold for Material Portfolio status.

1.1 Portfolio Assessment

The ERA uses both the Facility registration information as recorded on the AEMO website, and the information provided by Market Participants in their Declaration of Control of a Facility forms to make an assessment.⁶

The ERA has followed the principles-based approach outlined in the ESM Rules, and explained in the WEM Procedure, to complete the Portfolio assessment and identification process.

1.2 Material Portfolio Assessment

The allocation of Market Participants to Material Portfolios is based on the application of a Materiality Test.⁷ The test is applied to each Portfolio and used to determine whether they meet or exceed a threshold of 10 per cent of total maximum sent out capacity (MSOC) for all identified Facilities that are eligible to be allocated to Portfolios.

If that threshold is met, the Portfolio is designated as a Material Portfolio. Material Portfolios have additional record keeping requirements under the ESM Rules and the ERA must monitor offers made by registered Facilities within that Material Portfolio and investigate breaches.^{8 9} This requirement does not limit the ERA's ability to monitor offers or investigate breaches for any registered Facility.

1.3 Recent changes to the Portfolio Determination process

This is the first Portfolio determination completed since changes were made to the then WEM Rules in October 2024.

Prior to these changes, Portfolio assessment was conducted twice a year (April and October). Moreover, Facilities could be allocated to no more than one Portfolio, with a focus on what entity had control of an individual Facility.

Changes made in October 2024 mean that an individual Facility may now be allocated to multiple Portfolios, with Facilities allocated based on control, registration and ownership structures.

⁵ Economic Regulation Authority, *WEM Procedure – Portfolio Determination*, 1 October 2024, ([online](#))

⁶ Ibid, Section 3.1, ([online](#)).

⁷ Electricity System and Market Rules (WA), 4 June 2025, Rule 2.16C ([online](#)).

⁸ Ibid, Section 5.1.1 ([online](#))

⁹ Electricity System and Market Rules (WA), 4 June 2025, Rule 2.16C.3 ([online](#)).

As a result of these changes, it is to be expected that the number of Portfolios identified going forward will be greater than in previous reports.

Furthermore, in keeping with ESM Rule 2.16B.5, introduced on 20 November 2024, the ERA must now update the published list of identified Portfolios within 20-business days of receiving a declaration from a Market Participant when:

- A new Scheduled, Semi-Scheduled or Non-Scheduled Facility is registered in the WEM.
- There is a change in the registration, ownership or control (directly or indirectly) of an existing Scheduled, Semi-Scheduled or Non-Scheduled Facility.¹⁰

In response to the changes, the WEM Procedure and Declaration of Control of a Facility form were updated, effective 1 October 2024.

1.4 Link to Material Constrained Portfolios

A Constrained Portfolio is defined in chapter 11 of the ESM Rules as a set comprising all the registered Facilities within a single Portfolio that are located behind the relevant network constraint.¹¹ The assignment of Facilities as part of the ERA's Portfolio assessment work will influence the composition of each Constrained Portfolio.

While Portfolio determination supports the broader assessment of market power, Constrained Portfolio Determination, conducted every 3 months, provides a more granular view of potential market power arising from network limitations within the SWIS.

The assignment of registered Facilities to Portfolios, as set out in this report, forms a foundational input into the Constrained Portfolio Determination process. For each binding network constraint observed during the assessment period, the set of Facilities located behind the constraint is assessed to determine which Facilities belong to the same Portfolio. Each resulting grouping forms a Constrained Portfolio, enabling the identification of Facility groupings that may hold localised market power under specific network conditions.

¹⁰ Electricity System and Market Rules (WA), 4 June 2025, Rule 2.16B.4(b) and (c), ([online](#))

¹¹ The Electricity System and Market Rules (WA), 4 June 2025, define a network constraint as a limitation or requirement in a part of a Network that may impact one or more Registered Facilities in the Central Dispatch Process, such that it would be unacceptable to transfer electricity across that part of the Network at a level or in a manner outside the limit or requirement, ([online](#)).

2. Portfolio Assessment

The ERA is required to complete its identification of each Portfolio by 1 October each year.¹²

To identify Portfolios, and in accordance with both the ESM Rules and WEM Procedure, the ERA applied the following principles:

Each Scheduled Facility, Semi-Scheduled Facility and Non-Scheduled Facility must be allocated to a Portfolio;

(a) Registered Facilities which are:

- (i) Registered to the same Market Participant;
- (ii) Wholly or partly owned by the same entity (either directly or indirectly); or
- (iii) Wholly or partly controlled by the same entity (either directly or indirectly),

Must be allocated to the same Portfolio; and

(b) A Registered Facility must not be allocated to a Portfolio containing another Registered Facility unless it is required by (i)-(iii) above.

A Market Participant must provide a declaration to the ERA, in accordance with the WEM Procedure referred to in clause 2.16D.15(a) by 1 August each year.¹³

This year, one Market Participant failed to provide the ERA with a declaration, in breach of the ESM Rules.

Table 1 sets out the findings of the most recent Portfolio determination process, listing registered Facilities by Portfolio, as at 1 October 2025. In total, 34 separate Portfolios were identified.

Table 1: Identified Portfolios

Portfolio	Registered Facility(ies)
1	ALBANY_WF1 BREMER_BAY_WF1 COCKBURN_CCG1 COLLIE_G1 GRASMERE_WF1 GREENOUGH_RIVER_PV1 KALBARRI_WF1 KEMERTON_GT11 KEMERTON_GT12 KWINANA_ESR1 KWINANA_ESR2 KWINANA_GT2 KWINANA_GT3 MUJA_G7 MUJA_G8 MUNGARRA_GT1

¹² Electricity System and Market Rules, 4 June 2025, Rule 2.16B.1, [\(online\)](#).

¹³ Ibid, Rule 2.16D.15(a), [\(online\)](#).

Portfolio	Registered Facility(ies)
	MUNGARRA_GT3 PINJAR_GT1 PINJAR_GT10 PINJAR_GT11 PINJAR_GT2 PINJAR_GT3 PINJAR_GT4 PINJAR_GT5 PINJAR_GT7 PINJAR_GT9 WARRADARGE_WF1 WEST_KALGOORLIE_GT2 WEST_KALGOORLIE_GT3
2	ALINTA_WGP_GT ALINTA_WGP_U2
3	BIOGAS01
4	BLAIRFOX_BEROSRD_WF1 BLAIRFOX_KARAKIN_WF1 BLAIRFOX_WESTHILLS_WF3
5	ALBANY_WF1 FLATROCKS_WF1 GRASMERE_WF1 GREENOUGH_RIVER_PV1 WARRADARGE_WF1
6	BW1_BLUEWATERS_G2 BW2_BLUEWATERS_G1
7	BW1_BLUEWATERS_G2 BW2_BLUEWATERS_G1 NEWGEN_KWINANA_CCG1
8	COLLIE_BESS2 COLLIE_ESR1
9	DCWL_DENMARK_WF1
10	EDWFMAN_WF1
11	HENDERSON_RENEWABLE_IG1 ROCKINGHAM SOUTH_CARDUP
12	ALBANY_WF1 GRASMERE_WF1
13	INVESTEC_COLLGAR_WF1

Portfolio	Registered Facility(ies)
14	KEMERTON_GT11 KEMERTON_GT12
15	MERSOLAR_PV1
16	MWF_MUMBIDA_WF1
17	NAMKKN_MERR_SG1
18	NEWGEN_NEERABUP_GT1
19	NORTHAM_SF_PV1
20	PERTHENERGY_KWINANA_GT1
21	PHOENIX_KWINANA_WTE_G1
22	ALBANY_WF1 GRASMERE_WF1 GREENOUGH_RIVER_PV1 WARRADARGE_WF1
23	PRDSO_WALPOLE_HG1
24	PRK_AG STHRNCRS_EG
25	RED_HILL TAMALA_PARK
26	ROCKINGHAM SOUTH_CARDUP
27	SBSOLAR1_CUNDERDIN_PV1
28	SKYFRM_MTBARKER_WF1
29	TESLA_GERALDTON_G1 TESLA_KEMERTON_G1 TESLA_NORTHAM_G1 TESLA_PICTON_G1
30	TIWEST_COG1
31	ALCOA_WGP AMBRISOLAR_PV1
32	ALINTA_PNJ_U1 ALINTA_PNJ_U2
33	ALINTA_PNJ_U1 ALINTA_PNJ_U2 ALINTA_WGP_GT ALINTA_WGP_U2

Portfolio	Registered Facility(ies)
34	ALINTA_PNJ_U1 ALINTA_PNJ_U2 ALINTA_WGP_GT ALINTA_WGP_U2 ALINTA_WWF BADGINGARRA_WF1 YANDIN_WF1

3. Material Portfolio Determination

Following identification of Portfolios, the ERA is then required to apply a Materiality Test to determine which Portfolios may exert market power on the STEM and RTM.

The Materiality Test is set out in clause 2.16C.1(a) of the ESM Rules and reproduced in section 4.1.2 of the WEM Procedure.

The test uses the MSOC for each registered Facility to calculate a Portfolio's percentage share of the total MSOC of all registered Facilities that are eligible to be assigned to a Portfolio.¹⁴

Specifically, clause 2.16C.1 (a) of the ESM Rules details the application of the following test:

Within 10 Business Days of identifying each Portfolio p under clause 2.16B.1(a), calculate Portfolio p's percentage share of the total maximum sent out capacity of all Registered Facilities assigned to a Portfolio as follows:

$$\text{MSOC_share}(p) = \frac{\sum_{f \in p} \text{MSOC}(f)}{\sum_{f \in \text{Facilities}} \text{MSOC}(f)} \times 100$$

where:

MSOC(f) is the maximum sent out capacity specified for Registered Facility f in Appendix 1(b)(v), Appendix 1(c)(v) or Appendix 1(d)(v) as applicable.

$f \in p$ denotes all Scheduled Facilities, Semi-Scheduled Facilities and Non-Scheduled Facilities f assigned to Portfolio p; and

$f \in \text{Facilities}$ denotes all Scheduled Facilities, Semi-Scheduled Facilities and Non-Scheduled Facilities assigned to a Portfolio identified under clause 2.16B.1(a)

Where a Portfolio has a percentage share value equal to or greater than 10 per cent calculated by the above equation, the ERA must determine this to be a Material Portfolio.¹⁵

Within 10 Business Days of identifying each portfolio, the ERA must both:

- Publish on its website a list specifying the name of each registered Facility within each Portfolio and the results of the calculations carried out.
- Notify each Market Participant that has a registered Facility assigned to a Material Portfolio.

According to ESM Rule 2.16C.3, notification of inclusion as a Material Portfolio compels the Market Participant to:

- maintain adequate records (that are capable of independent verification) of the internal governance arrangements the Market Participant has in place to comply with its obligations under clause 2.16C.5;
- maintain adequate records (that are capable of independent verification) of the methods, assumptions and cost inputs the Market Participant used to develop the prices in the

¹⁴ Maximum sent out capacity has the meaning under the ESM Rules of the net of embedded and Parasitic Loads, that can be available for supply to the relevant Network from the Facility under optimal conditions, expressed in megawatts (MW).

¹⁵ Electricity System and Market Rules, 4 June 2025, Rule 2.16C.1(b) ([online](#)) and ERA, WEM Procedure – Portfolio Determination, 1 October 2024, clause 4.1.1, p7 ([online](#)).

Portfolio Supply Curve offered in its STEM Submissions or Standing STEM Submissions, including, for each relevant Facility; and

- maintain adequate records (that are capable of independent verification) of the methods and cost inputs the Market Participant used to develop the prices offered, quantities and Ramp Rate Limits in its Real-Time Market Submissions or Standing Real-Time Market Submissions, including, for each relevant Facility.

A Market Participant is not required to maintain records in accordance with clause 2.16C.3 in respect of any Non-Scheduled Facilities assigned to a Material Portfolio.

Portfolios 1, 7, 33 and 34 (highlighted in grey) in Table 2 meet or exceed the Materiality Test threshold of 10 per cent and are determined to be Material Portfolios. Market Participants with Facilities allocated to Material Portfolios have been advised in writing.

Table 2: Results of Materiality Test

Portfolio	Registered Facility(ies)	Market Share (%)
1	ALBANY_WF1 BREMER_BAY_WF1 COCKBURN_CCG1 COLLIE_G1 GRASMERE_WF1 GREENOUGH_RIVER_PV1 KALBARRI_WF1 KEMERTON_GT11 KEMERTON_GT12 KWINANA_ESR1 KWINANA_ESR2 KWINANA_GT2 KWINANA_GT3 MUJA_G7 MUJA_G8 MUNGARRA_GT1 MUNGARRA_GT3 PINJAR_GT1 PINJAR_GT10 PINJAR_GT11 PINJAR_GT2 PINJAR_GT3 PINJAR_GT4 PINJAR_GT5 PINJAR_GT7 PINJAR_GT9 WARRADARGE_WF1 WEST_KALGOORLIE_GT2 WEST_KALGOORLIE_GT3	43.02
2	ALINTA_WGP_GT ALINTA_WGP_U2	5.84

Portfolio	Registered Facility(ies)	Market Share (%)
3	BIOGAS01	0.03
4	BLAIRFOX_BEROSRD_WF1 BLAIRFOX_KARAKIN_WF1 BLAIRFOX_WESTHILLS_WF3	0.29
5	ALBANY_WF1 FLATROCKS_WF1 GRASMERE_WF1 GREENOUGH_RIVER_PV1 WARRADARGE_WF1	4.90
6	BW1_BLUEWATERS_G2 BW2_BLUEWATERS_G1	6.46
7	BW1_BLUEWATERS_G2 BW2_BLUEWATERS_G1 NEWGEN_KWINANA_CCG1	11.45
8	COLLIE_BESS2 COLLIE_ESR1	7.45
9	DCWL_DENMARK_WF1	0.02
10	EDWFMAN_WF1	1.19
11	HENDERSON_RENEWABLE_IG1 ROCKINGHAM SOUTH_CARDUP	0.14
12	ALBANY_WF1 GRASMERE_WF1	0.53
13	INVESTEC_COLLGAR_WF1	3.25
14	KEMERTON_GT11 KEMERTON_GT12	5.12
15	MERSOLAR_PV1	1.49
16	MWF_MUMBIDA_WF1	0.82
17	NAMKKN_MERR_SG1	1.22
18	NEWGEN_NEERABUP_GT1	5.09
19	NORTHAM_SF_PV1	0.15
20	PERTHENERGY_KWINANA_GT1	1.62
21	PHOENIX_KWINANA_WTE_G1	0.64
22	ALBANY_WF1 GRASMERE_WF1	3.80

Portfolio	Registered Facility(ies)	Market Share (%)
	GREENOUGH_RIVER_PV1 WARRADARGE_WF1	
23	PRDSO_WALPOLE_HG1	0.02
24	PRK_AG STHRNCRS_EG	1.36
25	RED_HILL TAMALA_PARK	0.14
26	ROCKINGHAM SOUTH_CARDUP	0.09
27	SBSOLAR1_CUNDERDIN_PV1	1.49
28	SKYFRM_MTBARKER_WF1	0.04
29	TESLA_GERALDTON_G1 TESLA_KEMERTON_G1 TESLA_NORTHAM_G1 TESLA_PICTON_G1	0.60
30	TIWEST_COG1	0.63
31	ALCOA_WGP AMBRISOLAR_PV1	0.25
32	ALINTA_PNJ_U1 ALINTA_PNJ_U2	4.27
33	ALINTA_PNJ_U1 ALINTA_PNJ_U2 ALINTA_WGP_GT ALINTA_WGP_U2	10.11
34	ALINTA_PNJ_U1 ALINTA_PNJ_U2 ALINTA_WGP_GT ALINTA_WGP_U2 ALINTA_WWF BADGINGARRA_WF1 YANDIN_WF1	16.52