



Notice

2 July 2021

Minimum STEM price review 2021

Release of draft determination report

The Economic Regulation Authority invites public submissions to its review of the minimum Short Term Energy Market price.

The ERA has released a [draft determination report](#) concluding that the minimum Short Term Energy Market (STEM) price is appropriate.¹

The ERA concluded that the current minimum STEM price of $-\$1,000/\text{MWh}$ was appropriate after assessing:

- Each mandatory criterion in clause 6.20.14 of the Wholesale Electricity Market (WEM) Rules.
- Stakeholder submissions.
- Whether the current minimum STEM price was achieving the objectives in the WEM Rules of allowing the balancing market to settle above the minimum STEM price in most circumstances, and of limiting the financial exposure of market participants so their financial viability is not threatened (clause 6.20.16).

The ERA will consider stakeholders' responses to the draft determination as part of its final determination report.

Invitation for submissions

The ERA invites interested parties to make submissions on the [draft determination report](#).

Submissions close 4:00 pm (WST) Monday, 16 August 2021.

Submissions should be lodged online using the form on our website www.erawa.com.au/consultation.

¹ Appropriate in the context of this review means that the ERA's analysis of the review criteria under the WEM Rules does not indicate that the current minimum STEM price is too high or too low.

Further information

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