

# WHOLESALE ELECTRICITY MARKET

## Submission to Procedure Change Proposal

### Procedure Change EEPC\_2023\_02

#### - Portfolio determination WEM Procedure

<b>Submitted by</b>	
<b>Name:</b>	Tom Frood
<b>Phone:</b>	[REDACTED]
<b>Fax:</b>	
<b>Email:</b>	Tom.frood@brightenergyinvestments.com.au
<b>Organisation:</b>	Bright Energy Investments
<b>Address:</b>	219 St. Georges Terrace, Perth, WA 6000
<b>Date submitted:</b>	18 July 2023

### Submission

Clause 2.10.7 of the Wholesale Electricity Market Rules provides that any person may make a submission for a Procedure Change Proposal (including proposals developed by AEMO, the Economic Regulation Authority, the Coordinator of Energy or a Network Operator) by completing this Procedure Change Submission form.

Submissions should be provided by email to the nominated contact in the call for submissions published with the Procedure Change Proposal.

**Please provide your views on the Procedure Change Proposal, including any objections or suggested revisions**

Thank you for the opportunity to respond to the consultation on the Portfolio Determination.

We believe that the proposed rule 2.16 B.1 a. iii and iv should be reconsidered. The requirements for all facilities that are owned by Associated Entities (as defined by the Corporations Act) are allocated to the same portfolio is not logical and unrealistic in this complex investor environment.

We acknowledge that there is potential for market power to be exerted through facilities that are controlled by the same entity or by Related Body Corporates and agree that they should be allocated within a single portfolio.

An Associated Entity is a very broad definition under the Corporation Act, would capture situations where market manipulation is not possible and could even reduced market competition when considering complex investment structures.

We request that the ERA reconsider this clause to reflect ownership by Related Body Corporates or to reflect control of the trading strategy.

**Please provide an assessment whether the Procedure Change Proposal is consistent with the Market Objectives and the Wholesale Electricity Market Rules.**

We believe that by treating generators who are controlled by different organisations as a single portfolio competition will be stifled not protected.

**Please indicate if the Procedure Change Proposal will have any implications for your organisation (for example changes to your IT or business systems) and any costs involved in implementing these changes.**

We don't believe that BEI is an Associated Entity of Synergy as the Synergy share is less than 20% and Synergy do not have control over BEI. We therefore do not believe that this change would directly affect BEI. However we are concerned that BEI might be considered as an Associated Entity and BEI would have to demonstrate why it is not.

**Please indicate the time required for your organisation to implement the changes, should they be accepted as proposed.**

No changes anticipated.