



**Energy Transformation  
Implementation Unit**

# **Transformation Design and Operation Working Group Meeting 33**

20 January 2021





# Ground rules and virtual meeting protocols

- Please place your microphone on mute, unless you are asking a question or making a comment.
- Please keep questions relevant to the agenda item being discussed.
- If there is not a break in discussion and you would like to say something, you can 'raise your hand' by typing 'question' or 'comment' in the meeting chat. Questions and comments can also be emailed to [TDOWG@energy.wa.gov.au](mailto:TDOWG@energy.wa.gov.au) after the meeting.
- The meeting will be recorded for minute-taking purposes. Please do not make your own recording of the meeting.
- Please state your name and organisation when you ask a question to assist with meeting minutes.
- If there are multiple people dialling in through a single profile, please email [TDOWG@energy.wa.gov.au](mailto:TDOWG@energy.wa.gov.au) with the names of the attendees to be recorded in the minutes.
- If you are having connection/bandwidth issues, you may want to disable the incoming and/or outgoing video.



# Agenda

- Rules Update
- Forward Schedule
- Market Information Framework

# Forward schedule

Topic	Tentative month
Market Information Framework	January
Market Power Mitigation <ul style="list-style-type: none"><li>• Consultation Paper</li><li>• Taskforce Paper</li></ul>	Late March End May
PSSR Standards Framework	April
Non-Cooptimised ESS Framework	April

# Market Information Framework





# Why do we need a framework for managing information in the WEM?

- The operation of the WEM involves the production and exchange of large amounts of information
- How that information is classified and handled impacts the **efficiency and effectiveness** of the WEM
- **Classifying – availability and transparency of information affects:**
  - Market behaviour
  - Investment and divestment decisions
  - Innovation
  - Accountability and trust
- **But benefits needs to be assessed against the detriment to the Participant:**
  - Commerciality
  - Market participation
- **Handling – affects levels of risk and the cost of operation**



# Current framework

- WEM Rules
  - **Specific clauses in various chapters – information requirements**
  - **Chapter 10 – information management**
  - AEMO must set the confidentiality status of all market information to one of six confidentiality classes (10.2.2):
  - **Public Information**
  - **5 classes of Confidential Information – fixed groups of WEM entities**
  - AEMO must also produce and publish:
  - (10.2.1) **Confidentiality List – status of each type of market information**
  - (10.2.7) **WEM Procedure – process for setting and publishing confidentiality status of information**
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# Issues with current framework

- No change to framework since 2012
- Current framework will bring to the new market unnecessary inefficiencies both in the functioning of the WEM and in the operation of the framework
- **Risks and responsibilities of entities re: information management are not aligned with functions of entities under the WEM Rules**
- **Sub-optimal publication of Public Information**
- **Commercially-sensitive market information surplus to requirements**
- **Six confidentiality classes inflexible**
  - potentially too many / few entities with access
- **Overly prescriptive requirements of how providers and receivers of information should discharge their information management functions – may be sub-optimal**
- **Administrative features add unnecessary burden and cost**



# New framework

## Design principles

- Is simple, clear, and easy to use
- Is adaptable, flexible, and responsive to changes in the WEM
- Minimises the production and exchange of information
- Maximises the release of market information to the public
- Minimises the disclosure of information where it is deemed sensitive and confidential
- Ensures information required to effectively operate the WEM is available to the parties who need it to perform their functions
- Treats information and Rule Participants equitably, inc allocating responsibility and risk
- Prescribes roles, responsibilities, requirements, and expectations of entities re: information management but does not prescribe methods of implementation and delivery, which are best determined by those who perform those tasks
- Is consistent with other applicable laws and regulations, and the WEM Objectives



# New framework

## Information scope and classifications

- Scope of framework includes:
- **Direct Market Information only**
  - Produced or exchanged in accordance with WEM Rules and Procedures
- Does **not** include:
- **Indirect Market Information**
- **Non-Market Information**
- Confidentiality classes reduced from six to **two**:
- **Public Information**
- **Confidential Information**
- Separate the roles of confidentiality classification and information management, as well as other responsibilities
- **Coordinator of Energy; Information providers; Information Managers; Recipients of disclosed Confidential Information**



# New framework

## Coordinator of Energy

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- The **Coordinator of Energy** will be accountable and responsible for:
  - **Classifying information requirements of the WEM Rules as Public Information or Confidential Information (directly or by default)**
  - The Coordinator of Energy will develop a process (that may be a Procedure) to describe how it determines what information should be Public Information
  - As a part of its rule making function, it will also be responsible for stating in the WEM Rules:
  - **Market functions of each type of WEM entity**
  - **Roles and responsibilities of entities in managing market information**
  - **Principles of that entities must apply in managing market information, including using, processing and disclosing Confidential Information**



# New framework

## Information providers

- **Information providers** (mostly Market Participants) will be accountable and responsible for the information they provide in accordance with the WEM Rules and Procedures
- **Managing too much confidential information can be administratively burdensome, and creates increased risk of disclosure**
  - Adds inefficiency and cost to the system
- **Onus will be on the information provider to manage their own confidentiality and submit only what information is required by the WEM Rules and Procedures**
- **Providers are best placed to extract information required and to check what they are delivering is appropriate and necessary**
  - Relieves burden on receiver
  - Better allocates risk



# New framework

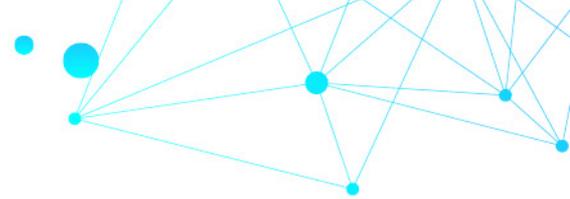
## Information Managers

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- **Information Managers** are those entities who receive information in the first instance under the WEM Rules.
  - Information Managers will be accountable and responsible for managing information that is submitted to them under WEM Rules and Procedures.
  - **Publishable – do as specified**
  - **Public – make available to any party where practical to do so and possible to recover reasonable cost of supply**
  - **Confidential – decide on the treatment and management of Confidential Information, including using, processing and disclosing**
    - According to: market functions; purpose of information; and principles of information management outlined in WEM Rules
      - Apply Principle of Least Privilege
    - Can reduce or extend disclosure, and may consult Coordinator of Energy
    - Is expected to consider potential for information to be made Public

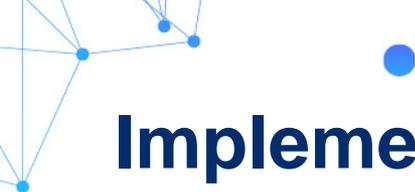


# New framework

## Recipients of disclosed Confidential Information



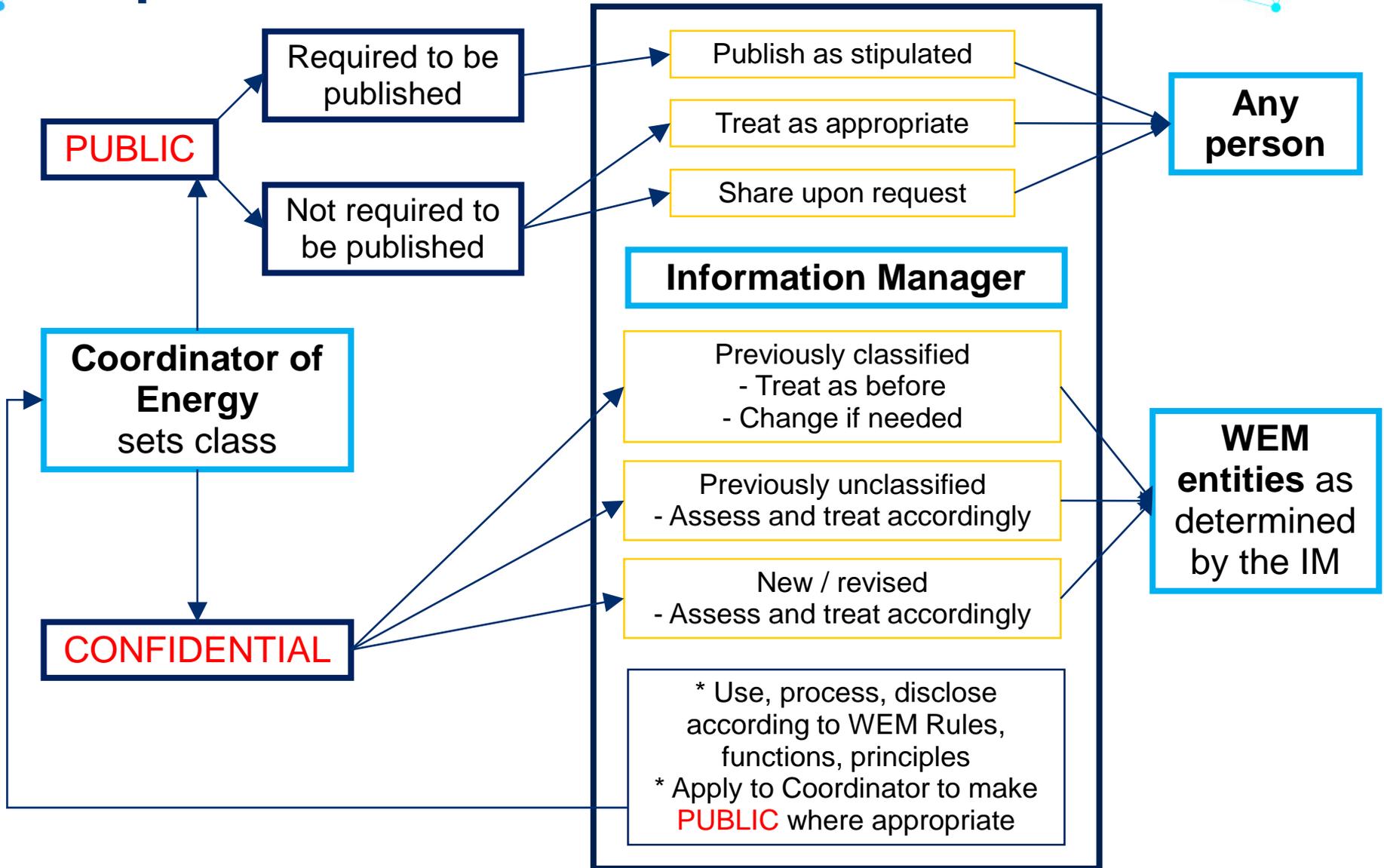
- **Recipients of Confidential Information** that has been disclosed to them by an Information Manager will be accountable and responsible for handling and using that information only as stipulated in the WEM Rules and according to their market functions defined in the WEM Rules.
- Recipients:
  - **May not use disclosed Confidential Information for any purpose other than to discharge their obligations according to the Rules**
  - **Will not be permitted to disclose to any other parties Confidential Information they receive under the Rules, unless doing so is necessary for them to discharge their WEM functions**
  - **Must inform the Information Manager if they receive Confidential Information that is not required for them to discharge their functions**
    - And appropriately remove that information from their possession
- **Responsibility of all recipients to securely manage confidential information**



# Implementation

- To commence with new market, 1 October 2022
- All market information produced under the new Rules will be classified prior to market start
- All information will be managed under the new Framework
- No retrospectivity will apply to market information previously submitted

# Implementation Process





# Meeting close

Questions or feedback can be emailed to [TDOWG@energy.wa.gov.au](mailto:TDOWG@energy.wa.gov.au)