

28 August 2025

Attn: Dora Guzeleva
Director, Wholesale Markets
Energy Policy WA
Level 1, 66 St Georges Terrace
Perth WA 6000

By email: energymarkets@deed.wa.gov.au

Dear Ms Guzeleva,

Operational Forecasting in the WEM Review – Consultation Paper

Thank you for the opportunity to comment on Energy Policy WA's Operational Forecasting in the Wholesale Electricity Market (**WEM**) Review Consultation Paper.

APA recognises that accurate operational forecasting is essential to maintaining a secure, reliable, and efficient energy market. Many of the proposals outlined in the Consultation Paper seek to enhance AEMO's forecasting accuracy and transparency through improvements to blending techniques, increased collaboration with weather providers, and strengthened documentation and operational processes. APA is generally supportive of Proposals 1, 2, 3, and 5, which aim to ensure that operational forecasting practices remain fit-for-purpose.

While APA acknowledges the concern that intermittent generator forecasts submitted on a "reasonable endeavours" basis present enforcement challenges, it is concerned that the implementation costs associated with a wholesale conversion to a centralised forecasting regime may outweigh the benefits. Specifically, requiring existing facilities to convert may introduce unnecessary and unaccounted for costs without delivering meaningful improvements, particularly where those facilities already provide accurate forecasts.

Accordingly, APA does not support mandatory participation in a centralised forecasting regime for intermittent generation (Proposal 4). A more appropriate approach would be to implement this on an opt-in basis, or only in cases where an intermittent generation facility has demonstrably and consistently provided materially inaccurate forecasts over the long term.

APA's responses to Proposal 4 questions are provided in the attachment to this letter.

Should you have any questions or wish to discuss our submission please contact me on [REDACTED] or lizzie.obrien@apa.com.au or Ben Wu, Markets Manager on [REDACTED] or ben.wu@apa.com.au.

Yours sincerely,

[REDACTED]

Lizzie O'Brien
Senior Regulatory Manager
Strategy and Corporate Development

Responses to consultation questions

Proposal 4: Intermittent generation forecasts used in WEMDE should be produced by AEMO. Participants should be required, under the rules, to provide necessary information for AEMO to produce these forecasts.

Consultation question	APA response
<p>Question 4(a):</p> <p>Do stakeholders support introducing a centralised forecasting approach with AEMO producing intermittent generation forecasts for use in WEMDE?</p>	<p>APA supports a staggered approach to centralised forecasting. All intermittent generation facilities should retain the option to maintain their current forecasting arrangements and be allowed to opt into AEMO's centralised forecasting regime. This flexibility enables participants to continue leveraging existing systems and contracted forecasting services. Transitioning to AEMO's system may require changes to secondary system hardware, software, and contractual arrangements, which are best staged to align with asset or contract end-of-life to minimise disruption and cost.</p>
<p>Question 4(b):</p> <p>Do stakeholders have concerns about providing the required information to enable AEMO to produce intermittent generation forecasts to be used in WEMDE?</p>	<p>Providing the necessary data will likely require SCADA upgrades and increased telemetry. There is uncertainty regarding the capacity of the Western Power SCADA network to accommodate the additional bandwidth demands. These technical constraints should be assessed and addressed collaboratively to ensure feasibility, and any associated costs should be carefully weighed against the expected benefits.</p>
<p>Question 4(c):</p> <p>Do stakeholders have any views on the allocation of the implementation costs to move towards a centralised forecasting approach?</p>	<p>APA proposes that AEMO's implementation costs, including common network upgrades undertaken by Western Power, be shared across the market in recognition that any net benefits, once established, would be distributed proportionally. However, participant-specific costs, such as system and hardware upgrades including direct SCADA interfaces, should be borne by the participant only upon opting into the centralised forecasting regime.</p>
<p>Question 4(d):</p> <p>Do stakeholders anticipate challenges in providing the type of data required to AEMO in a timely manner?</p>	<p>If data provision is implemented via SCADA, the primary challenge will be the cost of implementation. This includes infrastructure upgrades and integration efforts, which may be significant for some participants and should be considered in the design of any centralised forecasting framework.</p>