Public Submissions Sought

Electricity Networks Access Code 2004

The Minister for Energy is seeking written submissions on a proposed amendment to the Electricity Networks Access Code 2004 (Access Code) to delay the submission of Western Power’s fifth Access Arrangement (AA5) from 26 February 2021 to 1 February 2022.

Submissions must be provided to Energy Policy WA by 5:00pm (WST) on Tuesday, 2 June 2020. Electronic submissions are preferred and should be emailed to submissions@energy.wa.gov.au.

Background

The Access Code requires Western Power to submit its revised access arrangement to the Economic Regulation Authority (ERA) by the date specified in the access arrangement (the revisions submission date). Western Power’s fourth access arrangement (AA4) specifies a revisions submission date for AA5 of 26 February 2021, which is expected to fall within the caretaker period for the 2021 State Election.

Western Power would not normally make significant submissions during a caretaker period that would possibly bind an incoming government. In addition, the energy reforms being progressed as part of the State Government’s Energy Transformation Strategy will be changing components of the energy system in the South West Interconnected System, including the access arrangement process.

Given these factors, two options were considered in relation to the AA5 revisions submission date:

- bring it forward to December 2020; or
- extend it to between October 2021 and February 2022.

An amendment to the revisions submission date is not without precedent, with a similar change being made to extend the submission date for AA4 from 31 December 2016 to 2 October 2017.

Option 1: Bring forward the submission date

To avoid the State Election caretaker period, the revisions submission date could have been brought forward to December 2020 (at the earliest). However, an earlier submission date would not allow for key inputs to be fully incorporated into the AA5, in particular the outcomes of the Energy Transformation Strategy.

Finalisation of inputs either close to or shortly after submission of the AA5 may result in Western Power providing a revised proposed AA5 to the ERA that differs greatly from its initial submission. This could create confusion among stakeholders and delay finalisation of the access arrangement.

On this basis, this option was not progressed.
Option 2: Extend the submission date

The earliest date for a later submission of AA5 identified by Western Power was October 2021, with the latest date being February 2022.

A revisions submission date earlier than October 2021 would not allow sufficient time to incorporate changes arising from the Energy Transformation Strategy and would also see public consultation on the AA5 being undertaken over the 2021 Christmas period which, while acceptable, is not ideal.

However, a revisions submission date of 1 February 2022 would clearly avoid the State Election caretaker period in early 2021, provide for public consultation on AA5 to be undertaken after the 2021 Christmas period, and allow sufficient time for incorporation of changes to regulatory and market arrangements arising from the Energy Transformation Strategy. This date also accommodates likely submission timeframes for the Western Australian State Budget 2022-23.

For the reasons outlined, extending the AA5 submission date to 1 February 2022 is the recommended option.

Clauses

To implement this option, it is proposed that the following text be inserted into the Access Code as new sections 4.80 to 4.82:

“Review of access arrangement for the Western Power Network after first 2020 Code change

4.80 Sections 4.81 to 4.82 apply only in respect of the application of the next review of the access arrangement for the Western Power Network after the 2020 (No.1) amendments and not any subsequent reviews.

4.81 In sections 4.80 to 4.82—

“2020 (No. 1) amendments” means the amendments to this Code made by the Electricity Networks Access Code Amendments (No.1) 2020.

(Note: The Electricity Networks Access Code Amendments (No.1) 2020 were Gazetted on [date] 2020.)

4.82 Despite anything else in this Code or the access arrangement for the Western Power Network, the revisions submission date by which the Electricity Networks Corporation must submit its proposed revisions to the access arrangement for the Western Power Network and revised access arrangement information to the Authority is deemed to be 1 February 2022."