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Director, Strategic and Consumer Policy
Energy Policy WA
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By email: EPWA-AES@deed.wa.gov.au

Public submission on the exposure draft Alternative Electricity Services Code of Practice 2027: single property network services

Perth Airport Pty Ltd (PAPL) welcomes the opportunity to provide comment to Department of Energy and Economic Diversification (DEED) on the exposure draft Alternative Electricity Services Code of Practice 2027 (the "Draft Code"), particularly the Part 4 provisions that will apply to single property network (SPN) services from 1 July 2027.

PAPL supports the objectives of the Alternative Electricity Services (AES) framework and the increased protections it is designed to provide to customers supplied through non-traditional electricity supply arrangements. PAPL considers that a clear registration and compliance framework will provide greater certainty for both providers and customers.

As PAPL has moved from policy development into detailed implementation planning, it has identified a number of practical issues in applying the Draft Code to the airport estate. PAPL is raising these issues now so they can be considered and resolved before the code is finalised.

The most material issue for PAPL is appropriate and equitable cost recovery, so that PAPL can continue to operate, maintain and renew its network safely, sustainably and resiliently.

Primary implementation issue: cost recovery under the standard tariff

The Draft Code links the standard tariff for small use customers to Synergy's L1, L3 and A1 tariffs. PAPL recognises that these tariffs may provide a simple benchmark for other SPNs. However, PAPL owns and operates a much larger and more complex private electricity network, with costs that may not be reflected in those tariffs.

In particular:

- PAPL pays Western Power network charges at its connection points and then owns, operates, maintains, develops and renews the private high voltage and low voltage network that supplies customers across the airport estate.

- PAPL's energy demand characteristics (the round-the-clock load of a curfew-free airport, supplied at high voltage) and associated cost stack differ substantially from Synergy's, limiting the comparability of costs between the two organisations.
- PAPL has substantial safety and resilience responsibilities as the operator of critical aviation infrastructure, including significant vulnerabilities and dependencies in relation to the Security of Critical Infrastructure Act 2018 (Cth), which impact the design and operation of its private electricity network.
- PAPL incurs network, metering, billing, compliance and other service costs at a scale and complexity that are not reflected in the Synergy standard tariffs. The draft Code requires these costs to be recovered within the standard tariff, unless a customer agrees to a special tariff.

As a result, the Synergy-referenced standard tariff may not allow PAPL to recover the efficient cost of providing electricity services to small use customers. Any resulting shortfall would need to be recovered elsewhere or absorbed by PAPL.

PAPL proposes a change to the standard tariff provisions so they better reflect the costs faced by providers that own and operate their own distribution networks and / or high voltage infrastructure. The Synergy-referenced tariffs can remain as a benchmark to accommodate situations where a provider's cost structure may be broadly comparable. PAPL proposes that the Draft Code is amended to allow auditable operating costs to be reflected transparently and equitably across all tariffs via a published tariff methodology and cost-to-serve model, subject to appropriate disclosure and regulatory oversight.

This is consistent with the light-handed approach used for Pilbara electricity networks, where published pricing information and tariff methodologies provide transparency while allowing prices to reflect the individual circumstances of the network.

PAPL considers this would retain the simplicity and customer protections of the proposed framework for smaller providers while allowing others with materially different network costs to recover their efficient costs. PAPL would welcome the opportunity to work with DEED on this approach, or another mechanism that achieves the same outcome.

Other implementation matters

Attachment A identifies a number of other practical implementation matters and proposes changes or clarifications for DEED's consideration. At a high level, these relate to:

- renewable supply, distributed energy resources and electric vehicle (EV) supply arrangements;
- export limitations and the obligation to facilitate connections to the licensed network;
- the proportional application of customer protection, metering, billing and interruption requirements to a large commercial estate; and
- registration and network-structure issues that arise for larger private networks and nested networks.

These matters are intended to assist with practical implementation of the framework rather than to revisit its underlying policy objectives. For each matter, Attachment A sets out the relevant provision, the practical effect for PAPL and a proposed solution.

PAPL is open to alternative drafting or implementation mechanisms where DEED considers they would achieve the same outcome more effectively.

Next steps

PAPL would welcome the opportunity to work through the cost recovery issue and the other matters identified in this submission with DEED before the Code is finalised. PAPL's objective is to support implementation of the framework in a way that delivers the intended customer protections while remaining workable for networks of different sizes and operating models.

Please direct any questions on this submission to Kathryn Millican, Energy Manager.

Yours sincerely

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Attachment A: Detailed comments and proposed changes

References to "clause" are to the exposure draft Alternative Electricity Services Code of Practice 2027 (Part 4, SPN services) and references to "regulation" are to the *Electricity Industry (Alternative Electricity Services) Regulations 2026*.

Issue and what the draft says	Impact on PAPL	Recommended change
1. Cost recovery and the standard tariff		
Standard tariff referenced to Synergy L1, L3 and A1 (clauses 22 and 24(1)). Charges to small use customers (up to 160 MWh a year) must be calculated on a standard tariff whose daily supply charge and per unit charge do not exceed the Synergy by-law tariff, unless the customer opts in to a special tariff.	The reference tariffs are Government-set retail prices that embed Western Power's network charges. They do not reflect the cost of buying energy at the parent meter, owning and renewing a private distribution system, and complying with the Code. Synergy receives State payments in lieu of subsidies for community service obligations, including the Tariff Equalisation Contribution and the System Security Transition Payment, which SPN providers cannot access. These reduce the extent to which Synergy's customers are exposed to cost-reflective electricity prices and corresponding tariff increases (Synergy 2025-26 Annual Report). By-laws may also change independently of changes in an SPN provider's costs.	Amend the standard tariff provisions so that a provider with material private network costs may reflect those costs through a published, cost-reflective tariff methodology and cost-to-serve model available to the ERA and DEED. At minimum, allow an identifiable network and metering component for a provider that owns and operates its distribution system.
Daily supply charge must absorb every other fee (clauses 24(2), 14(3) and 12(1)(b)). The fixed daily supply charge "must include all fees and charges in relation to the supply of electricity" other than six listed exclusions, and the provider may not demand payment otherwise than under the SPN agreement or the Code.	Read together, this caps total recovery from each small use customer, rather than a headline rate. Network operation and renewal, metering, billing, compliance, ombudsman and registration costs must all fit inside the L1 daily supply charge. The standard tariff provisions do not appear to distinguish between a reseller and a provider that owns and operates its own distribution system.	Amend clause 24(2) so that a provider that owns and operates the distribution system may charge a separately identified, cost-based network and metering service charge in addition to the standard tariff components, disclosed in the SPN agreement and on the bill. Alternatively, exclude from clause 24(2) any charge that recovers the reasonable costs of owning, operating and maintaining the SPN.

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Connection, capital contribution, metering and EV connection charges have dropped out of the exclusions (clauses 24(2)(a) to (f) and 26(3)(b), Schedule 1 item 10, Schedule 2 item 9(b)). Only metered consumption, a meter test fee, an off-cycle read fee, a disconnection or reconnection fee, a late payment fee and bank fees may sit outside the daily supply charge, yet the Schedules contemplate a capital contribution for EV supply.	A connection or capital contribution for new works, meter installation or an EV charger at a small use customer's premises would have to be recovered inside the capped daily supply charge, which is not workable for bespoke works. These provisions do not appear to operate consistently, and it is not clear that a customer is obliged to pay for a connection that the provider facilitates.	Add to clauses 24(2) and 26(3)(b) exclusions for (i) a reasonable connection fee or capital contribution for new or upgraded connection works and metering at the supply address, disclosed and agreed in writing before the works, and (ii) any charge required under Schedule 2 item 9(b). Confirm the customer's obligation to pay agreed charges of this kind.
Standard tariff drafted as a ceiling but described as a set price (clause 22 "does not exceed", clauses 24(1) and 25(1)(a), reading guide section 4). The Code defines each component as an amount that "does not exceed" the by-law rate. The reading guide says the standard tariff "is not a price cap" and that any component "more or less" than the by-law amount is a special tariff requiring written opt-in.	If the guide's reading prevails, a provider cannot pass through lower costs or offer a discount without a written opt-in and a 36-month lock on every affected customer. If the Code's text prevails, a discount is simply a standard tariff. The answer determines how every SPN provider designs its tariff schedule.	Confirm in the Code (a note to clause 22 or 24) that a tariff whose components are at or below the referenced by-law amounts is a standard tariff and does not require the clause 25 opt-in, so that discounts and cost-reflective structures below the reference can always be implemented by the SPN without formality.
Flat L1 and L3 structure and the 50 MWh boundary (clauses 22, 23 and 25). Tariff L3 caps both components of a flat structure for customers consuming 50 to 160 MWh. Time of use or demand pricing is available only as a special tariff. Customers move between L1 and L3 on an "any 12-month period" test.	Business loads in the 50 to 160 MWh band commonly suit time of use structures. Consumption near the 50 MWh boundary will move customers between tariffs year to year, with a variation notice under clause 15 each time.	Allow a cost-reflective tariff, which may include time of use or demand structures, to be offered as a standard tariff where the annual average does not exceed the L1 or L3 average, and specify the measurement period for the 50 MWh and 160 MWh tests (for example the previous financial year, with the customer able to nominate).
Special tariff mechanics (clauses 25(1)(a), 25(3) and 25(4), regulation 17). A customer is on a special tariff only after opting in "by written request". Opt-out is no earlier than 36 months after supply on that tariff started, with written notice of the opt-out date between 20 and 40 days beforehand.	Every legacy negotiated or lease-based tariff needs a fresh written opt-in to survive 1 July 2027 or the customer reverts to the standard tariff. The notice window creates a per-customer tickler across hundreds of accounts, and it is unclear whether the 36 months runs from the original agreement or from 1 July 2027.	Deem a pricing term in a pre-1 July 2027 SPN agreement (including a lease) that the customer has signed to be a written opt-in for clause 25(1)(a). Let the 36 months run from the date the tariff commenced under that agreement. Permit the clause 25(4) notice to be given on or with a regular bill.

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2. Renewable supply, distributed energy resources and EV supply		
Renewable source definition relies on GreenPower accreditation (clauses 22 and 27). "Renewable source" means (a) any naturally replenished generation source capable of producing electricity, or (b) renewable energy provided by a supplier accredited under the National GreenPower Accreditation Program. Clause 27 applies only to an SPN "supplied with electricity only from renewable sources".	It is unclear whether limbs (a) and (b) are alternatives or cumulative. A provider whose contracted supply is not a GreenPower product and whose on-site solar supplies only part of the estate has no compliant way to offer, evidence or price a partly renewable supply, which conflicts with its sustainability commitments. Clause 27 applies only where the SPN is supplied only from renewable sources. Without storage or contracted firming, on-site renewable generation cannot supply the estate's load at all times, so in practice the clause can only be met through GreenPower products.	Redraft clause 22 so that limbs (a) and (b) are expressly alternatives. Recognise on-site generation and LGC-backed contracted supply as evidence of renewable supply. Extend clause 27 (or add a clause) to permit recovery of the reasonable costs of a disclosed percentage of renewable supply as part of a standard or special tariff.
DER cost recovery (clauses 27(5), 31(1) and 31(3), Schedule 2 items 6 to 8). Reasonable costs for renewable supply "do not include any costs incurred by the provider for the installation of a distributed energy resource". A provider must not charge a customer to maintain, repair or insure provider-owned DER. DER means "small-scale devices".	Capital recovery for rooftop solar (which the National Construction Code 2025 will require on many new commercial and industrial buildings in Western Australia from 1 May 2027) and batteries is not supported for small use customers, and the "small-scale" threshold is undefined. This may reduce the commercial incentive to invest in on-estate renewables and may not align with broader State net zero objectives.	Delete clause 27(5) or replace it with a reasonableness test (recovery of installation costs over the asset life is a reasonable cost of renewable supply). Define "small-scale" by reference to the *Renewable Energy (Electricity) Act 2000* small generation unit thresholds. Allow disclosed, agreed DER service charges under Schedule 2 item 6(c).
Offset and particular-characteristics requests (clauses 28 and 29). On request the provider must take reasonable steps, including negotiating with its own supplier, give written evidence of steps and costs, and may recover reasonable costs only "as part of a special tariff".	The provider cannot charge up front for investigating or procuring offsets and must rely on the customer continuing to take supply, including the offset product, for long enough to recover its costs. "Reasonable costs" is untested.	Permit an up-front, disclosed and agreed fee for the reasonable costs of investigating and procuring an offset or particular-characteristics supply, payable whether or not the customer proceeds, consistent with the clause 30(4) and (5) model.

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EV supply (clause 9 definition, clause 26, regulation 10(3)(i)). EV supply must be metered separately and supplied solely for charging an electric vehicle. Any daily supply charge is capped at the A1 additional dwelling amount. Supply may be limited only after prior written notice of when it will be limited.	Legacy EV chargers on shared meters need auditing, customer declarations and new meters. A per-event written notice does not fit real-time load management on a constrained, export-limited network.	Allow the SPN agreement to set out the circumstances in which EV supply may be limited (as Schedule 2 item 9(a) already contemplates) so that no further notice is needed per event. Confirm that public user-pays chargers on the estate remain excluded.
3. Export rights and facilitated connections		
Duty to facilitate a licensed network supply (clause 30). For any customer or prospective customer above 50 MWh within a private network, the provider must on request facilitate a direct supply from a distributor or retailer through a connection to the licensed network, deal with Western Power, obtain consents, arrange works, recover only disclosed reasonable costs and never charge for re-wiring the customer back into the SPN.	The provider carries the cost and administrative burden of Western Power connection applications for tenants inside a secure estate where a separate connection is difficult to accommodate safely or practically, while also retaining responsibility for stranded network assets and being unable to recover reversion costs. This obligation may be difficult to reconcile with circumstances where a direct connection to the licensed network is not technically or practically feasible.	Limit clause 30 to facilitating what is technically and lawfully feasible (a reasonable endeavours duty). Allow refusal on documented safety, security or network-capacity grounds, and allow the SPN agreement to record that a licensed network supply is not feasible at the supply address, with reasons, so the provider need not reassess each request. Allow recovery of reasonable stranded-asset and reversion costs.
Export rights disclosure where the SPN is export-limited (Schedule 1 item 10, Schedule 2 item 10). Disclosure must state whether a customer's excess DER output cannot be exported, may be exported without compensation, or may be exported for a feed-in tariff.	A provider whose own connection to the licensed network is export-limited must enforce zero export at every customer connection, so only the first option is available. The Code's framing suggests export is a normal expectation and may invite requests the provider cannot meet.	Confirm in the Code (a note to Schedule 2 item 10) that an SPN provider may prohibit export where its own connection to the licensed network is export-limited, and that doing so is not "unreasonably preventing, withholding or obstructing supply" under regulation 15(1)(c).
4. Proportionality for a commercial estate		
Code extended to large use customers for everything except price (reading guide section 2.3, clauses 12, 33 and 44 to 51). The Code applies to all customers regardless of consumption. Only the pricing clauses are confined to small use customers.	Every large-tenant contract, billing arrangement and complaints pathway needs Code-compliant treatment, although large use customers cannot use the ombudsman and their supply is governed by negotiated commercial contracts.	Provide that the disconnection notice sequence in clause 45 and the estimation limits in clause 34(4) do not apply to large use customers, or at least that the parties may contract out of those clauses for large use customers.

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Hardship, family violence and payment plans (clauses 3, 4(2), 40 to 43 and 45). Every SPN provider must develop and maintain a hardship policy and a family violence policy. "Vulnerable customer" is defined without the residential limit in clause 43. A provider must consider a payment plan for a non-residential small use customer in financial hardship, with no fee and no interest, and cannot disconnect while the plan runs.	A provider with almost no residential customers must still write and maintain both policies, and the disconnection moratorium in clause 45(5) could be argued to apply to a non-residential vulnerable customer. Fee-free, interest-free instalment plans for commercial tenants increase credit exposure and differ from standard commercial credit arrangements. SPN providers are also not participating utility providers under the Hardship Utility Grant Scheme (HUGS), so a customer in hardship on an SPN cannot access a HUGS grant towards their bill in the way Synergy, Horizon Power or Alinta Energy customers can, and the provider carries that debt.	Qualify clauses 40 and 42 with "if the provider supplies a residential customer". Confine "vulnerable customer" in clause 3 to residential customers. Retain the duty to consider a payment plan request but allow the provider to require reasonable security or shorter terms for non-residential customers and to recover its cost of funds. Confirm how SPN customers in hardship are expected to access HUGS, or extend HUGS participation to registered SPN providers.
Meter test within 10 business days (clause 19(2)(b), (2)(c) and (5)). On request the provider must test the SPN meter no later than 10 business days after the request, keep and give the customer the test record, and repair or replace a faulty meter as soon as reasonably practicable.	Airside and secure landside access requires clearances and escorts, and metering is a specialised, resource-constrained field in Western Australia. A fixed 10-day turnaround cannot be guaranteed in a security-controlled zone.	Change clause 19(2)(b) to 20 business days where access to the meter is security-controlled or otherwise constrained, or add a reasonable endeavours qualifier with an obligation to advise the customer of the expected date.
Estimation limits (clauses 34(2)(b), 34(4) and 47(3)). The provider may estimate only where it cannot reasonably read the meter, must not estimate a customer's first three bills or more than two bills in a calendar year, yet may not disconnect for access denial until at least nine consecutive months. Regulation 18 relief covers clauses 32 and 33 only.	Where a customer denies access or a remote read fails, the provider can neither read nor lawfully estimate after the second estimate, so it cannot issue a compliant bill at all. The rule also requires working metering and reads from day one of every new tenancy.	Add to clause 34(4) a carve-out where the customer has denied access (clause 47) or the failure to read arises from circumstances beyond the provider's control.

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Planned interruption and cancellation notices (clauses 48 and 49). Written notice of a planned interruption at least two business days beforehand, written notice of any cancellation as soon as reasonably practicable, and restoration within the notified period.	An airport's maintenance windows are set by aviation and security constraints. Per-customer written cancellation notices across a large estate add administrative load without improving the outcome for customers.	Allow notice and cancellation notice to be given by a published outage schedule or portal that customers have agreed to (consistent with clause 32(2)(b)). Permit shorter notice for interruptions required for safety or aviation operational reasons, with notice as soon as practicable.
Life support register in a non-residential estate (clauses 52 to 54, clause 45(6)(c)). Every SPN provider must keep a life support register, update it within 48 hours, pass details to the retail licensee, give an information pack within 10 days and register the equipment with the distributor. The definition is residential ("a person who requires life support equipment resides").	Unlikely to arise on a commercial estate in the residential sense, but the provider must stand up the register and process regardless, and must work out how terminal and tenant life-safety equipment on essential supply interacts with the definition.	Confirm that clauses 52 to 54 apply only where a person resides at a supply address, and that a provider with no such customers satisfies the Division by maintaining an empty register and a documented procedure.
Complaints procedure (clauses 50(3) and 51, reading guide section 4). The procedure must be "consistent with AS 10002:2022" (the reading guide cites AS/NZS 10002:2022), contain the clause 50(2) items and charge no fee. The guide says an existing procedure required by other legislation may be used, but the Code does not say so.	A large organisation with corporate complaints processes cannot tell from the Code text whether those processes can be extended rather than duplicated.	Add a subclause to clause 50 confirming that a provider may satisfy the clause through an existing complaints procedure that meets clauses 50(2) and 50(3), and correct the citation of the standard.

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Issue and what the draft says	Impact on PAPL	Recommended change
5. Single SPNs, nested networks and the treatment of large private networks		
One SPN or several, and responsibility for other suppliers (regulation 3, regulation 10(3)(e), regulation 11(3) and (4), regulation 15(2), regulation 23). A nested network is a separately metered distribution system on the same single property, supplied by the private network and supplying more than one premises. It is a separate SPN requiring its own registration. It is a condition of the private network provider's registration to "take reasonable steps to ensure any other person who supplies electricity within the SPN also complies". The annual fee is a flat share of ERA costs per registered service.	Whether regulation 15(2) reaches a nested-network operator, who is a separate SPN provider, is unresolved. On the wide reading the private network provider is answerable at registration level for compliance by customers it does not control. Multiple registrations under common control would multiply the annual fee.	Confirm that the whole of a single property held by one person is one SPN. Confirm that regulation 15(2) does not extend to the operator of a separately registered nested network. Confirm that a private network provider discharges regulation 15(2) by notifying the nested-network operator of its registration obligation and giving the ERA the network diagram.
The framework assumes a reseller under a licensed network (regulation 3 definitions, clause 9 "distributor", clause 30(1) "licensed network supply"). Nothing in the Code, Regulations, reading guide or customer sheet confirms that SPN registration is intended for a large private network, or addresses how a provider that owns and operates a distribution system recovers its network costs.	The framework applies the same regulatory settings to very small SPNs and to substantially larger private networks such as Perth Airport, despite significant differences in scale, infrastructure and operating model. The consultation does not explain whether SPN registration is intended to be the pathway for networks of this scale, or how such a network is expected to recover its costs.	State DEED's policy position on large private networks: confirm that SPN registration is the intended and sufficient pathway for a network of this scale, and explain how a provider that owns and operates its distribution system is expected to recover its network costs under the Code.