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Energy Policy WA
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Cloisters Square WA 6850

Submitted via email by graham.pearson@energycouncil.com.au to submissions@energy.wa.gov.au

Proposed changes to the regulatory framework to support stand-alone power systems

The Australian Energy Council (the “**AEC**”) welcomes the opportunity to make a submission to Energy Policy WA on the proposed changes to the regulatory framework to support stand-alone power systems (“**SPS**”).

The AEC is the industry body representing 20 electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. These businesses collectively generate the overwhelming majority of electricity in Australia and sell gas and electricity to over 10 million homes and businesses.

The AEC makes the following comments on the proposed changes:

SPS customer engagement obligations

The AEC supports the requirement for Western Power and Horizon Power to develop a comprehensive SPS Customer Engagement Strategy (“**Strategy**”) to ensure that customers have access to detailed and consistent information about the service they can expect to receive. It is noted, however, that the Strategy will be developed by Western Power and Horizon Power but there is no requirement on either party to consult with retailers, customers or other stakeholders as part of creating the Strategy.

The AEC agrees that it should be a condition of the distribution licence held by Western Power and Horizon Power that they have a Strategy and suggests that they must also actively consult with retailers, customers and other relevant stakeholders in putting-together the Strategy.

Additionally, it is possible that from time-to-time there may be customer complaints about SPS, whether it be related to the cost, the timely delivery of the SPS, reliability or other matters. The Strategy should establish how customer complaints can be lodged, and addressed, with Western Power or Horizon Power before the matter is escalated to the electricity ombudsman.

Notification requirements

The Electricity Industry Regs Amendment (Stand-Alone Power Systems) Regs 2021 - Information Paper notes:

“Western Power and Horizon Power will be required to notify existing customers that the distribution system is to be decommissioned ... The distributor must undertake this notification process before the distribution system is decommissioned.”¹

¹ See page 6, [Electricity Industry Regs Amendment \(Stand-Alone Power Systems\) Regs 2021 - Information Paper](#)

The AEC agrees that existing customers should be notified, however the proposed changes must also cover how electricity retailers are engaged and notified. It's not reasonable to rely on customers to contact their electricity retailer. Western Power must have a positive obligation as part of the proposed changes to notify electricity retailers when part of the network is decommissioned or a customer is moving to a SPS. This will assist in ensuring an efficient transition to a SPS supply and minimise impacts on electricity retailers.

Conclusion

The AEC appreciates this opportunity to provide feedback on the proposed changes to the regulatory framework to support SPS and encourages Energy Policy WA to consider the issues raised above.

Please do not hesitate to contact Graham Pearson, Western Australia Policy Manager by email on graham.pearson@energycouncil.com.au or by telephone on 0466 631 776 should you wish to discuss this further.

Yours sincerely,

Graham Pearson
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Australian Energy Council