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Economic Regulation Authority PO Box 8469 PERTH BC WA 6849

Submitted via email by graham.pearson@energycouncil.com.au to publicsubmissions@erawa.com.au

## Proposed revisions to the access arrangement for the Western Power Network 2022/23 – 2026/27

The Australian Energy Council (the "**AEC**") appreciated the opportunity to make a submission to the Economic Regulation Authority (the "**ERA**") on the proposed revisions to the access arrangement for the Western Power Network 2022/23 – 2026/27 (the "**AA5**") issues paper (the "**Issues Paper**"). The AEC is now lodging this supplementary submission about the tariff structure statement ("**TSS**").

Section 5.1(e) and 7.1B of the Electricity Networks Access Code 2004 (the "Access Code") requires an access arrangement to include a TSS and reference tariff change forecast that complies with the Access Code pricing principles and the Framework and Approach. The AEC recommends prior to the ERA's draft decision that:

- 1. Western Power publish a revised TSS that includes indicative pricing for the reference tariffs, including for metering services and the proposed new services. While the AEC recognises that tariffs are subject to change based on the target revenue decision, and that Western Power has provided an estimate of how tariffs will increase over the period, it notes that indicative tariffs would help customers identify whether there are any material changes to the components of the tariffs (for example, to the fixed charges) and whether these changes are cost reflective for each reference tariff. The *Tariff Structure Statement Overview* states that there will be "gradual increases in fixed charges" and Western Power will be "reducing variable charges". Indicative tariffs would help customers understand the materiality of these proposed increases. In the absence of this, customers would not understand how tariff components may change until after the final decision.
- 2. Western Power outline how it plans for metering services to change over the period. While the AEC recognises that Western Power has provided a transition path for all existing reference services in section 5.1 of the *Tariff Structure Statement Overview*, it notes that this table omits metering services.

The AEC appreciates the ERA considering our supplementary submission and the issues raised above.

<sup>&</sup>lt;sup>1</sup> Framework and approach for Western Power's fifth access arrangement review: Final decision

<sup>&</sup>lt;sup>2</sup> See p12, <u>Tariff Structure Statement Overview</u>

<sup>&</sup>lt;sup>3</sup> See p24, Tariff Structure Statement Overview

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,

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Australian Energy Council