Sustainable Energy NOW
www.sen.asn.au

Promoting practical, affordable strategies
for the adoption of renewable energy
toward a sustainable global future.

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5 December 2011

Re: Western Power's Proposed Revisions to the Access Arrangement for the Western Power Network
Attention: Tyson Self, Manager Projects Access

Sustainable Energy Now Inc. (SEN), www.sen.asn.au appreciates the opportunity to make comment on the proposed changes to the network access arrangements.

1. SEN supports changing the A1, A2, A3, A4 Access Arrangement reference services to Bi-directional services, and that the C1, C2, C3, C4 service not be added. (The reasons for this are the same as those submitted by David Bryant, part of SEN's Policy group).

2. SEN also suggests that consideration be made to account for the true value of solar PV to the network. We refer to the "*Final Report of the Electricity Reform Task Force, October 2002: Electricity Reform in Western Australia 'A Framework for the Future'*" that made recommendations to the WA Government for renewable energy and distributed generation when the vertically integrated state-owned utility was corporatised into 4 entities (Western Power, Synergy, Verve Energy and Horizon Power).

   The most relevant are (Chapter 5 Renewable Energy, Distributed Generation and Demand Management):

   Recommendation (66)

   The system planning responsibilities of System Management should include considering, evaluating and publishing information on potential transmission, generation, and demand side investment solutions. The generation solutions evaluated and published by System Management should include consideration of opportunities to develop distributed and renewable generation, in particular where it has the potential to reduce line losses and congestion.

   Before System Management commences any competitive procurement to address identified generation capacity shortages in the SWIS, it should be required to evaluate whether demand side management solutions are available or appropriate, and publish the results of the evaluation.

Recommendation (73)

NSPs should be required to reflect in their access charges to users of the network supplying power from embedded generators, any benefits of reductions in transmission and distribution costs where these are as a result of the embedded generator locating in a particular part of the network.

A user of the network supplying power from an embedded generator, which believes that its access charges are not appropriate (i.e. not reflective of cost reductions) should have the right to refer the matter to the appropriate dispute resolution body under the Electricity Access Code.

Recommendation (75)

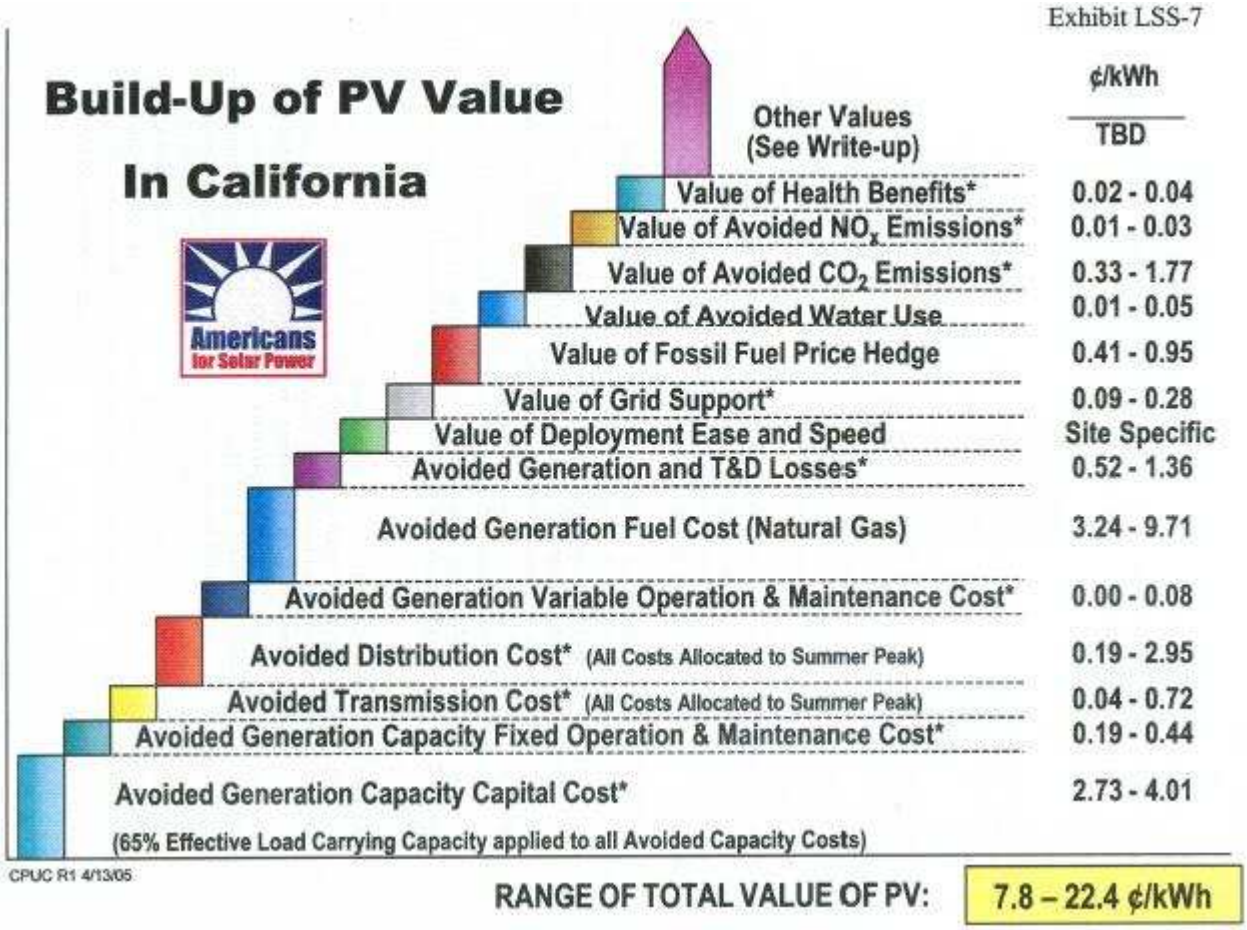
The split between the fixed and variable components of distribution access charges, negotiated by NSPs, should not present an impediment to small renewable generators.

3. Price Differentiation for Distributed Renewable Energy

On the topic of price differentiation for the value of PV, the following is an example based on a study by "Americans for Solar Power" from 2005, in US dollars. (See graph below).

Relevant to Western Power's bi-directional tariffs are:

- Value of Grid Support
- Avoided Generation and T&D Losses
- Avoided Distribution Cost (All Costs Allocated to Summer Peak)
- Avoided Transmission Cost (All Costs Allocated to Summer Peak).



Sincerely,

Steve Gates
Chair

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