



CONSULTATION

PROPOSED VARIATIONS TO WESTERN POWER'S ACCESS ARRANGEMENT FOR 2009/10 TO 2011/12: CONTRIBUTIONS POLICY

ISSUES PAPER

The Economic Regulation Authority (**Authority**) is seeking public comment on <u>proposed</u> <u>variations to Western Power's access arrangement for the second access arrangement period (2009/10 to 2011/12).</u>

As required under the Access Code, Western Power submitted proposed revisions to the access arrangement to the Authority on 30 September 2011. The Authority issued a draft decision on 29 March 2012 and a final decision is likely to be published in July or August 2012. Taking account of the processes set out in the *Electricity Networks Access Code 2004* (Access Code), it is unlikely the proposed revised access arrangement will come into effect before November 2012 and, potentially, may be some time after that. The current access arrangement remains in place until the revised access arrangement comes into effect.

The Authority has received a <u>proposal from Western Power for a mid-period variation to Appendix 3 of its current access arrangement – the contribution policy</u> – under section 4.41A of the Access Code.

Western Power is seeking to vary its current contributions policy to introduce a distribution low voltage connection scheme (**DLVCS**). The DLVCS would result in a new method of charging customers for low voltage connections on the basis of standard rates rather than individually determined charges. It is proposed to implement this as a "headworks scheme" within the terms of the contributions policy.

Western Power advises it is seeking to introduce the DLVCS in response to concerns raised by customers about the lack of transparency of the current contributions policy and the lack of predictability of the required contributions amounts.

Interested parties are invited to make submissions on the proposed revisions to the contributions policy by 4:00 pm (WST) on Tuesday, 5 June 2012.

Submissions should be marked to the attention of Leonie Browner, Principal Regulatory Analyst.

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ISSUES PAPER

The Authority has prepared an issues paper to assist interested parties in understanding:

• the process for varying an access arrangement;

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- Western Power's variation proposal; and
- the matters to be addressed by the Authority in determining whether to approve or not approve variations to Western Power's current access arrangement.

CONFIDENTIALITY

In general, all submissions from interested parties will be treated as being in the public domain and placed on the Authority's website. Where an interested party wishes to make a submission in confidence, it should clearly indicate the parts of the submission for which confidentiality is claimed, and specify in reasonable detail the basis for the claim. Any claim of confidentiality will be considered in accordance with the provisions of sections 14.12 to 14.15 of the Access Code.

The publication of a submission on the Authority's website shall not be taken as indicating that the Authority has knowledge either actual or constructive of the contents of a particular submission and, in particular, whether the submission in whole or part contains information of a confidential nature and no duty of confidence will arise for the Authority.

For further information contact:

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LYNDON ROWE CHAIRMAN

18 May 2012