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14<sup>th</sup> Jun 2018

To Senéad Mangan

Subject: Draft Decision on Proposed Revisions to the Western Power Network Access Arrangement – AA4

Thank you for the opportunity to comment.

My comments to the Draft Decision are attached to this Submission DD-THREE

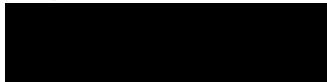
The objective of my comments is to minimize the cost of electricity to the large and small consumers, regardless where these cost savings fall. My focus is on elements of the proposed AA4 design, the changes of which would in my opinion, lead to the quickest reduction of the price of electricity to WA consumers and a fairer allocation of costs to causers, decision makers and beneficiaries of these decisions.

Kindly refer to the attachment.

Yours sincerely,



Stephen Davidson



Continued on Attachment

Attachment 1: Stephen Davidson, Submission TWO (General Comments & Comments on Issue 13), 11 December 2017, General Comments, page 1, last three paragraphs:

Stephen Davidson, Submission TWO (General Comments & Comments on Issue 13), 11 December 2017, General Comments, page 1, last three paragraphs:

**Page 1, last three paragraphs:**

Namely, the purpose of the transmission system is to provide power injection points into the distribution system. The injection points are zone substations. The distribution system emanates from the perimeter fence of zone substations.

The distribution system does not and should not include zone substation equipment, and, certainly not equipment designed to withstand transmission voltages during normal operation, for example zone substation power transformers.

A transmission circuit should encompass all primary (high current) equipment that injects power into the distribution system, including the zone substation transformer.

Refer to paragraphs 1055, 1057 and 1062 on the respective pages 237, 238 and 240 of the Draft Decision.

Reference is made to paragraph 1055 on page 237 of the Draft Decision.

Additional argument that supports my consideration described in paragraph 1055 of the Draft Decision is that the Rapid Response Spare Transformers (RRST) are managed and deployed, as required by the NCR criterion, by the distribution part of the Western Power's business, not by the transmission part of the business, as the latter is not ring-fenced from the former.

Hence, zone substation power transformers should not be excluded from the circuit availability service standard benchmark.

Reference is also made to paragraph 1057 on page 238 of the Draft Decision.

The quote from The Australian Energy Market Commission (AEMC) report does not apply to Western Power, because Western Power has two licenses (transmission and distribution) and operates a single business. Western Power has been running, operating and planning both transmission and distribution networks in the SWIN, in a coordinated manner.

Namely, the statement of paragraph 1057, to the effect of that Western Power cannot control zone substation power transformers: "*beyond the ability of the service provider to control*") does not apply to Western Power in respect of the zone substation power transformers.

In addition, "...it would not be good industry practice for any company, including for Western Power, not to coordinate own overall activities, including overall design and performance of assets it owns and operates, as is implied in the AEMC quote of paragraph 1057. That quote probably applies to other network service providers, but certainly does not apply to Western Power.

Please revise accordingly Recommended Amendment 22, paragraphs 1055, 1057 and 1062 on the respective pages 216, 238, 239 and 240 of the Draft Decision, and make any other changes the Authority may deem necessary in order to address the issues raised in this submission.