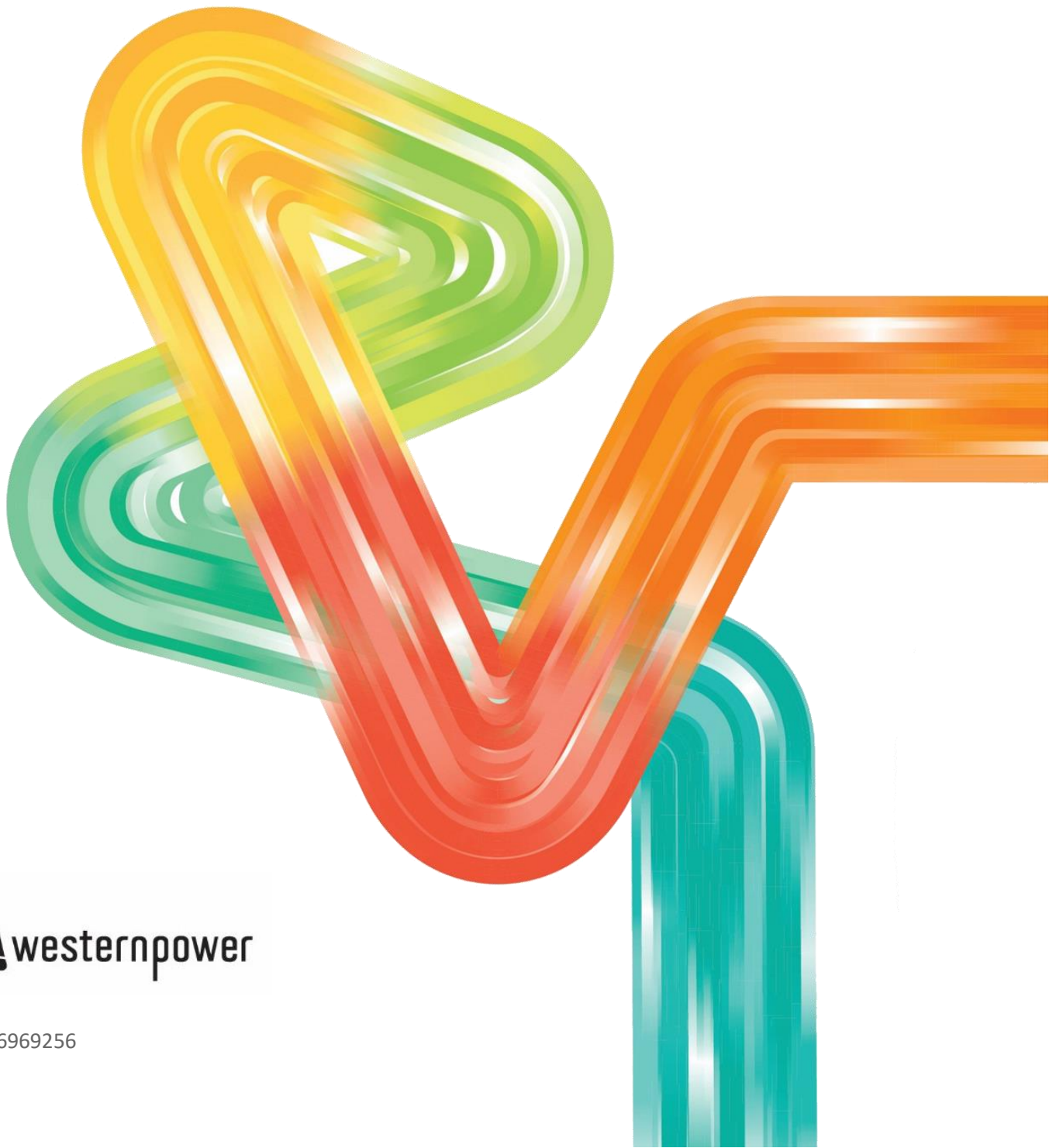


Attachment 13.2

Applications and Queuing Policy Change Summary Access Arrangement Information

1 February 2022



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1. Introduction

The *Applications and Queuing Policy* is a requirement of Chapter 5 of the *Electricity Networks Access Code 2004* (the Code).

The objectives for the *Applications and Queuing Policy* are shown in the diagram below.

Figure 1: *Applications and Queuing Policy - objectives*¹

The objectives of this applications and queuing policy are:

- (a) To provide an equitable, transparent, and efficient process for assessing the suitability of plant and equipment to connect to Western Power's network and to make *access offers* based on that assessment; and
- (b) To undertake assessments and to provide shared *network access offers* that facilitate access by *generators* and loads to the WA Electricity Market (**WEM**) on an economically efficient and non-discriminatory basis that is consistent with WEM requirements, and uses a process that is equitable, transparent, and efficient; and
- (c) Where feasible and cost-effective, to facilitate joint solutions for *connection applications*.

Western Power may from time to time determine that it can provide *shared asset works* that can provide access to multiple *applicants*.

The *Applications and Queuing Policy* was replaced in July 2021 by the Minister for Energy with a transitional version to reflect new changes made to the Access Code.

This document summarises the proposed changes to the transitional *Applications and Queuing Policy* for Western Power's Fifth Access Arrangement and the rationale for each of these proposed changes.

This summary document supports the proposed changes to Access Arrangement Appendix B: Applications and Queuing Policy, which details proposed changes in both "tracked change" mode and as an unmarked version.

¹ Applications and Queuing Policy, clause 1.2

2. Proposed amendments

Table 2.1: Proposed amendments and rational for change

No.	Clause	Current State/Definition	Proposed change	Rationale for change
1	2.1	Defined Terms and interpretation	Addition of definition for “ancillary service”	The term is used in the modified definition of “electricity transfer application” (see below)
2	2.1	Defined Terms and interpretation	Addition of the definition for “good electricity industry practice”	The term is used in the definition of “reasonable and prudent person” (see below)
3	2.1	Defined Terms and interpretation	Addition of the definition for “indemnifier”	The term is used in clause 4.9 but was not a defined term
4	2.1	Defined Terms and interpretation	Addition of the term “reasonable and prudent person”	The term is used in multiple clauses but was not a defined term
5	2.1	Defined Terms and interpretation	Modification of the definitions pertaining to capacity allocation service: <ul style="list-style-type: none"> - “capacity allocation same connection point decrease service” - deleted - “capacity allocation same connection point increase service” – deleted - “capacity allocation swap decrease service” – deleted - “capacity allocation swap increase service” – deleted - “capacity allocation service” - modified 	In accordance with the requirements of the ERA in its Framework & Approach Final Decision (F&A FD), Western Power has consolidated the four capacity allocation services into a single capacity allocation service, requiring a change to the definition
6	2.1	Defined Terms and interpretation	Modification of the definition of “electricity transfer application” to correctly include the proposed new services included therein	The list has been extended by recognising the new ancillary reference services which require an electricity transfer application

No.	Clause	Current State/Definition	Proposed change	Rationale for change
7	2.1	Defined Terms and interpretation	<p>Modification of the definition of remote load control service to match the proposed change to the reference service</p> <ul style="list-style-type: none"> - “Remote Load/Inverter Control Service” - added - “Remote Load Limitation Service” – deleted 	The “Remote Direct Load Control Service” and the “Remote Load Limitation Service” have been combined – now it is the “Remote Load/Inverter Control Service”
8	3.3	3.3 Clause only applies to certain ancillary services	Modification to include all the ancillary services in clause 3.3	This clause has been amended to apply to ancillary services as defined reflecting the fact the range of ancillary services has been extended beyond supply abolishment and capacity allocation services. As a result, each ancillary service will require an electricity transfer application
9	3.4	3.4 Clause only applies to certain ancillary services	Modification to include all the ancillary services	Consistent with the change in clause 3.3, clause 3.4 has been amended to apply to all ancillary services
10	3.8	Refers to 2 separate capacity allocation services	Modification to replace ‘capacity allocation same connection point decrease service or capacity allocation same connection point increase service’ with ‘capacity allocation service’	The four AA4 capacity allocation services have been combined into one service. The wording of clause 3.8 has been changed to reflect this

No.	Clause	Current State/Definition	Proposed change	Rationale for change
11	3.13, 24.7A	<p>Clause 24.7A currently gives Western Power the right to terminate a CAG under two scenarios:</p> <ul style="list-style-type: none"> (i) Western Power determines (in accordance with the AQP provisions) that it will not issue notices of intention to prepare preliminary access offers or access offers to any of the applicants within the CAG, or (ii) It determines that a single set of works for shared assets is no longer viable 	<p>Addition of the right for Western Power to terminate a competing applications group (CAG) if only one applicant is left in the CAG (i.e., the others have withdrawn from the CAG).</p>	<p>Western Power's proposed change to clause 24.7A provides a third reason for terminating the CAG:</p> <ul style="list-style-type: none"> (iii) If there is only one applicant remaining in the CAG because the other applicants have withdrawn their applications (or their applications have been deemed to have been withdrawn) <p>This third path to terminating the CAG is consistent with the provisions of clause 24.1(b2) and potentially provides a quicker and cheaper path to continuing engagement with the remaining applicant (via a Solution-Specific Application). Without this 'third path' to termination of the CAG, if the other applicants withdraw after the Notice of Intention to prepare a Preliminary Access Offer stage (clause 24.2), Western Power could be obliged to progress to the Preliminary Offer and the Access Offer in accordance with clause 24.</p> <p>Complementary changes are proposed to clause 3.13(a) and clause 3.13(e) to recognise that the provisions for amended connection applications apply.</p> <p>This change will provide customers with an efficient pathway to connection aligned with the objective of the policy.</p>
12	4.9 (d)	Western Power may perform a security assessment under this clause	Addition of the option for Western Power to undertake a financial and credit assessment	This will allow Western Power the flexibility to consider other factors in determining the appropriate terms and conditions of an access offer. This will result in a fit-for-purpose contract for the customer.
13	10.1(a)	Clause does not refer to the full range of ancillary services and redundancy of <i>LED replacement service</i>	Modified to include all ancillary services and to delete the <i>LED replacement service</i>	<p>Western Power has responded to requests from stakeholders and has complied with the ERA's Framework and Approach Final Decision by consolidating some reference services, modifying some existing reference services and introducing new reference services.</p> <p>Clause 10.1(a) requires modification to correctly reflect the updated ancillary reference services for AA5. However, the LED replacement service is no longer offered by Western Power.</p>

No.	Clause	Current State/Definition	Proposed change	Rationale for change
14	20.3	<p>Currently an existing user and competing applicant with an earlier priority date may object to an applicant-specific solution to satisfy a connection application on the grounds that it would impede Western Power's ability to provide covered services to the existing user or to the competing applicant.</p> <p>Up to 100 business days can be taken in accordance with cl20.3(b)-(d) to determine the validity or otherwise of the grounds for objection and up to a further 60 business days before Western Power needs to make an access offer to the new applicant (if a revised applicant-specific solution is required).</p>	<p>The first proposed change removes the right of objection from a competing applicant for whom no work has been undertaken for at least 12 months.</p> <p>The second proposed change is to reduce the time limits in each step after completion of the requested study (per cl20.3(a)).</p>	<p>The applicant requesting an applicant-specific solution currently has to wait up to approximately 7 months (160 business days) for an Access Offer from Western Power if there is an objection from an existing user or competing applicant.</p> <p>The two changes to cl20.3 are designed to reduce the maximum elapsed time from completion of the study for an applicant-specific solution (per cl20.3(a)) to when Western Power provides an access offer. This is to be achieved in two ways:</p> <ol style="list-style-type: none"> 1. Removing the right to object from inactive competing applicants <p>The grounds for objection are that the new applicant's connection will impede Western Power's ability to provide covered services (but not on the basis that the applicant-specific solution will increase constraints).</p> <p>The issue is that an objection to an applicant's application specific solution when that applicant is otherwise ready to proceed can be delayed by up 70 business days (approximately 3 months) by a competing applicant that is not ready to proceed with its application.</p> <p>The lack of readiness to proceed would be evidenced by no progress with the competing applicant's application for over 12 months, including a system or other study, the preparation of a detailed cost estimate, or other work in that time.</p> <p>The proposed period of 12 months is consistent with the definition of a dormant application however, in the case of cl20.3 (i) no exception is proposed based on the priority date as there is for a dormant application, and (ii) there is no path to withdrawal of the application as provided for in cl22.</p> <ol style="list-style-type: none"> 2. Reducing the time limits at each stage of the process by 10 business days <p>The cumulative reduction in the maximum elapsed time is 40 business days (i.e., from 160 to 120 business days), a reduction of almost 2 months. The proposed time reductions are applied to the competing applicants and to Western Power, improving the ability to process applications expeditiously and diligently.</p>