Our ref: EDM 61216563 Contact: Zahra Jabiri

15 November 2022

Mr Steve Edwell Chair **Economic Regulation Authority** Level 4, 469 Wellington Street Perth WA 6000

Dear Mr Edwell

## SUBMISSION OF REVISED PROPOSED REVISIONS TO THE ACCESS ARRANGEMENT

I am pleased to provide the Economic Regulation Authority (Authority) with Western Power's revised proposed revisions to its access arrangement for the fifth access period (revised proposal). Our revised proposal is prepared in response to the Authority's draft decision on Western Power's fifth access arrangement (draft decision) published on 9 September 2022.

Consistent with our initial proposal published on 1 February 2022, our revised proposal covers the period 1 July 2022 to 30 June 2027, as required by the Electricity Networks Access Code 2004.

Western Power proudly connects more than 2 million Western Australians to electricity for their homes, businesses and essential community infrastructure. Western Australians are embracing renewable energy technologies at one of the highest rates in Australia, driving a significant and unprecedented change in the expectations of our transmission and distribution electricity networks. This requires Western Power to continue to manage the existing network (treat ageing assets and maintain safety, reliability of our services) and enhance the climate resilience of our network, while we transform for the future.

In addition to the extensive consultation we undertook with our broad range of customers and stakeholders in the community to support our initial proposal, we have continued to engage with stakeholders to further refine our revised proposal. Customers and the community told us that they expect electricity to be there when they need it and since that feedback reliability of supply has become an increasingly larger focus for both Western Power and our customers following the outages during the heatwave last Christmas.

As outlined in our initial proposal, Western Power's strategy is to move as safely and affordably as possible to a modular grid which will improve our ability to respond to extreme weather events and connect more renewables to the network. We are pleased to note the Authority is broadly supportive of this strategic direction and the transformation initiatives outlined in our initial proposal.



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In preparing our revised proposal, we have had consideration of customer requirements, the draft decision and the emerging challenges Western Power is facing from external factors including increased cyber security risks, increased focus on reliability, the rapidly accelerated decarbonisation pathway and the changing economic environment.

Western Power considers this proposal best serves the long-term interests of consumers. This revised proposal enables us to meet our safety, reliability and efficiency obligations in connecting Western Australians to our electricity network and enabling the community to benefit from their investment in distributed energy resources.

We consider our proposed revisions comply with the requirements of the Access Code and reflects an optimum investment profile to meet the current and future expectations of customers and the community now and into the future, whilst having regard to the high inflation and high interest rate environment we are now experiencing.

The revised proposal is being delivered via an electronic portal. Portal access details have been provided to the Secretariat's staff.

We look forward to working with the Authority over the coming months to ensure a smooth determination process.

Should you wish to discuss this submission further, I invite you to contact myself or Zahra Jabiri, Head of Regulation and Investment Assurance, on

Yours sincerely

Sam Barbaro
Chief Executive Officer