



***Western Power***

# **Price Application Policy**

**Western Power Corporation**

ABN 38 362 983 875

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## 1. Interpretation

### 1.1 Definitions

“**Access Arrangement**” means the current *access arrangement* approved in respect of the *network* under the *Code*.

“**Access Code**” means the Electricity Networks Access Code 2004.

“**Act**” means the Electricity Industry Act 2004.

“**Application**” means an *access application* made under the *applications and queuing policy*.

“**Capital Contributions Policy**” means the *capital contributions policy* in the *access arrangement*.

“**CBD**” means the area in the Perth CBD in which *sites* are supplied from the Hay St, Milligan St, Forrest Ave, Wellington St and Cook St substations.

“**Care and Maintenance**” means a temporary period of reduction in consumption at a *customer’s site* for maintenance purposes.

“**CMD**”, or “**Contract Maximum Demand**”, for a *contracted point*, means the maximum rate at which a *user* is permitted to transfer electricity out of the *network* at the *contracted point*, being either:

- (a) the amount specified in the *user’s access contract* from time to time; or
- (b) if no amount is specified the *user’s access contract*, the maximum rate of electricity permitted to be transferred through the *connection assets* under the *technical rules*.

“**Contestable**” in relation to a *customer*, means a customer whose load exceeds the threshold of contestability as prescribed under Section 93 of the *Electricity Corporations Act 1994* or another enactment.

“**Contracted Point**” means a point on the *network* identified in an *access contract* as either an *exit point* or an *entry point*.

“**Contribution**” means any contribution made under the *capital contributions policy*.

“**Customer**” has the meaning given to it in section 3 of the *Act*.

“**Customer Transfer Code**” means the Electricity Industry Customer Transfer Code 2004, made under section 39(2a) of the *Act* in respect of the matter referred to in section 39(2)(b) of the *Act*, and includes all rules, policies or other subordinate documents developed under the *Customer Transfer Code*.

“**Customer Transfer Request**” means the transaction defined in the *Customer Transfer Code*.

“**Default Retailer**” in respect of an *exit point* at the time a *customer* moves out means the *retailer* with the *customer’s exit point* listed in their access contract at the time the *customer* moved out.

“**DSOC**” or “**declared sent out capacity**”, for a *contracted point*, means the maximum permitted rate at which a *user* is permitted to transfer electricity into the *network* at the *contracted point*, being either:

- (a) the amount specified in the *user’s access contract* from time to time; or

- (b) if no amount is specified the *user's access contract*, the maximum rate of electricity permitted to be transferred through the *connection assets* under the *technical rules*.

**“LV Connection”** means a *contracted point connected* to the *network* at a voltage of 415 V.

**“Meter”** means a physical measuring device that measures either the consumption or generation of electricity at a Contracted Point (demand and/or half hourly interval).

**“Meter Point”** means the point at which a meter is installed to measure the consumption or generation of electricity.

**“Meter Set”** is the point where multiple meters are summated (including the summator meter).

**“Metering Code”** means the Electricity Industry Metering Code 2005.

**“MV Connection”** means a *contracted point connected* to the *network* at a voltage between 6.6 kV and 33 kV.

**“Network”** means those parts of the *SWIS* that are owned, operated or owned and operated by the Western Power *Networks business* in respect of which an *application* is made under this *applications and queuing policy*.

**“Networks”** means Western Power Networks Business Unit or the electricity networks corporation established under the Electricity Corporations Act 2005.

**“NMI”**, or **“National Market Identifier”**, is a brand of *UMI* used by Western Power.

**“New Connection”** means a new *customer* moving into either a new or existing Premise or an existing *customer* moving to a different Premise, new or otherwise.

**“Premise”** – means premises owned or occupied by a new or existing *customer* [*Electricity Industry Act 2004*] situation of *customer* owned asset being metered.

**“Price list”** means the *price list* in the *access arrangement*.

**“Retailer”** has the meaning given to it in the *Customer Transfer Code*.

**“Site”** means a single lot, as defined by the Department of Land Information.

**“Transmission HV Connection”** means a *contracted point connected* to the *network* at a voltage of 66 kV or above.

**“UMI”** or **“Unique Market Identifier”** means the unique identifier assigned to the meter at a *contracted point*.

## 1.2 Access Code definitions apply

Unless the contrary intention is apparent, a term with a defined meaning in the *Access Code* has the same meaning in this *price application policy*.

## 1.3 Interpretation

Unless the contrary intention is apparent:

- (i) a rule of interpretation in the *Access Code*; and

- (ii) the Interpretation Act 1984,  
apply to the interpretation of this *price application policy*.

## **2. National Market Identifiers (NMIs)**

### **2.1 NMI allocations**

NMIs are allocated to each *entry* and *exit point* as per the document entitled *NMI Allocation Procedure for the Western Australia Electricity Market*.

## **3. Network Tariff Nominations**

### **3.1 Suitability of meter types for network tariff nominations**

A *customer's* meter needs to support the nominated network tariff. For example, the Time of Use network tariff cannot be supported by a meter that can only aggregate consumption and therefore cannot be nominated for a *customer* with this type of meter installation.

### **3.2 Transmission exit points (less than 66 kV)**

The distribution component of a network tariff (including the administration charge) does not apply to transmission *exit points* connected to the *network* at a voltage of less than 66 kV (for example, *customers* directly connected to a zone substation). This applies to both the standard and transition network tariffs. Metering charges will be applied.

### **3.3 Migration from transitional tariffs**

An *exit point* that has moved from the transitional tariff to a nominated standard tariff cannot revert back to the transitional tariff. Transitional tariffs are only available to *customers* who were *contestable* before 1 July 2001.

### **3.4 Network tariff consumption ceilings**

Where a Metered Demand network tariff has been nominated and the maximum demand has exceeded 1500 kVA in three or more billing periods over a 12-month period, the *retailer* must make an *application* under the *applications and queuing policy* to migrate the *exit point* to a CMD network tariff

There is currently no consumption ceiling for the Time of Use Energy Large and Anytime Energy Large network tariffs.

### **3.5 Application of rolling peak demand for *customers* on Metered Demand network tariff**

The rolling peak demand for *customers* on a Metered Demand network tariff, who are the subject of a customer transfer request, will be continuous, not reset, on the date of the transfer between *retailers*.

### **3.6 Tariff nominations for *customers* on care and maintenance**

Existing CMD network tariff *customers* who have gone to *care and maintenance* are eligible to go to a lower value network tariff and booking, but must accept the possibility of losing the unbooked network capacity to other *customers*.

### 3.7 Notice period for tariff nomination changes

Where there is no change in a *customer's load*, 20 business days written notice is required to nominate a change in network tariff for that *customer* to allow for administration and billing changes. *Networks* will provide receipt of written notice within 2 working days and then a decision on nomination at the end of a further 18 working days. Any tariff change will take effect in the billing period subsequent to the date of application or at a later date as agreed.

### 3.8 Frequency of tariff nomination changes

A change in network tariff can be made only once every financial year. The *retailer* shall ensure that the nominated network tariff is best suited to their *customer*.

## 4. Network Tariff Nomination for a New Connection

A network tariff nomination for a *new connection* must be made as a part of the *application* submitted by the retailer. If no network tariff has been nominated for the *new connection*:

- (a) in the case of a new or existing *customer* at a new *premise*, the meter will only be installed and connection finalised after a network tariff nomination is made; or
- (b) in the case of a new *customer* at an existing *premise* or an existing *customer* moving to a different existing *premise*, the network tariff will default to Anytime Energy up to the beginning of the billing period in which the network nomination is made.

## 5. Access Charges for Exit Points Between Customer Occupancies

With the exception of the CMD network tariff, the fixed charge of a network tariff applies during the vacancy period of an *exit point*, between *customer* occupancies. This is applicable to the *default retailer* until the next *new connection* for that *exit point*, where:

- (a) the *exit point* remains on the *default retailer's access contract* and the full, nominated network tariff applies from the date of the *new connection*; or
- (b) the *exit point* is transferred to another *retailer* via a *customer transfer request*, and is deleted from the *default retailer's access contract*.

Where a CMD network tariff is applicable to an *exit point* before a *customer* moves out, the *exit point* is removed from the *default retailer's access contract*, and no further access charges will be applied. The standard rules of *CMD* nomination apply in these cases.

## 6. Contract maximum demand and declared sent out capacity nominations

### 6.1 Confirm sufficient *network* capacity

Where a *customer* is seeking to increase their *CMD*, the *retailer* must confirm with *Networks* via an *application* that sufficient *network* capacity is available or augmentation is completed before a request for an increase in *CMD* nomination is accepted.

#### 6.2 Notice Period for Changes in *CMD* or *DSOC*

For changes in *CMD*, written notice to *Networks* is required at least 30 business days before the effective date of the *CMD* increase or decrease. If further time is required for processing a *CMD* increase requiring *network* augmentation, *Networks* will provide information regarding the length of processing time.

Written notice is required 30 business days for changes in *DSOC*. The 30 business days cater for the possible need to undertake planning studies to assess the change in *DSOC*. Again, if further time is required for process a *DSOC* increase requiring *network* augmentation, *Networks* will provide information regarding the length of processing time.

#### 6.3 Frequency of changes in *CMD* or *DSOC*

Only one change in *CMD* or *DSOC* can be made each financial year per *customer*. *Networks* may agree, at its discretion, to a change in *CMD* or *DSOC* made more than once each financial year in special circumstances, excluding seasonal variations.

In the case where the *CMD* is reduced, if another *customer* wants to immediately use the spare *network* capacity, then the *customer* with the reduced *CMD* shall be given 1st option to make a booking for that firm *network* capacity via their *retailer*.

#### 6.4 Capacity to supply *CMD* or *DSOC*

Where the *retailer* requests a *CMD* on a *customer's* behalf, and that *CMD* exceeds the capacity of the feeder supplying this *customer*, the *contribution* for the system upgrades to meet the *CMD* will be assessed on an individual case by case basis in accordance with the *capital contributions policy*.

Likewise, where the *retailer* requests a *DSOC*, and that *DSOC* exceeds the capacity of the *network*, the cost of system upgrades to meet the *DSOC* will be assessed on an individual case by case basis in accordance with the *capital contributions policy*.

### 7. Excess Demand Charges

Excess Network Usage Charges will be applied to *retailers* for those *customers* who exceed their nominated *CMD* or *DSOC*. In general, a *customer's* maximum demand should not frequently exceed the nominated *CMD* or *DSOC* over more than three months. If this is the case, then the *retailer* and/or *customer* shall take all reasonable measures to nominate a new *CMD* appropriate for the long-term increase in the *customer's* maximum demand.

### 8. Loss Factors

Loss factors applicable to various network tariffs are described in *price list*.



## 9. Contributions

### 9.1 Contributions general

*Contributions* will be calculated in accordance with the *Capital Contribution Policy*.

### 9.2 Obligations of the *customer*

Where a *customer* has paid a *contribution* for a future load increase, they must nominate and continue to pay for a corresponding *CMD* at the same time. Otherwise, the *customer* accepts the possibility of the additional network capacity being used by other *customers*.

### 9.3 Capital contribution credits

Pre 1 July 2001 contestable *customers* who made a *contribution* towards the cost of *network* augmentation (prior to 1 July 2001) may be eligible for a credit against their network access charges. Either the *customer* or the *retailer* can make enquiries regarding possible capital contribution credits.

## 10. Backup Capacity

### 10.1 Definition and application of Firm Backup Capacity

Firm Backup Capacity ("FBC") is defined as capacity that is reserved for a particular *customer* and is accessible by that *customer* at all times, either automatically or by manual switching. FBC is nominated by a *customer* via its *retailer* and is reserved for that particular *customer* for as long as the *customer* is willing to continue to pay for the capacity.

### 10.2 Treatment of Firm Backup Capacity from the same substation as normal supply.

The supply that provides the FBC is treated as a different supply point to the normal supply feeder. However, multiple sets of distribution charges apply since, in this case, only distribution assets are being utilised for backup. No additional transmission related charges apply.

- (a) The normal supply and the backup supply must be separately metered.
- (b) Only a CMD tariff can be applied to the backup supply, however any tariff can be applied to the normal supply.
- (c) Separate metering charges will apply to each meter point.
- (d) Excess Network Usage is also applied separately to the normal supply and the backup supply.
- (e) The Demand Length is calculated for the FBC feeder supply.
- (f) No administration charges apply to the FBC.
- (g) LV and HV connections are treated the same.

### 10.3 Treatment of Firm Backup Capacity from different substation as the normal supply

Same rules as above, however Transmission charges apply and the prices for each particular substation will also be applied.

### 10.4 Treatment of Firm Backup Capacity where normal supply is from a generator

Same rules as 9.2, however Transmission charges apply and the prices for the backup supply substation will also be applied.

## **11. Application of Discount on Transmission Common Service Charge**

For Transmission or Transition Network Tariffs, a 75% discount on the transmission common service charge applies when the backup supply is used with a load factor of 15% or less (load factor assessed over a 12 month period).

For a bundled Transmission Network Tariff, a 25% discount is applied to the total transmission charge.

## **12. Multiple Points of Supply**

### **12.1 Multiple points of supply from the same substation**

If the *customer's* load is below 3 MVA the multiple points of supply are treated as a single point of supply for purposes of account billing. These *customers* are only eligible for CMD network tariffs. For *customers* with *CMD* greater than or equal to 3 MVA the load is divided equally over the number of points of supply. Meter charges apply to each *meter set* (excludes check and summator meters), and demand length charges are calculated per feeder using the distance applicable to the feeder. LV fixed and variable charges apply to all points. However, Excess Network Usage applies to the net demand (*CMD*) and to transmission use of system and distribution use of system charges for the whole site. Also, only one administration charge is applied to the site. HV and LV connections are treated the same.

Note: Due to the network operating conditions of the *CBD*, *CBD customers* with multiple points of supply shall be treated as if they have a single point of supply.

### **12.2 Multiple points of supply from different substations**

Same rules as above, however prices for each particular substation will apply.

## **13. Metering**

### **13.1 Meter requirements**

Contestable *customers* moving off a gazetted Western Power Retail tariff to supply from another *retailer* are currently required to have electronic meters with half hourly load data recording capability for energy settlement purposes. If an existing meter does not comply with this requirement, then the cost of upgrading the meter, including remote communication equipment, will be charged to the *retailer*.

### **13.2 Additional meter reading charges**

Additional individual meter read charges will be applied where the estimated meter read costs exceed the amount allocated in the monthly account service fee.

### **13.3 Metering Code**

All other metering provisions are contained in the *Metering Code*.

**14. Retailer Access to Customer Metering and Standing Data Information**

The 'request for historical consumption data' and/or the 'request for standing data' forms are available on Western Power's web page. Retailers must complete the form and submit to Networks for individual *customer* half hourly metering and standing data. The data will be provided as per the Customer Transfer Code.