



PUBLICATION

Western Power's Proposed Revised Access Arrangement for the Western Power Network

FURTHER FINAL DECISION

The Economic Regulation Authority today issued its further final decision on Western Power's amended proposed access arrangement revisions for the Western Power Network.

The Authority's further final decision is to approve Western Power's amended proposed revisions. Reasons for the Authority's decision are set out in the [further final decision](#) document.

In accordance with section 4.26 of the *Electricity Networks Access Code 2004*, the Authority has determined that the amended access arrangement will be effective from 1 February 2013.

Price List for 2012/13

As part of the further final decision, the Authority has approved a price list for 2012/13, which will be effective from 1 February 2013. The price list is available on the Authority's website. The current price list, which this replaces, has not changed since 1 July 2011.

The revenue cap for the first year of the third access arrangement period applies from 1 July 2012. However, as the price list will not come into effect until 1 February 2013, the increase in target revenue is recovered over the five months from February to June 2013. The average change in tariffs on an annualised basis, including CPI, is 3.7 per cent. The increase in charges for 2012/13 is higher than forecast at the time of the Final Decision as it incorporates an adjustment due to an under-recovery of revenue in 2011/12 by Western Power. Charges for individual customers will vary dependent on the type of tariff and usage which applies to that customer.

Based on Western Power's 2012/13 price list information, the Authority estimates that the average amount Western Power charges for residential customers during 2012/13 compared with the previous financial year will increase by \$31 to \$634¹.

Average charges for the remainder of the third access arrangement period (i.e. 2013/14 to 2016/17) are forecast to increase broadly in line with CPI based on the demand assumptions submitted by Western Power in its access arrangement proposal. As Western Power operates under a revenue cap, the impact on charges may be affected if actual demand differs significantly from forecast.

It remains for the Western Australian Government to determine whether these increases will directly affect retail electricity prices for residential and small business customers. The Authority would support these increases being passed through to retail tariffs to better facilitate the transition to cost reflective tariffs.

¹ Based on RT1 Excluding GST

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