



Western Australia

Economic Regulation Authority

TECHNICAL RULES COMMITTEE

TERMS OF REFERENCE

This Terms of Reference provides guidance to the Technical Rules Committee (**Committee**), established pursuant to chapter 12 of the *Electricity Networks Access Code 2004* (**Access Code**) for the parts of the South West Interconnected System (**SWIS**) owned by Western Power Corporation (**Western Power**).

Technical Rules consist of the standards, procedures and planning criteria governing the construction and operation of an electricity network, and deal with all the matters listed in Appendix 6 of the Access Code. The objectives for Technical Rules are set out in section 12.1 of the Access Code.

- Section 12.6(a) of the Access Code requires the Service Provider of a covered network to submit proposed Technical Rules for that network at the time it submits a proposed Access Arrangement
- Section 12.11 of the Access Code provides the Economic Regulation Authority (**Authority**) with the power to approve the proposed Technical Rules. The assessment process for the Technical Rules, to the extent possible, is to be conducted concurrent with the assessment process for a proposed Access Arrangement by the Authority.
- Section 12.17 requires the Authority to establish a Committee for the first Technical Rules for a covered network which is part of an interconnected system, to provide specialist knowledge and advice to assist the Authority in the performance of its technical regulatory functions.
- Section 12.28 of the Access Code requires the Authority to have regard to advice provided by the Committee in deciding whether to approve proposed Technical Rules for a network.

As the Western Power network in the SWIS is interconnected with another network, namely Southern Cross Energy's 132kV transmission network between Boulder and Kambalda, Western Power is required to have Technical Rules for its network within the SWIS. The Authority is obligated to establish a Committee to provide advice on the first Technical Rules proposed for Western Power's network within the SWIS.

Section 12.27(a) of the Access Code allows for the Authority to provide directions to a Committee in relation to the procedures it must follow, and the manner in which it must perform its functions. Accordingly, the following represents the Terms of Reference for the Committee established pursuant to chapter 12 of the Access Code for the parts of the SWIS owned by Western Power.

This Terms of Reference is to be read subject to the provisions of the Access Code.

1. Purpose of the Committee

- (a) The Committee is established for the purpose of providing specialist knowledge and advising the Authority on the approval of proposed Technical Rules relating to the parts of the SWIS owned by Western Power.
- (b) The Committee:
 - (i) may develop model Technical Rules;
 - (ii) must advise the Authority on the approval of proposed Technical Rules;
 - (iii) must, when requested by the Authority, advise the Authority on any matter connected with Technical Rules; and
 - (iv) must, when requested by the Authority, conduct a review of the operation of:
 - a. Technical Rules or a part of Technical Rules; or
 - b. chapter 12 of the Access Code, or a part of chapter 12,and advise the Authority on the outcome of the review. [cf. s.12.23]
- (c) The Committee is to provide the Authority with a preliminary report and final report on the proposed Technical Rules, in accordance with the reporting timeframe outlined in clause 7 of this Terms of Reference.

2. Commencement of the Committee

- (a) The Committee is established under section 12.17(a) of the Access Code and by this Terms of Reference.
- (b) The Committee shall be convened by way of written invitation from the Authority or its delegate.
- (c) The Committee shall meet as frequently as the Chair, or the Authority or its delegate, determines.

3. Membership of the Committee

- (a) Upon commencement, the members of the Committee are:
 - (i) a representative of Western Power (the service provider);
 - (ii) persons representing other service providers of networks interconnected with Western Power's network within the SWIS, comprising:
 - a. a representative of Southern Cross Energy; and
 - b. a representative of International Power Mitsui Consortium (Kwinana Cogeneration Plant);

[clause 3(a)(ii) revised 19 April 2005]

- (iii) persons representing users of the network, comprising:
 - a. a representative of Alinta Limited;
 - b. a representative of Perth Energy Pty Ltd;
 - c. a representative of Tiwest Pty Ltd;
 - d. a representative of Wesfarmers Energy Limited; and
 - (iv) a representative of the Coordinator of Energy. [*cf. s.12.19(a)(i)*]
- (b) The representative of the Coordinator of Energy will Chair the Committee. [*cf. s.12.20*]
- (c) The Committee may, if considered necessary, recommend to the Authority the appointment of any other person as a representative of users of the network, or any other person that the Committee considers appropriate. This clause does not limit the Authority in appointing any other party to the Committee.
- (d) The Authority may appoint a representative to observe any aspect of the operation of the Committee, including attending meetings of the Committee. [*cf. s.12.30*]
 - (i) The representative of the Authority must not participate in any decision making process of the Committee. [*cf. s.12.31*]

4. Duration of Membership

- (a) The Authority will review the Committee's membership, operation and procedures (including the continuation of the Committee) after the first Technical Rules have been approved.
- (b) The Authority may, by writing to members of the Committee, dissolve the Committee after the first Technical Rules have been approved. [*cf. s.12.27(b)*]

5. Funding and Resources of the Committee

- (a) Each member organisation shall be responsible for their individual participation costs on the Committee.
- (b) The Chair is responsible for providing secretariat services to the Committee, including minuting the activities of the Committee.

6. Meeting Governance

- (a) A quorum shall comprise:
 - (i) the member representing the Coordinator of Energy (Chair);
 - (ii) the member representing Western Power (the service provider);
 - (iii) the members representing Southern Cross Energy and International Power Mitsui Consortium (Kwinana Cogeneration Plant) (the other service providers

of networks interconnected with Western Power's network within the SWIS);
and

[clause 6(a)(iii) revised 19 April 2005]

- (iv) at least one member representing users of the networks.
- (b) The Committee's recommendations to the Authority are to be formulated on the basis of consensus.
 - (i) In the event of deadlock the Chair of the Committee must advise the Authority of the details of the deadlock and the position held by each member of the Committee on the matter the subject of the deadlock. [cf. s.12.25]
 - (ii) The Authority must form a view on the matter the subject of the deadlock and advise the Committee of its view. The Committee is required to proceed on the basis of the view advised to it. [cf. s.12.36]
- (c) Apart from that which is provided for within the Access Code, this Terms of Reference or any other direction provided by the Authority under section 12.27(a) of the Access Code, the Committee is to determine the policies of, control the affairs of, and otherwise perform the functions of, the Committee.

7. Reporting

- (a) Any communication to the Authority from the Committee must be provided to the Authority by the Chair and not by any other member. [cf. s.12.21]
 - (i) This does not preclude a person who is a member of the Committee from making submissions to the Authority in relation to proposed Technical Rules in any capacity other than as a member of the Committee. [cf. s.12.22]
- (b) The Committee is required to provide a preliminary report on the proposed Technical Rules to the Authority within 20 business days of the last day by which the Authority is required to make its draft decision on the Access Arrangement under section 4.12 of the Access Code. [cf. s.12.11(b)(i)]
- (c) The Committee is required to provide a final report on the proposed Technical Rules to the Authority within 30 business days of the last day by which the Authority is required to make its final decision on the Access Arrangement under section 4.17 of the Access Code. [cf. s.12.11(b)(ii)]

8. Procedures for undertaking review of the operation of Technical Rules and/or chapter 12 of the Access Code

- (a) If requested by the Authority the Committee must conduct a review of the operation of the Technical Rules (or part thereof) or chapter 12 of the Access Code (or part thereof), and advise the Authority of the outcome of the review, including any recommendations for amendment of the Technical Rules and/or chapter 12 of the Access Code. [cf. s.12.23(d)]

- (b) The purpose of any such review is to determine whether the Technical Rules and/or chapter 12 of the Access Code continue to efficiently and effectively deliver the objectives of the Committee, the Technical Rules and/or the Access Code.
- (c) Following a request from the Authority, the Committee must undertake a review that is consistent with the timeframes and objectives set out within the Access Code.
- (d) This clause does not limit the Authority in the performance of its review role under sections 12.56, 12.57 and 12.58 of the Access Code.

9. Procedures for recommending an amendment to Technical Rules

- (a) In addition to clause 8 above, the Committee, through the Chair, may recommend to the Authority an amendment to the Technical Rules at any time. [cf. s.12.50]
- (b) The Authority is to consider any such proposed amendment in accordance with the procedures set out in sections 12.50, 12.51, 12.52, 12.53 and 12.54 of the Access Code.
- (c) This clause does not limit the Authority in the performance of its Technical Rules amendment functions under the aforementioned sections of the Access Code.

10. Jurisdictional consistency

- (a) The Committee shall keep informed of developments in other Australian states with respect to technical standards, procedures and planning criteria governing the construction and operation of an electricity network.
- (b) The Committee will, when appropriate, liaise with other relevant Australian state organisations responsible for technical matters in order to achieve a national consistency of approach, wherever practicable, taking into account the circumstances of Western Australia.

Notes:

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| 17 January 2005: | Terms of Reference issued |
| 19 April 2005: | First revision [<i>clauses 3(a)(ii) and 6(a)(iii) amended</i>] |