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Economic Regulation Authority (ERA)
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SUBMISSION TO ERA ON Western Power 330 kV Mid West Augmentation

Invitation for Submissions –

Dear Mr. Pullella,

Energy Visions appreciates the opportunity to enclose our submission to the ERA on the above. We fully support Western Power's proposal to build a new 330 kV line from Pinjar to Geraldton:

1. Need for the Project

This new transmission line is absolutely essential to support the further development of a sustainable energy supply in Western Australia, because it forms the backbone on which planned and proposed wind farms (and other renewables) in the Mid West can be accommodated, ie. on further 132 kV spur lines, such as the proposed 132 kV Chapman to Northampton transmission line that is vital to build our approved 104 MW Coronation Wind Farm at Coronation Beach Road.

Western Power's initial response of 20 November 2007 to our connection application states: "No further generation can be accommodated in the North Country Region without major network reinforcement."

The Mid West transmission line augmentation is needed to transport the electricity from the wind farms (geographically disbursed along this line) to the metropolitan load centre in Perth.

2. 1 GW Supply Capacity

We strongly recommend that Western Power's current proposal be varied by increasing supply capacity. A backbone power line with at least a 1,000 MW (1 GW) carrying capacity is required to fully unlock the potential of the Mid West as WA's wind energy region.

Such increase in capacity would have several advantages. Firstly, the transmission line losses would be significantly reduced, reducing the greenhouse intensity of the electricity delivered.

Secondly, from a long term planning perspective there are both economic and environmental benefits for having a higher capacity transmission line. In an area such as the Mid West with projected rapid growth in electricity demand (load) and generation it could be false economy to install insufficient capacity to meet longer term projected growth in demand and generation. At a minimum transmission solution we support Option 6 <u>500 kV towers with</u> <u>double circuit 330 kV line</u> considered by Western Power (its Notice of 22 Mar 2007 refers).



3. 20% Renewable Energy Target

From a climate change view, the limits to renewable energy targets will in effect be electricity network infrastructure capacity targets. Renewable energy targets of 20% are proposed and inevitable (Labor's election promise, WA Premier's statement 5 Feb 2007, The Greens' Western Australian Renewable Energy Target Bill, Water Corporation's carbon neutrality target, and possible higher internationally - external - binding targets). The constraints will be network capacity.

In the longer term it may be necessary to provide 100% of our electricity requirement from renewable resources. This is a possibility. WA has the renewable energy resources to achieve this and currently lacks transmission network infrastructure to support investments in new renewable energy projects.

4. Priority Access for Renewables

Given that we are in the middle of climate change, we believe that a decision purely based on economic grounds is insufficient and that higher societal goals such as sustainability and emissions reductions potential need to be considered before economics. Hence it is unacceptable that under current policies network capacity can be granted to fossil-fuel fired generation that has potential to block network carrying capacity available for new renewable energy generation.

A clear distinction between generation sources and their impacts on society (i.e. external costs of power generation to society: wind energy is the least impacting form of generation and coal is the environmentally most aggressive and polluting source of power) as a mechanism to getting access is lacking in WA's current *Applications and Queuing Policy* which would need to be amended to include priority access for renewables before fossil-fuel fired power stations.

Western Power's proposal is an opportunity for the State of Western Australia to demonstrate leadership in sustainability and that the Government is serious about addressing climate change. We strongly recommend that Western Power's proposal be adopted by the ERA.

It is acknowledged that this submission is a public document.

Trusting this is of assistance we look forward to your response.

Yours faithfully,

Raoul Abrutat General Manager

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